

ORMAT TECHNOLOGIES, INC.
Form PRE 14A
March 28, 2017

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

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of the Securities Exchange Act of 1934
(Amendment No.)

Filed by the Registrant x
Filed by a Party other than the Registrant o
Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Under Rule 14a-12

Ormat Technologies, Inc.
(Name of the Registrant as Specified In Its Charter)

Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(4) and 0-11.

- 1) Title of each class of securities to which transaction applies:
- 2) Aggregate number of securities to which transaction applies:
- 3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (Set forth the amount on which the filing fee is calculated and state how it was determined):
- 4) Proposed maximum aggregate value of transaction:
- 5) Total fee paid:

Fee paid previously with preliminary materials.

Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the

Form or Schedule and the date of its filing:

1) Amount previously paid:

2) Form, Schedule or Registration Statement No:

3) Filing Party:

4) Date Filed:

Notice of Internet Availability of Proxy Materials

Important Notice Regarding the Availability of Proxy Materials for the Shareholder Meeting to Be Held on May 8, 2017.

The proxy statement and annual report to security holders are available at <http://materials.proxyvote.com/686688>

To Our Stockholders:

We cordially invite you to attend the 2017 Annual Meeting of Stockholders of Ormat Technologies, Inc. The meeting will take place at the offices of Chadbourne & Parke LLP, 1301 Avenue of the Americas, New York, NY 10019 - 6022 on Wednesday, May 8, 2017, at 1:30 p.m. local time. We look forward to your attendance either in person or by proxy.

The purpose of the meeting is to:

1. Elect three directors, each for a term of three years;
2. Ratify the appointment of PricewaterhouseCoopers LLP as the Company's independent registered public accounting firm for fiscal year 2017; and
3. approve the compensation of our named executive officers on an advisory basis;
4. vote, on an advisory basis, on the frequency of the stockholder vote on the compensation of our named executive officers;
5. vote to approve the adoption of our Third Amended and Restated Certificate of Incorporation; and
6. transact any other business that may properly come before the meeting.

Your Board recommends that you vote FOR:

- the election of the three nominees to the Board of Directors;
- the ratification of PricewaterhouseCoopers LLP as the Company's independent registered public accounting firm.
- the approval, on an advisory basis, of the compensation of our named executive officers every three years as the frequency for future advisory votes to approve the compensation of our named executive officers.
- the adoption of the Third Amended and Restated Certificate of incorporation of the company

This is not a ballot. You cannot use this notice as a Form for voting. This communication presents only an overview of the more complete proxy materials, which are available to you on the internet. You may view Ormat's 2017 Proxy Statement and Ormat's Annual Report on Form 10-K for 2016, which includes Ormat's audited financial statements at <http://materials.proxyvote.com/686688>. We encourage you to access and review all of the important information contained in the proxy materials before voting.

Edgar Filing: ORMAT TECHNOLOGIES, INC. - Form PRE 14A

Stockholders of record as of March 16, 2017 are encouraged to attend the annual meeting. Directions to attend the meeting where you may vote in person can be obtained on our website or by calling us at (775) 356-9029. Beneficial owners of shares held in street name who wish to vote at the meeting will need to obtain a proxy form from their record holder.

YOUR VOTE IS IMPORTANT TO US WHETHER OR NOT YOU PLAN TO ATTEND THE MEETING. PLEASE SUBMIT YOUR PROXY TO VOTE YOUR SHARES BY SIGNING AND DATING A PROXY CARD AND RETURNING IT TO US IN THE ENVELOPE PROVIDED.

By order of the Board of Directors,

Isaac Angel
Chief Executive Officer

NOTICE OF 2017 ANNUAL MEETING OF STOCKHOLDERS
To Be Held May 8, 2017

To Our Stockholders:

We cordially invite you to attend the 2017 Annual Meeting of Stockholders of Ormat Technologies, Inc. The meeting will take place at the offices of Chadbourne & Parke LLP, 1301 Avenue of the Americas, New York, NY 10019 – 6022, on Monday, May 8, 2017, at 1:30 p.m. local time. We look forward to your attendance either in person or by proxy.

The purpose of the meeting is to:

1. elect the three director nominees named in the attached proxy statement, each for a term of three years;
2. ratify the appointment of PricewaterhouseCoopers LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2017;
3. approve the compensation of our named executive officers on an advisory basis;
4. vote, on an advisory basis, on the frequency of the stockholder vote on the compensation of our named executive officers;
5. vote to approve the adoption of our Third Amended and Restated Certificate of Incorporation; and
6. transact any other business that may properly come before the meeting.

Only stockholders of record at the close of business on March 16, 2017 may vote at the meeting.

Your vote is important to us regardless of whether or not you plan to attend the meeting. We encourage you to submit a proxy to vote your shares either (i) on the internet, (ii) by telephone, or (iii) by signing and dating a proxy card and returning it to us. Please refer to the attached proxy materials or the information forwarded to you by your bank, broker or other holder of record to see which voting methods are available to you.

Important Notice Regarding the Availability of Proxy Materials for the Stockholder Meeting To Be Held on Monday, May 8, 2017:

This proxy statement, the proxy card, the Notice of Internet Availability of Proxy Materials and our Annual Report on Form 10-K for the fiscal year ended December 31, 2016 are available at <http://materials.proxyvote.com/686688>.

You will need your assigned control number to vote your shares. Your control number can be found on your proxy card or voting instruction form.

The time and location of the Annual Meeting of Stockholders are noted above.

By order of the Board of Directors,

Isaac Angel
Chief Executive Officer

March 28, 2017

ORMAT TECHNOLOGIES, INC. 2017 ANNUAL MEETING OF STOCKHOLDERS

NOTICE OF ANNUAL MEETING AND PROXY STATEMENT

TABLE OF CONTENTS

	Page
NOTICE OF 2017 ANNUAL MEETING OF STOCKHOLDERS	
<u>2017 PROXY STATEMENT</u>	1
<u>Questions and Answers about the 2017 Annual Meeting of Stockholders</u>	3
<u>PROPOSAL 1 – ELECTION OF DIRECTORS</u>	7
<u>Our Current Nominees</u>	7
<u>CORPORATE GOVERNANCE</u>	10
<u>Board Committees</u>	11
<u>Compensation Committee Interlocks and Insider Participation</u>	14
<u>Code of Business Conduct and Ethics</u>	14
<u>Corporate Governance Guidelines</u>	14
<u>Stockholder Communications with the Board</u>	14
<u>Board’s Role in Risk Oversight</u>	14
<u>AUDIT COMMITTEE REPORT</u>	15
<u>EXECUTIVE OFFICERS</u>	17
<u>SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT</u>	19
<u>COMPENSATION COMMITTEE REPORT</u>	25
<u>EXECUTIVE COMPENSATION</u>	26
<u>Summary Compensation Table</u>	26
<u>Outstanding Equity Awards at Fiscal Year-End</u>	31
<u>Option Exercises</u>	32
<u>Potential Payments upon Termination or Change in Control</u>	32
<u>TRANSACTIONS WITH RELATED PERSONS</u>	36
<u>REVIEW, APPROVAL OR RATIFICATION OF TRANSACTIONS WITH RELATED PERSONS</u>	38
<u>PROPOSAL 2 — RATIFICATION OF APPOINTMENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM</u>	40
<u>Audit and Non-Audit Fees</u>	40
<u>Audit Committee Pre-Approval Procedures for Independent Registered Public Accounting Firm</u>	40
<u>PROPOSAL 3 — ADVISORY VOTE ON EXECUTIVE COMPENSATION</u>	42
	43

PROPOSAL 4 — ADVISORY VOTE ON THE FREQUENCY OF THE STOCKHOLDER VOTE ON EXECUTIVE COMPENSATION

<u>OTHER MATTERS</u>	45
<u>ADDITIONAL INFORMATION</u>	45
<u>Householding of Proxies</u>	45
<u>Additional Filings</u>	45
<u>Proxy Solicitation</u>	45
<u>Stockholder Proposals for 2018 Annual Meeting of Stockholders</u>	46

ORMAT TECHNOLOGIES, INC.
6225 Neil Road,
Reno, Nevada 89511

2017 PROXY STATEMENT

The Board of Directors (the “Board”) of Ormat Technologies, Inc. (“Ormat”, “we”, “us”, “the Company” or “our Company”) is making this proxy statement available to you in connection with the solicitation of proxies on its behalf for the 2017 Annual Meeting of Stockholders (the “2017 Annual Meeting of Stockholders” or the “meeting”). The meeting will take place at the offices of Chadbourne & Parke LLP, 1301 Avenue of the Americas, New York, NY 10019 – 6022, on Monday, May 8, 2017, at 1:30 p.m. local time.

