
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 6-K

Report of Foreign Private Issuer
Pursuant to Rule 13a-16 or 15d-16
under the Securities Exchange Act of 1934

For the month of: December 2018 (Report No. 3)

Commission file number: 001-38094

FORESIGHT AUTONOMOUS HOLDINGS LTD.
(Translation of registrant's name into English)

7 Golda Meir
Ness Ziona 7414001 Israel
(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.

Form 20-F ☒ Form 40-F ☐

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulations S-T Rule 101(b)(1): _____

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulations S-T Rule 101(b)(7): _____

CONTENTS

Attached hereto and incorporated by reference herein is the (i) Registrant's Notice of Meeting, Proxy Statement and Proxy Card for the Extraordinary General Meeting of Shareholders to be held on January 28, 2019 (the "**Meeting**"), and (ii) voting instruction form which will be sent to holders of American Depositary Shares by The Bank of New York Mellon.

Only shareholders of record who hold Ordinary Shares of the Registrant, or American Depositary Shares representing Ordinary Shares of the Registrant, at the close of business on December 24, 2018, will be entitled to vote at the Meeting and any postponement or adjournments thereof.

<u>Exhibit No.</u>	<u>Description</u>
99.1	<u>Notice of Meeting, Proxy Statement and Proxy Card for the Extraordinary General Meeting of Shareholders to be held on January 28, 2019.</u>
99.2	<u>Voting Instruction Form for Holders of American Depositary Shares.</u>

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Foresight Autonomous Holdings Ltd.
(Registrant)

By /s/ Eli Yoresh
Name: Eli Yoresh
Title: Chief Financial Officer

Date: December 21, 2018



FORESIGHT AUTONOMOUS HOLDINGS LTD.

NOTICE OF EXTRAORDINARY GENERAL MEETING OF SHAREHOLDERS

Notice is hereby given that an Extraordinary General Meeting (the “**Meeting**”) of Shareholders of Foresight Autonomous Holdings Ltd. (the “**Company**”) will be held at the Company’s offices, at 7 Golda Meir Str., Ness Ziona, Israel, on January 28, 2019, at 3:00 p.m. Israel time.

The Company is a Dual Company, as such term is defined in the Israeli Companies Regulations (Relief for Public Companies Traded on Stock Markets Outside of Israel), 4760 – 2000.

The agenda of the Meeting:

1. To approve an amended and restated compensation policy for Company’s officers.
2. To approve an extension of Mr. Haim Siboni’s engagement as the Company’s Chief Executive Officer.
3. To approve terms of service of Mrs. Sivan Siboni Scherf, the Company’s VP Human Resources Officer and a daughter of our controlling shareholder.
4. To approve a new development services agreement between Foresight Automotive Ltd., the Company’s wholly owned subsidiary, and Magna B.S.P Ltd. (“**Magna**”).

The Board of Directors recommends that you vote in favor of all the proposals, which are described in the attached Proxy Statement.

Shareholders of record at the close of business on December 24, 2018 (the “**Record Date**”), are entitled to notice of and to vote at the Meeting, either in person or by appointing a proxy to vote in their stead at the Meeting (as detailed below).

A form of proxy for use at the Meeting is attached to the Proxy Statement, and a voting instruction form, together with a return envelope, will be sent to holders of American Depositary Shares representing the Company’s Ordinary Shares (“**ADS**”). By appointing “proxies,” shareholders and ADS holders may vote at the Meeting whether or not they attend. If a properly executed proxy in the attached form is received by the Company at least 4 hours prior to the Meeting, all of the ordinary shares, without par value, of the Company (the “**Ordinary Shares**”) represented by the proxy shall be voted as indicated on the form. ADS holders should return their voting instruction form by the date set forth therein. Subject to applicable law and the rules of the Nasdaq Stock Market, in the absence of instructions, the Ordinary Shares represented by properly executed and received proxies will be voted “FOR” all of the proposed resolutions to be presented at the Meeting for which the Board of Directors recommends a “FOR”. Shareholders and ADS holders may revoke their proxies or voting instruction form (as applicable) at any time before the deadline for receipt of proxies or voting instruction form (as applicable) by filing with the Company (in the case of holders of Ordinary Shares) or with the Bank of New York Mellon (in the case of holders of ADSs) a written notice of revocation or duly executed proxy or voting instruction form (as applicable) bearing a later date.

Shareholders registered in the Company’s shareholders register in Israel and shareholders who hold Ordinary Shares through members of the Tel Aviv Stock Exchange may also vote through the attached proxy by completing, dating, signing and mailing the proxy to the Company’s offices no later than January 28, 2019, at 11:00 a.m. Israel time. Shareholders registered in the Company’s shareholders register in Israel and shareholders who hold Ordinary Shares through members of the Tel-Aviv Stock Exchange who vote their Ordinary Shares by proxy must also provide the Company with a copy of their identity card, passport or certification of incorporation, as the case may be. Shareholders who hold shares through members of the Tel Aviv Stock Exchange and intend to vote their Ordinary Shares either in person or by proxy must deliver the Company, no later than January 28, 2019, at 11:00 a.m. Israel time, an ownership certificate confirming their ownership of the Company’s Ordinary Shares on the Record Date, which certificate must be approved by a recognized financial institution, as required by the Israeli Companies Regulations (Proof of Ownership of Shares for Voting at General Meeting), 4760 – 2000, as amended. Alternatively, shareholders who hold Ordinary Shares through members of the Tel Aviv Stock Exchange may vote electronically via the electronic voting system of the Israel Securities Authority up to six hours before the time fixed for the Meeting. You should receive instructions about electronic voting from the Tel Aviv Stock Exchange member through which you hold your Ordinary Shares.

ADS holders should return their proxies by the date set forth on their form of proxy.

If you are a beneficial owner of shares registered in the name of a member of the Tel Aviv Stock Exchange and you wish to vote, either by appointing a proxy, or in person by attending the Meeting, you must deliver to the Company a proof of ownership in accordance with the Companies Law and the Israeli Companies Regulations (Proof of Ownership of Shares for Voting at General Meetings), 4760 - 2000. Detailed voting instructions are provided in the Proxy Statement.

Sincerely,

Michael Gally
Chairman of the Board of Directors

December 21, 2018



FORESIGHT AUTONOMOUS HOLDINGS LTD.
NESS-ZIONA, ISRAEL

PROXY STATEMENT

EXTRAORDINARY GENERAL MEETING OF SHAREHOLDERS
JANUARY 28, 2019

The enclosed proxy is being solicited by the board of directors (the **"Board of Directors"**) of Foresight Autonomous Holdings Ltd. (the **"Company"**) for use at the Company's extraordinary general meeting of shareholders (the **"Meeting"**) to be held on Monday, January 28, 2019, at 3:00 p.m. Israel time, or at any adjournment or postponement thereof. Upon the receipt of a properly executed proxy in the form enclosed, the persons named as proxies therein will vote the ordinary shares, without par value, of the Company (the **"Ordinary Shares"**) covered thereby in accordance with the directions of the shareholders executing the proxy. In the absence of such directions, and except as otherwise mentioned in this proxy statement, the Ordinary Shares represented thereby will be voted in favor of each of the proposals described in this proxy statement.

Two or more shareholders present, personally or by proxy, holding not less than one third of the Company's outstanding Ordinary Shares, shall constitute a quorum for the Meeting. If within half an hour from the time the Meeting is convened a quorum is not present, the Meeting shall stand adjourned until Monday, February 4, 2019, at 3:00 p.m. Israel time. If a quorum is not present at the second meeting within half an hour from the time appointed for such meeting, any number of shareholders present personally or by proxy shall be deemed a quorum, and shall be entitled to deliberate and to resolve in respect of the matters for which the Meeting was convened. Abstentions and broker non-votes are counted as Ordinary Shares present for the purpose of determining a quorum.

Pursuant to the Israeli Companies Law, 5799-1999 (the **"Companies Law"**), Proposal No. 1 described hereinafter requires the affirmative vote of the Company's shareholders holding at least a majority of the Company's Ordinary Shares present, in person or by proxy, and voting on the matter, provided that either (i) such a majority includes at least the majority of the votes of shareholders who (a) are not controlling shareholders of the Company and (b) do not have personal interest in the approval of the Company's compensation policy (abstentions will not be taken into account); or (ii) the total number of votes against such proposal among the shareholders mentioned in clause (i) above does not exceed two percent (2%) of the total voting rights in the Company (the **"Compensation Policy Majority"**).

Pursuant to the Companies Law, each of the Proposals No. 2 through 4 described hereinafter requires the affirmative vote of the Company's shareholders holding at least a majority of the Company's Ordinary Shares present, in person or by proxy, and voting on the matter, provided that either (i) such a majority includes at least the majority of the votes of shareholders who do not have personal interest in the approval of the transaction (abstentions will not be taken into account); or (ii) the total number of votes against such proposal among the shareholders mentioned in clause (i) above does not exceed two percent (2%) of the total voting rights in the Company (the **"Special Majority"**).

For this purpose, "personal interest" is defined under the Companies Law as: (1) a shareholder's personal interest in the approval of an act or a transaction of the Company, including (i) the personal interest of any of his or her relatives (which includes for these purposes foregoing shareholder's spouse, siblings, parents, grandparents, descendants, and spouse's descendants, siblings, and parents, and the spouse of any of the foregoing); (ii) a personal interest of a corporation in which a shareholder or any of his/her aforementioned relatives serve as a director or the chief executive officer, owns at least 5% of its issued share capital or its voting rights or has the right to appoint a director or chief executive officer; and (iii) a personal interest of an individual voting via a power of attorney given by a third party (even if the empowering shareholder has no personal interest), and the vote of an attorney-in-fact shall be considered a personal interest vote if the empowering shareholder has a personal interest, and all with no regard as to whether the attorney-in-fact has voting discretion or not, but (2) excludes a personal interest arising solely from the fact of holding shares in the Company.

For this purpose, a “controlling shareholder” is any shareholder that has the ability to direct the Company’s activities (other than by means of being a director or office holder of the Company). A person is presumed to be a controlling shareholder if he or she holds or controls, by himself or together with others, one half or more of any one of the “means of control” of a company; in the context of a transaction with an interested party, a shareholder who holds 25% or more of the voting rights in the company if no other shareholder holds more than 50% of the voting rights in the company, is also presumed to be a controlling shareholder. “Means of control” is defined as any one of the following: (i) the right to vote at a general meeting of a company, or (ii) the right to appoint directors of a company or its chief executive officer.

Shareholders or ADS holders wishing to express their position on an agenda item for this Meeting may do so by submitting a written statement (a “**Position Statement**”) to the Company’s offices, c/o Mr. Eli Yoresh, at 7 Golda Meir Str., Ness Ziona, Israel. Any Position Statement received will be furnished to the Securities and Exchange Commission (the “**Commission**”) on Form 6-K, and will be made available to the public on the Commission’s website at www.sec.gov and in addition at www.magna.isa.gov.il or maya.tase.co.il. Position Statements should be submitted to the Company no later than Friday, January 18, 2019. A shareholder is entitled to contact the Company directly and receive the text of the proxy card and any Position Statement.

PROPOSAL 1

APPROVAL OF THE AMENDED AND RESTATED COMPENSATION POLICY FOR COMPANY’S OFFICERS

Pursuant to the Companies Law, all public Israeli companies, including Dual Companies, such as the Company, are required to adopt a written compensation policy for their executives, which addresses certain items prescribed by the Companies Law and serves as a flexible framework for executive and director compensation. The Company’s compensation policy in place is being reviewed from time to time by the Audit and Compensation Committee of the Board of Directors (the “**Audit and Compensation Committee**”) and the Board of Directors, and submitted to the approval of the Company’s shareholders in accordance with the Companies Law (the current compensation policy of the Company, as approved by the Company’s shareholders on July 17, 2017 – the “**Current Compensation Policy**”). On November 12, 2018 and November 14, 2018, the Audit and Compensation Committee and the Board of Directors, respectively, reviewed in depth the terms of our Current Compensation Policy, approved, and recommended the shareholders to approve, that our Current Compensation Policy would be amended and restated as reflected in **Exhibit A** hereto (the “**Amended and Restated Compensation Policy**”).

The purpose of the proposed amendment is to update the Company’s compensation policy to meet the changing business environment where the Company operates and the compensation needs of its directors and officers, and reflect amendments that are required in light of the experience gained in the implementation of the Current Compensation Policy, as well as changes in the applicable law and changes in common practice among similar companies.

When considering the Amended and Restated Compensation Policy, our Audit and Compensation Committee and Board of Directors considered numerous factors, including the advancement of the Company's objectives, the Company's business plan and its long-term strategy, and creation of appropriate incentives for directors and executive officers. The Audit and Compensation Committee and the Board of Directors also considered, among other things, the Company's risk management, size and the nature of its operations, and reviewed various data and information they deemed relevant.

The proposed Amended and Restated Compensation Policy is designed to promote retention and motivation of directors and executive officers, incentivize superior individuals' excellence, align the interests of the Company's directors and executive officers with the long-term performance of the Company and provide a risk management tool. To that end, a portion of an executive officer compensation package is targeted to reflect the Company's short and long-term goals, as well as the executive officer's individual performance, while taking into account each executive's skills, education, expertise and achievements. The Amended and Restated Compensation Policy includes limitations on the ratio between the variable and the total compensation of an executive officer and minimum vesting periods for equity-based compensation.

Pursuant to the proposed Amended and Restated Compensation Policy, the compensation that may be granted to an executive officer may include: base salary, annual performance bonus, special bonus, equity-based compensation, benefits and termination of employment arrangements.

A copy of the Amended and Restated Compensation Policy is attached hereto as Exhibit A¹.

The shareholders of the Company are requested to adopt the following resolution:

"RESOLVED, to amend and restate the Compensation Policy for the Company's directors and officers, in the form attached as Exhibit A to the Proxy Statement."

The approval of this proposal, as described above, requires the affirmative vote of the Compensation Policy Majority (as defined in this proxy statement).

The Board of Directors recommends a vote FOR on the above proposal.

PROPOSAL 2
APPROVAL OF AN EXTENSION OF MR. HAIM SIBONI'S ENGAGEMENT AS THE COMPANY'S CHIEF EXECUTIVE OFFICER

On December 22, 2015, the Company's shareholders approved Mr. Haim Siboni's current terms of compensation as the Company's Chief Executive Officer. Mr. Siboni is the controlling shareholder of the Company and also serves as a director of the Company.

Pursuant to the Companies Law, all public Israeli companies, including Dual Companies, such as the Company, are required to approve transactions with their controlling shareholders, such as the proposed transaction, every three years.

Therefore, on November 12, 2018 and November 14, 2018, further to discussions on this matter held on their respective previous meetings, the Audit and Compensation Committee and the Board of Directors, respectively, approved extension of the agreement between the Company and Mr. Siboni (by a fully owned corporation of Mr. Siboni) (the "**Services Agreement**"), on the very same terms approved by the Company's shareholders on December 22, 2015, and for up to additional three years commencing January 5, 2019, as detailed below:

¹ A Hebrew version of the Amended and Restated Compensation Policy will be filed with the Israeli Securities Authority and the Tel-Aviv Stock Exchange.

