

STEAKHOLDER FOODS LTD.
INTERESTED PARTY TRANSACTION POLICY

I. General Statement of Purpose

Certain transactions in which the Steakholder Foods Ltd. (collectively with its subsidiaries, the “*Company*”) controlling shareholders, directors, and officers have a personal interest require special corporate approvals, impose disclosure obligations of their personal interest, abstention from participation in the deliberation and voting on such transaction, etc. The Companies Law, 5759-1999, as amended (the “*Companies Law*”) classifies such transactions as interested party transactions and generally regulates transactions between the company and its officers or directors or transactions that the officers or directors have a personal interest in, transactions with controlling shareholders or transactions that the controlling shareholders have a personal interest in, and approval of terms of engagement and employment of an officer, director and controlling shareholder.

In addition, pursuant to the requirements under Part I, Item 7.B of Form 20-F, the Company is required to disclose certain interested party transactions in its annual report and has disclosure obligations regarding interested party transactions to its auditors. It is therefore understood that for the purposes of this policy, interested party transactions further include any transaction or loan reportable by the Company under Part I, Item 7.B. of Form 20-F and includes transactions or presently proposed transactions, between the Company and an interested party, which are material to the Company or the interested party, and any such transactions between the Company and an interested party that are unusual in their nature or conditions, involving goods, services, or tangible or intangible assets. A transaction involving an amount exceeding \$120,000 is presumed to be material, though transactions involving lower amounts may be material based on the facts and circumstances.

The purpose of this policy is to assist the Company to identify such transactions for reporting purposes, and to assure, if applicable, their approval is in compliance with the requirements under the Companies Law and the rules of the Nasdaq Stock Market LLC (“*Nasdaq*”). Unless such transactions subject to interested party approvals are duly authorized in accordance with the Companies Law and the rules of Nasdaq they shall not be valid towards the Company, its officers, directors or controlling shareholders, and will also not be valid towards any other person if he knew or should have known that the transaction was not duly authorized.

Under the Companies Law, a controlling shareholder, an officer or a director who had not disclosed his personal interest in an existing or proposed transaction with the Company, and in any case did not disclose such personal interest at the first board of directors meeting which discussed the transaction, shall be deemed to be in violation of the fiduciary duty in case of an officer or a director, and the duty of fairness in case of a controlling shareholder, towards the Company.

II. The Required Approvals

Under the Companies Law, interested party transactions are generally required to be approved by the Company’s audit committee and the board of directors; in certain

circumstances, the transaction is also required to be approved by the general meeting of the shareholders of the Company. As required under the rules of Nasdaq, and pursuant to its charter, the Company's audit committee (the "**Committee**") shall conduct an appropriate review and oversight of all interested party transactions for potential conflict of interest situations on an ongoing basis.

III. Identifying Conflict of Interests

The Company shall maintain (i) a list of people and entities that may be considered as interested parties. The list of interested parties will be maintained by the Transaction Officer (as defined below) and approved by the Company's Chief Financial Officer, President and Chief Executive Officer, and (ii) a list of transactions that may be considered interested party transactions which may require certain approvals or disclosure. In order to identify potential interested parties and transactions, and to identify potential conflicts of interests, a questionnaire, a form of which is attached hereto is Exhibit A, shall be provided to the Company's directors, officers, and controlling shareholders, if any. The questionnaire shall be updated annually and shall request information pertaining to the interests and holdings of such people and entities and any interested party transactions they have engaged in. ***Without derogating from the above, directors, officers, controlling shareholders (if any) and any others receiving this questionnaire must promptly update the Transaction Officer of any change in the responses provided to the questionnaire.***

It should be noted that this procedure does not release an officer, director, controlling shareholder (if any) and other persons completing this questionnaire from their duty to disclose to the Company immediately their or their relative's personal interest in a transaction with the Company.

IV. Identifying Interested Party Transactions before they are made

The Committee will appoint, from time to time, a person to be responsible for all of the data regarding transactions with interested parties and for the compliance with this policy, which shall initially be the Company's Corporate Secretary (the "**Transaction Officer**"). Each proposed transaction between the Company and anyone who appears in the interested party list will be reported to the Transaction Officer who will review to see if and what are the personal interests of the parties involved in the transaction. Such list and the list of people and entities that may be considered interested parties will also be provided to the chief of procurement in the Company.

V. Legal Counsel

In each case that the Transaction Officer discovers that a Company's transaction involves an individual or entity listed in the interested party list, the Transaction Officer shall turn to the Company's external legal counsel. The Company's external legal counsel shall advise whether the transaction constitutes an interested party transaction under the Companies Law and the approval required to duly authorize it, and whether such transaction requires disclosure to auditors or in the Company's annual report.

