

February 1st, 2024

The Phoenix Holdings Ltd. ("The Company")

To:
The Tel Aviv Stock Exchange Ltd.
2 Achuzat Bayit Street
Tel-Aviv

To:
Israel Securities Authority
22 Kanfei Nesharim Street
Jerusalem

Re: Immediate Report on Convening a Special General Assembly for the Company's Shareholders

In accordance with the *Companies Law, 5759-1999* (the "**Companies Law**"), with the *Securities (Periodic and Immediate Reports) Regulations, 5730-1970* (the "**Reports' Regulations**"), and with the *Companies (Notice and Ad on General Assembly and Type Assembly in a Public Company and Adding a Topic to the Agenda) Regulations, 5760-2000* (the "**Notice and Ad Regulations**"), a notice is hereby given concerning the convening of a Special General Assembly of the Company's Shareholders (the "**Assembly**" or the "**General Assembly**"), which shall convene on Thursday, March 7, 2024 at 17:00, at the Company's Headquarters located at 53 HaShalom Road, Giv'atayim, 20th floor ("**Company's Headquarters**"), for the purpose of making decisions on the topics on the agenda, as detailed below:

1. The topics on the agenda and the wording of the proposed decisions:

1.1. Topic No. 1 on the agenda: Allocation of options (non-tradable) to the CEO of the Company, Mr. Eyal Ben Simon

Mr. Eyal Ben Simon serves as the CEO of the Company as of June 2019 (and as CEO of The Phoenix Insurance Company Ltd., a wholly owned subsidiary of the Company ("**The Phoenix Insurance**"), as of May 2019), and the terms of his tenure and employment were approved by the Company's General Assembly on October 22, 2020, and detailed in Note 42.b.5 to the Company's consolidated financial statements for 2022, as published on March 23, 2023, as part of the 2022 Company's Periodic Report (Reference No.: 2023-01-026428) ("**2022 Company's Periodic Report**")¹. As part of Mr. Simon's positions and in addition to his tenure as CEO of the Company and The Phoenix Insurance, Mr. Simon also holds additional positions in companies controlled by the Company, and among them also as a director at Gama Management and Clearing Ltd., a subsidiary of the Company which is (indirectly) held by it at a rate of 100% ("**Gama**").

Following an examination conducted in the Company regarding the option of granting equity based compensation in companies controlled by the Company by those companies to Company officials who hold a position and/or contribute to those companies, it was decided, inter alia, to bring to the approval of the General Assembly, the subject of this report, allocation of (non-tradable) options to Mr. Ben Simon at Gama as specified below.

The allocation of options as aforementioned complies with the provisions of the Company's Compensation Policy². It is hereby emphasized that apart from the allocation proposed above, there

¹ It should be noted that in addition to the aforesaid in the Company's periodic report for 2022 as mentioned, on August 2, 2023, the General Assembly of the Company's shareholders approved allocation of options (non-tradable) to Mr. Ben Simon in the Company and The Phoenix Investments House Ltd. (a subsidiary of the Company) ("**The Phoenix Investments House**"), as detailed in the report convening the aforementioned General Assembly (as published on June 28, 2023; Reference no.: 2023-01-060334) ("**June 2023 Convention Report**").

² As last approved on January 4, 2024, according to the Convention Report (Amendment) of the General Assembly of December 20, 2023 (Reference no.: 2023-01-138576) ("**Compensation Policy**" or "**Company's Compensation Policy**").

will be no change in the conditions of Mr. Ben Simon's tenure and employment.

The aforementioned options will be allocated, insofar as they are allocated, in accordance with Gama's Equity Based Compensation Plan, which was approved by Gama's BOD on November 27, 2023 ("**Gama's Equity Based Compensation Plan**").

Prior to the publication of this report, the allocation of options to Mr. Ben Simon was approved (unanimously) in the Company's Compensation Committee at its meeting of January 29, 2024, and in the Company's BOD at its meeting of January 31, 2024.

The main terms of the (non-tradable) options to Gama's Shares offered to Mr. Ben Simon and their amount, which are brought for the approval of the General Assembly, are as following:

- 1.1.1. 223,322 options (non-tradable) of Gama, with a total value of NIS 925,000, exercisable for up to 223,322 ordinary shares of Gama listed on the name of, with a nominal value of NIS 0.01 each ("**Gama's Shares**"), which are, as of the date of the report (on the theoretical assumption of full exercise of the options and without taking into account realization through the 'net realization' mechanism) about 0.238% of the issued and paid-up share capital of Gama (and about 0.224% in full dilution).
- 1.1.2. The aforementioned options are offered to Mr. Ben Simon as part of his tenure as director of Gama and as part of the conditions of his tenure and employment therein (and without monetary compensation in cash on his part). The options are offered in accordance with Gama's Equity Based Compensation Plan and in accordance with the capital gain track set forth in section 102(b)(2) to the *Income Tax Ordinance [New Version], 5771-1961* ("**The Ordinance**"). The options that will be allocated to Mr. Ben Simon will be deposited for him in trust with a trustee, who will hold them in trust for the periods specified in section 102 of the Ordinance.
- 1.1.3. Summary of vesting conditions in Gama

- [1] Time-dependent vesting - The options that will be allocated to Mr. Ben Simon will be vested in installments, as detailed below: (1) A quarter of the options will be vested and exercisable to Gama's Shares as of February 1, 2026 ("**First Installment**"); (2) Half of the options will be vested and exercisable to Gama's Shares as of February 1, 2027 ("**Second Installment**"); and (3) A quarter of the options will be vested and exercisable to Gama's Shares as of February 1, 2028 ("**Third Installment**").
- [2] Performance dependent vesting - Each installment of options will vest after the time-dependent vesting, provided that at that time the Company will meet a minimum profit before tax target set forth by the BOD of Gama (as will be presented in the consolidated annual financial statements of Gama for the relevant year, which will be signed and/or published, as the case may be, before the time-dependent vesting date). In case of failure to comply with this target at the time of the examination, the examination for compliance with this condition will be postponed until next year, as long as the option has not expired. However, insofar as this target is not complied within the following year as well, the aforementioned installment of option will expire.