Under the Services Agreement, Mr. Siboni shall personally provide the services of a chief executive officer (the “**Services**”) to the Company and Foresight Automotive Ltd., the Company’s fully owned subsidiary (the “**Subsidiary**”). The Services will include general roles of a chief executive officer, as requested by the Board of Directors from time to time. Mr. Siboni will render the Services faithfully and diligently for the benefit of the Company and the Subsidiary, with at least 80% of his working time devoted for the performance of the Services.

In consideration for the Services, the Company will pay Mr. Siboni a monthly fee of NIS 65,000 plus VAT. In addition, the Company shall bear travel and other expenses that are incurred for the purpose of the performance of Mr. Siboni duties, all in accordance with the Current Compensation Policy, as well as Amended and Restated Compensation Policy.

The Company may terminate the Services Agreement by giving a prior written notice of six (6) months (except of certain customary circumstances under which the Agreement may be terminated immediately). Mr. Siboni may terminate the Services Agreement by giving a prior written notice of three (3) months. During such advance notice period, Mr. Siboni will be required to continue rendering the Services (unless the Company has instructed him otherwise) and will be entitled to receive the consideration for such period.

In making its recommendation to the Company’s shareholders, the Audit and Compensation Committee and the Board of Directors each considered various factors, including, among others, (a) the Company’s need to preserve the services provided by Mr. Siboni, in light of the significance and dependence of the Company on the continuance of his services due to the following factors: (i) as the founder of Magna B.S.P Ltd. (“**Magna**”), the developer of the Company’s core technology, Mr. Siboni has long-standing, close and direct knowledge of, and familiarity with, all technologies and products developed by the Company; (ii) consequently, Mr. Siboni is actively involved in all levels of daily operations of the Company, and replacing him would require a very long training process as well as replacement by a person with similar knowledge and experience to those of Mr. Siboni would require significant resources; (b) a direct linkage between Mr. Siboni compensation and the Company’s success, which compensation reflects a fair and reasonable value for his vital services and is considered customary for such positions in companies of similar scopes of activities, inter alia, based on benchmark analysis of the terms of compensation of chief executive officers performed by an independent consultant, BDO Consulting, as presented to the Audit and Compensation Committee and the Board of Directors (an extract of the said analysis are attached hereto as **Exhibit B**); and (c) Mr. Siboni’s position, responsibilities and previous compensation arrangements.

The Audit and Compensation Committee and Board of Directors found the Services Agreement and the consideration payable to Mr. Siboni thereunder, reasonable under the circumstances, under market conditions, and that the approval thereof is in the best interests of the Company and is in accordance with the Company’s Current Compensation Policy, as well as proposed Amended and Restated Compensation Policy.

The shareholders of the Company will be requested to adopt the following resolution at the Meeting:

“RESOLVED, to approve the extension of Mr. Siboni’s engagement as the Company’s Chief Executive Officer under the terms of the Services Agreement by and between the Company and Mr. Siboni as set forth in the Proxy Statement, for a period of up to three years commencing January 5, 2019.”

The approval of this proposal, as described above, requires the affirmative vote of a Special Majority (as defined in this proxy statement).

The Board of Directors recommends a vote FOR on the above proposal.

PROPOSAL 3
APPROVAL OF MRS. SIVAN SIBONI SCHERF'S TERMS OF OFFICE AS THE COMPANY'S VP HUMAN RESOURCES

Mrs. Sivan Siboni Scherf, Adv., the daughter of the controlling shareholder of the Company, Mr. Haim Siboni, is employed by the Company since March 1, 2016, and being paid a gross monthly salary of approximately NIS 9,000 (maximum amount allowed to be paid to a relative of a controlling shareholder under Israeli law, without requiring specific approval of the Company's shareholders).

After 33 month period during which she actually filled such position, Mrs. Sivan Siboni Scherf was recently officially appointed as the Company's VP Human Resources, and she also holds the position of a personal assistant to the Company's Chief Executive Officer.

Following the approval of the Audit and Compensation Committee and the Board of Directors, the shareholders of the Company are requested to approve the following terms of office of Mrs. Siboni Scherf: for 80% position with the Company, Mrs. Siboni Scherf shall be paid a gross monthly salary of NIS 20,000 during the first year of service, commencing on the date of the shareholders' approval, NIS 21,250 during the second year of service, and NIS 22,500 during the third year of service, as well social benefits in accordance with the applicable law; in addition, in her capacity as an officer of the Company, Mrs. Siboni Scherf shall be entitled to the same insurance, indemnification and exculpation arrangements, as currently in effect for the Company's officers; all of which is in accordance with the Company's Current Compensation Policy, and Amended and Restated Compensation Policy ("**Mrs. Siboni Scherf's Compensation**"). Mrs. Siboni Scherf's Compensation was determined, *inter alia*, based on the scope of her position and responsibilities with the Company and the market compensation benchmark for similar executives. The significant increase in comparison to her previous compensation is due, in part, to the fact that statutory limitations previously prohibited higher compensation, as described above.

Subject to approval of the Company's shareholders, Mrs. Siboni Scherf's Compensation shall be in effect for a period of three years commencing on the date of such approval.

During the time in which she is not employed by the Company, Mrs. Siboni Scherf is employed, and is expected to continue to be employed, by Magna.

In making their recommendation to the Company's shareholders, the Audit and Compensation Committee and the Board of Directors each considered various factors, including, among others, (a) Mrs. Siboni Scherf's education, skills, expertise, professional experience and achievements; (b) Mrs. Siboni Scherf's position, responsibilities and previous compensation arrangements; (c) whether Sivan Siboni Scherf's Compensation reflects a fair and reasonable value for her services and is considered customary for such positions in companies of similar scopes of activities, *inter alia*, based on benchmark analysis of the terms of compensation of similar executives performed by an independent consultant BDO Consulting, and based on the compensation payable to other Company's same rank executives², as presented to the Audit and Compensation Committee and the Board of Directors (an extract of such analysis are attached hereto as **Exhibit C**); and (d) the high cost of potential replacement of Mrs. Siboni Scherf, in light of the wide scope of responsibilities and the variety of positions she fills with the Company, in relation to similar salaries of executives of other companies.

The Audit and Compensation Committee and the Board of Directors found Mrs. Siboni Scherf's Compensation reasonable under the circumstances, under market conditions, and that the approval thereof is in the best interests of the Company and is in accordance with the Company's Current as well as proposed Amended and Restated Compensation Policy.

² Mrs. Siboni's monthly salary constitutes approximately 65% of the average monthly salaries of the Company's VPs (in terms of costs to the Company, based on a full-time position).

The shareholders of the Company will be requested to adopt the following resolution at the Meeting:

“RESOLVED, to approve Mrs. Siboni Scherf’s Compensation as set forth in the Proxy Statement, for a period of three years commencing as of the date of such approval.”

The approval of this proposal, as described above, requires the affirmative vote of a Special Majority (as defined in this proxy statement).

The Board of Directors recommends a vote FOR on the above proposal.

PROPOSAL 4
APPROVAL OF A DEVELOPMENT SERVICES AGREEMENT BETWEEN THE COMPANY AND MAGNA

On December 22, 2015, the Company’s shareholders approved a development services agreement (the **“Current Development Agreement”**) between the Subsidiary and Magna.

According to the Current Development Agreement, Magna provides the Subsidiary with software development and algorithmic services in consideration of monthly payments at agreed rates for each of Magna’s employees actually involved in rendering such services.

Pursuant to the Companies Law, all public Israeli companies, including Dual Companies, such as the Company, are required to approve transactions with their controlling shareholders, such as the proposed transaction, every three years.

On November 12, 2018 and November 14, 2018, further to the Company’s negotiations with Magna and discussions on this matter held on their respective previous meetings, the Audit and Compensation Committee and the Board of Directors, respectively, approved an extension of Magna’s engagement for up to an additional three years, commencing January 5, 2019, upon amended terms (the **“New Development Agreement”**). The Audit and Compensation Committee was actively involved in negotiating the terms and conditions of the New Development Agreement. Among others, the Audit and Compensation Committee instructed to present it with breakdown of Magna’s overhead costs, carefully analyzed same and insisted on keeping the rate of such costs identical to the rate set forth in the Current Development Agreement (of 32%), despite Magna’s initial request to increase the overhead costs.

The extract of those principal terms of the New Development Agreement which are proposed to be amended in comparison to the Current Development Agreement, is attached as **Exhibit D** to the Proxy Statement.

On November 12, 2018, the Audit and Compensation Committee also resolved that in light of the unique circumstances of the Development Agreement, no competing process should be established, and that the alternative costs survey presented by the Subsidiary (the **“Alternative Costs Survey”**) is deemed qualified as sufficient “other proceedings” in accordance with the provisions of Section 117 (1B) of the Companies Law. The Alternative Costs Survey is attached hereto as **Exhibit E**.

In making its recommendation, the Audit and Compensation Committee and the Board of Directors each considered various factors, including, among others, (a) the Subsidiary's need to preserve the services provided by Magna, in light of the significance and dependence of the Subsidiary on the continuance of such services due to the following factors: (i) as the developer of the Company's core technology Magna has the unique knowledge, capabilities and expertise in the field in which the Company operates and is capable to provide the services in the scope, and at the quality, required by the Subsidiary; (ii) Magna's employees have extensive knowledge and experience in software development and algorithmics services and are experts in image processing and electro-optics; (iii) replacing Magna would require a long process of recruitment and training by the Subsidiary of respective employees – accordingly, in the event Magna's engagement is not extended, under the given circumstances the Company and/or the Subsidiary shall incur one-time, as well as continuing, costs of recruitment and training, which are substantially higher than the proposed costs associated with Magna's services, as reflected in the Alternative Costs Survey; (iv) termination of Magna's services might adversely affect the Subsidiary's development schedule and time to market; (b) the Company and the Subsidiary are well-acquainted with the services rendered by Magna in the last three years and are highly satisfied with their quality; the Company believes that the services rendered by Magna played a key role in the rapid development of the Company's products; (c) extension of Magna's services is essential to the success of the Company, in particular since the Company is still at the stage of developing its technology; (d) possible increase in the New Monthly Consideration (as defined in Exhibit D hereto) is solely intended to retain Magna's key employees involved in rendering the services to the Subsidiary and it may be effected only on a "back-to-back" basis, against actual and documented increases in such employees' salaries; and (e) the right granted to the Subsidiary to terminate the New Development Agreement (whereas Magna is not granted the same right), in a manner that enables the Subsidiary to adjust its expenses to the Subsidiary's actual requirements from time to time, justifies the extension of Magna's engagement and the costs thereof.

In addition, the Audit and Compensation Committee and Board of Directors found the terms of the New Development Agreement, as set forth in Exhibit D hereto, reasonable under the circumstances, beneficial to the Company than the customary market conditions, and that the approval thereof is in the best interests of the Company.

The shareholders of the Company will be requested to adopt the following resolution at the Meeting:

"RESOLVED, to approve the New Development Agreement, on the terms and conditions set forth in Exhibit D to the Proxy Statement, for a period of up to three years commencing January 5, 2019."

The approval of this proposal, as described above, requires the affirmative vote of a Special Majority (as defined in this proxy statement).

The Board of Directors recommends a vote FOR on the above proposal.

Your vote is important! Shareholders are urged to complete and return their proxies promptly in order to, among other things, ensure action by a quorum and to avoid the expense of additional solicitation. If the accompanying proxy is properly executed and returned in time for voting, and a choice is specified, the shares represented thereby will be voted as indicated thereon. EXCEPT AS MENTIONED OTHERWISE IN THIS PROXY STATEMENT, IF NO SPECIFICATION IS MADE, THE PROXY WILL BE VOTED IN FAVOR OF EACH OF THE PROPOSALS DESCRIBED IN THIS PROXY STATEMENT. Shareholders who hold shares of the Company through members of the Tel Aviv Stock Exchange and who wish to participate in the Meeting, in person or by proxy, are required to deliver proof of ownership to the Company, in accordance with the Israeli Companies Regulations (Proof of Ownership of a Share For Purposes of Voting at General Meetings), 4760-2000. Such shareholders wishing to vote by proxy are requested to attach their proof of ownership to the enclosed proxy.

Proxies and all other applicable materials should be sent to the Company's office at 7 Golda Meir Str., Ness Ziona 7403650, Israel.

ADDITIONAL INFORMATION

We are subject to the informational requirements of the United States Securities Exchange Act of 1934, as amended (the "**Exchange Act**"), as applicable to foreign private issuers. Accordingly, we file reports and other information with the United States Securities and Exchange Commission (the "**SEC**"). Shareholders may read and copy any document we file at the SEC's public reference rooms at 100 F Street, N.E., Washington, D.C. 20549.

Shareholders can call the SEC at 1-800-SEC-0330 for further information on using the public reference room. All documents which we will file on the SEC's EDGAR system will be available for retrieval on the SEC's website at <http://www.sec.gov>. As a Dual Company (as defined in the Israeli Companies Regulations (Concessions for Public Companies Traded on Stock Markets Outside of Israel), 4760- 2000) we also file reports with the Israel Securities Authority. Such reports can be viewed on the Israel Securities Authority distribution website at <http://www.magna.isa.gov.il> and the Tel Aviv Stock Exchange website at <http://www.maya.tase.co.il>.

As a foreign private issuer, we are exempt from the rules under the Exchange Act prescribing certain disclosure and procedural requirements for proxy solicitations. In addition, we are not required under the Exchange Act to file periodic reports and financial statements with the SEC as frequently or as promptly as United States companies whose securities are registered under the Exchange Act. The Notice of the Extraordinary General Meeting of Shareholders and the Proxy Statement have been prepared in accordance with applicable disclosure requirements in the State of Israel.

YOU SHOULD RELY ONLY ON THE INFORMATION CONTAINED IN THIS PROXY STATEMENT OR THE INFORMATION FURNISHED TO YOU IN CONNECTION WITH THIS PROXY STATEMENT WHEN VOTING ON THE MATTERS SUBMITTED TO SHAREHOLDER APPROVAL HEREUNDER. WE HAVE NOT AUTHORIZED ANYONE TO PROVIDE YOU WITH INFORMATION THAT IS DIFFERENT FROM WHAT IS CONTAINED IN THIS DOCUMENT. THIS PROXY STATEMENT IS DATED DECEMBER 21, 2018. YOU SHOULD NOT ASSUME THAT THE INFORMATION CONTAINED IN THIS DOCUMENT IS ACCURATE AS OF ANY DATE OTHER THAN DECEMBER 21, 2018, AND THE MAILING OF THIS DOCUMENT TO SHAREHOLDERS SHOULD NOT CREATE ANY IMPLICATION TO THE CONTRARY.

By Order of the Board of Directors

Foresight Autonomous Holdings Ltd.

Eli Yoresh, Chief Financial Officer and Director



FORESIGHT AUTONOMOUS HOLDINGS LTD.