At the meeting, our stockholders will:

- (i) vote to elect the three director nominees named in this proxy statement;
- (ii) vote to ratify the appointment of PricewaterhouseCoopers LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2017;
- (iii) vote to approve the compensation of our named executive officers on an advisory basis;
- (iv) vote, on an advisory basis, on the frequency of the stockholder vote on the compensation of our named executive officers as required by Section 14A of the Securities Exchange Act of 1934, as amended (the “Exchange Act”);
- (v) vote to approve the adoption of our Third Amended and Restated Certificate of Incorporation; and
- (vi) transact any other business that may properly come before the meeting although we know of no other business to be presented.

Only stockholders of record at the close of business on March 16, 2017 may vote at the meeting.

We are taking advantage of Securities and Exchange Commission (“SEC”) rules that permit companies to furnish proxy materials to stockholders via the Internet. As a result, we are mailing to our stockholders a Notice of Internet Availability of Proxy Materials (the “Notice”). If you received a Notice by mail, you will not receive a printed copy of our proxy materials unless you specifically request one by following the instructions contained in the Notice. The Notice instructs you on how to access our proxy materials, including this proxy statement, the proxy card, the Notice and our 2016 Annual Report on Form 10-K for the fiscal year ended December 31, 2016 (the “2016 Annual Report”), via the Internet, as well as how to vote online or by telephone. We believe that this process allows us to provide our stockholders with important information more quickly, while reducing our environmental impact and lowering the costs of printing and distributing our proxy materials.

By submitting your proxy using any of the methods specified in the Notice, you authorize each of Isaac Angel, our Chief Executive Officer, and Ety Rosner, our Senior Vice President and Corporate Secretary, to represent you and vote your shares at the meeting in accordance with your instructions. Either one of them may also vote your shares to adjourn the meeting and will be authorized to vote your shares at any postponements or adjournments of the meeting.

Our 2016 Annual Report, which includes our audited financial statements, is being made available to stockholders together with this proxy statement. Except to the extent that we specifically incorporate information by reference to our 2016 Annual Report, our 2016 Annual Report does not constitute a part of our proxy materials and is not incorporated by reference into this proxy statement.

We are first making this proxy statement and accompanying materials available to our stockholders on or about March 28, 2017.

1

YOUR VOTE IS IMPORTANT TO US. WHETHER OR NOT YOU PLAN TO ATTEND THE MEETING, PLEASE PROMPTLY SUBMIT YOUR PROXY VIA THE INTERNET, BY PHONE OR BY SIGNING AND DATING A PROXY CARD AND RETURNING IT TO US IN THE ENVELOPE THAT WE WILL SEND TO YOU UPON REQUEST.

2

Questions and Answers about the 2017 Annual Meeting of Stockholders

What is the purpose of the 2017 Annual Meeting of Stockholders?

At the 2017 Annual Meeting of Stockholders, our stockholders will be asked to:

1. elect the three director nominees named in this proxy statement (Proposal 1);
2. ratify the appointment of PricewaterhouseCoopers LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2017 (Proposal 2);
3. approve the compensation of our named executive officers on an advisory basis (Proposal 3);
4. vote, on an advisory basis, on the frequency of the stockholder vote on the compensation of our named executive officers as required by Section 14A of the Exchange Act (Proposal 4);
5. approve the adoption of our Third Amended and Restated Certificate of Incorporation (Proposal 5); and
6. transact any other business that may properly come before the meeting.

Members of our management team and a representative of PricewaterhouseCoopers LLP, our independent registered public accounting firm, will be present at the meeting to respond to appropriate questions from stockholders.

Who is entitled to vote?

Only stockholders of record at the close of business on March 16, 2017 (the "Record Date") may vote at the meeting. The only class of stock entitled to vote at the meeting is our common stock, par value \$0.001 per share (the "Common Stock"). Each outstanding share of Common Stock is entitled to one vote for all matters properly brought before the meeting. At the close of business on the Record Date, there were 49,693,000 shares of Common Stock outstanding.

What is the difference between being a "record holder" and holding shares in "street name"?

A record holder holds shares in his, her or its name. Shares held in "street name" are shares that are held in the name of a bank or broker on a person's or entity's behalf.

Am I entitled to vote if my shares are held in "street name"?

If your shares are held by a bank or a brokerage firm, you are considered the "beneficial owner" of shares held in street name. If your shares are held in street name, the Notice is being forwarded to you by your bank or brokerage firm (the "record holder"), along with a voting instruction card. As the beneficial owner, you have the right to direct your record holder how to vote your shares, and the record holder is required to vote your shares in accordance with your instructions.

Under the rules of the New York Stock Exchange (the "NYSE"), if you do not give instructions to your bank or brokerage firm, it may vote on matters that the NYSE determines to be "routine", but will not be permitted to vote your shares with respect to "non-routine" items. Under the NYSE rules, the ratification of appointment of the independent registered public accounting firm (Proposal 2) is a routine matter, but the election of directors (Proposal 1), the approval of the compensation of our named executive officers on an advisory basis (Proposal 3), the vote, on an advisory basis, on the frequency of the stockholder vote on the compensation of our named executive officers (Proposal 4) and the vote to approve adoption of our Third Amended and Restated Certificate of Incorporation (Proposal 5) are not considered to be routine matters. When a broker or bank has not received instructions from the

beneficial owners or persons entitled to vote and the broker or bank cannot vote on a particular matter because it is not routine, then there is a "broker non-vote" on that matter. Broker non-votes do not count as votes for or against any proposal.

As the beneficial owner of shares, you are invited to attend the 2017 Annual Meeting of Stockholders. If you are a beneficial owner, however, you may not vote your shares in person at the meeting unless you obtain a proxy form from the record holder of your shares.

3

How many shares must be present to hold the meeting?

A quorum must be present at the meeting for any business to be conducted. The presence at the meeting, in person or by proxy, of the holders of a majority of the shares of Common Stock outstanding on the Record Date will constitute a quorum.

Who can attend the 2017 Annual Meeting of Stockholders?

All Ormat stockholders of record as of the close of business on March 16, 2017 may attend the 2017 Annual Meeting of Stockholders.

What if a quorum is not present at the meeting?

If a quorum is not present at the scheduled time of the meeting, a majority of the outstanding shares entitled to vote represented may adjourn the meeting.

What does it mean if I receive more than one Notice?

Some stockholder may receive more than one Notice, more than one e-mail notification, or more than one paper copy of the proxy materials, including multiple proxy cards. For example, if you hold your shares in more than one brokerage account, you may receive a separate Notice, a separate e-mail notification, or a separate voting instruction form for each brokerage account in which you hold shares. Please vote all of your shares. To ensure that all of your shares are voted, please vote the shares held in each brokerage account in which you hold shares of our Common Stock.

How do I vote?

You may vote by submitting your proxy either (i) on the internet, (ii) by telephone, or (iii) by signing and dating a proxy card and returning it to the Company.

The notice of internet availability we (or the bank or brokerage firm that holds your shares in street name) sent to you explains how you can:

· vote by internet or by telephone and how you can receive a paper or email copy of a proxy card if you are a record holder of shares; or

· give voting instructions to your bank or brokerage firm if your shares are held in street name.

The return envelope that we will send you if you request a paper proxy card requires no additional postage if mailed in either the United States ("U.S.") or Canada.

If you are a record stockholder and attend the meeting, you may deliver your completed proxy card in person. Additionally, we will pass out written ballots to record stockholders who wish to vote in person at the meeting. Beneficial owners of shares held in street name who wish to vote at the meeting will need to obtain a proxy from their record holder.

Can I change my vote after I submit my proxy?

If you are a record holder of shares, you may revoke your proxy and change your vote at any time before it is actually voted:

by signing and delivering another proxy with a later date;

by giving written notice of such revocation to the Corporate Secretary of Ormat prior to or at the meeting; or

by voting in person at the meeting.

4

Please note, however, that if you are a beneficial owner of shares and you wish to revoke your proxy or vote at the meeting, you must follow the instructions provided to you by your bank, broker or other record holder and/or obtain from the record holder a proxy issued in your name. Your attendance at the meeting will not, by itself, revoke your proxy.

Who will count the votes?

Ormat's transfer agent, American Stock Transfer & Trust Company, will tabulate and certify the votes. A representative of the transfer agent may serve as an inspector of election.

How does the Board recommend I vote on the proposals?

Your Board recommends that you vote FOR the proposals to:

elect the three director nominees named in this proxy statement to the Board (Proposal 1);

ratify PricewaterhouseCoopers LLP as Ormat's independent registered public accounting firm for the year ending December 31, 2017 (Proposal 2)

approve the compensation of Ormat's named executive officers on an advisory basis. (Proposal 3); and

approve the adoption of our Third Amended and Restated Certificate of Incorporation (Proposal 5)

Your Board also recommends that you vote in favor of every three years as the frequency for future advisory votes to approve the compensation of our named executive officers (Proposal 4).