The deadline for the exercise of all installments of options is February 1, 2029.

As a general rule, in the event that Mr. Ben Simon ceases to serve in his position at Gama, Mr. Ben Simon will be entitled to exercise the exercisable options (depending on the vesting period and the exercise period) within 90 days of the end of his term (subject to the provisions of Gama's Equity Based Compensation Plan). All the options which were allocated to Mr. Ben Simon and which were not exercised as stated, will expire and will not

be exercisable³.

1.1.4. The exercise price and 'net exercise' of the options in Gama

The exercise price for each option per ordinary share of Gama in the First Installment is NIS 14.00; in the Second Installment is NIS 14.50; and in the Third Installment is NIS 15.00. The exercise prices reflect a premium above the share price of between about 7% to about 15% (according to a value estimate by Gama, as conducted by an external valuer as of January 24, 2024).

Nonetheless, the exercise of the options whose vesting date was due will be carried out (insofar as it is carried out) through a mechanism for exercising share options based on the benefit component (Net Exercise), according to which, Mr. Ben Simon will be entitled to receive exercise shares in the amount that reflects the benefit component inherent in the exercised options according to the formula established in Gama's Equity Based Compensation Plan only, and will not be required to pay the aforementioned exercise price (but only the nominal value of the exercise shares, unless the BOD of Gama has determined otherwise)⁴.

1.1.5. The exercise shares will be equal in their rights to the existing shares in Gama's equity for all intents and purposes, and will be subject to the provisions of its Articles of Incorporation.

1.1.6. In addition, the terms of the options established acceptable provisions regarding adjustments of the terms of the options for cases such as merger transactions, restructuring or changing the capital structure, distribution of bonus shares or dividend, voluntary liquidation, etc.

1.1.7. It should be noted that prior to the publication of this Convention Report, the allocation of options mentioned in this section 1.1 was approved also by the authorized organs of Gama (in Gama's Compensation Committee, at its meetings of January 28 and January 31, 2024, and in the Gama's BOD, at its meeting of January 31, 2024).

1.1.8. The economic value of the options

At the time of the BOD's decision regarding the allocation of the options to Mr. Ben Simon (based on calculations made as of the last trading day preceding the aforementioned decision day), the economic value of the options offered to Mr. Ben Simon in Gama was evaluated at NIS 925,000, an amount that does not exceed the cap set forth in the Compensation Policy for the Company's officers⁵.

³ In the event of termination of the tenure for reasons in which Mr. Ben Simon was not entitled to severance pay as stated in the Severance Pay Law, 5723-1963, and/or in additional circumstances detailed in Gama's Equity Based Compensation Plan, Mr. Ben Simon will immediately lose his right to exercise the options. In the event where the tenure of Mr. Ben Simon ended due to his death, God forbid, or due to reaching retirement age according to law or in case of loss of working capacity for health reasons, the options will vest immediately, and Mr. Ben Simon or his heirs, as the case may be, will be entitled to exercise all the options that have vested within 90 days of the said event or within a later date to be approved by the BOD of Gama. It should be noted that in accordance with Gama's Equity Based Compensation Plan, the BOD of Gama will be entitled at any time, as it deems fit, to establish provisions regarding the acceleration of the vesting period regarding the options that were granted according to the Plan, all or some therefrom, or regarding the removal of restrictions concerning the exercise of options, all in accordance with the law.

⁴ According to the aforementioned formula, the market value of Gama's Shares at the time of the exercise date will be determined through a valuation by an independent valuer, and insofar as Gama will be a public company at the time of exercise, then the value of its shares will be determined as the average known closing price of the share on the TASE (or the closing bid, if no sales were reported) in the 10 days preceding the day of delivery of the exercise notice.

⁵ The economic value of Gama's options was calculated according to the binomial model. According to the aforementioned valuation, the average value of each Gama option is NIS 4.142.

Below are details regarding the expected annual compensations to which Mr. Ben Simon will be entitled to in 2024, in accordance with the updated terms of his tenure and employment, including the grant of (non-tradable) options in Gama, as detailed in this report:

Details of the recipient of the benefits				Benefits for services and others (in thousands of NIS)							
Name	Position	Appointment percentage	Holding rate in the corporation's equity (2)	Salary (3)	Grant (4)	Share-based payment (5)	Management fee	Rent	Other	Total	Of this: Total for the matter of the Compensation for Officers of Financial Corporations Law (6)
Eyal Ben Simon	CEO of the Company and The Phoenix Insurance(1)	Full-time	-	2,571	400	-	-	-	-	4,150	3,885
(1)	In addition, as specified in Regulation 26A in the chapter 'Additional details about the corporation' in the company's periodic report for 2022, Mr. Ben Simon serves as a director also in additional companies in The Phoenix Group, including in Gama.										
(2)	As of the date of the report, Mr. Ben Simon does not own the Company's shares. For details about the proportion of his holding in the Company's equity under the assumption of conversion of options to the shares of the company held by him, see Immediate Report regarding the status of holdings of interested parties and senior officers published by the Company on January 7, 2024 (Reference No.: 2024-01-002764).										
(3)	The salary includes a payment required according to the employment agreement, which does not depend on targets and/or discretion. The salary shown in the table above constitutes 100% of the salary paid to Mr. Ben Simon in connection with all his positions in the Group and does not constitute the salary paid by the Company only.										
(4)	Calculated for the purposes of presentation in this report based on the maximum annual compensation cap for 2024.										
(5)	This sum expresses the economic value of the options that will be allocated to Mr. Ben-Simon at Gama, according to the manner in which the expected accounting expense for them is recorded in the Company's statements in 2024 (as opposed to a linear spread over vesting periods) of approximately NIS 300,000 ⁶ , plus the economic value of options (non-negotiable) allocated to Mr. Ben-Simon in the Company and Phoenix Investment House in 2023 (as detailed in the June 2023 Convention Report). It is also according to the manner in which the expected accounting expense for them is recorded in the company's reports in 2024.										
(6)	Remuneration, as defined in the Remuneration of Office Holders in Financial Corporations (Special Approval and Disallowance of Expenditure for Tax Purposes Due to Extraordinary Remuneration), 5776 - 2016 ("Remuneration of Office Holders in Financial Corporations Law") - that is, the total compensation excluding provisions for severance pay and compensation (including loss of work capacity) according to the law, excluding the completion of the employer's provisions for rights accrued up to the date of entry into force of the law.										