VI. Procedures

A. Approvals

Any interested party transaction and any amendment, cancellation or extension thereto shall be approved by the Committee in accordance with the guidance of the Company's external legal counsel, as and if required.

In general, approval of interested party transactions should only be provided if the Company is able to demonstrate the following prior to entering into such a transaction:

- clear business purpose;
- terms equivalent to those prevailing in a similar arm's-length transaction;
- no undue incentives or pressures to achieve a particular financial incentive or operating result will result from such a transaction;
- the terms of the transaction are consistent with any explanation provided to directors, committees of the board of directors and the shareholders, as applicable, and in the minutes of meetings thereof; and
- the transaction is authorized and approved in accordance with Company's policies and procedures, the Companies Law and any other applicable law.

No director may participate in the approval or ratification of an interested party transaction for which he or she is an interested party or in which he or she otherwise has a direct or indirect interest.

B. Reports

The Transaction Officer shall submit to the Committee an annual review report, a copy of which shall be submitted to the chairperson of the board of directors and the Company's internal auditor, listing and detailing all of the Company's interested party transactions which may require certain approvals or disclosure during the preceding fiscal year. Based on the maintenance of these reports, disclosure shall be made to the Company's auditors and in the Company's annual report on Form 20-F.

In addition, the Committee shall conduct a review discussion of the Company's compliance with this policy and the need to update it, if any. The Committee may decide, from time to time, to hold meetings to discuss such interested parties transactions, and may call the relevant parties, including Company's management, the internal auditor and the legal counsel, to participate in such discussions.

C. Disclosure

All interested party transactions are to be disclosed in the Company's applicable filings and financial statements as required by the Securities Act of 1933, as amended, and the Securities Exchange Act of 1934, as amended, and related rules, and applicable accounting standards. Furthermore, any material interested party transaction will be disclosed to the full board.

The Company may be required to disclose additional information regarding interested party transactions if such information: (1) has otherwise been made publicly available or (2) must be disclosed in accordance with Israeli law.

D. Other Agreements

Management will assure that all interested party transactions are not in violation of, and are approved in accordance with, any requirements of the Company's financing or other material agreements.

VII. Warning

An officer, director, consultant or employee of the Company who is aware of (i) an interested party that was not duly reported, or (ii) an interested party transaction that was not duly authorized, should contact the chairperson of Committee at audit@steakholderfoods.com or the Transaction Officer at corpsec@steakholderfoods.com. The approach can also be made anonymously. The Committee chairman shall update the Committee and the board of directors of any report so made.

VIII. Implementation and Update of the Procedure

A copy of this policy will be distributed to the officers, directors, controlling shareholders and any other person in the Company whom the Transaction Officer believes is required to maintain an accurate list of interested parties on an on-going basis. Any person who receives this policy will sign the acknowledgement attached hereto.

The Transaction Officer will update the policy as necessary and in accordance with the guidance of the Company's Committee and will distribute such updates to the officers, directors and controlling shareholders of the Company.

IX. General Instructions

This policy does not derogate from the authority of the Company's Chief Executive Officer, the Committee or the Company's board of directors, including their authority to approve interested party transactions according to the Companies Law in a way which does not necessarily comply with this policy. If the Transaction Officer has any question or requires clarification regarding a provision of the policy, the Transaction Officer should consult with the Company's external legal counsel.

Notwithstanding anything herein to the contrary, this policy shall be interpreted in such a manner as to comply with Part I, Item 7.B. of Form 20-F and Nasdaq Rule 5630(a). In the event that an interested party transaction would constitute a conflict of interest or a corporate opportunity under the Code of Ethics and Conduct (the "**Code**"), the provisions of the Code also will apply to such interested party transaction. Any such interested party transaction may not be approved hereunder unless it is also approved in accordance with the provisions of the Code and disclosed to the public to the extent required by applicable law or the rules of Nasdaq.

Any report to the Transaction Officer can be addressed in writing at:
corpsec@steakholderfoods.com.

AS UPDATED: August 30, 2023

ACKNOWLEDGEMENT

This is to confirm that I have read and understood the “Interested Party Transaction Policy” and undertake that I will comply with the policy stated above.