PROXY

THIS PROXY IS SOLICITED ON BEHALF OF THE BOARD OF DIRECTORS

The undersigned hereby appoints, Mr. Haim Siboni, Chief Executive Officer and Director, Mr. Eli Yoresh, Chief Financial Officer and Director, and each of them, agents and proxies of the undersigned, with full power of substitution to each of them, to represent and to vote on behalf of the undersigned all the Ordinary Shares of Foresight Autonomous Holdings Ltd. (the “**Company**”) which the undersigned is entitled to vote at the Extraordinary General Meeting of Shareholders (the “**Extraordinary Meeting**”) to be held at the Company’s offices at 7 Golda Meir Str., Ness Ziona, Israel, on January 28, 2019, at 3:00 p.m. Israel time, and at any adjournments or postponements thereof, upon the following matters, which are more fully described in the Notice Extraordinary General Meeting of Shareholders and Proxy Statement relating to the Extraordinary Meeting.

This Proxy, when properly executed, will be voted in the manner directed herein by the undersigned. If no direction is made with respect to any matter, this Proxy will be voted FOR such matter. Any and all proxies heretofore given by the undersigned are hereby revoked.

(Continued and to be signed on the reverse side)

EXTRAORDINARY GENERAL MEETING OF SHAREHOLDERS OF FORESIGHT AUTONOMOUS HOLDINGS LTD.

JANUARY 28, 2019

PLEASE SIGN, DATE AND RETURN PROMPTLY IN THE ENCLOSED ENVELOPE. PLEASE
MARK YOUR VOTE IN BLUE OR BLACK INK AS SHOWN HERE

1. To amend and restate the Compensation Policy for the Company's directors and officers, in the form attached as Exhibit A to the Proxy Statement.

☐ **FOR** ☐ **AGAINST** ☐ **ABSTAIN**

1a. Are you a controlling shareholder of the Company and or have a personal interest (as such terms are defined in the Companies Law and in the Proxy Statement) in the approval of the Company's compensation policy?*

☐ **YES** ☐ **NO**

* If you do not mark either Yes or No, your shares will not be voted for Proposal No. 1.

2. To approve the extension of Mr. Siboni's engagement as the Company's Chief Executive Officer under the terms of the Services Agreement by and between the Company and Mr. Siboni as set forth in the Proxy Statement, for a period of up to three years commencing January 5, 2019.

☐ **FOR** ☐ **AGAINST** ☐ **ABSTAIN**

2a. Are you a controlling shareholder of the Company and or have a personal interest (as such terms are defined in the Companies Law and in the Proxy Statement) in the approval of extension of Mr. Siboni engagement as the Company's Chief Executive Officer under the terms of the Services Agreement between the Company and Mr. Siboni as set forth in the Proxy Statement?*

☐ **YES** ☐ **NO**

* If you do not mark either Yes or No, your shares will not be voted for Proposal No. 2.

3. To approve Mrs. Siboni Scherf's Compensation as set forth in the Proxy Statement, for a period of three years commencing as of the date of such approval.

☐ **FOR** ☐ **AGAINST** ☐ **ABSTAIN**

3a. Are you a controlling shareholder of the Company and or have a personal interest (as such terms are defined in the Companies Law and in the Proxy Statement) in the approval of Sivan Siboni Scherf's Compensation?*

☐ YES ☐ NO

* If you do not mark either Yes or No, your shares will not be voted for Proposal No. 3.

4. To approve the New Development Agreement, on the terms and conditions set forth in Exhibit D to the Proxy Statement, for a period of up to three years commencing January 5, 2019.

☐ **FOR** ☐ **AGAINST** ☐ **ABSTAIN**

4a. Are you a controlling shareholder of the Company and or have a personal interest (as such terms are defined in the Companies Law and in the Proxy Statement) in the approval of the New Development Agreement?*

☐ **YES** ☐ **No**

* If you do not mark either Yes or No, your shares will not be voted for Proposal No. 4.

In their discretion, the proxies are authorized to vote upon such other matters as may properly come before the Extraordinary Meeting or any adjournment or postponement thereof.

NAME _____;

SIGNATURE

DATE _____

NAME _____;

SIGNATURE

DATE _____

Please sign exactly as your name appears on this Proxy. When shares are held jointly, each holder should sign. When signing as executor, administrator, trustee or guardian, please give full title as such. If the signed is a corporation, please sign full corporate name by duly authorized officer, giving full title as such. If signer is a partnership, please sign in partnership name by authorized person.

Exhibit A

Amended and Restated Compensation Policy

Foresight Autonomous Holdings Ltd.

(the “Company”)

Remuneration Policy for Company’s Office Holders

1. Introduction

- 1.1 Pursuant to the provisions of the Companies Law, 1999 (hereafter – “**the Companies Law**”), on November 14, 2018, the Company’s Board of Directors approved a remuneration policy (hereafter – “**the remuneration policy**”) with respect to the terms of service and employment of Company’s office holders³ (hereafter – “**the office holders**”), after discussing and considering the recommendations of the Company’s Remuneration Committee regarding this matter.
- 1.2 The provisions of the remuneration policy shall be subject to the provisions of any cogent law applicable to the Company and its office holders in any territory.
- 1.3 The underlying principles and purposes of the Remuneration Policy are as follows: (a) promoting the Company’s goals, its work plan and its policy for the long-term; (b) remunerating and providing incentives to office holders, while considering the risks that the Company’s activities involve; (c) adjusting the remuneration package to the size of the Company and the nature and scope of its activities; (d) creating incentives that are suitable to Company’s office holders by remunerating those entitled for remuneration under the Remuneration Policy in accordance with their positions, areas of responsibility and contribution to the development of the Company’s business, the promotion of its targets and the maximization of profits in the short and long-term, taking into account, among other things, the need to recruit and retain qualified, highly-skilled officers in a global and competitive market; and (e) adjusting the remuneration of office holders to the contribution of the office holder to the achievement of the Company’s goals and maximization of its profits.
- 1.4 This Remuneration Policy is a multi-annual policy that will be effective for a period of three years from the date of its approval, in accordance with Section 267A(c) of the Companies Law. This policy shall be brought forward for re-approval by the Company’s Board of Directors and the general meeting of its shareholders (at the recommendation of the Company’s Remuneration Committee) after three years have elapsed since the date of approval thereof and so forth, unless any changes need to be made to the remuneration policy in accordance with the law and/or in accordance with the Company’s needs.
- 1.5 Without derogating from the provisions set out in Section 1.4 above, the Company’s Remuneration Committee and Board of Directors shall check, from time to time, whether the remuneration that is granted under this policy, does, indeed, comply with the terms of this policy and the parameters set therein for each Company office holder.
- 1.6 This remuneration policy is based, among other things, on the Company’s assessments as to the competitive environment in which it operates and the challenge it faces in recruiting and retaining high-quality officers in such an environment; it is also based on employment terms generally accepted in public companies operating in the Company’s area of activity and on existing employment agreements between the Company and its office holder, which – in order to remove any doubt – this policy cannot change.

2. The remuneration policy

2.1 Components of the remuneration policy

In accordance with the Company’s remuneration policy, the remuneration of the Company’s office holders shall be based on all or some of the following components:

- 2.1.1 **Basic salary component**⁴– basic salary/monthly consultation fees;
- 2.1.2 **Social and related benefits** - social benefits as prescribed by law (pension savings, contributions towards severance pay, contributions towards training fund, vacation pay, sick leave, recreation pay, etc.) and related benefits, such as company vehicle/vehicle maintenance, telephone expenses, meals at the workplace, gifts on public holidays, etc.

³ The meaning of the term “office holder” is as defined in the Companies Law, i.e., general manager, chief business manager, deputy general manager, vice-general manager, any person filling any of these positions in the Company even if he holds a different title, and any other manager directly subordinate to the general manager.

⁴ Whenever the term “basic salary” is used in this remuneration policy, it refers to the “gross” monthly salary of that office holder, excluding any social benefits and related benefits). Whenever the term “annual basis salary” is used, it means the basic salary for the month of December in the relevant year times 12

- 2.1.3 **Variable cash remuneration (bonus)** – short and medium-term remuneration, which includes annual bonuses, which are based on results and achievement of targets. The Company may also determine that a certain office holder will be paid discretionary annual bonuses, taking into account his/her contribution to the Company and the restrictions placed under this policy.
- 2.1.4 **Variable equity-based remuneration** – share-based payment or another long-term remuneration (subject to the existence of valid long-term remuneration plans and provided that the Company decides to award such remuneration).

(the components in sections 2.1.3 and 2.1.4 above shall be called hereafter: “**the variable components**”).

At the time of approval of the remuneration package of an office holder, the Remuneration Committee and Board of Directors of the Company shall assess the compliance of each of those components and of the total cost of employment with the criteria set out in this plan.

2.2 **Parameters for reviewing remuneration terms**

As a general rule, some or all of the following parameters will be taken into account when reviewing the remuneration terms of a Company office holder.

- 2.2.1 Education, skills, expertise, tenure (specifically in the Company and in the office holder’s field of expertise in general), professional experience and achievements of the office holder;
- 2.2.2 The role of the office holder, his areas of responsibility and his employment terms under previous wage agreements entered into with this office holder;
- 2.2.3 The office holder’s contribution to the Company’s business, the achievement of its strategic goals and implementation of its work plans, the maximization of its profits and the enhancement of its strength and stability.
- 2.2.4 The extent of responsibility delegated to the office holder.
- 2.2.5 The Company’s need to recruit or retain an office holder with unique skills, knowledge or expertise.
- 2.2.6 Whether a material change has been made to the role or function of the office holder, or to the Company’s requirements from this office holder.
- 2.2.7 The size of the Company and the nature of its activities.
- 2.2.8 As to service and employment terms that include retirement grants – the term of service or employment of the office holder, the terms of his service and employment over the course of this period, the Company’s performances in the said period, the office holder’s contribution to the achievement of the Company’s goals, the maximization of its profits and the circumstances of the retirement.
- 2.2.9 (a) The market conditions of the industry in which the Company operates at any relevant time, including the office holder’s salary compared to the salaries of other office holders working in similar positions (or in position of comparable level) in companies whose characteristics are similar to those of the Company in terms of its activity (as described in section 2.3.1 below; (b) the availability of suitable candidates that can serve as office holders in the Company, the recruitment and retainment of the office holders and the need to offer an attractive remuneration package in a global competitive market; and (c) changes in the Company’s area of activity and in the scope and complexity of its activities.

2.3 **Payroll review**

2.3.1 For the purpose of determining the payroll that can be offered to an office holder upon recruitment, the Company will review from time to time the payroll generally accepted in the relevant markets for similar positions in companies, which are similar to the Company in terms of its area of activity/scope of activity/complexity of activity/market value/ revenues and other relevant parameters (if such companies exist). The Company will strive that the number of companies in such comparison will be not less than five.

2.3.2 The payroll review will be conducted by the Company itself, or by an external advisor, at the Company's discretion.

2.4 **Remuneration terms to new office holders**

As a general rule, the remuneration terms of new office holders shall be approved before they start working for the Company and not in retrospect, except in exceptional circumstances.

2.5 **The ratio between the remuneration of office holders and the remuneration of all other Company employees**

The ratio between the cost of terms of service and employment of Company's office holders⁵ and the cost of payroll⁶ of all other Company employees (on a full-time basis):

The ratio between the average cost of salary of office holders and the average cost of salary of all other Company employees shall not exceed:	Active Chairman of the Board of Directors: up to 4 times CEO: up to 4 times VPs (and other office holders who report to the CEO): up to 2.5 times
The ratio between the cost of median payroll of office holders to cost of median payroll of all other Company employees shall not exceed:	Active Chairman of the Board of Directors: up to 4 times CEO: up to 4 times VPs (and other office holders who report to the CEO): up to 2.5 times

In the opinion of the Company's Remuneration Committee and Board of Directors, the said ratio is reasonable and appropriate and does not have an adverse effect on work relations in the Company, taking into account the nature of the Company, its size, the manpower mix employed therein, its area of activity and the areas of responsibility of each office holder.

2.6 **Basic salary, benefits and other related benefits**

2.6.1 The basic salary of a new Company office holder shall be determined taking into accounts the parameters described in section 2.2 above and the conclusions of the payroll review described in section 2.3 above (should such a review be conducted).

2.6.2 The basic salary shall be in absolute numbers. The Company may determine that an office holder's salary shall be linked to a certain currency or index.

2.6.3 In any case, the monthly cost of payroll⁴ shall not exceed the maximum amount set out below in respect of full-time position (linked to the Consumer Price Index commencing December 2018):

Position	Maximum monthly cost of payroll in ILS*
Active chairman of the Board of Directors	85,000
Company's CEO	100,000
Vice Presidents and other office holders who report to the CEO	65,000

* The amounts presented above are in respect of a full-time position; those amounts shall change in proportion to the scope of position of the office holder.

⁵ Cost of terms of service and employment of Company office holders for the purpose of this analysis include the existing remuneration of the office holders and an amount that reflects the annual bonus ceiling (as defined below) that is set by the remuneration policy set forth below.

⁶ "Cost of payroll" – basic salary + benefits in terms of cost to the employer.

2.6.4 Social benefits⁷, related benefits, reimbursement of expenses

The remuneration package may include benefits that are generally acceptable in the market, such as vacation pay⁸, contributions towards pension, life insurance, training fund saving, health insurance, social rights and benefits, mobile phone (including grossing up of the taxable value of the phone), internet and landline, gifts on public holidays, recreation, medical tests, medical insurance and/or undertaking such an insurance policy and other expenses, all as approved by the Remuneration Committee and the Company's Board of Directors, at their discretion and in accordance with the applicable Company policy.

2.6.5 Vehicle

Company office holders shall be entitled to receive participation in vehicle expenses or a Company vehicle (including by way of leasing) in accordance with acceptable standards for office holders holding similar positions in companies operating in the Company's area of activity, or in companies, whose scope of activities is similar to that of the Company, including grossing up the taxable value of this benefit, fuel expenses, licensing, insurance and other related expenses.

2.6.6 Insurance, indemnification and exemption

2.6.6.1 Company's office holders shall be entitled to insurance coverage to be provided by a liability insurance policy of directors and office holders, which the Company will purchase from time to time, subject to the approvals required by law.

2.6.6.2 Subject to the provisions of the law, as amended from time to time, and without detracting from the provisions of section 2.6.6.1 above, the Company's office holders shall be entitled to benefit from coverage provided by a liability insurance of directors and office holders, which the Company will purchase from time to time, subject to the approval of the Remuneration Committee alone (and the approval of the Board of Directors, if required by law), provided that the insurance policy meets the following criteria and provided that the engagement with the insurer is entered into under market conditions and will not have a material effect on the Company's profitability, its assets or liabilities:

Directors and office holders in the Company shall be entitled to benefit from coverage provided by a liability insurance of directors and office holders, in a limit of \$ 50 million per claim and over the insurance period covered by that policy (plus \$ 3 million litigation expenses in excess of the abovementioned limit) (the "policy"). Total annual premium that the Company will pay to an insurance company for the policy shall not exceed a total of \$ 200,000. The policy will renew each year, in similar conditions and subject to the approvals required by law, for additional periods of 18 months each.