Below is a summary of the considerations and reasons for allocating the (non-tradable) options to Mr. Ben Simon:

- The Compensation Committee and the BOD believe that the allocation of the options to Mr. Ben Simon in Gama is appropriate and complies with the Company's Compensation Policy, including the caps therein, and adequate to its targets.
- The Compensation Committee and the BOD believe that the granting of exercisable options for Gama's Shares, whose vesting depends on the performance of Gama, is of great importance in strengthening the connection of Mr. Ben Simon in his role as director in Gama and the performance of Gama, and constitutes a worthy incentive to continue his activity and fulfill his role in the future in achieving the business and strategic targets, objectives and plans of Gama (and therefore also of the Company).
- The Compensation Committee and the BOD believe that the granting of exercisable options for Gama's Shares, whose vesting depends, inter alia, on the performance of Gama, including in the framework of granting options to Gama's Shares and additional office holders in the Company and the companies under its control, complies with the targets of the Company's Compensation Policy and it ties the performance of Mr. Ben Simon, both in his role as CEO of the Company and in his role as director in

⁶ for details of the full economic value of option that will be allocated to Mr. ben Simon see section 1.1.8 above.

Gama, and the performance of Gama, as applicable, and also keeps Mr. Ben Simon in his aforementioned positions for the long term, as well as encouraging maximizing of value to Gama's shareholders, and as a result thereof, also to the shareholders in the Company. The granting of options to Gama's Shares to Mr. Ben Simon is a benefit for his tenure as a director therein and complies with the terms of the Company's Compensation Policy and the cap of the Compensation for Officers of Financial Corporations Law.

- The members of the Compensation Committee and the BOD stated that the allocation of the options to Mr. Ben Simon is brought for approval by the General Assembly of the Company's shareholders according to section 2(a) of the Compensation for Officers of Financial Corporations Law, and it is subject to its approval, and it will be carried out after full compliance with the regulatory requirements binding the Company as of the date of this report, including the provisions of the Compensation for Officers of Financial Corporations Law⁷.
- Considering all the parameters and considerations and in light of the reasons as detailed in this section above, the Compensation Committee and the BOD set forth that the allocation of the options to Mr. Ben Simon is fair, reasonable, and appropriate and acceptable under the circumstances, and is for the benefit of the Company and Gama, inter alia, due to his contribution to their success, and taking into account his experience, skills, duties and the accompanying responsibilities of his position, considering the regulatory restrictions applicable to the Company.

The wording of the proposed decision:

“To approve an allocation of 223,322 (non-tradable) options of Gama Management and Clearing Ltd. to Mr. Eyal Ben Simon, CEO of the Company and The Phoenix Insurance, exercisable for up to 223,322 ordinary shares of Gama with a nominal value of NIS 0.01 each, in accordance with the conditions specified in section 1.1 of this report”.

1.2. **Topic No. 2 on the agenda: Allocation of options (non-tradable) to the Chairperson of the Company's BOD, Mr. Benjamin Gabbay**

Mr. Benjamin Gabbay serves as the Chairperson of the Company's BOD as of April 2020 (and as Chairperson of The Phoenix Insurance BOD (70% appointment percentage) as of November 2019), and the conditions of his tenure and employment, as approved by the Compensation Committee and the Company's BOD, are detailed in Note 42.b.4 to the Company's consolidated financial statements for 2022 (as published as part of the 2022 Company's Periodic Report)⁸. As part of Mr.

⁷ In this context, it was noted that current compensation cap in the Company according to the Compensation for Officers of Financial Corporations Law is NIS [3.49 Million]. As the annual compensation of a number of low-rating employees in the Company increases, the maximum annual compensation cap that can be granted to Mr. Ben Simon may increase (Depending on how the cap is calculated according to the Compensation for Officers of Financial Corporations Law). In any case, the compensation to Mr. Ben Simon will not exceed the cap allowed by law, including according to the Compensation for Officers of Financial Corporations Law, and to that end, the annual grant to Mr. Ben Simon will truncated, if necessary.

⁸ In this context, inter alia, in respect of his tenure as Chairperson of the Company, Mr. Gabbay is entitled to annual compensation as well as compensation for attending meetings (which are not joint meetings of the Company and The Phoenix Insurance) as an expert director (according to his classification by the Compensation Committee as such), in accordance with what is detailed in the Fourth Schedule to the Companies (Rules Concerning the Compensation and Expenses of an External Director) Regulations, 5760-2000, according to the rating of the Company, as it shall be from time to time; and as of 2024, the gross monthly salary of Mr. Gabbay for his tenure as Chairperson of The Phoenix Insurance (appointment percentage of 70%) is in the amount of NIS 160,350, which is linked to the CPI and is updated once a year with the January salary (according to the published index on January 15th of that year).

This salary, as will be updated from time to time as stated above, constitutes the fixed salary agreed upon as a basis for provisions for compensations and benefits.

For additional details about Mr. Gabbay's tenure and employment conditions in the Company and The Phoenix Insurance, including ancillary conditions (such as reimbursement of costs in accordance with the Company's Compensation Policy, days off, etc.), officers liability insurance, indemnification and exemption, advance notice and non-compete period, see Note

Gabbay's positions and in addition to his tenure as Chairperson of the Company's BOD, Mr. Gabbay also holds other positions in companies controlled by the Company, among them also a term as a director in Gama.

Following an examination conducted in the Company regarding the possibility of granting equity based compensation in companies controlled by the Company by those companies to Company officials who hold a position and/or contribute to those companies, including to the Chairperson of the Company's BOD, it was decided to bring to the approval of the General Assembly, the subject of this report, the allocation of options (non-tradable) to Mr. Gabbay in Gama, as described below.