Signature: _____

Name: _____

Date: _____

STEAKHOLDER FOODS LTD.
(the “Company”)

I. Instructions

Interested Parties Questionnaire

- 1.1. This questionnaire is being sent to the Company’s controlling shareholders, directors and officers in order to obtain information to be used by the Company in connection with its tracking and monitoring processes of identifying personal interests in and monitor the approval process of interested party transactions in a manner consistent with the Companies Law, 5759-1999 (the “*Companies Law*”), the disclosure requirements under the applicable rule of the Securities and Exchange Commission, and the rules of The Nasdaq Stock Market LLC. The information provided by you may be used by the Company to (i) provide certain information to its auditors regarding interested parties and any relationships and transactions with interested parties, (ii) disclose certain interested party transactions in its annual report on Form 20-F, and (iii) assure the Company’s compliance with its legal obligations and for any other purpose relevant to the Company’s business. Accordingly, great care should be exercised in completing this questionnaire.
- 1.2. Each of the Company’s controlling shareholders, directors, and officers receiving this questionnaire should complete it on behalf of all of their relatives as well.
- 1.3. A “*personal interest*” under the Companies Law is defined as a personal interest of a person in an action or a transaction of the Company, excluding any interest arising solely from holding company’s shares, but including the personal interest of such person’s spouse, siblings, parents, grandparents, descendants, spouse’s descendants, siblings or parents or the spouse of any of such persons, and the personal interest of any entity in which such person or one of its aforementioned relatives serves as a director or chief executive officer, owns 5% or more of such entity’s outstanding shares or voting rights or has the right to appoint one or more directors or the chief executive officer. Under the Companies Law, in the case of a person voting by proxy, “personal interest” includes the personal interest of either the proxy holder or the shareholder granting the proxy, whether or not the proxy holder has discretion over how to vote.
- 1.4. The term “*relative*” means a spouse, sibling, parent, grandparent, descendant, as well as descendant, sibling and parent of spouse, and the spouse of each of the foregoing, whether by blood, marriage or adoption, or anyone residing in such person’s home. In addition, the term “relative” includes among others family members who might control or influence a member of management, or who might be controlled or influenced by a member of management, because of the family relationship.
- 1.5. Please answer in detail each question in the order it appears. If appropriate, use the words “None” or “Not Applicable.” If your answer to any question is “Yes” please furnish all relevant explanatory information. No question should be left unanswered. The Company may contact you for additional information, if required.

- 1.6. ***If there would be any change in your responses to this Questionnaire following your submission thereof, you are required to promptly notify Transaction Officer at corpsec@steakholderfoods.com.***
- 1.7. In case of doubt or need for clarifications please contact the Company's General Counsel.
- 1.8. Definitions of main terms appearing in this questionnaire are set forth at the end of the questionnaire.
- 1.9. Please complete, sign and return one copy of this questionnaire by hand, mail, facsimile or scanned PDF by electronic mail to:
- Corporate Secretary
Tel: +972-73-541-2206
Email: corpsec@steakholderfoods.com

II. **Background Information**

- 1.1. Full Name:

- 1.2. I.D./passport/company number:

- 1.3. Position in the Company and the date of joining the Company:

- 1.4. Please list each corporation or other entity in which you:
- (i) control, either directly or indirectly. If you have direct or indirect control over an entity, which in turn controls another entity, both entities are considered controlled by you and should be listed below;
 - (ii) can exert significant influence, either directly or indirectly, to the extent that the entity may be prevented from fully pursuing its own separate interests with regard to any transactions with the Company and its affiliates. A relationship that meets this level of influence should be identified even if there are no current or anticipated transactions between the entity and the Company and its affiliates;
 - (iii) hold five 5% or more of its share capital or voting rights. Please also indicate your holdings percentage and if there is other shareholders who holds 50% or more of the voting rights;
 - (iv) are entitled to appoint one or more of its directors;
 - (v) are authorized to appoint the general manager (the chief executive officer);
 - (vi) are serving as a director;
 - (vii) are its general manager (the chief executive officer); or
 - (viii) have any other employment relationship.

Next to each corporation or entity specify which of the above subsections (i) through (viii) applicable to you.

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- 1.5. Please list each corporation or other entity in which a *relative* of yours:
- (i) control, either directly or indirectly. If you have direct or indirect control over an entity, which in turn controls another entity, both entities are considered controlled by you and should be listed below;
 - (ii) can exert significant influence, either directly or indirectly, to the extent that the entity may be prevented from fully pursuing its own separate interests with regard to any transactions with the Company and its affiliates. A relationship that meets this level of influence should be identified even if there are no current or anticipated transactions between the entity and the Company and its affiliates.
 - (iii) holds five 5% or more of its share capital or voting rights. Please also indicate the holdings percentage and if there is other shareholders who holds 50% or more of the voting rights;
 - (iv) is entitled to appoint one or more of its directors;
 - (v) is authorized to appoint the general manager (the chief executive officer);
 - (vi) is a director; or
 - (vii) is its general manager (the chief executive officer).