⁷ As to an office holder that has entered into engagement with the Company whereby no employer-employee relationship exists, the Company may pay the social benefits described above on top of his salary in lieu of the said expenses.

⁸ An office holder shall be entitled to annual leave as prescribed by law, but the Company grant him further paid leave up to a ceiling of 24 working days per year. The Company may allow the office holder to accumulate vacation days over his term of office in accordance with Company's procedures.

In addition, the Company shall be entitled to purchase a POSI insurance policy (Public Offering of Securities Insurance) that will supplement the insurance coverage for events that were not taken into account at the time of purchasing the insurance policy (such as a share offering, share offering in a foreign stock exchange, financing, or publication of a prospectus, etc. in limit and the maximal coverage that shall not exceed \$ 15 million, and premium that shall not exceed \$ 200,000.

The Purpose of the abovementioned insurance policies is to entitle the Company's directors and office holders a defense against lawsuits, while the conditions of the insurance policies are determined in negotiations between the Company and the insurance companies, taking under account the Company's size and fields of activities, the geographical spread of the Company's operations, the risk management policy of the Company, the number of office holders insured by the policies, and customary and acceptable conditions in the market in such field.

2.6.6.3 The Company's office holders may be entitled to an indemnification arrangement in accordance with arrangements that are normally acceptable and subject to the provisions of the law and the Company's articles of association. The overall amount of indemnification per event to all office holders shall not exceed 25% of the effective shareholders' equity of the Company (the maximum indemnification amount). For that purpose, the "**effective shareholders' equity of the Company**" means the amount of the Company's shareholders' equity in accordance with the last consolidated audited or reviewed financial statements of the Company (as applicable) at the time of actual payment of the indemnification. It is hereby clarified, that the indemnification shall be paid in excess of any amount paid under the liability insurance of directors and office holders, which the Company has purchased or will purchase from time to time.

2.6.6.4 Company office holders may be entitled to an exemption arrangement in accordance with arrangements that are normally acceptable and subject to the provisions of the law and the Company's articles of association.

2.7 **Remuneration in connection with termination of employment**

2.7.1 **Advance notice period**

2.7.1.1 An office holder may be entitled to advance notice period or payment in lieu of advance notice period. The advance notice period shall be determined for each and every office holder, taking into account the parameters listed in section 2.2 above.

2.7.1.2 As a general rule, the advance notice period of an office holder shall not exceed 3 months for an office holder who was employed in the Company for less than 3 years, and shall not exceed 6 months for an office holder who was employed in the Company more than 3 years. The Remuneration Committee and Board of Directors of the Company, and where required – the General Meeting of the Company's shareholders, may, at their discretion, taking into account the position of the office holder, his area of responsibility and his other remuneration components, approve an advance notice period that is different than the one specified above.

2.7.1.3 Over the course of the advance notice period, the office holder shall continue to do his job in the Company at the request of the Company, unless the Company decides that he will not do so, in which case the office holder may be entitled to continue and receive over the advance notice period all employment and service terms, which were agreed upon in his employment agreement.

2.7.1.4 The service and employment terms of the office holders may include a provision whereby the Company may terminate the employment of the office holder without an advance notice period in cases which deny eligibility for severance pay according to the law, including the following cases: (a) conviction of an offence involving moral turpitude; (b) an office holder who will conduct himself in a disloyal and/or unreliable and/or dishonest manner in his relations with the Company and/or while carrying out actions on its behalf and/or will harm the Company's reputation; (c) in case the office holder will breach the confidentiality duty towards the Company and/or his duty to protect the Company rights which were developed due to or as part of his work at the Company; (d) Any other case in which the Company is legally entitled to refrain from payment of severance pay.

2.7.2 Severance pay

The scope of severance pay will be determined immediately prior to the employment of the office holder, or during his employment, to the extent such employment is not expecting to terminate soon. Severance pay shall not be increased immediately prior to termination of employment. In general, an office holder who are a Company employee, will be entitled to Severance pay constituting 100% of his law monthly salary. The Company will strive that new employment agreements with office holders will include provisions in accordance with Section 14 to the Israeli Severance Pay Law, 5723-1963. Notwithstanding the foregoing, in the event that the employment of a certain office holder will terminate under circumstances which allow to deny eligibility for severance pay by law, in whole or in part, the Company will release to such office holder only his payment to the manager's insurance/pension plan and education fund.

2.7.3 Retirement / Adaptation period

2.7.3.1. Subject to the approval of Remuneration Committee and Board of Directors of the Company, and where required – the General Meeting of the Company's shareholders and subject to the provisions of the law, as amended from time to time, the office holder may be entitled to an adaptation period that will not exceed six months, provided he was employed in the Company for at least two years, after the end of the advance notice period. Over the adaptation period, the office holder will receive his salary and other related employment terms as described above. An office holder may be entitled to retirement grants provided that such grant was determined in the engagement agreement with such office holder, provided further that he did not end his service in Company under circumstances which, as determined by the Company's Board of Directors, deny eligibility for severance pay, in such case will not be entitled to any retirement grant.

2.7.4.3 When determining the amount of the retirement grant, the Company will take into account, among other things, the period of service or employment of the office holder, the terms of service and employment over the course of this period, his contribution to the achievement of the Company's goals and maximization of its profits and the circumstances of the retirement.

2.8 Annual bonus

In addition to the fixed salary component as determined herein, the remuneration package of Company's office holders may include eligibility to an annual bonus that is based on measurable targets and to an annual discretionary bonus (hereafter jointly: "**the annual bonus**").

2.8.1 Components of the bonus

- With regard to the Company's CEO and an active chairman of the Board of Directors (other than CEO or active chairman of the Board of Directors who are the controlling shareholder of the Company or his relative) – most of the annual bonus will be based on measurable targets and an immaterial portion of the annual bonus (for that purpose "**immaterial portion**" – the higher of (a) a total of 3 (gross) monthly salaries or (b) 25% of the variable components of the bonus (actual bonus and equity-based payment) shall be a discretionary bonus that is based on qualitative criteria. Notwithstanding the above, if in a specific year the Company does not pay the CEO or the active chairman of the Board of Directors (as applicable) an annual bonus that is based on measurable targets (i.e., if the discretionary annual bonus paid to the CEO or the active chairman of the Board of Directors (as applicable) constitutes the total annual bonus paid on that year), then the amount of the discretionary bonus that the Company may pay to the CEO and to the active chairman of the Board of Directors (as applicable and separately) shall not exceed three (3) gross monthly salaries of that office holder.

- With regard to office holders who report to the Company's CEO – subject to the provisions of the law, office holders, who report to the CEO, may be eligible to an annual bonus that is based on measurable targets and to a discretionary annual bonus. It should be clarified that the whole amount of annual bonus payable to office holders, who report to the Company's CEO may be a discretionary bonus (unlike an annual bonus that is based on measurable targets).

2.8.2 Annual bonus that is based on measurable targets

The amount of the annual bonus that is based on measurable targets shall be calculated based on measurable criteria, that will be determined (if they are determined) for each and every office holder, as possible, at the time of determining the Company's budget for the forthcoming year, in accordance with the role of the relevant office holder, by the competent organs of the Company (in accordance with the provisions of the law and the positions of the Securities Authority, as amended from time to time). It is hereby clarified the in regard to office holders, who report to the CEO, such measurable targets may be determined only by the Company's CEO.

2.8.2.1 Subject to the provisions of the law and the positions of the Securities Authority (as amended from time to time):

- a. The Remuneration Committee and Board of Directors alone will be allowed to determine the measurable targets applicable to active directors, if one of the following is fulfilled:
 - (1) All of the following conditions are met: (a) the resolution is in line with the remuneration policy; (b) the grant in question is based only on measurable targets; (c) the amount of the potential grant is immaterial (up to three salaries); and (d) the targets were pre-determined by the Remuneration Committee and Board of Directors.
 - (2) All of the following conditions are met: (a) the resolution is in line with the remuneration policy; (b) the office holder in question serves both as a director and in an operational role in the Company; (c) The Remuneration Committee and Board of Directors approved the targets, but the directors, who receive from the Company a bonus based on measurable targets, did not take part in the approval of those targets (whether in their capacity as directors or in their capacity as other office holders in the Company).
- b. The Remuneration Committee and Board of Directors alone will be allowed to determine the measurable targets applicable to an office holder, who is a controlling shareholder or a relative thereof (as these terms are defined in the Companies Law), if one of the following is fulfilled:
 - (1) All of the following conditions are met: (a) the resolution is in line with the remuneration policy; (b) the grant in question is based only on measurable targets; (c) the amount of the potential grant is immaterial (up to three salaries); and (d) the targets were pre-determined by the Remuneration Committee and Board of Directors.
 - (2) Measurable targets based on financial statements data and which applies in the same manner to the controlling shareholder and his relative and to every other office holders, provided that all of the following conditions are met: (a) the number of the other office holders which such targets apply, is significantly higher than the number of office holder which is the controlling shareholder or his relative; (b) the potential grant to the other office holder is significantly higher than the potential grant to the office holder which is the controlling shareholder or his relative (in absolute numbers); (c) the cost of the grants attributed to the controlling shareholder, taking into account his holdings in the Company, will be significantly higher than the total grant he will be entitled to in the event of meeting the targets, so it is clear that the controlling shareholder has a slight and negligible interest in determining the targets.

Set forth below are some suggested criteria for the annual bonus that is based on measurable targets. It should be clarified that this list is not a closed and binding list. The Remuneration Committee and the Board of Directors may consider adding or removing some of those criteria, taking into account the role of each office holder, this areas of responsibility and the Company's activity.

1. Bonus that is based on financial targets – a bonus that is based on meeting principal and personal performance metrics that are quantified and set out in the Company's work plan and attributed to the relevant office holder. These performance metrics may include, among other things: sales and marketing targets.
 - (a) Engagement in products distribution contracts.
 - (b) Engagement in collaboration contracts.
 - (c) Achievement of product development milestones.
 - (d) Completion of development of new technologies.
 - (e) Production and growth metrics relating to scope of activity.
 - (f) Recruitment and retainment of customers.
 - (g) Reducing costs.
 - (h) Implementation, promotion and completion of planned projects.
 - (i) Achievement of targets/milestones relating to implementation of principal projects and processes of the Company.
 - (j) Promotion of strategic plans and targets, including targets which were set for the office holder, and which are relevant to the relevant office holder's area of activity.
 - (k) Achievement of financial targets: raising loans, bonds, public offering of shares, etc.

At the end of each year, the Remuneration Committee and Board of Directors, or the Company's CEO, as applicable, will review the office holders' meeting their measurable targets in order to determine that component of the annual bonus, which is based on measurable targets. The Remuneration Committee and Board of Directors, or the Company's CEO, as applicable, may determine to pay only part of the component of the annual bonus, which is based on measurable targets, if the office holder meets only some of the targets.

2.8.2.2 Neutralization of one-off events

As part of the calculation of the eligibility to annual bonus that is based measurable targets on the basis of financial statements data (if such targets are set) the Board of Directors or the Remuneration Committee will be authorized to neutralize the effect of "one-off events", or alternatively to decide that such events should not be neutralized in a certain year, as applicable.

2.8.3 Annual discretionary bonus

Subject to the recommendation of the Company's CEO in connection with office holders who report to him, and in respect of the CEO and the active directors – subject to the recommendation of the Board of Directors, the Company's competent organs shall be allowed (subject to the provisions of the law and the positions of the Securities Authority (as amended from time to time)), to award a discretionary bonus to Company's office holders, based, among other things, on the following qualitative criteria (hereafter – **"annual discretionary bonus"**).

1. The office holder's contribution to the Company's business, the maximization of its profits and the enhancement of its strength and stability.

2. The Company's need to recruit or retain an office holder with unique skills, knowledge or expertise.
3. The extent of responsibility delegated to the office holder.
4. Changes that have taken place over the last year with regards to the areas of responsibility of the office holder.
5. Satisfaction from the performance and functioning of the office holder.
6. Appreciation to the office holder's ability to work in collaboration and coordination with the team.
7. The office holder's contribution to corporate governance and to proper control environment and ethics.
8. The office holder's contribution to the promotion and development of employees and managers, insofar as this is relevant to his role.

The Company's competent organs shall approve this component based, among other things, on data presented by the Company's management and based on personal assessment and recommendation issued by the Company's CEO (with regard to office holders who report to him) and by the Company's Board of Directors with regard to active directors and the CEO, while listing the underlying reasons for their recommendation.

- 2.8.4 The annual bonus ceiling of office holders as of date of payment thereof (both in respect of discretionary bonus and in respect of bonus based on measurable targets):

Role	Maximum annual bonus⁹ as of date of payment thereof (in terms of cost of payroll⁴)
Active chairman of the Board of Directors	Up to 6 salaries (subject to the provisions of section 2.8.1 above)
CEO	Up to 6 salaries (subject to the provisions of section 2.8.1 above)
VPs and other office holders who report to the CEO	Up to 4 salaries

- 2.8.5 The Remuneration Committee and Board of Directors may decide to postpone the payment of the annual bonus or reduce the amount of the annual bonus to which the office holder is entitled, at their own discretion.
- 2.8.6 The Company may pay an office holder, who has not completed a full year of employment, a proportionate share of the bonus according to the period of employment of the office holder.
- 2.8.7 The office holder shall repay to the Company that portion of the bonus he received, which was based on measurable targets, should it be determined that this component was paid to him on the basis of erroneous data and/or data that were restated in the Company's financial statements, provided that the date of restatement of the financial statements does not fall later than three years after the original approval of the relevant financial statements.

2.9 Long-term remuneration

- 2.9.1 Subject to the approval of a long-term remuneration plan by the Company in accordance with the provisions of the law, the Company may allocate to office holders and from time to time options and/or restricted shares ("**share-based payment**") and/or another long-term remuneration, including a remuneration that is based on the performance of the Company's share (such as phantom options), as part of the remuneration package.

⁹ The ceiling is in respect of the whole annual bonus – bonus based on measurable targets + discretionary bonus.

2.9.2 The annual value¹⁰ of the share-based payment paid to each office holder, as of the date of grant thereof, shall not exceed 200% of the cost of payroll¹¹ of such office holder. Such value will be determined in accordance with acceptable valuations methods at the date of grant thereof.

2.9.3 Should the Company decide the award options:

2.9.3.1 The Company will maintain securities-based remuneration plan in accordance with Section 2012 to the Income Tax Ordinance or other tax provisions that apply to the Company and/or its employees in accordance with the territory in which they operate. However, the Company's Remuneration Committee and Board of Directors will be entitled to grant options in the absence of such plan.

2.9.3.2 Each of the options that the Company will award will be exercisable into one ordinary Company share in consideration for a price that will not be less than the average share price on the Tel Aviv Stock Exchange over the last 30 trading days preceding the date on which the Board of Directors of the Company decided to award the options.

2.9.3.3 The vesting period of the options to be awarded by the Company will be at least 3 years until vesting of all options that were allocated when every quarter (or a longer period of time as determined by the Company's Board of Directors) a proportionate share of the amount of the allocated options will vest. Nevertheless, the Remuneration Committee and the Company's Board of Directors are authorized to determine that despite the above vesting provisions, the options shall be exercisable upon the achievement of targets that they will set close before the award of the options.