The allocation of the aforementioned options complies with the provisions of the Company's Compensation Policy. It should be emphasized that except for the allocation proposed above, there will be no change in the conditions of Mr. Gabbay's tenure and employment.

The said options will be allocated, insofar as they are allocated, in accordance with the Gama's Equity Based Compensation Plan (as defined above).

Prior to the publication of the report, the allocation of the options mentioned in this section 1.2 was approved to Mr. Gabbay (unanimously) in the Company's Compensation Committee at its meeting of January 29, 2024, and in the Company's BOD at its meeting of January 31, 2024.

The main terms of the (non-tradable) options offered to Mr. Gabbay and their amount, which are brought for the approval of the General Assembly, are as following:

- 1.2.1. 156,325 options (non-tradable) of Gama, with a total value of NIS 647,500, exercisable for up to 156,325 of Gama's Shares, which are, as of the date of the report (on the theoretical assumption of full exercise of the options and without taking into account realization through the 'net realization' mechanism) about 0.167% of the issued and paid-up share capital of Gama (and about 0.157% in full dilution).
- 1.2.2. The aforementioned options are offered to Mr. Gabbay as part of his tenure of a director in Gama and as part of the conditions of his tenure and employment (without monetary consideration in cash on his part). The options are offered in accordance with Gama's Equity Based Compensation Plan and in accordance with the capital gain track set forth in section 102(b)(2) of the Ordinance. The options that will be allocated to Mr. Gabbay will be deposited for him in trust with a trustee, who will hold them in trust for the periods specified in section 102 of the Ordinance.
- 1.2.3. The other terms of the offered options are as specified in section 1.1 above, mutatis mutandis.
- 1.2.4. It should be noted that prior to the publication of this Convention Report, the allocation of options mentioned in this section 1.2 was approved also by the authorized organs of Gama (as specified in section 1.1.7 above).
- 1.2.5. The economic value of the options

At the time of the BOD's decision regarding the allocation of the options to Mr. Gabbay (based on calculations made as of the last trading day preceding the aforementioned decision

42.b.4 to the Company's consolidated financial statements for 2022 (as published as part of the 2022 Company's Periodic Report).

It should be noted that in addition to the aforesaid in the Company's periodic report for 2022 as mentioned, on August 2, 2023, the General Assembly of the Company's shareholders approved the allocation of options (non-tradable) to Mr. Gabbay in The Phoenix Investment House, as detailed in the June 2023 Convention Report.

day), the economic value of the options offered to Mr. Gabbay in Gama was evaluated at NIS 647,500 an amount that does not exceed the cap set forth in the Compensation Policy for the Company's officers.

Below are details regarding the expected annual compensations to which Mr. Gabbay will be entitled to in 2024, in accordance with the updated terms of his tenure and employment, including the grant of (non-tradable) options in Gama, as detailed in this report⁹:

Details of the recipient of the benefits				Benefits for services and others (in thousands of NIS)							
Name	Position	Appointment percentage	Holding rate in the corporation's equity	Salary (2)	Grant	Share-based payment (3)	Management fee	Rent	Other	Total	Of this: Total for the matter of the Compensation for Officers of Financial Corporations Law (4)
Benjamin Gabbay	Chairperson of the Company BOD and The Phoenix Insurance (1)	Partly (See above)	0.02%	2,422	-	692	-	-	-	3,114	2,835
(1)	In addition, Mr. Gabbay also serves as a director in other companies in The Phoenix Group, as specified in Regulation 26 in the chapter 'Additional details about the corporation' in the Company's periodic report for 2022.										
(2)	The compensation paid to Mr. Gabbay from the Company complies with the Companies (Rules Concerning the Compensation and Expenses of an External Director) Regulations, 5760-2000. The salary detailed in the table is a payment for Mr. Gabbay's tenure at The Phoenix Insurance, as detailed above. In this context, it shall be clarified that the salary shown in the table constitutes 100% of the salary paid to Mr. Gabbay in connection with all his positions in the Group and does not constitute the salary paid by the Company only.										
(3)	This sum expresses the economic value of the options that will be allocated to Mr. Gabbay at Gama, according to the manner in which the expected accounting expense for them is recorded in the Company's statements in 2024 (as opposed to a linear spread over vesting periods) of approximately NIS 210,000 ¹⁰ , plus the economic value of options (non-negotiable) allocated to Mr. Gabbay in the Phoenix Investment House in 2023 (as detailed in the June 2023 Convention Report). It is also according to the manner in which the expected accounting expense for them is recorded in the company's reports in 2024.										
(4)	Compensation as defined in the Compensation for Officers of Financial Corporations Law, that is, the total compensation excluding provisions for severance pay and bonuses (including loss of working capacity) according to law (or deposits in funds as a substitute for these components, for those who are not employed "as an employee") and with the exception of completing the employer's provisions for rights accrued up to the date of entry into force of the law.										

For the summary of the considerations and reasons for allocating the (non-tradable) options in Gama to Mr. Benjamin Gabbay see the summary of the considerations and reasons in section 1.1 above, with the needed adjustments.

The wording of the proposed decision:

"To approve an allocation of 156,325 (non-tradable) options of Gama Management and Clearing Ltd. to Mr. Benjamin Gabbay, Chairperson of the Company's BOD and The Phoenix Insurance, exercisable for up to 156,325 ordinary shares of Gama with a nominal value of NIS 0.01 each, in accordance with the conditions specified in section 1.2 of this report".

2. Convening the General Assembly, its date and performance

The special General Assembly will convene on Thursday, March 7, 2024 at 17:00, at the Company's

⁹ The economic value of the Gama's options was calculated according to the binomial model. According to the aforementioned valuation, the average value of each Gama option is NIS 4.142.

¹⁰ for details of the full economic value of option that will be allocated to Mr. Gabbay see section 1.2.5 above.

Headquarters located at 53 HaShalom Road, Giv'atayim, 20th floor.