What if I do not specify how my shares are to be voted?

If you submit a proxy but do not indicate any voting instructions, the persons to whom you have provided a proxy will vote in accordance with the recommendations of the Board as described above.

Will any other business be conducted at the meeting?

We know of no other business that will be presented at the meeting. If any other matter properly comes before the stockholders for a vote at the meeting, however, the proxy holders will vote your shares in accordance with their best judgment.

How many votes are required to elect the director nominees?

In an uncontested election, each director nominee will be elected by a majority of all votes cast for such director nominee at the annual meeting. This means that each director nominee will be elected to the Board if the number of shares that vote "For" such director nominee exceeds the number of shares that vote "Against" such director nominee. In a contested election, each director nominee will be elected by a plurality vote of all votes cast for the election of directors at the annual meeting. This means that the three director nominees who receive the greatest number of votes cast by the holders of our Common Stock at the annual meeting will be elected to the Board as directors.\

How many votes are required to ratify the appointment of Ormat's independent registered public accounting firm?

The ratification of the appointment of PricewaterhouseCoopers LLP as Ormat's independent registered public accounting firm requires the affirmative vote of a majority of the shares present at the meeting in person or by proxy and entitled to vote.

How many votes are required to approve the compensation of Ormat's named executive officers on an advisory basis?

Approval of the compensation of Ormat's named executive officers requires the affirmative vote of a majority of the shares present at the meeting in person or by proxy and entitled to vote. Such vote is advisory and will not be binding on us.

How many votes are required to approve the adoption of Ormat's Third Amended and Restated Certificate of Incorporation?

Pursuant to Ormat's Second Amended and Restated Certificate of Incorporation, approval of the adoption of Ormat's Third Amended and Restated Certificate of Incorporation requires the affirmative vote of the holders of at least 75% of the voting power of the outstanding shares of capital stock of Ormat entitled to vote generally.

How are votes tabulated with respect to voting, on an advisory basis, on the frequency of the stockholder vote to approve the compensation of Ormat's named executive officers?

Stockholders may vote to approve the frequency of the stockholder vote to approve the compensation of Ormat's named executive officers every one, two or three years. The vote of stockholders will be the frequency that receives the greatest number of votes cast by the holders of our Common Stock entitled to vote at the meeting. Such vote is advisory and will not be binding on us.

What is an abstention and how will abstentions be treated?

An "abstention" represents a stockholder's affirmative choice to decline to vote on a proposal. Under Delaware law, shares that "Abstain" are treated as shares present for quorum and entitled to vote, so they will have the same practical effect as votes "Against" a proposal except for the proposal for the election of directors. A stockholder's choice to "Abstain" in the election of any director nominee will have no effect on such nominee's election to the Board.

How will broker non-votes be treated?

Broker non-votes will be treated as shares present for quorum purposes, but not considered entitled to vote on that matter. Therefore, broker non-votes do not count as votes for or against any proposal.

Where can I find the voting results of the 2017 Annual Meeting of Stockholders?

We plan to announce preliminary voting results at the 2017 Annual Meeting of Stockholders and to publish final results in a Current Report on Form 8-K to be filed with the SEC within four (4) business days following the meeting.

PROPOSAL 1 – ELECTION OF DIRECTORS

Our Board Composition

Our Board, which is currently composed of eight members, is classified into three classes of directors serving staggered, three-year terms as indicated:

Class I Directors (term expiring at the meeting)

Stanley B. Stern*

David Granot*

Robert E. Joyal*

Class II Directors (term expiring at the 2018 Annual Meeting of Stockholders)

Ravit Barniv*

Robert F. Clarke*

Ami Boehm*

Class III Directors (term expiring at the 2019 Annual Meeting of Stockholders)

Gillon Beck*

Dan Falk*

* Designated as an independent director.

Our Current Nominees

Directors in each of the three classes are elected to serve for three-year terms that expire in successive years. The terms of the Class I Directors will expire at the 2017 Annual Meeting of Stockholders. Accordingly, the Board, following recommendation of our Nominating and Corporate Governance Committee, has nominated Stanley B. Stern, David Granot and Robert E. Joyal as Class I Directors for three-year terms expiring at the annual meeting of stockholders to be held in 2020 and until their successors are elected and qualified. Each nominee currently serves as a Class I Director.

The following sets forth, with respect to each nominee, the nominee's name, age, principal occupation and employment during the past five years, the year in which the nominee first became a director of Ormat and directorships held at other public companies. Please see "Corporate Governance" below for a further discussion of the process for nominating these candidates as well as other important information about our Board, its Committees and the composition thereof.

Stanley B. Stern. Stanley B. Stern has been a member of our Board since November 16, 2015. Mr. Stern is the Managing Partner of Alnitak Capital, which he founded in 2013 to provide board level strategic advisory services and merchant banking services, primarily to companies in technology-related industries. From 1981 to 2000 and from 2004 to 2013, he was Managing Director at Oppenheimer & Co, where, among other positions, he was head of the investment banking department and technology investment banking group. He also held positions at Salomon Brothers, STI Ventures and C.E. Unterberg. Mr. Stern currently serves as Chairman of the board of directors of Audiocodes, Inc. (since 2012) and SodaStream International Ltd. (since 2015), and as a member of the board of directors of Ekso Bionics Holdings, Inc. (since 2015) and Foamix, Ltd. (since 2014). In the past, Mr. Stern served as a member of the board of directors of the following public and private companies, for which he no longer serves as a director: Given Imaging, Fundtech Inc., Tucows, Inc. (Chairman) and Odimo, Inc. He earned a BA in Economics and Accounting from City University of New York, Queens College, and an MBA from Harvard University. Mr. Stern is 59 years old.

The Board, following recommendation of our Nominating and Corporate Governance Committee, has concluded that Mr. Stern should serve as a director of the Company primarily because of his extensive management, banking and financial experience, particularly in technology-related industries.

David Granot. David Granot has been a member of our Board since May 22, 2012. Since 2008 Mr. Granot served as a director and the Chairman of the nostro investment company of Harel Insurance, Investment and Finance Ltd.. In addition, he is a member of the boards of directors of the following non-U.S. public companies: Alrov (Israel) Ltd. and Tempo Beverages Ltd. He also serves on the board of directors of the following private companies: G.D. Goren Management and Consultation Ltd., Sonol (Israel) Ltd. and Gergue Power PLC. During the past five years, Mr. Granot served as a member of the board of directors of the following non-U.S. public and private companies, for which he no longer serves as a director: Ham-Let (Israel-Canada) Ltd, DIKLA Insurance Ltd, FBNDRC PLC and Scorpio Real Estate (Chairman). From 2001 through 2007, Mr. Granot served as the CEO of the First International Bank of Israel Ltd. He earned a BA in Economics and an MBA from the Hebrew University in Jerusalem. Mr. Granot is 70 years old.

The Board, following recommendation of our Nominating and Corporate Governance Committee, has concluded that Mr. Granot should serve as a director of the Company primarily because of his extensive management, banking and financial experience, and his overall business knowledge.

Robert E. Joyal. Robert E. Joyal has been a member of our Board since May 22, 2012. Mr. Joyal has served as a director of Leucadia National Corporation since March 2013 upon the completion of Leucadia's acquisition of Jefferies Group, Inc. Mr. Joyal had served as a director of Jefferies from 2006 until March 2014. Mr. Joyal has also served as a member of the Board of Trustees of the following investment funds: MassMutual Funds, Barings Corporate Investors and Barings Participation Investors. He is a member of the investment committee of various funds sponsored by First Israel Mezzanine Investors. He has also served as a director of Kimco Insurance Company. During the past five years, Mr. Joyal served as a member of the board of directors of the following public company, for which he no longer serves as a director: Scottish Re Group Ltd. Mr. Joyal is a Chartered Financial Analyst. He earned a BA from St. Michael's College and an MBA from Western New England College. Mr. Joyal is 72 years old.

The Board, following recommendation of our Nominating and Corporate Governance Committee, has concluded that Mr. Joyal should serve as a director of the Company primarily because of his extensive investment and financing experience, and his overall business knowledge.

Each nominee has consented to being named in this proxy statement and has agreed to serve if elected. If a nominee is unable to stand for election, the Board may either reduce the number of directors to be elected or select a substitute nominee. If a substitute nominee is selected, the proxy holders will vote your shares for the substitute nominee, unless you have withheld authority.

In an uncontested election, each director nominee will be elected by a majority of all votes cast for such director nominee at the annual meeting. This means that each director nominee will be elected to the Board if the number of shares that vote "For" such director nominee exceeds the number of shares that vote "Against" such director nominee. In a contested election, each director nominee will be elected by a plurality vote of all votes cast for the election of directors at the annual meeting. This means that the three director nominees who receive the greatest number of votes cast by the holders of our Common Stock at the annual meeting will be elected to the Board as directors.

