



**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.**

If you are in any doubt about its contents or as to the action which you should take, you are recommended to seek your own independent financial advice from your stockbroker, accountant or other professional adviser authorised under the Financial Services and Markets Act 2000 (as amended).

If you have sold or transferred any or all of your shares in Plus500 Ltd. please pass this document together with the accompanying Form of Proxy or Form of Direction as soon as possible to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

This document should be read as a whole together with the accompanying Form of Proxy or Form of Direction. Whether or not shareholders propose to attend the Extraordinary General Meeting (the "EGM"), they are requested to complete and return the enclosed Form of Proxy or Form of Direction in accordance with the instructions printed on such form. The return of a Form of Proxy or Form of Direction will not preclude a member from attending and voting at the EGM in person should he/she subsequently decide to do so.

**Plus500 Ltd.**

**Notice of Extraordinary General Meeting**



## Notice of Extraordinary General Meeting

Notice is hereby given that an Extraordinary General Meeting of Plus500 Ltd. (the "Company" or "Plus500") will be held on 16 March 2021, at 10.00 a.m. UK.

The Company is closely monitoring developments relating to the current outbreak of COVID-19, including the related public health guidance and legislation issued by the UK Government. As at the date of this notice, the UK Government has prohibited indoor public gatherings, save in certain limited circumstances.

**In light of these measures, the EGM will be run as a closed meeting and shareholders will not be able to attend in person.**

The Company will ensure that the quorum requirements to hold the EGM can be satisfied through the attendance of a minimum number of Directors or employee shareholders by electronic means.

Shareholders will not be able to attend in person and they will not be able to vote at the meeting. However, the Company's Board of Directors (the "Board") remains committed to shareholder engagement, therefore shareholders will be able to access the meeting via an audiocast. Access details for this audiocast will be published on the Company's website and by an announcement via a Regulatory Information Service in due course. This facility will allow shareholders to listen to the business of the EGM and to submit questions in advance of, or during, the meeting. The Board will endeavour to answer any such questions during the course of the meeting. Shareholders are invited to submit questions in advance of, or during, the meeting via email at [ir@plus500.com](mailto:ir@plus500.com).

Importantly, with these arrangements in mind, shareholders are strongly urged to vote by proxy as soon as possible.

If there are any changes to the current arrangements for the EGM, the information will be made available on our website and, where appropriate, by an announcement via a Regulatory Information Service.

The Extraordinary General Meeting will be held for the following purposes (each, a "Resolution"):

As special business to consider, and, if thought fit, pass Resolutions 1 to 5 inclusive below:

1. To elect Tami Gottlieb as an External Director and Independent Non-Executive Director of the Company for a three year term in accordance with the provisions of the Israeli Companies Law, 5759-1999 ("Companies Law").
2. To approve the fees payable to Tami Gottlieb for her services as an External Director and Independent Non-Executive Director of £75,000 gross per annum (plus Israeli VAT (to the extent applicable)).
3. To approve an increase in the fees payable to Anne Grim for her services as an External Director and Independent Non-Executive Director, from £65,000 gross per annum to £75,000 gross per annum effective 16 March 2021.
4. To approve the fees payable to Sigalia Heifetz for her services as an Independent Non-Executive Director of £75,000 gross per annum (plus Israeli VAT (to the extent applicable), effective as of the date of her appointment to the Board.
5. To amend Article 41 of the Company's Articles of Association to increase the maximum size of the Company's Board of Directors from eight directors to nine directors.

The Board considers that all of the Resolutions to be put to the EGM are in the best interests of the Company and its shareholders as a whole. The Board unanimously recommends that shareholders vote in favour of them as they intend to do in respect of their own beneficial holdings in the Company.

By order of the Board of Directors

**Penelope Judd**

*Chairman of the Board*

**Hila Barak**

*Company Secretary*

*Registered Office:*

Matam, Building 25

Haifa 3190500

Israel

Registered in Israel number 514142140

8 February 2021

## **Explanatory Notes:**

**Resolution 1.** In accordance with the Companies Law, the Board must always have at least two external directors who meet certain statutory requirements of independence (the “External Directors”). Further, under the Companies Law, External Directors are required to be members of the Audit and Remuneration Committees, and the Chair of each such committee must be an External Director. Additionally, any other Board committee must have at least one External Director as a member.