The legal quorum for the General Assembly is the presence of at least three (3) shareholders, present by themselves or by a proxy, holding at least one third (1/3) of the total voting rights in the Company, within half an hour from the date set for the commencement of the Assembly.

If no legal quorum is present half an hour after the date set for the commencement of the Assembly, the Assembly shall be postponed for one week at the same time and place, that is, Thursday, March 14, 2024 at 17:00 ("**Postponed General Assembly**"). If a legal quorum is not present half an hour after the date set for the Postponed General Assembly, the presence of at least two (2) shareholders, either by themselves or through a proxy, will constitute the legal quorum for the Postponed General Assembly.

3. The required majority for decisions on the Assembly's agenda

The majority required to make each one of the decisions on the agenda (that is, allocation of options to Mr. Eyal Ben Simon and allocation of options to Mr. Benjamin Gabbay) is the majority stipulated in section 267a(b) of the Companies Law and Section 2(a) of the Compensation for Officers of Financial Corporations Law (as the case may be)¹¹, that is, an ordinary majority (that is, a majority of over fifty percent (50%) of all the votes of the shareholders participating in the General Assembly, who are entitled to vote and who voted in it), provided that one of the following occurs: (A) The number of majority votes in the General Assembly shall include the majority of all the votes of the shareholders who are not the controlling shareholders of the Company or have a personal interest in the approval of the decision, participating in the vote; In counting all the votes of the aforesaid shareholders, the abstainers shall not be taken into account; or (B) The total number of opposing votes from among the shareholders referred to under sub-section (A) above shall not exceed the rate of two percent (2%) of the total voting rights in the Company.

Any shareholder who wishes to participate in the vote concerning any of the decisions on the agenda, will inform the Company before voting at the meeting (by himself or through his proxy) or, if the vote is conducted by a voting paper - by marking and detailing in the designated place on the voting paper, whether he has a personal interest in the relevant decision or not; If a shareholder has not notified as mentioned, he will not vote and his vote will not be counted.

In addition, every shareholder who wishes to participate in the vote will inform whether or not he is an interested party in the Company, a senior official in the Company or an institutional investor.

4. The Assembly's orders and voting

4.1. The date for determining the shareholders' entitlement to participate and vote in the Assembly

The Effective Date for determining the shareholders' entitlement to vote in the General Assembly according to section 182(b) of the *Companies Law* and according to Regulation 3 of the *Companies' (Written Voting and Position Announcements) Regulations, 5766-2005* ("**Voting Papers Regulations**") is Thursday, February 8, 2024 (the "**Effective Date**").

4.2. Voting eligibility

¹¹ It should be noted that although Mr. Gabbay's tenure and employment conditions comply with the provisions of the Company's Compensation Policy, and therefore, in accordance with the provisions of sections 270(3) and 273(a) of the Companies Law, their approval at the Company's General Assembly does not require a special majority (but a simple majority), the Company chose, for the sake of caution only, to bring the aforementioned tenure and employment conditions to the approval of the General Assembly subject of this report by a special majority stipulated in section 267a(b) of the Companies Law (and section 2(a) of the Compensation for Officers of Financial Corporations Law).

Any of the Company's shareholders on the Effective Date, whether the shares are listed on his/her name, or whether he/she holds them by way of a stock-exchange member, is eligible to take part and vote in the Assembly in person or by proxy for voting as well as by Voting Paper or by an Electronic Voting Paper (as defined below).

4.3. Proxy for voting

The document that appoints a proxy shall be in writing, signed by the appointer or his/her attorney, or, when the appointer is a corporation, the power of attorney shall be signed with its accepted stamp or by its attorney. The proxy-appointment letter and the power of attorney (if there is any) or a copy of such documents approved by a notary shall be deposited at the Company's Offices with the Company's secretariat, at least forty-eight (48) hours prior to the date and time of the General Assembly or the Postponed Assembly (as the case may be) for which an authorization letter was submitted. A deposit as stated, which relates to the Assembly's set date, shall also be effective for the Postponed Assembly.

4.4. Ownership approval

In accordance with the *Companies (Proof of Share Ownership for Voting Purposes in the General Assembly) Regulations, 5760-2000* ("**Share Ownership Proof Regulations**"), a shareholder of the Company, to whom a share is listed with a stock exchange member and that share is included among the shares listed in the register of shareholders in the name of the nominee company ("**Unlisted Shareholder**"), is entitled to participate in the General Assembly, by himself or by a proxy or by a Voting Paper (as defined below), only if he presents to the Company, prior to the General Assembly, approval from the stock exchange member with whom his right to the share is listed, regarding his ownership of the Company's shares on the Effective Date, in accordance with Regulation 2 of the Share Ownership Proof Regulations as well as in the Form found in the Schedule to the Share Ownership Proof Regulations ("**Ownership Approval**"). Alternatively, an Unlisted Shareholder may order that his Ownership Approval be forwarded to the Company through the Electronic Voting System (as defined below). Without detracting from the aforementioned, an approved electronic message pursuant to section 44K5 of the Securities Law, which concerns the data of the users of the Electronic Voting System - has the same legal standing as an Ownership Approval of a share in respect of any shareholder included therein.

An Unlisted Shareholder is entitled to receive the Ownership Approval from the stock-exchange member through whom he holds his shares, at the branch of the stock-exchange member or by mail to his address for only a delivery charge, if he requested it. A request on this matter shall be provided in advance to a specific securities account.

4.5. Voting paper and position announcements

As mentioned, a shareholder entitled to participate and vote in the General Assembly, may vote at the General Assembly by means of a Voting Paper, as defined in section 87 of the Companies Law, the wording of which is attached to this report ("**Voting Paper**"). A shareholder shall indicate the manner of his vote regarding each decision on the agenda in the second part of the Voting Paper. For this matter, the vote of a shareholder who voted using a Voting Paper will be considered as if he was present and participated in the meeting.