8

YOUR BOARD RECOMMENDS THAT YOU VOTE “FOR” THE ELECTION OF EACH OF THE NOMINEES NAMED ABOVE.

Our Continuing Directors

Class II Directors Continuing in Office Whose Terms Expire at the 2018 Annual Meeting of Stockholders

Ravit Barniv. Ravit Barniv has been a member of our Board since November 15, 2015. Ms. Barniv has served as the chairperson of the board of directors of Tnuva Group, the largest food group in Israel, since 2013. Previously, she served as chairperson of the board of directors of Shikun & Binui Holdings Group Ltd. and Derech Eretz Highways, and as CEO of Netvision Communications. She earned a BA in Economics and Philosophy, an MA in Governance with a specialization in counterterrorism from IDC Herzliya and an MBA from Tel-Aviv University. Ms. Barniv is 53 years old.

The Board, following recommendation of our Nominating and Corporate Governance Committee, has concluded that Ms. Barniv should serve as a director of the Company primarily because of her extensive management experience and overall business and financial knowledge, particularly in the construction and infrastructure and renewable energy industries.

Robert F. Clarke. Robert F. Clarke has been a member of our Board since February 27, 2007. Mr. Clarke was Chairman (since September 1998) and President and Chief Executive Officer (since January 1991) of Hawaiian Electric Industries, Inc. (HEI), from which he retired effective May 2006. Since June 1, 2006, Mr. Clarke has been Executive in Residence at the Shidler College of Business at the University of Hawaii. In addition, Mr. Clarke serves as an advisory director to Oceanic Cable Hawaii, and as a member of the advisory boards of the Shidler College of Business at the University of Hawaii, Sennet Capital, and Aina Koa Pono, a Hawaii based privately held company exploring renewable energy projects in converting biomass into fuels. Mr. Clarke joined HEI in February 1987 as Vice President of Strategic Planning and was in charge of implementing the Company’s diversification strategy. Mr. Clarke was named HEI Group Vice President — Diversified Companies in May 1988. He was made a director of HEI in 1989. Prior to joining HEI, Mr. Clarke served as Senior Vice President and Chief Financial Officer of Alexander & Baldwin and as Controller of Dillingham Corporation. Prior to that, he worked for the Ford Motor Company and for the Singer Company. He earned a BA in Economics in 1965 and his Master’s degree in finance in 1966 from the University of California at Berkeley. Honors include Phi Beta Kappa in 1965. Mr. Clarke is 74 years old.

The Board, following recommendation of our Nominating and Corporate Governance Committee, has concluded that Mr. Clarke should serve as director of the Company primarily because of his 29 years of experience in the power/energy industry, his extensive management experience, and his overall business and financial knowledge.

Ami Boehm. Ami Boehm has been a member of our Board since May 22, 2012. Since 2004, Mr. Boehm has been a Partner at FIMI Opportunity Funds, as well as Managing Partner and CEO of FITE GP (2004). In addition, Mr. Boehm currently serves as a member of the board of directors of Gilat Satellite Networks Ltd. and TATT Technologies, both NASDAQ publicly-traded companies, and of the following non-U.S. public companies: Ham-Let (Israel Canada) Ltd, Rekah Pharmaceutical Ltd. and Hader Paper Ltd. He also serves as a member of the Board of Directors of Dimar, Ltd. and Novolog (Pharm Up 1966) Ltd., DelekSon Recycling Ltd. and Galam Ltd., each a private company. During the past five years, Mr. Boehm had served as a member of the Board of Directors of the following non-U.S. public companies: Global Wire Ltd., Telkoor Telecom Ltd., Scope Metal Trading, Ltd. and Inter Industries, Ltd. From 1999 to 2004, Mr. Boehm served as Head of Research at Discount Capital Markets, the investment arm of Israel Discount Bank, and from 1998 to 1999 he worked in the Office of the Attorney General in the Israeli Ministry of Justice. Mr. Boehm earned an LLB from Tel Aviv University in 1997, a BA in Economics from Tel Aviv University in 1998, and an MBA in Finance jointly from Northwestern University’s Kellogg School of Business and Tel Aviv University in 2004. Mr. Boehm is 45 years old.

The Board, following recommendation of our Nominating and Corporate Governance Committee, has concluded that Mr. Boehm should serve as a director of the Company primarily because of his extensive experience in finance and strategic initiatives, and his overall management and business knowledge.

Class III Directors Continuing in Office Whose Terms Expire at the 2019 Annual Meeting of Stockholders

Dan Falk. Dan Falk has been a member of our Board since November 12, 2004. Mr. Falk also serves as a member of the boards of directors of Orbotech Ltd., Nice Systems Ltd. and Attunity Ltd., all NASDAQ publicly traded companies. During the past five years, Mr. Falk served as a member of the boards of directors of the following public companies, for which he no longer serves as a director: Advanced Vision Technology (AVT) Ltd., Orad Hi Tech Systems Ltd., Nova Measuring Systems Ltd., Amiad Water Systems Ltd., Plastopil Ltd. From 2001 to 2004, Mr. Falk was a business consultant to several public and private companies. From 1999 to 2000, Mr. Falk was Chief Operating Officer and Chief Executive Officer of Sapiens International N.V. From 1995 to 1999, Mr. Falk was an Executive Vice President of Orbotech Ltd. From 1985 to 1995, Mr. Falk was Vice President of Finance and Chief Financial Officer of Orbot Systems Ltd. and Orbotech Ltd. Mr. Falk received an MBA from Hebrew University in 1972 and a BA in Economics and Political Science from Hebrew University in 1968. Mr. Falk is 72 years old.

The Board, following recommendation of our Nominating and Corporate Governance Committee, has concluded that Mr. Falk should serve as director of the Company primarily because of his qualification as an “audit committee financial expert” under Section 407 of the Sarbanes-Oxley Act of 2002 and Item 407(d)(5) of Regulation S-K, his experience related to service on the audit committee, his financial reporting expertise, and his general financial and business knowledge.

Gillon Beck. Gillon Beck has been the Chairman of our Board since November 17, 2015 and a member of our Board since May 22, 2012. He also served as Chairman of our Board from May 22, 2012 until June 30, 2014. Since 2003, Mr. Beck has been a Senior Partner at FIMI Opportunity Funds, as well as a Director of the FIMI Opportunity Funds’ general partners and SPV companies. In addition, Mr. Beck currently serves as Chairman of the board of directors of the following public companies: Ham-Let (Israel-Canada) Ltd., Overseas Commerce Ltd., Bet Shemes Engines Ltd. (each traded on the Tel Aviv Stock Exchange (TASE)) and Magal Security Systems Ltd. (traded on NASDAQ). He also serves as Chairman of the board of directors of the following private companies: Inrom Industries, Ltd., Rivulis Ltd. and Oxygen and Argon Works Ltd. He also serves as a member of the board of directors of Inrom Construction Material Ltd. and Unitronics Ltd. (each traded on TASE). During the past five years, Mr. Beck served as a member of the board of directors of the following public company for which he no longer serves as a director: Ormat Industries Ltd. From 1999 to 2003, Mr. Beck served as Chief Executive Officer and President of Arad Ltd., a publicly-traded water measurement and automatic meter reading company, and from 1995 to 1999, he served as Chief Operating Officer of Arad Ltd. Mr. Beck received a BS (Cum Laude) in Industrial Engineering from the Technion – Israel Institute of Technology in 1990, and an MBA in Finance from Bar-Ilan University in 1992. Mr. Beck is 55 years old.

The Board, following recommendation of our Nominating and Corporate Governance Committee, has concluded that Mr. Beck should serve as director of the Company primarily because of his extensive management experience and overall business and financial knowledge.

CORPORATE GOVERNANCE

Overview

In accordance with the NYSE listing standards, our Board evaluates the independence of Board members at least annually and when a change in circumstances could potentially impact the independence of one or more directors. Our Board consists of eight members, all of whom have been determined by our Board to be independent directors, in accordance with the NYSE listing standards and our Corporate Governance Guidelines.

During fiscal year 2016, the Board held 7 meetings. Each of our directors attended all of the meetings of the Board and the Committees on which he or she serves. In addition, on May 6, 2015, the Company held its 2015 Annual Meeting of Stockholders. All of the Company's Board members were present at the meeting.