On 3 February 2021, Charles Fairbairn, the Senior Independent Non-Executive Director and External Director of the Company has notified the Board of his intention to step down from his position at the earlier of the Company’s next Annual General Meeting, to be held later this year, or 30 June 2021. As of such date, Daniel King and Anne Grim will serve as the Company’s External Directors. Anne Grim was elected in September 2020 for her first three-year term, and Daniel King was last re-elected in 2019 for a three-year period ending in 2022. In accordance with Companies Law, Daniel King may not stand for re-election for an additional term as External Director following the end of his current term of office in 2022.

As noted above, Tami Gottlieb is being nominated for appointment as an Independent Non-Executive Director and External Director of the Company. If elected, and unless her office is vacated earlier in accordance with the provisions of the Companies Law and the Company’s Articles of Association (the “Articles”), she will serve as the Company’s third External Director, together with Daniel King and Anne Grim, until 2022. Following the end of the term of office of Daniel King in 2022 and assuming no change to the current Israeli law restrictions, Tami Gottlieb, together with Anne Grim, will serve as the Company’s External Directors and ensure continued uninterrupted compliance by the Company with the applicable Israeli law External Director requirements.

While the provisions of the UK Corporate Governance Code issued by the Financial Reporting Council (the “Code”) recommend that all directors of FTSE 350 listed companies be put forward for annual re-election by shareholders, as a company registered in Israel, the Company is subject to mandatory corporate governance requirements under the Companies Law, which require that External Directors be elected only by shareholders, for three-year terms and not annually as the Code recommends.

Biographical details for Tami Gottlieb are available below:

*Tami has a long track record as a director in public and private companies, including in the financial services industry in Israel. Tami is currently an External Director at Bank Leumi Le’Israel Ltd. (a publicly listed company) – one of Israel’s two largest commercial banks, where she is Chairperson of the Audit and Financial Reports Committees, and a member of the Remuneration Committee, the Credit & Business Committee and the Strategy Committee, having previously been on the Risk Management Committee and on the Technology Committee. Tami also holds positions at other publicly listed companies, as follows: an Independent Director at Arad Investments and Industrial Development Ltd and a Director at Emilia Development (O.F.G) Ltd. She also holds positions at private companies, as follows: a Co-founder and joint Managing Director of Harvest Capital Markets Ltd, a wealth management and corporate finance boutique, Chairperson at Shefayim Holdings Corporation and an External Director at Extell Limited.*

*Previously, she has held a number of other directorships at various diversified Israel-based companies, including Carasso Motors Ltd, REIT 1 Ltd, Albaad Ltd, and as Chairperson of dual NASDAQ and TASE-listed Perion. Tami holds a Bachelor’s Degree in International Relations from the Hebrew University of Jerusalem and a Master’s Degree in Economics from Indiana University.*

The Companies Law requires that a person will not be elected and will not serve as a director, including as an External Director, if he or she does not meet the required qualifications to serve as such, and has declared to the company of his or her compliance with such qualifications. Tami Gottlieb has declared to the Company that she complies with the required qualifications under the Companies Law for election as an External Director with “accounting and financial expertise”, detailing her applicable qualifications and that she is capable of dedicating the appropriate amount of time for the performance of her role as a member of the Board. Based on her declaration and background as detailed above, the Board has determined that Tami Gottlieb has “accounting and financial expertise”.

In connection with Tami Gottlieb’s appointment to the Board, shareholders are also being asked in Resolution 5 to amend the Articles of Association to increase the maximum size of the Board from eight members to nine members, and in Resolution 2 to approve the remuneration Tami Gottlieb will be entitled to, if elected.

**Resolution 2.** Resolution 2 proposes to set the remuneration of Tami Gottlieb, the new Independent Non-Executive Director and External Director, at £75,000 gross per annum (plus Israeli VAT (to the extent applicable)). In accordance with the Companies Law, the remuneration was approved and recommended by the Remuneration Committee and the Board, and requires approval of the Company’s shareholders.