You can review the Voting Paper and position announcement as defined in section 88 of the Companies Law, as will be provided, on the distribution website and the stock exchange website (as defined below). Any shareholder may contact the Company directly and receive from it free of charge the text of the Voting Paper and position announcements (insofar as they are provided). Also, you can review the Voting Paper and position announcements on the Securities Authority's Distribution Website at: <https://www.magna.isa.gov.il> ("**Distribution Website**") and on the website of the Tel Aviv Stock Exchange Ltd., at: <https://maya.tase.co.il> ("**Stock Exchange Website**").

A stock-exchange member shall send, for no cost, by email, a link to the Voting Paper's wording and the position announcements (as will be provided) on the Distribution Website, to any shareholder of the Company who is unlisted on the Company's shareholders' registry and whose shares are listed with the same stock-exchange member, unless the shareholder has notified that he does not wish that or that he wishes to receive Voting Papers by mail while bearing the delivery cost.

The Voting Paper and the documents that must be attached thereto must be services, as detailed in the voting document, to the Company's Headquarters (including by registered mail) along with the Ownership Approval (and in relation to a listed shareholder - together with a copy of an identity card, passport or certificate of incorporation, as the case may be) up to four (4) hours before the time of convening the General Assembly. For this matter, the "date of service" is the date when the Voting Paper and the documents attached thereto arrived at the Company's Headquarters.

The deadline for service of position announcement to the Company by the Company's shareholders is up to ten (10) days before the date of the Meeting. The deadline for service of the BOD's response to the position announcements, insofar as such position announcements are submitted and the BOD chooses to submit its response to them, is up to five (5) days before the date of the Meeting. An Unlisted Shareholder will be entitled to service the Ownership Approval also via the Electronic Voting System, as mentioned in section 4(f) below.

A Voting Paper that is not accompanied by an Ownership Approval (or alternatively, an Ownership Approval was not serviced via the Electronic Voting System) will be invalid.

4.6. Voting in the Electronic-Voting System

In addition, an Unlisted Shareholder may also vote using an Electronic Voting Paper which will be transmitted to the Company in the Electronic Voting System, which operates according to Section B of Chapter G2 of the Securities Law ("**Electronic Voting**", "**Electronic Voting System**" and "**Electronic Voting Paper**", respectively).

Voting by way of an Electronic Voting Paper shall be permitted from the end of the Effective Date and up to six (6) hours prior to the General Assembly's convening date.

It should be noted that in accordance with section 83(D) of the Companies Law, should a shareholder vote in more than one manner, his most recent vote shall count, when accordingly, a shareholder's vote, whether by proxy or a simple Voting Paper shall be deemed late to voting by way of a Voting Paper or an Electronic Voting System.

4.7. Changes to the agenda and a shareholder's request to include a topic on the agenda

After the publication of this Report, there may be changes to the agenda, including adding a topic to the agenda, and position announcements may be published. The updated agenda and position announcements may be reviewed, when published, on the Company's reports and on the Distribution Website and the Stock Exchange Website..

A shareholder's request according to section 66(B) of the Companies Law to include a topic on the agenda of the General Assembly shall be submitted to the Company up to seven (7) days after the Assembly is convened ("**Shareholder's Request**"). In the aforementioned case, the Company will publish a revised Assembly Convention report with a revised Voting Paper no later than seven (7) days after the deadline for submitting an request.

5. The Company's Representative

The Company's representative for handling this Report is Attorney Elad Sirkis, Company's Secretary, of 53 HaShalom Road, Giv'atayim. Tel: 03-7335656 ; Fax: 03-7238831; Email: EladS1@fnx.co.il. Ownership Approvals and/or powers of attorney and/or voting instructions and/or Voting Papers can be sent to Attorney Elad Sirkis, to fax number 03-7332163 or by email to EladS1@fnx.co.il

6. Reviewing the Documents

The full wording of the proposed decisions may be reviewed, concerning the Voting Paper and the position announcements (if there are any) at the Company's Offices, from Sundays to Thursdays during regular work hours, in prior coordination by calling 03-7332997, and that, by the time of convening the Assembly.

One or more shareholders, who hold on the Effective Date shares at a rate that is 5% or more of the total of all voting rights in the Company, as well as those who hold the aforementioned proportion out of the total number of voting rights which are not held by a controlling shareholder of the Company, as defined in section 268 of the Companies Law, is entitled, by himself or through a proxy, after convening the General Assembly, to review, at the Company's offices, during normal working hours, the Voting Papers and voting records through the Electronic Voting System that arrived at the Company, as specified in Regulation 10 of the Voting Papers Regulations.

Sincerely,

The Phoenix Holding Ltd.

By: Meni Neeman, Chief Legal Counsel

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The Hebrew immediate report is the binding report-

The Phoenix Holdings Ltd.

Voting Paper according to the Companies' Regulations (Written Voting and Position Announcements), 5766-2005

First Part

1. Company name:

The Phoenix Holdings Ltd. (the "Company")

2. Type of General Assembly, date, time and place for its convening:

Special General Assembly of the Company's shareholders (the "Assembly"). The Assembly shall be held on Thursday, March 7, 2024, at 17:00 at the Company's Headquarters, at 53 HaShalom Road, 20th floor (the "Company's Headquarters"). If the Assembly is postponed, it shall then convene on Thursday, March 14, 2024 at the same place and time.

3. The topics on the agenda, for which it is possible to vote via Voting Paper and a summary of the proposed decisions:

3.1 Topic No. 1 on the agenda: Grant of options (non-tradable) to the CEO of the Company, Mr. Eyal Ben Simon

A decision is hereby presented to the General Assembly pursuant to this Convention Report, to approve grant of 223,322 options (non-tradable) in Gamma Management and Clearing Ltd. ("Gamma") to Mr. Ben Simon exercisable for up to 223,322 ordinary shares of Gamma, as detailed in section 1.1 of the Convention Report.

It is hereby emphasized that apart from the grants proposed above, there will be no change in the conditions of Mr. Ben Simon's tenure and employment.

The wording of the proposed decision:

"To approve grant of 223,322 options (non-tradable) in Gamma Management and Clearing Ltd. to Mr. Ben Simon exercisable for up to 223,322 ordinary shares of Gamma, as detailed in section 1.1 of the Convention Report".