Next to each corporation or entity specify which relative and which of the above subsections (i) through (vii) is applicable to your relative.

- 1.6. If you are a party to a voting agreement or other agreement, such as right of first refusal, mutual options etc. in connection with the Company, its subsidiaries, or affiliated company's shares, please specify the relevant provisions of such agreement and attach it as an exhibit to this questionnaire.

- 1.7. Describe briefly any transaction, or series of similar transactions, during the period from January 1, 20[]¹, or any currently proposed transaction, or series of similar transactions, to which the Company or any of its subsidiaries was or is to be a party, and in which you or any relative or

¹ Five years back _____

corporation or other entity described in II.1.4 (for you) or II.1.5 (for relatives) had, or will have, a direct or indirect interest. In each case, describe (1) the nature of the transaction, (2) whether you or any member of your family is or will be involved, (3) the nature of your interest and the interest of such relative in the transaction, (4) the amount or value of such transaction, and (5) where practicable, the amount of the interest of you or such relative in the transaction.

Please identify each such relative and indicate such person's relationship to you or the Company.

- 1.8. If you or any relative or any corporation or other entity described in II.1.4 (for you) or II.1.5 (for relatives) has been indebted to the Company or any of its subsidiaries (including as guarantor of third party indebtedness) at any time since January 1, 20[]², please indicate the name of the indebted person, the nature of such person's relationship, the largest aggregate amount of indebtedness outstanding at any time since the above date, the nature of the indebtedness and of the transaction in which it was incurred, the amount thereof outstanding as of the latest practicable date, the nature of the loan and the transaction in which it was incurred, and the rate of interest paid or charged thereon. (Indebtedness relating to routine travel and expense advances may be excluded.)

I CONFIRM THAT THE FOREGOING ANSWERS ARE CORRECTLY STATED, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF. I UNDERTAKE TO NOTIFY THE COMPANY IN WRITING IMMEDIATELY IN THE EVENT OF ANY CHANGES IN THE FOREGOING ANSWERS. IN THE ABSENCE OF SUCH NOTICE, THE COMPANY IS TO UNDERSTAND THAT THE INFORMATION APPEARING IN THIS QUESTIONNAIRE REMAINS, TO THE BEST OF MY KNOWLEDGE, ACCURATE AND COMPLETE.

Signature

Print Name

Title with the Company

Date: _____, 202[]

² Five years back

DEFINITIONS

1. The term “**officer**” means:

The general manager (chief executive officer), chief business manager, chief operating officer, deputy general manager, vice general manager, vice president in charge of principal business functions (such as sales, administration, or finance), or other person who fills such positions in the Company or perform similar policy functions even if holds a different title, director, or a manager who is directly subordinated to the general manager. Persons without formal titles also may be considered officers;

2. The term “**holding**” and “**acquisition**” means:

With regard to securities or voting powers, etc., either separately or jointly, directly or indirectly, through a trustee, trust company, nominee company or in any other manner; with regard to holding or an acquisition by a *company*, the term includes a subsidiary or an affiliate company; and with regard to holding or an acquisition by an *individual*, the term includes an individual and family members who resides with him, or that one’s main source of income is dependent on the other;

3. The term “**control**” means the ability to direct the corporation, or the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of an entity through ownership, by contract, or otherwise, excluding an ability derived merely from serving as a director or in another office in the corporation, and a person shall be presumed to control a corporation if he holds half or more of a certain type of means of control of the corporation;

4. The term “**means of control**” in a corporation means:

- (i) The right to vote at a general meeting of the shareholders of the Company.
- (ii) The right to appoint directors of the corporation or its general manager.

5. The term “**beneficial owner**” means any person who, directly or indirectly, through any contract, arrangement, understanding, relationship, or otherwise has or shares: (1) voting power which includes the power to vote, or to direct the voting of, such security; and/or (2) investment power which includes the power to dispose, or to direct the disposition of, such security. In addition, a person shall be deemed to be the beneficial owner of a security if that person has the right to acquire beneficial ownership of such security within 60 days, such as the right to acquire through the exercise of an option, warrant, or right;

6. The term “**subsidiary**” means a company in which another company holds 50% or more of the nominal value of its issued share capital or of its voting power or is entitled to appoint half or more of the directors or its general manager;

7. The term “**affiliated company**” means:

- (i) A company in which another company, which is not its parent company, has invested an amount equal to 25% or more of the equity of such another company, whether in shares or otherwise, excluding a loan given in the ordinary course of business and is not a shareholders loan;
- (ii) A company in which another company, which is not its parent company, holds 25% or more of the nominal value of its issued share capital or of its voting power, or is entitled to appoint 25% or more of its directors.