2.9.3.4 The vesting period may be accelerated upon the occurrence of special events, such as change of control in the Company and/or sale of operations and/or the end of the tenure of an office holder under special circumstances (such as death or illness).

2.9.3.5 The options shall expire no later than 7 years after the date of allocation.

2.9.4 As part of the discussion on the award of share-based payment to a Company office holder, the Remuneration Committee and the Company's Board of Directors, and where required – the general meeting of the Company's shareholders, will assess whether the said award constitutes an appropriate incentive that will contribute to the maximization of the Company's value in the long-term.

2.9.5 Share-based payment shall be awarded after the assessment of the economic value of the said award, the exercise prices and the exercise periods.

2.10 The ratio between the fixed salary component and the variable components⁹

Role	The ratio between the variable components and the fixed components
Active chairman of the Board of Directors	Up to 2.5
CEO	Up to 2.5
VPs and other office holders who report directly to the CEO	Up to 2

2.11 Extending the term of existing agreements with Company office holders and making amendments to those agreements

2.11.1 Prior to extending the term of the employment agreement with a Company office holder (whether this involves changes to the terms of employment or not), the office holder's existing remuneration package will be assessed in relation to the parameters set out in section 2.2 above and bearing in mind the payroll review, which was conducted by the Company as per section 2.3 above.

¹⁰ The value of share-based compensation that vested in a period of 12 months from the grant date.

¹¹ For that purpose, the "variable components" include the annual value of the share-based payment.

- 2.11.2 Subject to the provisions of the law and the positions of the Securities Authority, as amended from time to time, immaterial changes made to the service terms of the Company's CEO will need to be approved by the Remuneration Committee alone, if the latter approved that the changes are, indeed, immaterial and the change complies with the provisions of this remuneration policy.
- 2.11.3 Subject to the provisions of the law and the positions of the Securities Authority, as amended from time to time, immaterial changes made to the service and employment terms of the office holders who report to the Company's CEO shall be approved by the Company's CEO alone and the approval of the Remuneration Committee will not be required, provided that the service and employment terms of that office holder comply with the provisions of this remuneration policy.

In sections 2.11.2 and 2.11.3 above, "**immaterial changes to the service and employment terms**" are changes, the aggregate value of which does not exceed 10% of the overall annual cost of remuneration of the office holder.

2.12 Remuneration of directors

- 2.12.1 Company's directors will be eligible to remuneration in accordance with the Companies Regulations (Rules Regarding Remuneration and Expenses to External Director), 2000 (hereafter – "**the remuneration regulations**") and which will not exceed the maximum remuneration set in the remuneration regulations (including the maximum remuneration to an external expert director, which is set in the remuneration regulations). This section will not apply to directors, who will serve as active directors and who will be eligible to remuneration in accordance with other provisions of this remuneration policy.
- 2.12.2 Notwithstanding the provisions of section 2.12.1, directors, who serve in other positions in the Company in addition to their service as directors, shall be eligible to salary as paid in the Company for similar positions.
- 2.12.3 The directors, who serve in the Company, may be eligible to reimbursement of reasonable expenses; they will also be eligible to insurance, indemnification and exemption arrangements as described in section 2.6.6 above, all in accordance with the provisions of the Company's articles of association and the provisions of this remuneration policy.

3. The powers of the Remuneration Committee and the Company's Board of Directors with regard to the remuneration policy

- 3.1 The Company's Board of Directors is charged with the management of the remuneration policy and all actions required for management thereof, including the power to interpret the provisions of the remuneration policy where doubts arise as to the manner of its implementation.
- 3.2 The Company's Remuneration Committee and Board of Directors will assess, from time to time, the remuneration policy and the need to adjust it, inter alia, in accordance with the considerations and principles set out in this policy, while taking into account the changes in the Company's goals, market conditions, Company's profits and revenues in previous periods in in real time and any other relevant information.
- 3.3 In order to assess the Company's remuneration policy, the Company's Remuneration Committee and its Board of Directors will monitor the implementation of the remuneration policy in the Company.

פורסייט אוטונומס הולדינגס בע"מ

(״החברה״)

מדיניות תגמול לנושאי המשרה בחברה

1. מבוא

- 1.1. בהתאם להוראות חוק החברות, התשנ"ט-1999 ("חוק החברות"), אישר דירקטוריון החברה ביום 14 בנובמבר 2018, מדיניות תגמול ("מדיניות התגמול") לעניין תנאי כהונה והעסקה של נושאי משרה¹ בחברה ("נושאי המשרה"), וזאת לאחר שדן ושקל את המלצות ועדת התגמול של החברה בעניין.
- 1.2. הוראות מדיניות התגמול תהינה כפופות להוראות כל דין קוגנטי החל על החברה ונושאי המשרה בה בטרטוריה כלשהי.
- 1.3. ביסוד מדיניות התגמול מספר עקרונות ותכליות עיקריים: (א) קידום מטרות החברה, תוכנית העבודה שלה, יעדיה ומדיניותה בראייה ארוכת טווח; (ב) תגמול נושאי משרה תוך עידוד התחשבות בסיכונים הנלווים לפעילות החברה; (ג) התאמת תמהיל חבילת התגמול לגודל החברה, אופי והיקף פעילותה; (ד) יצירת תמריצים ראויים לנושאי המשרה בחברה באמצעות תגמול הזכאים מכח מדיניות התגמול, על-פי תפקידיהם, תחומי אחריותם, מאמציהם ותרומתם לפיתוח עסקי החברה ולקידום יעדיה והשאת רווחיה לטווח הקצר והארוך, בהתחשב, בין היתר, בצורך בגיוס ובשמירה על כוח אדם איכותי בשוק גלובאלי ותחרותי; ו- (ה) התאמת התגמול של נושאי המשרה בחברה לתרומתו של נושא המשרה להשגת יעדי החברה והשאת רווחיה.
- 1.4. מדיניות תגמול זו הינה מדיניות רב שנתית אשר תעמוד בתוקפה לתקופה של שלוש שנים ממועד אישורה, בהתאם להוראות סעיף 267א(ג) לחוק החברות. מדיניות התגמול תובא מחדש לאישור של דירקטוריון החברה והאסיפה הכללית שלה (וזאת לאחר קבלת המלצות ועדת התגמול של החברה) לאחר חלוף שלוש שנים ממועד אישורה, וחוזר חלילה, זאת אלא אם יידרשו שינויים במדיניות התגמול בהתאם לחוק ו/או כל דין ו/או צרכי החברה.
- 1.5. מבלי לגרוע מהאמור בסעיף 1.4 לעיל, ועדת התגמול ודירקטוריון החברה, יבחנו, מעת לעת, כי התגמולים שיוענקו מכח מדיניות התגמול אכן עומדים בתנאי מדיניות זו ובפרמטרים שנקבעו בה או מכוחה לגבי כל אחד מנושאי המשרה בחברה.
- 1.6. מדיניות תגמול זו מבוססת, בין היתר, גם על היכרות והערכות החברה את הסביבה התחרותית בה היא פועלת ואת האתגר בגיוס ושימור כוח אדם איכותי בסביבה זו, וכן את תנאי ההעסקה המקובלים בחברות ציבוריות בתחום פעילותה של החברה, ועל הוראות הסכמי העסקה הקיימים בין החברה לבין נושאי המשרה בה – אשר, למען הסר ספק, אין במדיניות זו כדי לשנות מהם.

2. מדיניות התגמול

2.1. רובדי מדיניות התגמול

בהתאם למדיניות התגמול של החברה, תנאי התגמול של נושאי המשרה בחברה יהיו מבוססים על כל או חלק מהרכיבים הבאים:

2.1.1. מרכיב שכר בסיס² – שכר בסיס / דמי ייעוץ חודשיים;

¹ משמעות המונח "נושא משרה" הינה כהגדרת מונח זה בחוק החברות, קרי: מנהל כללי, מנהל עסקים ראשי, משנה למנהל כללי, סגן מנהל כללי, כל ממלא תפקיד כאמור אף אם תוארו שונה, וכן דירקטור, או מנהל הכפוף במישרין למנהל הכללי.

² בכל מקום במדיניות תגמול זו בו נעשה שימוש במונח "שכר הבסיס", הכוונה היא למשכורת החודשית "ברוטו" של אותו נושא המשרה (ללא הוצאות סוציאליות ונלוות) ובכל מקום בו נעשה שימוש במונח "שכר הבסיס השנתי", הכוונה היא לשכר הבסיס לחודש דצמבר בשנה הרלוונטית כפול 12.

2.1.2. **תנאים נלווים וסוציאליים** – תנאים סוציאליים על פי חוק (חיסכון פנסיוני, הפרשות לפיצויים, הפרשות לקרן השתלמות, חופשה, מחלה, הבראה וכיוצ"ב) וכן תנאים נלווים, לרבות רכב חברה/אחזקת רכב ואחזקת טלפון, ארוחות במקום העבודה, שי לחג וכיו"ב.

2.1.3. **תגמול משתנה במזומן (בנוסף)** – תגמול לטווח קצר ובינוני, הכולל מענקים שנתיים מבוססי תוצאות ומותני יעדים. בנוסף, החברה תהיה רשאית לקבוע כי לנושא משרה כלשהו ישולמו מענקים שנתיים על פי שיקול דעת וזאת בהתחשב בהערכת תרומתו של נושא המשרה לחברה ובמגבלות וכמפורט במדיניות זו.

2.1.4. **תגמול משתנה הוני** – תגמול מבוסס מניות ו/או תגמול לטווח ארוך אחר (בכפוף לקיומן של תוכניות תגמול ארוכות טווח תקפות וככל שיוחלט על הענקת תגמול זה).

(הרכיבים בסעיפים 2.1.3 ו- 2.1.4 לעיל, יכוננו להלן: "**הרכיבים המשתנים**")

בעת אישור חבילת תגמול לנושא משרה, יבחנו ועדת התגמול ודירקטוריון החברה את עמידת כל אחד ממאפיינים אלה וכן את כלל עלות ההעסקה אל מול אמות המידה הקבועות בתכנית זו.

2.2. **פרמטרים לבחינת תנאי תגמול**

ככלל, תנאי התגמול לנושא משרה בחברה ייבחנו בשים לב, בין היתר, לפרמטרים הבאים (כולם או חלקם):

2.2.1. השכלתו, כישוריו, מומחיותו, ותק (בחברה בפרט ובמקצועו בכלל), ניסיונו המקצועי והישגיו של נושא המשרה;

2.2.2. תפקידו של נושא המשרה, תחומי אחריותו ותנאי העסקתו על פי הסכמי שכר קודמים שנחתמו עמו;

2.2.3. תרומת נושא המשרה לעסקיה של החברה, השגת יעדיה האסטרטגיים ומימוש תוכניות העבודה שלה, רווחיה, חוסנה ויציבותה;

2.2.4. מידת האחריות המוטלת על נושא המשרה;

2.2.5. הצורך של החברה לשכור או לשמר נושא משרה בעל כישורים, ידע או מומחיות ייחודיים;

2.2.6. קיומו או היעדר קיומו של שינוי מהותי בתפקידו או תפקודו של נושא המשרה או בדרישות החברה ממנו;

2.2.7. גודל החברה ואופי פעילותה;

2.2.8. ביחס לתנאי כהונה והעסקה הכוללים מענקי פרישה – תקופת הכהונה או ההעסקה של נושא המשרה, תנאי כהונתו והעסקתו בתקופה זו, ביצועי החברה בתקופה האמורה, תרומתו של נושא המשרה להשגת יעדי החברה ולהשאת רווחיה ונסיבות הפרישה.

2.2.9. (א) תנאי השוק בו פועלת החברה במועד רלוונטי כלשהו ובכלל כך תנאי השכר של נושא המשרה ביחס לתנאי השכר של נושאי משרה בעלי תפקידים דומים (או תפקידים ברמה דומה) בחברות בעלות מאפיינים דומים לפעילות החברה (כמפורט בסעיף 2.3.1 להלן); (ב) מידת הקושי באיתור, גיוס ושימור נושאי המשרה והצורך בהצעת חבילת תגמול אטרקטיבית בשוק גלובאלי תחרותי; ו- (ג) שינויים בשוק פעילותה של החברה, היקף פעילות ומורכבות החברה.

2.3. סקר שכר

2.3.1. לצורך קביעת השכר לגיוס נושא משרה חדש לחברה, תבוצע מעת לעת השוואה לשכר המקובל בשווקים רלבנטיים לתפקידים דומים בחברות הדומות לחברה מבחינת תחום הפעילות / היקף הפעילות / מורכבות הפעילות / שווי שוק / הכנסות ופרמטרים רלוונטיים אחרים, (ככל שתימצאנה חברות כאמור). החברה תשאף לכך שמספר החברות בקבוצת ההשוואה שלה לא יפחת מ-5 חברות.

2.3.2. את סקירת השכר תבצע החברה באופן פנימי או באמצעות יועץ חיצוני, בהתאם לשיקול דעת החברה.

2.4. תנאי תגמול לנושאי משרה חדשים

ככלל, תנאי התגמול לנושאי משרה חדשים יאושרו טרם מועד תחילת העסקתם בחברה ולא בדיעבד, למעט במקרים חריגים.

2.5. היחס בין התגמול לנושאי משרה לבין תגמול שאר עובדי החברה

היחס בין עלות תנאי כהונה וההעסקה של נושאי המשרה בחברה³ לבין עלות השכר⁴ של שאר עובדי החברה (על בסיס עלות השכר למונחי משרה מלאה):

היחס בין עלות השכר הממוצע של נושאי משרה לעלות שכר ממוצע של שאר עובדי החברה יהיה עד למקסימום של:	יו"ר דירקטוריון פעיל: עד פי 4 מנכ"ל: עד פי 4 סמנכ"לים (ונושאי משרה אחרים הכפופים למנכ"ל) עד פי 2.5
היחס בין עלות שכר חציוני של נושאי משרה לעלות שכר חציוני של שאר עובדי החברה יהיה עד למקסימום של:	יו"ר דירקטוריון פעיל: עד פי 4 מנכ"ל: עד פי 4 סמנכ"לים (ונושאי משרה אחרים הכפופים למנכ"ל) עד פי 2.5

לדעתם של חברי ועדת התגמול והדירקטוריון, מדובר ביחס ראוי וסביר שאינו משפיע לרעה על יחסי העבודה בחברה וזאת בהתחשב באופייה של החברה, גודלה, תמהיל כח האדם המועסק בה, תחום העיסוק שלה ותחום אחריותו של כל נושא משרה.

2.6. שכר בסיס, הטבות ותנאים נלווים נוספים:

2.6.1. שכר הבסיס לנושא משרה חדש בחברה ייקבע בהתייחס לפרמטרים המפורטים בסעיף 2.2 לעיל ובשים לב לסקר השכר כאמור בסעיף 2.3 לעיל (ככל שיבוצע סקר כאמור).

2.6.2. שכר הבסיס יהא במספרים אבסולוטיים. החברה רשאית לקבוע כי שכרו של נושא המשרה יוצמד למדד או למטבע כלשהו.