Prior to the closing of the share exchange described under “Transactions with Related Persons – Share Exchange Agreement and Related Agreements” below, we relied on the “controlled company” exemption from certain board committee composition requirements for our Compensation Committee and Nominating and Corporate Governance Committee under the NYSE listing standards. The “controlled company” exemption did not modify the independence requirements for our Audit Committee, and we complied with the requirements of the Sarbanes-Oxley Act of 2002 (“SOX”), SEC rules and regulations and the NYSE listing standards, which require that our Audit Committee be composed of at least three independent directors. Following the closing of the share exchange in February 2015, we were no longer a “controlled company” and had one year to comply with the NYSE listing standards which require that all of the members of our Compensation Committee and Nominating and Corporate Governance Committee are independent. Effective November 15, 2015, our Board appointed Ravit Barniv as director to fill the vacancy on our Board caused by the resignation of Yehudit Bronicki, after determining that Ms. Barniv meets the director independence requirements under the NYSE listing standards. Also effective November 15, 2015, our Board appointed Ms. Barniv to fill the vacancy created by Yehudit Bronicki’s resignation from our Compensation Committee and to replace Yoram Bronicki on our Nominating and Corporate Governance Committee. Following Ms. Barniv’s appointments, all of the directors that serve on our Compensation Committee and Nominating and Corporate Governance Committee are independent directors, in compliance with the requirements of SOX, SEC rules and regulations and the NYSE listing standards.

Board Committees

Our Board has the authority to appoint committees to perform certain management and administrative functions. Our Board has established an Audit Committee, a Compensation Committee, a Nominating and Corporate Governance Committee and an Investment Committee.

Audit Committee. The Company has a separately designated standing Audit Committee established in accordance with the Exchange Act. The Audit Committee consists of four members: Dan Falk, Robert F. Clarke, David Granot, and Robert E. Joyal, each of whom is an independent director as defined by the NYSE listing standards. The Board has determined that Mr. Falk, the Chair of the Audit Committee, qualifies as an “audit committee financial expert” as defined by SEC rules and that each member of the Audit Committee is financially literate. Mr. Falk also serves on the audit committees of three other companies publicly traded in the U.S. Our Board has determined that Mr. Falk’s simultaneous service on these audit committees does not impair his ability to serve effectively on our Audit Committee.

The Audit Committee selects, on behalf of our Board, an independent public accounting firm to be engaged to audit our financial statements, discusses with the independent registered public accounting firm its independence, reviews and discusses the audited financial statements with the independent registered public accounting firm and manages and reviews our compliance with legal and regulatory requirements with respect to accounting policies, internal controls and financial reporting.

In fiscal year 2016, the Audit Committee continued its oversight of a procedure established by the Company for receiving and addressing anonymous complaints regarding financial or accounting irregularities, among other things. The Audit Committee also manages an ethics and compliance hotline maintained by an independent third party and accessible through the Internet and by telephone. The information received by the hotline is treated as confidential and anonymous and is reviewed by an agent of the Audit Committee before all relevant non-compliance information is periodically reported to the Audit Committee.

The Audit Committee held four meetings in fiscal year 2016. Further information concerning the Audit Committee is set forth below under the heading “Audit Committee Report”. The charter of the Audit Committee, as amended on August 6, 2016, is available on the Company’s website at www.ormat.com. The content of our website, however, is not part of this proxy statement.

Compensation Committee. The Company has a separately designated standing Compensation Committee established in accordance with the NYSE listing standards. The Compensation Committee consists of four members: Dan Falk, Ami Boehm, David Granot and Ravit Barniv (Chair). All of the directors that serve on our Compensation Committee are independent directors, in compliance with the requirements of SOX, SEC rules and regulations and the NYSE listing standards.

The Compensation Committee reviews and either approves, on behalf of our Board, or recommends to the Board for approval, (i) the annual salaries and other compensation of our Chief Executive Officer (“CEO”) and the five other most highly compensated executive officers who receives total compensation in excess of \$ 1 million per annum and (ii) equity awards. The Compensation Committee also reviews and approves the compensation program applicable to our senior management. Our CEO is currently covered by an employment agreement which fixes the amount of his salary and annual bonus. See “Executive Compensation” below.

The Compensation Committee also provides recommendations with respect to our compensation policies and practices and incentive compensation plans and equity plans. As described under “Compensation Discussion and Analysis” below, our Compensation Committee determines the basket of bonuses and equity awards that may be awarded on a company-wide basis and our CEO determines the particular bonuses and equity awards to be made to our personnel, except that the Compensation Committee grants awards to our executive officers, including our CEO. Our CEO also determines whether and to what degree to award salary increases to any of the other members of our management team.

The Compensation Committee operates pursuant to a written charter adopted by the Board, which sets forth the duties and responsibilities of the Compensation Committee, which include (i) annual review of corporate goals and objectives relevant to the compensation of our CEO and other executive officers and evaluation of the performance of our CEO in light of these goals and objectives, (ii) approval of the compensation of our CEO based on this evaluation and (iii) periodic review and approval of all elements of our CEO’s and other executive officers’ compensation, including cash-based and equity-based awards and opportunities, any employment agreements and severance agreements, any change in control agreements and any special or supplemental compensation and benefits for our CEO and other executive officers.

The Compensation Committee duties and responsibilities also include:

- making recommendations to the Board as to changes in Ormat’s general compensation philosophy;
- making recommendations to the Board with respect to the adoption, amendment, termination or replacement of incentive compensation, equity-based plans or other compensation plans, policies and programs;
- overseeing the development and implementation of such incentive compensation, equity-based plans or other compensation plans, policies and programs; and
- monitoring Ormat’s compliance with SEC rules and regulations regarding stockholder approval of certain executive compensation.

The Compensation Committee is authorized to establish subcommittees for the purpose of evaluating special or unique matters and may delegate its authority to a subcommittee or subcommittees.

The Compensation Committee held three meetings in fiscal year 2016. The charter of the Compensation Committee, as amended on August 6, 2016, is available on the Company’s website at www.ormat.com. The content of our website, however, is not part of this proxy statement.

Nominating and Corporate Governance Committee. The Company has a separately designated standing Nominating and Corporate Governance Committee established in accordance with the NYSE listing requirements. The Nominating and Corporate Governance Committee consists of four members: Gillon Beck (Chair), Dan Falk, David Granot and Ravit Barniv. All of the directors that serve on our Nominating and Corporate Governance Committee are independent directors, in compliance with the requirements of SOX, SEC rules and regulations and the NYSE listing standards.

The Nominating and Corporate Governance Committee assists our Board in fulfilling its responsibilities by developing criteria and qualifications for Board membership, identifying and approving individuals who meet such criteria and are qualified to serve as members of our Board, selecting director nominees for our annual meetings of stockholders and developing and recommending to our Board corporate governance guidelines and monitoring compliance with such guidelines.

The Nominating and Corporate Governance Committee considers the appropriate size of the Board and whether any vacancies on the Board are expected due to retirement or otherwise. In the event that vacancies are anticipated, or otherwise arise, the Nominating and Corporate Governance Committee considers potential candidates for director. Candidates may come to the attention of the Nominating and Corporate Governance Committee through current Board members, professional search firms, stockholders or other persons. The Nominating and Corporate Governance Committee is responsible for conducting appropriate inquiries into the backgrounds and qualifications of potential candidates.

The Nominating and Corporate Governance Committee adopted a policy regarding consideration of potential director candidates as of November 7, 2006. This policy provides guidelines for the identification and evaluation of such director candidates for their qualifications to serve on the Board. According to the policy, candidates must satisfy certain minimum criteria, including an academic degree or business experience to the satisfaction of the Nominating and Corporate Governance Committee. In addition, independent director nominees must satisfy the independence requirements as determined by the Nominating and Corporate Governance Committee in accordance with the rules and regulations of the SEC and the NYSE, as applicable. Pursuant to the policy, the Nominating and Corporate Governance Committee will interview and select candidates for evaluation, and then evaluate the final candidates to determine their qualifications to serve on the Board as well as compatibility with the culture of the Company, its philosophy and its then-current Board and management. The Nominating and Corporate Governance Committee considers a number of factors in identifying nominees for director, including knowledge, experience, education, independence and diversity.

The Nominating and Corporate Governance Committee will consider director candidates recommended by stockholders in the same manner in which the Nominating and Corporate Governance Committee evaluates any other candidate.

The Company's Fourth Amended and Restated By-laws provide that stockholders may nominate director candidates for election to the Board at an annual meeting, provided that the nominating stockholder (i) follows the notice procedures set forth in the Fourth Amended and Restated By-laws, (ii) was a stockholder of record at the time of giving notice of the proposed nomination and (iii) is entitled to vote at the annual meeting and follows the notice procedures. To be timely, a stockholder's notice for the 2017 Annual Meeting of Stockholders must have been delivered to the Corporate Secretary at 6225 Neil Road, Reno, Nevada 89511, not earlier than the close of business on January 4, 2017 and no later than the close of business on February 3, 2017.

The Nominating and Corporate Governance Committee held three meetings in fiscal year 2016. The charter of the Nominating and Corporate Governance Committee is available on the Company's website at www.ormat.com. The content of our website, however, is not part of this proxy statement.