3.2 Topic No. 2 on the agenda: Grant of options (non-tradable) to the Chairperson of the Company's BOD, Mr. Benjamin Gabbay

A decision is hereby presented to the General Assembly pursuant to the Convention Report to approve grant of 165,325 options (non-tradable) to Mr. Gabbay in Gamma Management and Clearing Ltd. ("Gamma"), exercisable for up to 165,325 ordinary shares of Gamma, as detailed in section 1.2 of the Convention Report.

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Apart from the grant proposed above, there will be no change in the conditions of Mr. Gabbay's tenure and employment.

The wording of the proposed decision:

"To approve grant of 165,325 options (non-tradable) to Mr. Gabbay in Gamma Management and Clearing Ltd. ("Gamma"), exercisable for up to 165,325 ordinary shares of Gamma, as detailed in section 1.2 of the Convention Report."

4. The place and time where the full wording of the proposed decision may be reviewed:

The full wording of the proposed decisions, the Voting Paper and the position announcements, as defined in section 88 of the Companies Law, 5759-1999 (the **"Companies Law"**) (if there are any), may be reviewed at the Company's Headquarters, from Sundays to Thursdays during regular work hours, in prior coordination by dialing 03-7332997, and that, by the time of convening the Assembly. In addition, the Convention Report, the Voting Paper and the position announcements (if there are any) may be reviewed on the distribution website of the Securities Authority at <http://www.magna.isa.gov.il/default.aspx> (the **"Distribution Website"**) and on the website of the Tel Aviv Stock Exchange at <http://maya.tase.co.il> (the **"Stock Exchange Website"**).

5. The required majority for decisions on the Assembly's agenda:

The majority required to approve the decisions 3.1 and 3.2 on the agenda is an ordinary majority (that is, a majority of over fifty percent (50%) of all the votes of the shareholders participating in the General Assembly, who are entitled to vote and who voted in it), provided that one of the following occurs: **(A)** The number of majority votes in the General Assembly shall include the majority of all the votes of the shareholders who are not the controlling shareholders of the Company or have a personal interest in the approval of the decision, participating in the vote; In counting all the votes of the aforesaid shareholders, the abstainers shall not be taken into account; or **(B)** The total number of opposing votes from among the shareholders referred to under sub-section (A) above shall not exceed the rate of two percent (2%) of the total voting rights in the Company.

Any shareholder who wishes to participate in the vote concerning decisions 3.1 and 3.2 on the agenda, will inform the Company before voting at the meeting (by himself or through his proxy) or, if the vote is conducted by a voting paper - by marking and detailing in the designated place on the voting paper, whether he has a personal interest in the relevant decision or not; In the second part of this Voting Paper space is allocated to mark the existence or absence of such personal interest

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and a place for its description, if any. A shareholder who did not mark, or marked "yes" and did not describe as stated - his vote will not be counted.

In addition, any shareholder who wishes to participate in the vote will notify (by marking in the appropriate place in the second part of this Voting Paper), whether he is an interested party in the Company, a senior officer in the Company or an institutional investor, if not.

6. The Effective Date for determining the shareholders' entitlement to participate and vote in the Assembly:

The effective date for determining the shareholders' entitlement to vote in the General Assembly according to section 182(b) of the Companies Law and according to Regulation 3 of the Companies' Regulations (Written Voting and Position Announcements), 5766-2005, is Thursday, February 8, 2024 (the "**Effective Date**").

7. Validity of the Voting Paper:

The Voting Paper shall be valid only if the following documents are attached thereto:
An unlisted shareholder¹ - An Ownership Approval as of the Effective Date (or if an Ownership Approval has been submitted to the Company via the Electronic Voting System up to the Date and Time the System is Locked, as specified below).

A listed shareholder² - A copy of an I.D., passport or incorporation certificate.

The aforementioned Voting Paper, with the documents attached thereto as specified above, shall be submitted to the Company up to four (4) hours prior to the General Assembly being convened. In this regard, the "submission date and time" is the date and time when the Voting Paper arrived with its attached documents to the Company's Headquarters.

Alternatively, an unlisted shareholder shall be entitled to submit to the Company an Ownership Approval via the Electronic Voting System up to the Date and Time the System is Locked (i.e., up to six (6) hours prior to the General Assembly being convened).

A voting paper that has not been submitted according to the provisions of this section shall be invalid.

8. The Company's address for the submission of Voting Papers and position announcements:

¹ A person who has shares registered with a stock exchange member and those shares are included among the shares registered in the register of shareholders in the name of the nominee company.

² A shareholder who is registered on the Company's shareholders' registry.

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The Company's Headquarters at 53 HaShalom Road, Givatayim, 20th floor, Fax: 03-7238831.

9. Voting via the Electronic Voting System:

An unlisted shareholder is also eligible to vote by an electronic Voting Paper that shall be transmitted to the Company by the Electronic Voting System in accordance with Mark B of Chapter 7-2 of the Securities Law (the “**Electronic Voting System**” and an “**Electronic Voting Paper**”, respectively). Voting by way of an Electronic Voting Paper shall be permitted from the end of the Effective Date and up to six (6) hours prior to the General Assembly's convening date (“**Date and Time the System is Locked**”), then the Electronic Voting System will be closed. The vote in the Electronic Voting System can be changed or canceled until the Date and Time the System is Locked and it will not be possible to change it through the Electronic Voting System thereafter.

It should be noted that in accordance with section 83(D) of the Companies Law, should a shareholder vote in more than one manner, his/her most recent vote shall count, when accordingly, a shareholder's vote by himself, by proxy, or by an ordinary Voting Paper which will be delivered to the Company's Headquarters, shall be deemed late to voting by way of a Voting Paper or an Electronic Voting Paper.

10. The deadline for submitting position announcements to the Company by the shareholders:

Up to ten (10) days prior to the Assembly being convened.

11. The deadline for submitting the BOD's response to the position announcement:

Up to five (5) days prior to the Assembly being convened.