2.6.3. בכל מקרה, עלות השכר⁴ החודשית לא תחרוג מהסכום המקסימאלי המפורט להלן בגין משרה מלאה (100%) (כשהוא צמוד למדד המחירים לצרכן החל מחודש דצמבר 2018):

³ עלות תנאי כהונה וההעסקה של נושאי המשרה בחברה לצורך הניתוח האמור כוללים את תנאי התגמול הקיימים של נושאי המשרה וכן סכום המשקף את תקרת המענק (כהגדרתו להלן) המובא במסגרת מדיניות התגמול להלן.

⁴ "עלות שכר" – שכר בסיס בתוספת תנאים נלווים במונחי עלות למעביד.

תפקיד	מקסימום עלות שכר חודשית בש"ח*
יו"ר דירקטוריון פעיל	85,000
מנכ"ל החברה	100,000
סמנכ"לים ונושאי משרה אחרים הכפופים למנכ"ל	65,000

* הסכומים המוצגים לעיל הינם בגין משרה מלאה (100%) וישתנו באופן יחסי ככל שישתנה היקף המשרה.

2.6.4. תנאים סוציאליים⁵, תנאים נלווים, החזר הוצאות

חבילת התגמול עשויה לכלול תנאים נלווים המקובלים בשוק, כגון חופשה⁶, הפרשות פנסיוניות, ביטוח חיים, חיסכון לקרן השתלמות, ביטוח בריאות, זכויות ותנאים סוציאליים, טלפון נייד (לרבות גילום המס בגינו), אינטרנט וטלפון נייד, הוצאות נסיעה, הוצאות אירוח ושהייה בחו"ל ובישראל, מנוי לעיתונים יומיים, השתלמויות, שי לחג, נופש, בדיקות רפואיות, ביטוח רפואי ו/או נטילת פוליסת ביטוח כאמור והוצאות אחרות, הכול כפי שיאושר על ידי ועדת התגמול ודירקטוריון החברה, על פי שיקול דעתם ובהתאם למדיניות החברה בעניין.

2.6.5. רכב

נושאי המשרה בחברה יהיו זכאים להשתתפות בהוצאות רכב או לקבלת רכב מהחברה (לרבות בדרך של ליסינג), וזאת בסטנדרט המקובל לנושאי משרה בדרגתם בחברות בתחום פעילותה של החברה או חברות בעלות היקף פעילות דומה לזה של החברה, לרבות גילום הוצאות בגין הטבה זו, הוצאות דלק, רישוי, ביטוח ונלוות נוספות.

2.6.6. ביטוח, שיפוי ופטור

2.6.6.1. נושאי המשרה בחברה יהיו זכאים לכיסוי פוליסת ביטוח אחריות נושאי משרה ודירקטורים שתרכוש החברה, מעת לעת, בכפוף לאישורים הנדרשים על פי דין.

2.6.6.2. בכפוף להוראות הדין, כפי שיהיו מעת לעת, ומבלי לגרוע מהאמור בסעיף 2.6.6.1 לעיל, נושאי המשרה בחברה יהיו זכאים ליהנות מכיסוי פוליסת ביטוח אחריות נושאי משרה ודירקטורים שתרכוש החברה, מעת לעת, בכפוף לאישור ועדת התגמול (ולאישור הדירקטוריון - ככל שנדרש על פי דין) בלבד, ככל שפוליסת הביטוח תעמוד בתנאים המפורטים להלן, ובלבד שההתקשרות הינה בתנאי שוק ואינה עשויה להשפיע באופן מהותי על רווחיות החברה, רכוש או התחייבויותיה:

דירקטורים ונושאי משרה בחברה יבוטחו בביטוח אחריות דירקטורים ונושאי משרה בסכום של עד \$50,000,000 (חמישים מיליון דולר ארה"ב) לאירוע אחד ובסה"כ בגין

⁵ בהתייחס לנושא משרה אשר התקשר עם החברה בהסכם שאינו מקים יחסי עובד מעביד, תהיה החברה רשאית לשלם כתוספת לשכרו וחלף ההוצאות האמורות, את ההטבות הסוציאליות המפורטות לעיל.

⁶ נושא משרה יהיה זכאי לפחות לחופשה שנתית על פי החוק, אך החברה תהא רשאית לזכות את נושא המשרה בחופשה מעבר לאמור בחוק עד לתקרה של 24 ימי עבודה בשנה. החברה תהא רשאית לאפשר לנושא המשרה לצבור בכל תקופת עבודתו בחברה, ימי חופשה בהתאם לנהלי החברה.

הנזקים שעלולים לקרות במשך תקופת הביטוח (ועוד עד \$3,000,000 שלושה מיליון דולר ארה"ב] הוצאות הגנה משפטית) (להלן: "**הפוליסה**"). פרמיית ביטוח בגין הפוליסה לא תעלה על סך של \$200,000 (מאתיים אלף דולר ארה"ב) לשנה. הפוליסה תתחדש מידי שנה, בתנאים דומים ובכפוף לאישורים על פי כל דין, לתקופות נוספות של עד 18 חודש בכל פעם.

בנוסף, החברה תהיה רשאית לרכוש פוליסת ביטוח מסוג Public Offering of Securities Insurance ("POSI") להשלמת כיסוי ביטוחי עבור אירועים שלא נלקחו בחשבון במועד רכישת הביטוח (כדוגמת הנפקה, הנפקה בבורסה זרה, מימון, או פרסום תשקיף וכדומה), בכיסוי שלא יעלה על 15 מיליון דולר, בפרמיה שלא תעלה על 200 אלפי דולר.

מטרת הפוליסות הינה להקנות לדירקטורים ונושאי המשרה בחברה הגנה מפני תביעות, כאשר תנאי הפוליסות נקבעים במסגרת משא ומתן בין החברה לבין חברת הביטוח, בהתחשב בהיקפי ותחומי הפעילות של החברה, הפריסה הגיאוגרפית של פעילות החברה, מדיניות ניהול הסיכונים בה נוקטת החברה, מספר המבוטחים במסגרת הפוליסות, והתנאים המקובלים בשוק בתחום זה.

2.6.6.3. נושאי המשרה בחברה יהיו זכאים ליהנות מהסדר שיפוי, כמקובל ובהתאם להוראות הדין ותקנון החברה. גובה השיפוי הכולל לכלל נושאי המשרה בגין אירוע, לא יעלה על סכום השווה ל- 25% מההון העצמי הקובע של החברה (סכום השיפוי המרבי). לעניין זה, "**ההון העצמי הקובע של החברה**" פירושו סכום הונה העצמי של החברה לפי דוחותיה הכספיים המאוחדים, המבוקרים או הסקורים (לפי העניין), האחרונים של החברה כפי שיהיו במועד התשלום בפועל. מובהר, כי השיפוי יחול מעבר לסכום שישולם (אם וככל שישולם) במסגרת ביטוח אחריות דירקטורים ונושאי משרה שרכשה או שתרכוש החברה מעת לעת.

2.6.6.4. נושאי המשרה בחברה יהיו זכאים ליהנות מהסדר פטור כמקובל ובהתאם להוראות הדין ותקנון החברה.

2.7. תגמול בקשר עם סיום העסקה:

2.7.1. הודעה מוקדמת

2.7.1.1. נושא משרה יכול שיהיה זכאי להודעה מוקדמת או תשלום חלף הודעה מוקדמת. תקופת הודעה מוקדמת תיקבע באופן פרטני לגבי כל נושא משרה בהתחשב בפרמטרים המפורטים בסעיף 2.2 לעיל.

2.7.1.2. ככלל, תקופת הודעה מוקדמת לנושא משרה לא תעלה על תקופה של 3 חודשים לנושא משרה שעבד עד שלוש שנים בחברה, ולא תעלה על תקופה של 6 חודשים לנושא משרה שעבד למעלה משלוש שנים בחברה. ועדת התגמול ודירקטוריון החברה, וככל הנדרש – האסיפה הכללית של החברה, יהיו רשאים, על פי שיקול דעתם, בהתחשב בחשיבות תפקידו ותחום אחריות של נושא המשרה וביתר נתוני התגמול של אותו נושא משרה, לאשר תקופת הודעה מוקדמת השונה מהתקופה שלעיל.

2.7.1.3. במהלך תקופת ההודעה המוקדמת יתחייב נושא המשרה, כי לבקשת החברה ימשיך וימלא את תפקידו בחברה, אלא אם תחליט החברה שהוא לא ימשיך למלא את תפקידו בפועל, שאז בגין תקופה זו עשוי להיות נושא המשרה זכאי להמשך קבלת כל תנאי ההעסקה והכהונה כפי שנקבע אתו בהסכם ההעסקה, ללא שינוי.

2.7.1.4. תנאי כהונה והעסקה של נושאי המשרה יכול שיכללו הוראה לפיה החברה רשאית לפטר את נושא המשרה מעבודתו ללא מתן הודעה מוקדמת במקרים השוללים זכויות לתשלום פיצויי פיטורין על פי דין, לרבות במקרים הבאים: (א) הרשעה בעבירה שיש עמה קלון; (ב) נושא המשרה לא ינהג בנאמנות ו/או במהימנות ו/או ביושר ביחסיו עם החברה ו/או בפעולותיו עבורה ו/או יתנהג באופן הפוגע בשמה הטוב של החברה; (ג) במקרה שנושא המשרה יפר את חובת הסודיות כלפי החברה ו/או חובתו להגן על זכויות החברה שיפותחו עקב או במסגרת עבודתו בחברה; (ד) כל מקרה אחר שבו זכאית החברה להימנע על פי דין מתשלום פיצויי פיטורין.

2.7.2. פיצויי פיטורין

היקף הפיצויים ייקבע בסמוך לתחילת העסקת נושא המשרה או במהלך תקופת העסקתו, ככל שזו אינה עומדת לפני סיום. לא יוגדלו הפיצויים בסמוך למועד סיום העסקה. ככלל, תשלום פיצויי פיטורין לנושא משרה ייעשה לפי שיעור של 100% מהמשכורת החודשית האחרונה. החברה תשאף כי הסכמי העסקה חדשים שייחתמו עם נושאי משרה יכללו הוראות לפי סעיף 14 לחוק פיצויי פיטורין, התשכ"ג-1963. למרות האמור לעיל, היה ועבודתו של העובד תסתיים בנסיבות בהן ניתן, על פי הדין לשלול פיצויי פיטורים, במלואם או בחלקם, תשחרר החברה לעובד רק את תשלומיו הוא לפוליסת ביטוח המנהלים ו/או לקרן הפנסיה ולקרן ההשתלמות

2.7.3. תנאי פרישה/הסתגלות

2.7.3.1. בכפוף לאישור ועדת התגמול ודירקטוריון החברה, וככל הנדרש – האסיפה הכללית של החברה (בכפוף להוראות הדין, כפי שיהיו מעת לעת), נושא משרה עשוי להיות זכאי לתקופת הסתגלות שלא תעלה על תקופה של שישה חודשים, ובלבד שהיה מועסק בחברה לפחות שנתיים, וזאת לאחר תום תקופת ההודעה המוקדמת. בתקופת ההסתגלות יקבל נושא המשרה היוצא משכורת ואת כל תנאי ההעסקה הנלווים כמפורט לעיל. מענקי פרישה ישולמו, ככל ונקבעה זכאות למענקי פרישה למי מנושאי המשרה בהסכם ההעסקה עמם, אלא אם כן פרישתו של נושא המשרה כרוכה בנסיבות המצדיקות, על פי שיקול דעת הדירקטוריון, שלילת פיצויי פיטורין ובמקרה כאמור לא יהיה זכאי נושא המשרה במענק פרישה כלשהו.

2.7.3.2. בעת קביעת גובה מענק הפרישה יובאו בחשבון, בין היתר, תקופת הכהונה או ההעסקה של נושא המשרה, תנאי כהונתו והעסקתו בתקופה זו, ביצועי החברה בתקופה האמורה, תרומתו של נושא המשרה להשגת יעדי החברה ולהשאת רווחיה ונסיבות הפרישה.

2.8. מענק שנתי

בנוסף לרכיב השכר הקבוע כמפורט לעיל, עשויה חבילת התגמול של נושאי המשרה בחברה לכלול זכויות למענק שנתי מבוסס יעדים מדידים ומענק שנתי בשיקול דעת (ביחד להלן: "**המענק השנתי**").

2.8.1. רכיבי המענק

- ביחס למנכ"ל החברה וליו"ר דירקטוריון פעיל (למעט מנכ"ל ויו"ר דירקטוריון פעיל שהינם בעל השליטה בחברה או קרובו) - יתבסס המענק השנתי ברובו על יעדים מדידים ובחלקו הלא מהותי (לעניין זה "חלק לא מהותי" - הגבוה מבין: (א) סך של 3 משכורות חודשיות (ברוטו) או (ב) 25% מהרכיבים המשתנים של התגמול (מענק ותגמול הוני) בפועל), יהיה מענק בשיקול דעת המבוסס על קריטריונים איכותיים. על אף האמור, ככל שבאותה שנה לא משולם למנכ"ל או ליו"ר דירקטוריון פעיל (לפי העניין) מענק שנתי המבוסס על יעדים מדידים (קרי, ככל שהמענק השנתי בשיקול דעת שמשולם למנכ"ל או ליו"ר דירקטוריון פעיל (לפי העניין) הינו סך המענק השנתי באותה שנה) - סכום המענק השנתי בשיקול דעת שייכול וישולם למנכ"ל וליו"ר דירקטוריון פעיל (לפי העניין, בנפרד) לא יעלה על סך השווה לשלוש (3) משכורות חודשיות (ברוטו) של אותו נושא משרה.
- ביחס לנושאי משרה הכפופים למנכ"ל החברה - בכפוף להוראות הדין, נושאי משרה הכפופים למנכ"ל החברה עשויים להיות זכאים למענק שנתי מבוסס יעדים מדידים וכן למענק שנתי בשיקול דעת. יובהר כי המענק השנתי לנושאי משרה הכפופים למנכ"ל החברה יכול שיהיה כולו בשיקול דעת (להבדיל ממענק שנתי מבוסס יעדים מדידים).

2.8.2. מענק שנתי מבוסס יעדים מדידים:

סכום המענק השנתי המבוסס על יעדים מדידים יחושב בהתבסס על קריטריונים הניתנים למדידה, אשר ייקבעו (ככל שייקבעו), ביחס לכל נושא משרה, ככל הניתן במועד קביעת תקציב החברה לשנה הקרובה, בהתאם לתפקידו של נושא המשרה הרלוונטי, על ידי האורגנים המוסמכים של החברה (בהתאם להוראות הדין ולעמדות רשות ניירות ערך, כפי שיהיו מעת לעת). יובהר כי ביחס לנושאי משרה כפופי מנכ"ל – יעדים מדידים כאמור יכול שייקבעו על-ידי מנכ"ל החברה בלבד.