Tami Gottlieb’s proposed remuneration is consistent with the provisions of the Companies Law and regulations promulgated thereunder with respect to External Directors, and is identical to the remuneration provided to Daniel King, as previously approved by the Company’s shareholders.

**Resolution 3.** Resolution 3 proposes to amend the remuneration of Anne Grim, an Independent Non-Executive Director and External Director to an amount of £75,000 gross per annum instead of £65,000 gross per annum to which she is currently entitled, effective 16 March 2021. This amendment is required in order to conform with the provisions of the Companies Law which require that the remuneration paid to all external directors (other than “expert” external directors) be identical.

**Resolution 4.** Resolution 4 proposes to set the remuneration of Sigalia Heifetz, the new Independent Non-Executive Director, at £75,000 gross per annum (plus Israeli VAT (to the extent applicable)), effective as of the date of her appointment to the Board. In accordance with the Companies Law, the remuneration was approved and recommended by the Remuneration Committee and the Board, and requires approval of the Company’s shareholders.

On 3 February 2021, in accordance with Article 45 of the Articles, the Board appointed Sigalia Heifetz as a non-executive director to fill a vacancy on the Board. In accordance with the Articles, Sigalia Heifetz’s appointment will expire at the Company’s 2021 Annual General Meeting, at which time she will stand for re-election by the Company’s shareholders. Shareholders are being asked to approve the annual fees for Sigalia Heifetz effective 3 February 2021, the date Sigalia Heifetz was appointed as an Independent Non-Executive Director.

**Resolution 5.** Resolution 5 proposes to amend Article 41 of the Articles to increase the maximum size of the Company's Board of Directors from eight directors to nine directors, as described above. Following the amendment, Article 41 shall read as follows:

*"41. NUMBER OF DIRECTORS*

*The Board of Directors of the Company shall consist of not less than four Directors nor more than nine Directors."*

**Notes:**

1. Holders of depositary interests in respect of ordinary shares ("DI holder") may only appoint Link Market Services Trustees Limited (the "Depository") as their proxy.
2. If you do not have a Form of Proxy or Form of Direction and believe that you should have one, or if you require additional forms, please contact Link Market Services Limited at +44 (0) 371 664 0391. All forms must be signed and should be returned together in the same envelope. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Telephone hours are between 9.00 a.m. – 5.30 p.m. (UK time), Monday to Friday excluding public holidays in England and Wales.
3. To be valid, any Form of Proxy or other instrument appointing a proxy and any power of attorney or other authority under which it is signed, or a notarially certified or office copy of such power or authority, must be received by post or (during normal business hours only) by hand at (i) Link Market Services Limited, PXS 1, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4ZF or (ii) Plus500, Investor Relations, Matam, Building 25, Haifa 3190500, Israel (or by email to [ir@plus500.com](mailto:ir@plus500.com)), by no later than 10.00 a.m. (UK time) on 12 March 2021.
4. In the case of DI holders, a Form of Direction must be completed in order to instruct the Depository whose registered office is at The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU to vote on the holder's behalf at the meeting. To be effective, a completed and signed Form of Direction must be deposited at Link Market Services Limited no later than 10.00 a.m. (UK time) on 9 March 2021.
5. The return of a completed Form of Proxy, Form of Direction, or other such instrument or any CREST Proxy Instruction (as described in paragraph 12 below) will not prevent a shareholder or DI holder from attending the Extraordinary General Meeting via the audiocast facility outlined above but they will not be able to vote at the meeting.
6. Pursuant to the Companies Law, to be entitled to attend via audiocast and to vote at the Extraordinary General Meeting (and for the purpose of the determination by the Company of the votes they may cast), shareholders must be registered in the register of the Company at close of business on 16 February 2021. Changes to the Company's register after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the Extraordinary General Meeting.
7. The quorum for the Extraordinary General Meeting shall be two or more shareholders present in person on the audiocast or by proxy and holding shares conferring in the aggregate 25 per cent of the voting power of the Company. If within half an hour from the time appointed for the meeting a quorum is not present, the meeting shall be adjourned to the same day in the next week, at the same time, via the audiocast facility, or to such day and at such time as the Chairman may determine. No business shall be transacted at any adjourned meeting except business which might lawfully have been transacted at the meeting as originally called. If a quorum as referred to in above is not present at the second meeting within half an hour from the time appointed for the adjourned meeting, the quorum shall be reduced to one or more shareholders present on an audiocast facility or by proxy holding shares conferring any voting power of the Company.
8. Any shareholder attending the audiocast of the Extraordinary General Meeting is entitled pursuant to the Companies Law to ask any question before or during the meeting, via the audiocast facility or by emailing [ir@plus500.com](mailto:ir@plus500.com), relating to the business being dealt with at the meeting. The Company will answer any such questions unless (i) to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information; or (ii) the answer has already been given on a website in the form of any answer to a question; or (iii) it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.
9. As at 5 February 2021 (being the last business day prior to the publication of this Notice) the Company's issued share capital consisted of 102,651,979 ordinary shares of which 12,236,398 were held as treasury shares. Therefore, the total voting rights in the Company as at 5 February 2021 were 102,651,979.
10. The Board recommends that shareholders vote in favour of all items in the Notice.
11. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual. CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a service provider, should refer to their CREST sponsor or voting service provider, who will be able to take the appropriate action on their behalf.
12. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with CRESTCo's specifications, and must contain the information required for such instruction, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to an instruction given to a previously appointed proxy, must, in order to be valid, be transmitted so as to be received by the issuer's agent ID (RA10) by 10.00 a.m. (UK time) on 12 March 2021. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Application Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.
13. CREST members and, where applicable, their CREST sponsors or voting service providers should note that CRESTCo does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed a voting service provider, to procure