Investment Committee. The Company has a separately designated standing Investment Committee. The Investment Committee consists of three members, David Granot (Chair), Ami Boehm and Ravit Barniv, each of whom is an independent director.

The Investment Committee assists our Board in considering and determining hedge transactions that we may enter into to hedge our exposure to certain risks and makes recommendations as to the investment of our cash and cash-equivalents, all in accordance with the Investment Policy adopted by the Board.

The Investment Committee operates pursuant to the Investment Policy approved by the Board that outlines general guidelines for investment (including guidelines as to the type and amount of investments, the desired time periods, and the authorization and procedures for making investments) and meets on as-needed basis as instructed by the Board. The Committee did not adopt a charter and acts pursuant to the instructions and guidelines of the Board.

The Investment Committee did not meet during fiscal year 2016.

Majority Voting for Directors

As described above, our Board is classified into three classes of directors serving staggered three-year terms. At each annual meeting of stockholders, the successors of the class of directors whose term expires at that meeting shall be elected. In an uncontested election, each director nominee will be elected by a majority of all votes cast for such director nominee at the annual meeting. This means that each director nominee will be elected to the Board if the number of shares that vote "For" such director nominee exceeds the number of shares that vote "Against" such director

nominee. In a contested election, each director nominee will be elected by a plurality vote of all votes cast for the election of directors at the annual meeting. This means that the three director nominees who receive the greatest number of votes cast by holders of our Common Stock at the annual meeting will be elected to the Board.

Compensation Committee Interlocks and Insider Participation

Our Compensation Committee is composed of Dan Falk, Ami Boehm, David Granot and Ravit Barniv. Yehudit Bronicki, who served as our CEO until June 30, 2014 and as a member of our Board until November 15, 2015, served as a member of the Compensation Committee until her resignation was effective on November 15, 2015. Ravit Barniv is currently the Chair of the Compensation Committee.

In addition, Mrs. Bronicki, Yoram Bronicki (who was Chairman of our Board until November 15, 2015 and who was our President and Chief Operating Officer until June 30, 2014) and other members of their family, beneficially owned approximately 7.10% of the outstanding shares of our Common Stock as of December 22, 2016. Gillon Beck and Ami Boehm are partners at FIMI, which beneficially owned approximately 13.93% of the outstanding shares of our Common Stock as of March 16, 2017 See “Security Ownership of Certain Beneficial Owners and Management” and “Transactions with Related Persons” below with respect to certain transactions and the relationships between Bronicki, FIMI and the Company.

Finally, none of our executive officers served during fiscal year 2016 as a member of the Board of Directors or as a member of a compensation committee of any other company that has an executive officer serving as a member of our Board or Compensation Committee.

Code of Business Conduct and Ethics

Our Code of Business Conduct and Ethics is available on our website at www.ormat.com for downloading, free of charge. The content of our website, however, is not part of this proxy statement. You may also request a printed copy of our Code of Business Conduct and Ethics free of charge, by writing to the Company at the address appearing in this Proxy Statement or by calling us at: (775) 356-9029.

Corporate Governance Guidelines

Our Board has adopted Corporate Governance Guidelines, which are available on the Company’s website at www.ormat.com. The content of our website, however, is not part of this proxy statement. You may also request a printed copy of our Corporate Governance Guidelines free of charge, by writing to the Company at the address appearing in this Proxy Statement or by calling us at: (775) 356-9029.

Stockholder Communications with the Board

Stockholders and other interested parties may communicate with the Board or a specific director or directors by writing c/o the Corporate Secretary, Ormat Technologies, Inc., 6225 Neil Road, Reno, Nevada 89511. Communications received from stockholders are forwarded directly to Board members.

Board’s Role in Risk Oversight

As part of the Board’s quarterly meetings, the Board assesses on an ongoing basis the risks faced by the Company in executing its business plan. These risks include financial, industrial, technological (including cybersecurity exposures and the steps management has taken or plans to take with respect to these exposures), competitive, and operational risks and exposures, both from a global perspective and on a power plant-by-power plant basis.

The Board dedicates time at each of these meetings to review and consider the relevant risks that need to be addressed at the time of each Board meeting. Our CEO presents reports at each quarterly meeting outlining the challenges faced by the Company, and brings the relevant risks to the attention of the Board. Similarly, at each quarterly Board meeting, the relevant financial risks faced by the Company are presented by our Chief Financial Officer (“CFO”). In

addition, the Company's Audit Committee and Investment Committee play an important role in the oversight of the Company's policies with respect to financial risk assessment and risk management, as well as assessing the Company's major financial risk exposures.

The Board's role in risk oversight of the Company is consistent with the Company's leadership structure, with the CEO and other members of senior management having responsibility for assessing and managing the Company's risk exposure, and the Board and its committees providing oversight in connection with those efforts and the attempts to mitigate those risks.

AUDIT COMMITTEE REPORT

The Audit Committee is composed solely of independent directors, as required by and in compliance with SOX, SEC rules and regulations and the NYSE listing standards. The Audit Committee operates pursuant to a written charter adopted by the Board.

The Audit Committee is responsible for assisting the Board in its oversight responsibilities related to accounting policies, internal controls, financial reporting and legal and regulatory compliance. Management of the Company has the primary responsibility for the Company's financial reporting process, principles and internal controls as well as the preparation of its financial statements. The Company's independent registered public accounting firm is responsible for performing an audit of the Company's financial statements and expressing an opinion as to the conformity of such financial statements with accounting principles generally accepted in the United States.

The Audit Committee reviewed management's report on its assessment of the effectiveness of internal controls over financial reporting as of December 31, 2016 and the report from PricewaterhouseCoopers LLP on the effectiveness of internal control over financial reporting as of December 31, 2016. Based upon the Audit Committee's review and discussions with management, the Company's internal auditors, and PricewaterhouseCoopers LLP, the Audit Committee approved the inclusion of management's report on its assessment of the effectiveness of internal control over financial reporting as of December 31, 2016 and the report of the independent auditors in the Company's Annual Report on Form 10-K for the year ended December 31, 2016 filed with the SEC.

The Audit Committee also received and reviewed the periodic internal audit reports from the Company's internal auditor. The Audit Committee also reviewed the Internal Audit Plan for fiscal year 2017 and approved its main target subjects. The Audit Committee discussed with the Company's independent registered public accounting firm the overall scope and plans for their respective audits, and has met with them, with and without management present, to discuss the results of their examinations and their evaluations of the Company's internal controls. In addition, the Audit Committee evaluated the performance of the independent registered public accounting firm.

In 2012, following FIMI's acquisition of approximately 22.5% of the shares of our former parent, Ormat Industries Ltd. ("Ormat Industries"), the Audit Committee reviewed the framework of the pre-existing business relationships between Ormat Systems Ltd., our wholly-owned subsidiary, and certain suppliers controlled by FIMI to determine whether these pre-existing business relationships are consistent with arms-length transactions of a similar nature according to prevailing market terms and conditions. The Audit Committee concluded that these terms were fair and that it would review these transactions on an annual basis going forward, provided that such transactions would not exceed an annual aggregate limit of \$2.0 million from each supplier. Most recently, on August 2, 2016, the Audit Committee reviewed the transactions related to the purchase of goods from all entities controlled by FIMI for the one-year period ending June 30, 2016 valued, in the aggregate, at approximately \$0.2 million. The Audit Committee determined that these transactions were not different in any material respect than that which could have been obtained from unaffiliated third parties. As described below under "Share Exchange Agreement and Related Agreements," following the completion of the share exchange, FIMI beneficially owned approximately 15.06% of our outstanding shares of Common Stock.

The Audit Committee has reviewed and discussed the Company's audited financial statements as of and for the year ended December 31, 2016 with management and the independent registered public accounting firm. The Audit Committee has discussed with the independent registered public accounting firm the matters required to be discussed under auditing standards generally accepted in the United States, including those matters required to be discussed by Statement on Auditing Standards No. 61 (Communications with Audit Committees), as amended. The independent registered public accounting firm has provided to the Audit Committee the written disclosures and the letter required by applicable requirements of the Public Company Accounting Oversight Board (United States) regarding the independent registered public accounting firm's communications with the Audit Committee concerning independence, as currently in effect, and the Audit Committee has discussed with the auditors their independence from the

Company. The Audit Committee has also considered whether the independent registered public accounting firm's provision of tax services to the Company is compatible with maintaining the registered public accounting firm's independence. The Audit Committee has concluded that the independent registered public accounting firm is independent from the Company and its management.

Edgar Filing: ORMAT TECHNOLOGIES, INC. - Form PRE 14A

Based on the review and discussions described above, the Audit Committee recommended to the Board of Directors that the Company's audited financial statements be included in its Annual Report on Form 10 K for the year ended December 31, 2016, for filing with the SEC.

Submitted on February 28, 2017 by the Audit Committee of Ormat Technologies, Inc.'s Board of Directors.