2.8.2.1. בכפוף להוראות הדין ולעמדות רשות ניירות ערך, כפי שיהיו מעת לעת:

א. ועדת התגמול והדירקטוריון (בלבד) יהיו רשאים לקבוע את היעדים המדידים ביחס ליו"ר דירקטוריון פעיל ו/או למנכ"ל החברה שמכהן כדירקטור בחברה, בהתקיים אחד משני המקרים הבאים:

(1) בהתקיים כל התנאים הבאים: (א) ההחלטה תואמת את מדיניות התגמול; (ב) מדובר במענק על בסיס יעדים מדידים בלבד; (ג) היקף המענק הפוטנציאלי אינו מהותי (עד שלוש משכורות); ו-ד) היעדים נקבעו מראש על ידי ועדת התגמול והדירקטוריון.

(2) בהתקיים כל התנאים הבאים: (א) ההחלטה תואמת את מדיניות התגמול; (ב) מדובר בנושא משרה שנוסף לכהונתו כדירקטור מכהן גם בתפקיד תפעולי בחברה; (ג) אישור היעדים בועדת התגמול והדירקטוריון ללא השתתפותם של הדירקטורים האמורים אשר מקבלים מהחברה תגמול על בסיס יעדים (בין אם בכובעם כדירקטורים או בכובעם כנושאי משרה אחרים בחברה).

ב. ועדת התגמול והדירקטוריון (בלבד) יהיו רשאים לקבוע את היעדים המדידים ביחס לנושא משרה שהינו בעל שליטה או קרובו (כהגדרת מונחים אלה בחוק החברות), בהתקיים אחד משני המקרים הבאים:

(1) בהתקיים כל התנאים הבאים: (א) ההחלטה תואמת את מדיניות התגמול; (ב) מדובר במענק על בסיס יעדים מדידים בלבד; (ג) היקף המענק הפוטנציאלי אינו מהותי (עד שלוש משכורות) ו-(ד) היעדים נקבעו מראש על ידי ועדת התגמול והדירקטוריון.

(2) יעדים מדידים המבוססים על נתונים מהדוחות הכספיים, ואשר חלים באופן אחיד על בעל השליטה וקרובו וכן על כל נושאי המשרה האחרים, ובלבד שמתקיימים כל אלה: (א) מספר נושאי המשרה האחרים עליהם חלים אותם היעדים הוא משמעותית גדול ממספר נושאי המשרה שהם בעל השליטה או קרוביו; (ב) המענק הפוטנציאלי שעשוי להיגזר לנושאי המשרה האחרים הוא גבוה משמעותית מהמענק הפוטנציאלי שעשוי להיגזר לבעל השליטה ולקרוביו מאותם יעדים (במונחים אבסולוטיים); (ג) עלות המענקים המיוחסת לבעל השליטה, בהתחשב בשיעורי ההחזקה שלו בחברה, תהיה גבוהה משמעותית מסכום המענק שיהיה זכאי לו במקרה של עמידה ביעדים, כך שברור כי לבעל השליטה יש עניין קל וזניח בקביעת היעדים.

להלן קריטריונים מוצעים למענק השנתי המבוסס על יעדים מדידים. מובהר כי רשימה זו, אינה רשימה סגורה ומחייבת, וועדת התגמול ודירקטוריון החברה יהיו רשאים לשקול, הוספה או מחיקה של חלק מהקריטריונים האמורים, וזאת בשים לב לתפקידו של כל נושא משרה ותחומי אחריותו ולפעילות החברה:

1. מענק מבוסס יעדים פיננסיים – מענק המבוסס על רכיב רווחיות של החברה (כדוגמת EBITDA, רווח נקי) ו/או רכיב פיננסי אחר אשר ייקבע כמתאים. ועדת התגמול ודירקטוריון החברה יהיו רשאים להוסיף מדדים ובסיסי התייחסות נוספים.
2. מענק מבוסס מדדי ביצוע מרכזיים אישיים – מענק המבוסס על עמידה במדדי ביצוע מרכזיים אישיים המתורגמים לביטוי כמותי, הקבועים בתוכנית העבודה של החברה והמיוחסים לנושא המשרה הרלוונטי. מדדי ביצוע אלו עשויים לכלול, בין השאר: יעדי שיווק ומכירות.
 - א. התקשרות בחוזי הפצת מוצרים.
 - ב. התקשרות בחוזי שיתופי פעולה.
 - ג. עמידה באבני דרך לפיתוח מוצרים.
 - ד. השלמת פיתוח טכנולוגיות חדשות.
 - ה. מדדי תפוקה וצמיחה בהיקפי פעילות.
 - ו. שימור וגיוס לקוחות.
 - ז. התייעלות בהוצאות.
 - ח. הוצאה לפועל, קידום והשלמה של פרויקטים מתוכננים.
 - ט. עמידה במטרות / אבני דרך ביישום של פרויקטים ומהלכים מרכזיים בחברה.
 - י. קידום תוכניות ויעדים אסטרטגיים, לרבות קידום יעדים שנקבעו לנושא המשרה, והרלוונטים לתחום פעילותו של נושא המשרה הרלוונטי.
 - יא. השגת יעדים כספיים: גיוס הלוואות, אג"ח, הנפקות מניות לציבור וכיוצ"ב.

בתום כל שנה, יבחנו וועדת התגמול והדירקטוריון או מנכ"ל החברה, לפי העניין, את עמידתם של נושאי המשרה ביעדים המדידים אשר נקבעו ביחס אליהם לעניין רכיב המענק

השנתי מבוסס היעדים המדידים. ועדת התגמול והדירקטוריון או מנכ"ל החברה, לפי העניין, יהיו רשאים להחליט על תשלום חלקי של רכיב המענק המבוסס על יעדים מדידים, בגין עמידה בחלק מהיעדים.

2.8.2.2. נטרול אירועים חד פעמיים :

במסגרת חישוב הזכאות למענק שנתי המבוסס על יעדים מדידים על בסיס נתונים בדוחות הכספיים (ככל שייקבעו יעדים כאלה), תהיה לדירקטוריון או לוועדת התגמול הסמכות לקבוע לנטרל "אירועים חד פעמיים", או לחילופין לקבוע שאין לנטרל אירועים אלו בשנה מסוימת, לפי העניין.

2.8.3. מענק שנתי בשיקול דעת :

בכפוף להמלצת מנכ"ל החברה ביחס לנושאי משרה כפופי מנכ"ל, וביחס למנכ"ל וליו"ר דירקטוריון פעיל - בכפוף להמלצת הדירקטוריון, יהיו רשאים האורגנים המוסמכים של החברה (בהתאם להוראות הדין ולעמדות רשות ניירות ערך, כפי שיהיו מעת לעת) להעניק לנושאי המשרה בחברה מענק שנתי בשיקול דעת, בהתבסס, בין היתר, על הקריטריונים האיכותיים הבאים ("מענק שנתי בשיקול דעת"):

1. תרומת נושא המשרה לעסקיה של החברה, רווחיה, חוסנה ויציבותה.
2. הצורך של החברה לשכור או לשמר נושא משרה בעל כישורים, ידע או מומחיות ייחודיים.
3. מידת האחריות המוטלת על נושא המשרה.
4. שינויים שחלו באחריות נושא המשרה במהלך השנה.
5. שביעות הרצון מתפקוד נושא המשרה.
6. הערכת יכולתו של נושא המשרה לעבוד תוך תיאום ושיתוף פעולה עם הצוות.
7. תרומתו של נושא המשרה לממשל תאגידי וסביבת בקרה ואתיקה נאותים.
8. תרומתו של נושא המשרה בקידום ופיתוח עובדים ומנהלים, ככל שרלבנטי לתפקידו.

האורגנים המוסמכים של החברה יאשרו רכיב זה, בין היתר, בהתבסס על נתונים אשר יוצגו על ידי הנהלת החברה וכן בהתבסס על המלצה והערכה אישית שתיתן על-ידי מנכ"ל החברה (ביחס לנושאי המשרה שכפופים למנכ"ל) ודירקטוריון החברה ביחס ליו"ר דירקטוריון פעיל וביחס למנכ"ל, תוך פירוט הנימוקים הענייניים העומדים בבסיס המלצתם.

2.8.4. תקרת סך המענק השנתי של נושאי המשרה, במועד תשלומם (הן מענק המבוסס על יעדים מדידים והן מענק בשיקול דעת) :

תפקיד	תקרת סך המענק השנתי ⁷ במועד תשלומם (במונחי עלות השכר)
יו"ר דירקטוריון פעיל	עד 6 משכורות (בכפוף להוראות סעיף 2.8.1 לעיל)
מנכ"ל	עד 6 משכורות (בכפוף להוראות סעיף 2.8.1 לעיל)
סמנכ"לים ונושאי משרה אחרים הכפופים למנכ"ל	עד 4 משכורות

⁷ התקרה מתייחסת למענק השנתי כולו - מענק מבוסס יעדים מדידים בתוספת מענק בשיקול דעת.

2.8.5. ועדת התגמול והדירקטוריון רשאים להחליט לדחות את תשלום המענק השנתי או להפחית את סכום המענק השנתי לו זכאי נושא משרה, בהתאם לשיקול דעתם המלא.

2.8.6. החברה תהא רשאית לשלם לנושא משרה אשר לא עבד שנה מלאה, מענק באופן יחסי לתקופת עבודתו.

2.8.7. נושא משרה יחזיר לחברה את סך המענק מבוסס הביצועים שקיבל, במידה ויקבע כי מרכיב זה שולם לו על בסיס נתונים שהתבררו כמוטעים ו/או הוצגו מחדש בדוחות הכספיים של החברה, ובלבד שמועד ביצוע ההצגה מחדש של הדוחות הכספיים לא יהיה מאוחר משלוש שנים ממועד האישור המקורי של הדוחות הכספיים הרלוונטיים.

2.9. תגמול ארוך טווח

2.9.1. בכפוף לאימוץ תוכנית לתגמול ארוך טווח על ידי החברה, בהתאם להוראות כל דין, עשויה החברה להקצות מעת לעת לנושאי המשרה אופציות ו/או מניות חסומות ("תגמול מבוסס מניות") ו/או תגמול ארוך טווח אחר, לרבות כזה המבוסס על ביצועי מניית החברה (כדוגמת אופציות פאנטום), במסגרת חבילת התגמול.

2.9.2. השווי השנתי⁸ של תגמול מבוסס מניות לכל נושא משרה, במועד הענקתו, לא יעלה על 200% מעלות השכר השנתית⁴ של נושא המשרה. שווי כאמור ייקבע בהתאם לשיטות הערכת שווי מקובלות במועד ההענקה.

2.9.3. ככל שתחליט החברה על הענקת אופציות:

2.9.3.1. החברה תקיים תכנית תגמול לניירות ערך בהתאם לסעיף 102 לפקודת מס הכנסה ו/או להוראות מס אחרות החלות על החברה ו/או על עובדיה בהתאם לטריטוריה בה הם פועלים. יחד עם זאת, לוועדת התגמול ולדירקטוריון החברה תהיה הסמכות להעניק אופציות גם בהיעדר קיומה של תכנית תגמול לניירות ערך כאמור.

2.9.3.2. כל אחת מהאופציות שתעניק החברה תהיה ניתנת למימוש למניה רגילה אחת של החברה בתמורה לתשלום מחיר שלא יפחת ממחיר השווה לממוצע מחיר המניה בבורסה לניירות ערך בתל-אביב בע"מ ב- 30 ימי המסחר שקדמו ליום קבלת ההחלטה אודות ההענקה בדירקטוריון החברה.

2.9.3.3. תקופת ההבשלה של האופציות שיוענקו על ידי החברה לא תפחת מ- 3 שנים עד הבשלה של מלוא ההקצאה כאשר בכל רבעון (או פרק זמן ארוך יותר כפי שייקבע דירקטוריון החברה) יבשיל חלק יחסי מכמות ניירות הערך המוקצית. יחד עם זאת, לוועדת התגמול ולדירקטוריון החברה הסמכות לקבוע, כי למרות הוראות ההבשלה הנ"ל, האופציות יהיו ניתנות למימוש בהתקיים יעדים אשר ייקבעו על ידם ערב הענקת כתבי האופציה.

2.9.3.4. תקופת ההבשלה יכול שתואץ באירועים מיוחדים כגון החלפת שליטה ו/או מכירת פעילות ו/או סיום כהונתו של נושא משרה במקרים מיוחדים (כגון מוות או מחלה).

2.9.3.5. מועד פקיעת האופציות לא יעלה על יותר מ- 7 שנים ממועד ההקצאה.

⁸ שווי תגמול מבוסס המניות אשר הבשיל בתקופה של 12 חודשים ממועד ההענקה.

2.9.4. במסגרת הדיון בהענקת תשלום מבוסס מניות לנושא משרה בחברה, יבחנו ועדת התגמול ודירקטוריון החברה, וככל הנדרש – האסיפה הכללית של החברה, את היות ההענקה האמורה תמריץ ראוי להשאת ערך החברה לטווח הארוך.

2.9.5. הענקת תשלום מבוסס מניות תיעשה לאחר בחינת שוויה הכלכלי של ההענקה האמורה, מחירי המימוש ותקופות המימוש.

2.10. היחס בין רכיב שכר הקבוע לרכיבים המשתנים⁹

היחס בין הרכיבים המשתנים לרכיבים הקבועים לא יעלה על היחס כמפורט להלן:

תפקיד	היחס בין הרכיבים המשתנים לרכיבים הקבועים
יו"ר דירקטוריון פעיל	עד 2.5
מנכ"ל	עד 2.5
סמנכ"לים ונושאי משרה אחרים הכפופים למנכ"ל	עד 2

2.11. הארכה ושינוי של הסכמים קיימים עם נושאי משרה בחברה

2.11.1. טרם אישור הארכת הסכם העסקה עם נושא משרה בחברה (בין אם הארכה נעשית תוך שינוי בתנאי העסקה ובין אם לא), תיבחן חבילת התגמול הקיימת של נושא המשרה בהתייחס לפרמטרים בסעיף 2.2 לעיל, ובשים לב לסקר שכר שנערך על ידי החברה, כאמור בסעיף 2.3 לעיל.

2.11.2. בכפוף להוראות הדין ולעמדות רשות ניירות ערך, כפי שיהיו מעת לעת, שינויים לא מהותיים בתנאי הכהונה של מנכ"ל החברה יהיו טעונים אישור של ועדת התגמול בלבד, אם זו אישרה כי מדובר בשינוי בתנאי העסקה שאינו מהותי, והשינוי תואם את הוראות מדיניות תגמול זו.

2.11.3. בכפוף להוראות הדין ולעמדות רשות ניירות ערך, כפי שיהיו מעת לעת, שינויים לא מהותיים בתנאי הכהונה וההעסקה של נושא משרה הכפוף למנהל הכללי של החברה, יאושרו בידי מנכ"ל החברה בלבד, ולא יהיו טעונים אישור של ועדת התגמול, ובלבד שתנאי הכהונה וההעסקה של אותו נושא משרה תואמים את הוראות מדיניות תגמול זו.

לעניין סעיפים 2.11.2 ו-2.11.3 לעיל, "שינוי לא מהותי בתנאי כהונה והעסקה" – שינוי שאינו עולה על 10% במצטבר ביחס לעלות תנאי התגמול הכוללת השנתית של נושא המשרה.