12. URLs where the Voting Papers and the position announcements could be reviewed:

Distribution Website: <http://www.magna.isa.gov.il/default.aspx>.

The Stock Exchange Website: <http://maya.tase.co.il>.

13. Ownership Approval and Voting Paper:

An unlisted shareholder is entitled to receive the Ownership Approval at the branch of the stock-exchange or by mail to his/her address, if he/she requested it. A request for this matter will be given in advance to a specific securities account. Alternatively, an unlisted shareholder may order that his Ownership Approval be transmitted to the Company through the Electronic Voting System until the Date and Time the System is Locked (as specified in section 8 above).

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An unlisted shareholder is entitled to receive by email, free of charge, a link to the Voting Paper's wording and the position announcements (as will be provided) on the Distribution Website, from the stock-exchange member through which he/she holds his/her shares, unless the shareholder has notified that he/she does not wish to receive such link or that he/she wishes to receive Voting Papers by mail while bearing the cost; the shareholder's notice in this regard will apply to receiving position announcements as well.

In addition, every shareholder is entitled to contact Attorney Elad Sirkis (via Fax: 03-7332163 and/or Email: elads1@fnx.co.il) and receive, for no cost, the wording of the Voting Paper, or, with his/her consent, a link to the wording of the Voting Paper on the Distribution Website, as well as the position announcements that were submitted to the Company, if any.

14. Reviewing the Voting Papers and voting records through the Electronic Voting System:

One or more shareholders, who hold shares at the rate of 5% or higher of the total voting rights in the Company, as well as any other individual who holds a similar rate as mentioned of the total voting rights, which are not being held by a controlling shareholder in the Company, as defined in section 268 of the Companies Law, is entitled, by person or by proxy on his/her behalf, after the General Assembly is convened, to review, at the Company's Headquarters and on regular work hours, the Voting Papers and voting records through the Electronic Voting System received by the Company, as detailed in Regulation 10 of the Companies Regulations (Written Voting and Position Announcements), 5781-2015. The Company's regular shares quota that form 5% of the total voting rights in the Company is 12,659,666 of the Company's ordinary shares. The Company's regular shares quota that form 5% of the total voting rights in the Company, which are not held by a controlling shareholder of the Company is 8,708,642 of the Company's ordinary shares.

15. Changes on the agenda:

After the publication of this Voting Paper, there may be changes to the agenda, including adding a topic to the agenda, and position announcements may be published. The updated agenda and position announcements (if any) may be reviewed, on the Company's reports to be published on the Distribution Website.

A shareholder's request according to section 66(B) of the Companies Law to include a topic on the agenda of the General Assembly shall be submitted to the Company up to seven (7) days after the Assembly is summoned (a "**Shareholder's Request**"). Should the BOD find that a topic being requested by a shareholder for inclusion on the agenda is suitable for discussion in the General Assembly, the Company shall then prepare an

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The Hebrew immediate report is the binding report-

updated agenda and a revised Voting Paper and will publish them no later than seven (7) days after the deadline for submitting a Shareholder's Request.

A shareholder shall indicate his/her way of voting concerning any decision on the agenda on the Second Part of this Voting Paper.

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**The Phoenix Holdings Ltd. (the “Company”)
Voting Paper according to the Company's Regulations (Written Voting and Position
Announcements), 5766-2005 (the “Regulations”)
Second Part**

Company name: The Phoenix Holdings Ltd.(the “Company”)

The Company's address (for submitting and sending Voting Papers): The Company's Headquarters at 53 HaShalom Road, Givatayim, 20th floor. Fax: 03-7238831.

Company registration number: 52-001745-0.

The Assembly's date: Thursday, March 7, 2024 at 17:00.

Type of assembly: Special General Assembly.

The Effective Date: Thursday, February 8, 2024.

Shareholder's information:

1. Shareholder's name - _____
2. I.D. number - _____
3. If the shareholder does not hold an Israeli I.D. -
Passport number - _____
The country in which it was issued - _____
Valid through - _____
4. If the shareholder is a corporation -
Corporation registration number - _____
Country of Incorporation - _____
5. Is the shareholder a stakeholder,³ a senior position holder⁴ or an institutional investor⁵?
Yes / No (If yes, specify: _____)

³ A “**Stakeholder**” - as defined in section 1 of the Securities Law, 5728-1968 (“**Securities Law**”)

⁴ A “**Senior Position Holder**” – as defined in section 37(D) of the Securities Law.

⁵ An “**Institutional Investor**” - as defined in regulation 1 of the Oversight Regulations on Financial Services (Provident Funds) (Participation of an Administrative Company in a General Assembly), 5769-2009, as well as a director of a co-investments in trusteeship fund as defined in the Co-Investments in Trusteeship Law, 5754-1994.

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Your Vote:

The topic on the agenda	Your Vote ⁶			Are you a controlling shareholder of the company or have a personal interest in the approval of the decision ⁷	
	In favor	Against	Abstained	Yes ⁸	No
Topic No. 1 on the agenda - Grant of options (non-tradable) in Gmma Management and Clearing Ltd. to Mr. Eyal Ben Simon (CEO of the Company)					
Topic No. 2 on the agenda - - Grant of options (non-tradable) in Gmma Management and Clearing Ltd to Mr. Benjamin Gabbay (Chairperson of the BOD of the Company)					

Details about a personal interest in decision number 1 on the agenda:

Details about a personal interest in decision number 2 on the agenda:

Date: _____

Signature: _____

- **For shareholders who hold shares via a Stock-Exchange member (according to section 177(1) of the Companies Law) - this Voting Paper is only valid with an Ownership Approval attached thereto, except in cases where voting is made via the Electronic Voting System.**
- **For shareholders who are registered on the Company's shareholders' registry - the Voting Paper is valid with a copy of an I.D./passport/incorporation certificate attached thereto.**

⁶ Not marking any vote shall be deemed an absentee vote on that topic.

⁷ A shareholder who does not fill in this column, his/ her vote will not be counted.

⁸ Specify about the personal interest in the designated place below.