Dan Falk, Chair
Robert F. Clarke
David Granot
Robert E. Joyal

The foregoing Report of the Audit Committee of the Board of Directors shall not be deemed to be soliciting material or be incorporated by reference by any general statement incorporating by reference this proxy statement into any filing under the Securities Act of 1933, as amended (the "Securities Act"), or under the Exchange Act, except to the extent Ormat specifically incorporates this information by reference, and shall not otherwise be deemed to be filed with the SEC under the Securities Act or the Exchange Act.

16

EXECUTIVE OFFICERS

The following table sets forth the name, age and position(s) of each of our executive officers and persons who are executive officers of certain of our subsidiaries who perform policy-making functions for us:

Name	Age	Position
Isaac Angel	60	Chief Executive Officer
Doron Blachar	49	Chief Financial Officer*
Zvi Krieger	61	Executive Vice President—Electricity Segment
Bob Sullivan	54	Executive Vice President—Business Development, Sales and Marketing
Shlomi Argas	52	Executive Vice President—Projects
Shimon Hatzir	55	Executive Vice President—Engineering
Erez Klein	51	Executive Vice President—Production
Nir Wolf	51	Executive Vice President—Market Development
Etty Rosner	61	Corporate Secretary; Senior Vice President—Contract Management

* Performs the functions described in the table, but is employed solely by Ormat Systems Ltd., a subsidiary of the Company.

Isaac Angel. Isaac Angel commenced serving as an officer of the Company on April 1, 2014, and has served as our CEO since July 1, 2014. From 1999 to 2006, he served in various positions at Lipman Electronic Engineering Ltd., including as its President and CEO. After the acquisition of Lipman by VeriFone in 2006, Mr. Angel served as Executive Vice President, Global Operations of VeriFone from 2006 to 2008. From 2008 to 2009, Mr. Angel served as Executive Chairman of LeadCom Integrated Solutions Ltd. Since 2008, Mr. Angel has served as a director of Frutarom Industries Ltd., and from 2012 until 2013 he served as a director of Retalix Ltd.

Doron Blachar. Doron Blachar has served as our CFO since April 2, 2013. From 2009 to 2013, Mr. Blachar was the CFO of Shikun & Binui Ltd. From 2011 to 2013, Mr. Blachar served as a director of A.D.O. Group Ltd., a public company traded on the TASE. From 2005 to 2009, Mr. Blachar served as the Vice President – Finance of Teva Pharmaceutical Industries Ltd. From 1998 to 2005, Mr. Blachar served in a number of positions at Amdocs Limited, including as Vice President – Finance from 2002 to 2005. Mr. Blachar earned a BA in Accounting and Economics and an MBA from Tel Aviv University. He is also a Certified Public Accountant in Israel.

Zvi Krieger. Zvi Krieger has served as our Executive Vice President of the Electricity Segment since July 9, 2014. From November 2009 to June 2014, Mr. Krieger was our Executive Vice President of Geothermal Resource; from 2007 to 2009, Mr. Krieger was our Senior Vice President of Geothermal Engineering; from 2004 to 2007, Mr. Krieger was our Vice President of Geothermal Engineering; and from 2001 to 2004, Mr. Krieger was the Vice President of Geothermal Engineering of Ormat Industries Ltd. Mr. Krieger has been with Ormat Industries Ltd. since 1981 and served as Application Engineer, Manager of System Engineering, Director of New Technologies Business Development and Vice President of Geothermal Engineering. Mr. Krieger earned a BS in Mechanical Engineering from the Technion – Israel Institute of Technology in 1980.

Bob Sullivan. Bob Sullivan has served as our Executive Vice President of Sales, Marketing and Business Development since January 1, 2015. From 2009 through 2015, Mr. Sullivan served as our Vice President and then Senior Vice President of Business Development responsible for policy, marketing, sales, and project development in North America. From 2007 to 2009, Mr. Sullivan served as Project Manager. From 2006 until 2007 Mr. Sullivan served as Operations Director North America. Mr. Sullivan joined us in 2003 as Plant Manager. He is a graduate of the U.S. Navy's Nuclear Power School and earned a BS in Business from Capella University.

Shlomi Argas. Shlomi Argas has served as our Executive Vice President of Projects and has been responsible for management of Geodrill, our drilling company, since July 9, 2014. From 2009 through June 2014, Mr. Argas served as Vice President responsible for management of geothermal projects, Recovered Energy Generation (REG) projects. From 2006 through 2009, Mr. Argas served as Manager of REG Projects Department, responsible for the design and installation of REG plants. From 1994 to 2006, Mr. Argas served as Product Engineer, Product Engineering Department of Ormat. Mr. Argas earned a BS in Mechanical Engineering from Ben-Gurion University in 1992 and a Certificate from the Technology Institute of Management, Executive Management Program.

Shimon Hatzir. Shimon Hatzir has served as our Executive Vice President of Engineering since July 9, 2014. From 2009 to June 2014, Mr. Hatzir served as our Senior Vice President of Engineering. From 2007 to 2009, Mr. Hatzir was our Senior Vice President of Electrical and Conceptual Engineering, and from 2004 to 2007, he was our Vice President of Electrical and Conceptual Engineering. From 2002 to 2004, Mr. Hatzir was the Vice President of Electrical and Conceptual Engineering of Ormat Industries Ltd.; from 1996 to 2001, Mr. Hatzir was Manager of Electrical and Conceptual Engineering of Ormat Industries Ltd.; and from 1989 to 1995, he was a Project Engineer in the Engineering Division of Ormat Industries Ltd. Mr. Hatzir earned a BS in Mechanical Engineering from Tel Aviv University in 1988 and a Certificate from the Technion Israel Institute of Management, Senior Executive Program in 1998.

Erez Klein. Erez Klein has served as our Executive Vice President of Production since July 9, 2014. From 2012 through June 2014, Mr. Klein served as our Vice President of OSL operation, responsible for global purchasing and manufacturing. From 2011 to 2012, Mr. Klein was Vice President of mechanical engineering, and from 2009 to 2011, Mr. Klein served as mechanical engineering director. From 2007 to 2009, Mr. Klein served as manager of our Product Engineering Department, and from 1994 to 2007, Mr. Klein served as Product Engineer, Product Engineering Department, and was responsible for the design of various projects. Mr. Klein earned a BS in Mechanical Engineering from Tel-Aviv University in 1994 and a Certificate from the Technology Institute of Management, Executive Management Program and Stanford Executive Program.

Nir Wolf. Nir Wolf has served as our Executive Vice President for Market development since January 10, 2015. From January 1, 2010 to January 9, 2015, Mr. Wolf served as our Executive Vice President for Business Development, Marketing and Sales, Rest of the World. From 2005 to 2009, Mr. Wolf served as our Vice President, Distributed Power responsible for the marketing, sales, engineering and after sales activities of the remote power units. From 1999 to 2005, Mr. Wolf had a leading position as Business Development Manager in the Marketing and Sales Department. Starting in 1994, when Mr. Wolf joined us, he was positioned in the Project Management Department as a Budget and Schedule Controller and later on as a Project Manager. Mr. Wolf earned a BS in Industrial Engineering, cum laude from the Technion – Israel Institute of Technology in 1991. In 1995, Mr. Wolf earned an MBA from the Bar Ilan-University. Mr. Wolf also participated in the Technion Institute of Management Senior Executive Program.

Etty Rosner. Etty Rosner has served as our Corporate Secretary since October 21, 2004. Ms. Rosner has also served as our Senior Vice President of Contract Management since 2007. From 2004 to 2007, Ms. Rosner was our Vice President of Contract Management; and from 1999 to 2004, Ms. Rosner was the Vice President of Contract Management of Ormat Industries Ltd. From 1991 to 1999, Ms. Rosner was Contract Administration Manager and Corporate Secretary of Ormat Industries Ltd.; and from 1981 to 1991, Ms. Rosner was the Manager of the Export Department and Office Administrative Manager of Ormat Industries Ltd. Ms. Rosner earned a Diploma in General Management from Tel Aviv University in 1990.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table shows information with respect to the beneficial ownership of our Common Stock as of March 16, 2017 for:

each person, or group of affiliated persons, known to us to own beneficially 5% or more of our outstanding Common Stock;

each of our directors;

each of our Named Executive Officers (as defined under “Summary Compensation Table” below); and

all of our directors and executive officers as a group.

Percentage ownership is based on 49,693,000 shares of Common Stock outstanding as of March 16, 2017. Except as indicated by footnote and subject to community property laws where applicable, to our knowledge, the persons named in the table below have sole voting and investment power with respect to all shares of Common Stock shown as beneficially owned by them.