that his CREST sponsor or voting service provider takes) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting system providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

14. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
15. Under the Companies Law, the approval of each proposed Resolution requires the affirmative vote of the holders of a majority of the voting power represented and voting on the Resolution in person or by proxy or by a written Form of Proxy or Form of Direction, provided that, with respect to Resolution 1, (i) such majority includes at least a majority of the shares voted at the Meeting by holders who are not Controlling Shareholders (as defined below) and do not have a Personal Interest (as defined below) in the approval of the Resolution (except for a Personal Interest that does not result from such holder's relations with the Controlling Shareholder), disregarding abstentions; or (ii) the total number of shares voted against the approval of the Resolution by holders referred to in sub-section (i) does not exceed two percent (2%) of the total voting rights in the Company.

For this purpose, you are asked to indicate in the Form of Proxy or Form of Direction whether you are a controlling shareholder or have a personal interest in Resolution 1. Failure to advise or indicate as described above will require the Company to assume that such holder has a Personal Interest in the approval of the Resolution. The Company may not assume that a holder who signs and returns a Form of Proxy or Form of Direction without a specific indication as to the lack of Personal Interest of such holder, has no Personal Interest with respect to the Resolution.

Pursuant to the Companies Law, "Personal Interest" means a shareholder's personal interest in an act or a transaction of a company, including the personal interest of his or her spouse, brother or sister, parent, grandparent, descendant, such persons spouse's descendant, brother, sister or parent, or the spouse of any of the above ("Relative") or of an entity in which such shareholder or his or her Relative (i) holds five percent (5%) or more of an entity's issued share capital or voting rights; (ii) has the right to appoint a director to an entity's board of directors or the chief executive officer thereof; or (iii) is a member of an entity's board of directors or serves as the chief executive officer thereof. Personal Interest excludes a personal interest arising solely from holding a company's shares and includes a Personal Interest of any person voting pursuant to a proxy provided to him or her by another person with respect to the proposal, even if the person providing the proxy does not have a Personal Interest. The vote of a person who is voting by a proxy provided to him or her on behalf of another who has a Personal Interest will also be seen as a vote of a person with a Personal Interest, whether the discretion to vote is in the hands of the voter or not.

"Controlling Shareholder" means, for purposes of Resolution 1, any shareholder who has the ability to direct the Company's activity, including any shareholder holding 50% or more of the "means of control" of the Company. "Means of control" is defined under Israeli law as any one of the following: (i) the right to vote at a general meeting of the Company, or (ii) the right to appoint directors of the Company or its chief executive officer.