2.12. גמול דירקטורים

2.12.1. הדירקטורים בחברה יהיו זכאים לתגמול על פי תקנות החברות (כללים בדבר גמול והוצאות לדירקטור חיצוני), התש"ס-2000 ("תקנות הגמול"), ואשר לא יעלה על התגמול המרבי הקבוע בתקנות הגמול (לרבות סכום התגמול המרבי לדירקטור חיצוני מומחה הקבוע בתקנות הגמול). סעיף זה לא יחול ביחס לדירקטורים אשר יכהנו כדירקטורים פעילים, אשר יהיו זכאים לתגמול בהתאם ליתר הוראות מדיניות תגמול זו.

⁹ ה"רכיבים המשתנים" כוללים לעניין זה מענקים וכן את השווי השנתי של תגמול מבוסס מניות.

2.12.2. על אף האמור בסעיף 2.12.1, דירקטורים אשר בנוסף לכהונתם כדירקטורים בחברה, יכהנו בתפקיד אחר בחברה, יהיו זכאים לשכר על פי הנהוג בחברה בתפקידים דומים.

2.12.3. הדירקטורים, לרבות הדירקטורים החיצוניים עשויים להיות זכאים לתגמול הוני, כמפורט בסעיף 2.9 לעיל.

2.12.4. הדירקטורים המכהנים בחברה עשויים להיות זכאים להחזר הוצאות אישיות סבירות, ויהיו זכאים להסדרי ביטוח, שיפוי ופטור כמפורט בסעיף 2.6.6 לעיל, והכול בהתאם להוראות תקנון החברה ומדיניות תגמול זו.

3. סמכויות ועדת התגמול ודירקטוריון החברה ביחס למדיניות התגמול

3.1. דירקטוריון החברה מופקד על ניהול מדיניות התגמול ועל יישומה ועל כל הפעולות הדרושות לשם כך, לרבות הסמכות לפרש את הוראות מדיניות התגמול בכל מקרה של ספק לגבי אופן יישומה.

3.2. ועדת התגמול ודירקטוריון החברה יבחנו, מעת לעת, את מדיניות התגמול וכן את הצורך בהתאמתה, בין היתר, בהתאם לשיקולים ולעקרונות המפורטים במדיניות זו, ובתוך כך, בחינת שינויים ביעדי החברה, תנאי שוק, התחשבות ברווחי החברה והכנסותיה בתקופות קודמות ובזמן אמת וכל מידע רלבנטי אחר.

3.3. לצורך בחינת מדיניות התגמול של החברה, יקיימו ועדת התגמול ודירקטוריון החברה מעקב על יישומה של מדיניות התגמול בחברה.

Exhibit B

Extract of analysis of the terms of compensation of chief executive officers

Findings - Chief Executive Officer

Salary data for 2017 of 9 CEO's compiling a comparison group for Foresight CEO, are presented in the table below (the figures below are on annual basis in NIS in thousands)

Company	Cost of Salary	Bonus	Share-Based Payment	Overall Cost of Remuneration	Office Holder
Algomizer	792	150	246	1,188	Noam Band
Allot Communications	1,241	243	479	1,963	Erez Antebi
Amat	1,695	2,763		4,458	Yoav Winberg
Babylon	1,084	390	1,040	2,514	Shanit Peer Tzfon
One Software Technologies	1,411	1,239	375	3,025	Shai Ozon
Taldor Computer Systems (1986)	1,500	767	172	2,439	Nati Avrahami
Computer Direct Group	2,599	990		3,589	Adi Eyal
Malam Team	1,411	100	1,442	2,953	Udi Wientraub
Perion Network	2,202	139	807	3,148	Doron Gerstel
Average	1,548	753	652	2,809	
Foresight	964		1,633	2,596	Haim Siboni(*)

(*) Mr. Siboni's cost of salary is NIS 771,000 for 80% position. Mr. Siboni's salary is presented in the table above on cost basis and is standardized for 100% position.

Distribution of findings on compensation payable to CEOs in a comparison group, based on 2017 data, in comparison to Foresight CEO, is presented in the table below.

(the figures below are on annual basis in NIS in thousands)

	Salary Data Comparosin Group							Foresight	
	Occurance	Minimum	First Quarter - 25%	Second Quarter - 50%	Average	Second Quarter - 75%	Maximum	CEO	Percentage
Cost of Salary	9	792	1,241	1,411	1,548	1,695	2,599	964	7%
Bonus	9	100	150	390	753	990	2,763	-	-
Share-Based Payment	7	172	311	479	652	924	1,442	1,633	above the scale
Total Compensation	9	1,188	2,439	2,953	2,809	3,148	4,458	2,596	40%

Exhibit C

Extract of analysis of the terms of compensation of HR executives

Findings - VP Human Recourses

Salary data for the year 2017 of 11 VP's are presented in the table below
(the figures below are on annual basis in NIS in thousands)

Company	Cost of Salary	Bonus	Share-Based Payment	Overall Cost of Remuneration	Office Holder	Market Value 31.12.2017	Position
Averbuch	724			724	Haim Averbuch	156,206	VP Operations and parquet sector
Orad	456			456	Amnon Adoram	158,552	VP regulation sector
S.T.G.	538			538	Eyal Wielf	41,722	VP bussiness development
Ganigar	689	105		794	Alexandro Mangeti	447,809	VP subsidiary's sales
Hod Assaf	1,057	200		1,257	David Zilberberg	183,374	VP commecial
Maman	1,054	190		1,244	Tausig Oron	349,876	VP cargo terminal
M. Aviv	284	20		304	Ilana Nissimi	148,515	VP human recourses
M. Aviv	385			385	Aya Aviv	148,515	VP IT
Hanan Mor Group	574			574	Amit Gal	256,132	VP projects
Rekah	591			591	Ronit Tzelnick	346,500	VP special projects
Tadir Gan	452		3	455	Ravit Levi Dadon	185,701	VP marketing and sales
Average	619	129	3	666			
Actual Salary (*)	189		122	311	Sivan Siboni Scherf		VP human recourses
Proposed Salary (**)	473		122	595	Sivan Siboni Scherf		VP human recourses

(*) Mrs. Siboni's actual monthly salary is NIS 9,000 for 80% position. Mrs. Siboni's salary is presented in the table above on cost basis and is standardized for 100% position.

(**) Mrs. Siboni's proposed monthly salary is NIS 22,500 for 80% position. Mrs. Siboni's salary is presented in the table above on cost basis and is standardized for 100% position.

Distribution of findings on compensation payable to VPs HR in a comparison group, based on 2017 data, in comparison to Foresight VP HR, is presented in the table below.

(the figures below are on annual basis in NIS in thousands)

	Salary Data Comparosin Group							Foresight		Foresight	
	Occurance	Minimum	First Quarter - 25%	Second Quarter - 50%	Average	Second Quarter - 75%	Maximum	VP HR Actual Salary	Percentage	VP HR Suggested Salary	Percentage2
Cost of Salary	11	284	454	574	619	707	1,057	189	below the scale	473	32%
Bonus	4	20	84	148	129	193	200	-	-		-
Share-Based Payment	1	3	3	3	3	3	3	122	above the scale	122	above the scale
Total Compensation	11	304	455	574	666	759	1,257	311	below the scale	595	60%

Exhibit D

Extract of principal terms of the New Development Agreement

The Company hereby amends, subject to shareholders' approval, the terms the Development Agreement, as follows:

1. Magna will continue to provide the Subsidiary with software development services in consideration of monthly payments at agreed rates for each of Magna's employees for the time actually invested by them in rendering the services to the Subsidiary; in any event the aggregate monthly consideration payable to Magna shall not exceed NIS 245,000 plus VAT (the "**New Monthly Consideration**"), instead of the monthly cap of NIS 200,000 plus VAT under the Current Development Agreement; The New Monthly Consideration is calculated, inter alia, based on Magna's employees' 32% overhead costs (which percent rate is identical to the overhead costs rate set forth in the Current Development Agreement) and in any event is capped to a monthly amount of NIS 57,246; and 5% profit margin. Current Development Agreement did not provide for Magna's profit, the Services were provided 'at cost'.
2. By Magna's request, the New Monthly Consideration may be increased by up to NIS 17,500 for the first year, up to NIS 19,500 for the second year and up to NIS 21,500 for the third year (representing 10% of Magna's employees' expected aggregate salaries for each year, excluding Magna's profit and overhead costs) in order to retain Magna's employees involved in rendering the services to the Subsidiary, against **actual and documented** increases in such employees' salaries. Such arrangement did not exist in the Current Development Agreement;
3. The New Development Agreement is for a term of one year and may be renewed for two (2) additional one-year terms. The Subsidiary shall be entitled to terminate the New Development Agreement for no cause, by six (6) month written notice. Each party has a right to terminate the New Development Agreement for cause, under circumstances customary to such types of transactions (including material breach of the New Development Agreement by the other party; liquidation, dissolution or winding up; etc.), as was already provided for under the Current Development Agreement.

Exhibit E

Alternative costs survey

Position	Magna	For an average of 75% position employment for Foresight, overhead expenses (32%), and revenue (5%) on top (in NIS)	In Comparison to Foresight	
	Cost of salary in NIS of Magna's employees (according to pricing list as of September 2018) For 100% position		Cost of salary in NIS of current Foresight employees based on 100% position	Cost of salary in NIS of current Foresight employees based on 75% position
VP R&D - electro optics specialist	34,744	26,058	54,000	
Engineer - image processing specialist	39,947	29,960	50,000	
Engineer - software	12,330	9,248	32,000	
Engineer - system engineering	15,360	11,520	36,000	
Mechanical engineer - hardware/software	33,444	25,083	32,000	
Engineer - software	10,886	8,165	32,000	
Practical engineer - R&D and experiments	14,937	11,203	22,000	
Practical engineer - R&D and experiments	13,688	10,266	22,000	
R&D and experiments technician	14,109	10,582	22,000	
Software engineer	32,855	24,641	32,000	
	8,110	6,083	22,000	
Other				
Administrative manager	15,779	3,907	4,000	
Back office Magna-Foresight project assistance	7,567	2,181	3,000	
	Overall Salary	178,895	363,000	272,250
	Overhead Expenses (32%)	57,246		
	Overall (before VAT)	236,142		
	Revenue (5%)	11,807		
	Overall (before VAT)	247,949		
	Cap	245,000		

For an average of 75% position employment for Foresight, overhead expenses (32%), and revenue (5%) on top

**Extraordinary General Shareholders Meeting of
Foresight Autonomous Holdings Ltd.**

Date: January 28, 2019

See Voting Instruction On Reverse Side.

Please make your marks like this: Use pen only

1. To amend and restate the Compensation Policy for the Company's directors and officers, in the form attached as Exhibit A to the Proxy Statement.

For ☐ Against ☐ Abstain ☐

Yes ☐ No ☐

1a. Are you a controlling shareholder of the Company and/or have a personal interest (as such terms are defined in the Companies Law and in the Proxy Statement) in the approval of the Company's compensation policy?^a

For ☐ Against ☐ Abstain ☐

Yes ☐ No ☐

2. To approve the extension of Mr. Siboni's engagement as the Company's Chief Executive Officer under the terms of the Services Agreement by and between the Company and Mr. Siboni as set forth in the Proxy Statement, for a period of up to three years commencing January 5, 2019.

2a. Are you a controlling shareholder of the Company and/or have a personal interest (as such terms are defined in the Companies Law and in the Proxy Statement) in the approval of extension of Mr. Siboni's engagement as the Company's Chief Executive Officer under the terms of the Services Agreement between the Company and Mr. Siboni as set forth in the Proxy Statement?^a

For ☐ Against ☐ Abstain ☐

Yes ☐ No ☐

3. To approve Mrs. Siboni's Compensation as set forth in the Proxy Statement, for a period of three years commencing as of the date of such approval.

3a. Are you a controlling shareholder of the Company and/or have a personal interest (as such terms are defined in the Companies Law and in the Proxy Statement) in the approval of Susan Siboni's Compensation?^a

For ☐ Against ☐ Abstain ☐

Yes ☐ No ☐

4. To approve the New Development Agreement, on the terms and conditions set forth in Exhibit B to the Proxy Statement, for a period of up to three years commencing January 5, 2019.

4a. Are you a controlling shareholder of the Company and/or have a personal interest (as such terms are defined in the Companies Law and in the Proxy Statement) in the approval of the New Development Agreement?^a

Yes ☐ No ☐

^a If you do not mark either Yes or No, your shares will not be voted for Proposal No. 4.

Authorized Signatures - This section must be completed for your instructions to be executed.

Please Sign Here

Please Date Above

Please Sign Here

Please Date Above

**Extraordinary General Shareholders Meeting
Foresight Autonomous Holdings Ltd.
to be held January 28, 2019
For Holders as of December 24, 2018**



- Mark, sign and date your Voting Instruction Form.
- Detach your Voting Instruction Form.
- Return your Voting Instruction Form in the postage-paid envelope provided.

All votes must be received by 12:00 p.m. New York Time January 22, 2019.

**PROXY TABULATOR FOR
FORESIGHT AUTONOMOUS HOLDINGS LTD.
P.O. BOX 8016
CARY, NC 27512-9903**

↑ Please separate carefully at the perforation and return just this portion in the envelope provided. ↑

EVENT #

CLIENT #

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Foresight Autonomous Holdings Ltd.**Instructions to The Bank of New York Mellon, as Depositary
(Must be received prior to 12 p.m. NYC Time on January 22, 2019)**

The undersigned Holder of American Depositary Receipts ("ADRs") hereby acknowledges receipt of a Notice to Holders from the Depositary and hereby requests and instructs The Bank of New York Mellon, as Depositary, to endeavor, in so far as practicable, to vote or cause to be voted the number of ordinary shares or other deposited securities represented by such ADRs of **Foresight Autonomous Holdings Ltd.** (the "Company") registered in the name of the undersigned on the books of the Depositary as of the close of business **December 24, 2018**, at the Company's **Extraordinary General Shareholders Meeting to be held on January 28, 2019, at 3:00 p.m. (Israel time)**, at the offices of the company's legal advisers, Eitan Mehulal & Sadot, Law Offices, at 10 Abba Eban Boulevard, Ackerstein Towers, Building C (floor 7), Herzliya, Israel.

NOTE:

Please direct the Depositary how to vote by completing the reverse side. This voting instruction card, when properly executed and returned, will be a request to the Depositary to vote or cause to be voted the shares or other Deposited Securities represented by your ADRs as directed herein.

The Depositary shall not vote or attempt to exercise the right to vote that attaches to the shares or other Deposited Securities, other than in accordance with such instructions.

The Board of Directors recommends that you vote in favor of the proposals, which are described in the proxy statement.

To review materials for the upcoming EGM, please visit: <http://fr.foresightauto.com/sec-filings/>

(Continued and to be marked, dated and signed, on the other side)

PROXY TABULATOR FOR
Foresight Autonomous Holdings Ltd.
P.O. Box 8916
CARY, NC 27512-0916