	Shares of Common Stock Beneficially Owned	
	Number	Percent
Principal Stockholder:		
FIMI ENRG, L.P. and FIMI ENRG, Limited Partnership	10,451,077 ⁽¹⁾	21.03 %
Bronicki Investments Ltd.	10,451,077 ⁽¹⁾	21.03 %
Migdal Insurance & Financial Holdings Ltd.	5,334,997 ⁽²⁾	10.74 %
Clal Insurance Enterprises Holdings Ltd.	2,109,261 ⁽³⁾	4.24 %
Psagot Investment House Ltd.	2,556,429 ⁽⁴⁾	5.14 %
Itshak Sharon (Tshuva) Delek Group Ltd & The Phoenix Holding Ltd	2,610,687 ⁽⁷⁾	5.25 %
The Vanguard Group	3,046,343 ⁽⁸⁾	6.13 %
Directors and Named Executive Officers		
Gillon Beck ^{††}	6,961,618 ^{(6),(9)}	14.02 %
Dan Falk ^{††}	7,500 ⁽¹⁰⁾	—
Ami Boehm ^{††}	6,961,618 ^{(6),(11)}	14.02 %
Robert F. Clarke ^{††}	17,000 ⁽¹²⁾	—
Robert E. Joyal ^{††}	7,500 ⁽¹³⁾	—
David Granot ^{††}	15,000 ⁽¹⁴⁾	—
Ravit Barniv	7,500 ⁽¹⁵⁾	—
Stanley Stern	7,500 ⁽¹⁵⁾	—
Isaac Angel	150,000 ⁽¹⁶⁾	—
Doron Blachar [†]	62,500 ⁽¹⁷⁾	—
Zvi Krieger	0	—
Shimon Hatzir	0	—
Bob Sullivan	52,457 ⁽¹⁸⁾	—
Directors and Named Executive Officers as a group	7,326,075 ⁽¹⁹⁾	14.74 %

[†] c/o Ormat Systems Ltd., Industrial Area, P.O. Box 68 Yavne 81100, Israel

†† c/o Ormat Technologies, Inc., 6225 Neil Road, Reno, Nevada 89511

* Represents beneficial ownership of less than 1% of the outstanding shares of Common Stock.

19

The information provided for FIMI ENRG, L.P. (“FIMI ENRG 1”) and FIMI ENRG, Limited Partnership (“FIMI ENRG 2”, and together with FIMI ENRG 1, “FIMI”) is based on the Schedule 13D/A filed with the SEC on December 22, 2016 by Bronicki Investments Ltd. (“Bronicki Investments”) and the Forms 4 filed with the SEC on September 30, 2016 by Ami Boehm and Gillon Beck. As reported therein, FIMI is the beneficial owner of 6,924,118 shares, representing beneficial ownership of 13.93% of our shares, and Bronicki Investments is the beneficial owner of 3,526,959 shares, representing beneficial ownership of 7.10% of our shares. FIMI and Bronicki Investments are party to (i) a shareholder rights agreement dated March 16, 2012 and amended and restated on (1) November 10, 2014, and (ii) a share purchase agreement dated March 16, 2012. By virtue of the shareholder rights agreement, each of FIMI and Bronicki Investments may be deemed to beneficially own, and have shared voting power over, the shares of our Common Stock beneficially owned by the other party such that, collectively, they may be deemed to beneficially own 10,451,077 shares or 21.03% of our shares. Each of FIMI and Bronicki Investments disclaims beneficial ownership of all shares of our Common Stock beneficially owned by the other party. FIMI’s address is 98 Yigal Alon Street, Tel- Aviv, Israel 67891. Bronicki Investments’ address is 5H’ Brosh 5 Street, Yavne, Israel 81510. See also footnote 6 below.

The information provided for Migdal Insurance & Financial Holdings Ltd. (“Migdal”) is based on Migdal’s Schedule 13G filed with the SEC on January 26, 2017. Migdal reported shared voting and dispositive power with regard to all of the 5,334,997 shares beneficially held by Migdal and that of the 5,334,997 shares reported (i) 5,236,994 shares are held for members of the public through, among others, provident funds, mutual funds, pension funds and insurance policies, which are managed by subsidiaries of Migdal, according to the following (2) segmentation: 2,932,311 shares are held by profit participating life assurance accounts, 2,159,381 shares are held by provident funds and companies that manage provident funds and 145,302 shares are held by companies for the management of funds for joint investments in trusteeship, each of which subsidiaries operates under independent management and makes independent voting and investment decisions, and (ii) 98,003 are beneficially held for their own account (Nostro account). Migdal disclaims beneficial ownership of 5,334,997 of these shares. Migdal’s address is 4 Efal Street; P.O. Box 3063; Petach Tikva 49512, Israel.

The information provided for Clal Insurance Enterprises Holdings Ltd. (“Clal”) is based on Clal’s Schedule 13G/A filed with the SEC on February 14, 2017. Clal reported shared voting and dispositive power with regard to all of the 2,109,261 shares beneficially held by Clal. Of the 2,109,261 shares beneficially held by Clal (i) 2,074,673 shares are held for members of the public through, among others, provident funds and/or pension funds and/or insurance policies, which are managed by subsidiaries of Clal, which subsidiaries (3) operate under independent management and make independent voting and investment decisions and (ii) 34,588 shares are beneficially held for its own account. The 2,109,261 shares beneficially held by Clal exclude 21,316 shares that are held for members of the public through, among others, portfolio management and/or mutual funds, which are managed by Epsilon Investment House Ltd., and/or Epsilon Mutual Management (1991) Ltd., each an indirect subsidiary of IDB Development Corporation Ltd. Clal’s address is 48 Menachem Begin Road, Tel Aviv 66180, Israel.

The information provided for Psagot Investment House Ltd. (“Psagot”) is based on Psagot’s Schedule 13G/A filed with the SEC on February 15, 2017. Psagot reported shared voting power with regard to 1,744,057 shares and shared dispositive power with regard to 2,556,429 shares beneficially held by Psagot. Psagot reported that of the 2,556,429 shares reported (i) 812,372 shares are beneficially owned by portfolio accounts managed by Psagot Securities Ltd., (ii) 657,856 shares are beneficially owned by Psagot Exchange Traded Notes Ltd., (iii) 114,246 (4) shares are beneficially owned by mutual funds managed by Psagot Mutual Funds Ltd. (of this amount, 4,800 shares may also be considered beneficially owned by Psagot Securities Ltd., but are not included in the shares beneficially owned by Psagot Securities Ltd., as indicated above) (iv) 968,037 shares are beneficially owned by provident funds and pension funds managed by Psagot Provident Funds and Pension Ltd. Psagot and (v) 3,917 shares are beneficially owned by managed savings managed by Psagot Insurance Company Ltd. Psagot and its subsidiaries noted above disclaim beneficial ownership of all of these shares. Psagot’s address is Psagot Investment House Ltd. - 14 Ahad Ha’am Street, Tel Aviv 6514211, Israel.

The information provided herein is based, in part, on the Schedule 13D/A filed with the SEC on December 22, 2016 by Bronicki Investments and the Forms 4 filed with the SEC on September 30, 2016 by Amie Boehm and Gillon Beck. Includes 6,924,118 shares beneficially owned by FIMI. Each of Gillon Beck and Ami Boehm is a partner of FIMI and has voting control of the shares held by FIMI. Accordingly, they may be deemed to share beneficial ownership of the shares held by FIMI. Each of Gillon Beck and Ami Boehm disclaim beneficial ownership of all such shares. See also footnote 1 above.

20

(7) The information provided for Itshak Sharon (Tshuva), Delek Group Ltd and The Phoenix Holding Ltd is based on their Schedule 13G/A filed with the SEC on April 7, 2016 . The shares reported therein are beneficially owned by various direct or indirect, majority or wholly-owned subsidiaries of the Phoenix Holding Ltd. The Phoenix Holding Ltd. is a majority owned subsidiary of Delek Group Ltd. The majority of Delek Group Ltd's outstanding share capital and voting rights are owned directly and indirectly by Itshak Sharon (Tshuva) through private companies wholly owned by him and the remainder is held by the public.

(8) The information provided for The Vanguard Group ("Vanguard") is based on Vanguard's Schedule 13G/A filed with the SEC on February 10, 2017. Vanguard reported shared voting power with regard to 4,634 shares beneficially held by Vanguard and shared dispositive power with regard to 61,785 shares beneficially held by Vanguard. Vanguard's address is 100 Vanguard Blvd., Malvern, PA 19355.

(9) Includes 37,500 shares of Common Stock issuable to Mr. Beck upon the exercise of options that are exercisable within 60 days of March 17, 2017. The options granted to Mr. Beck have exercise prices that range between \$18.56 and \$38.24 per share of Common Stock and expire on different dates between August 1, 2019 and November 5, 2022. See also footnote 1 above.

(10) Includes 7,500 shares of Common Stock issuable to Mr. Falk upon the exercise of options that are exercisable within 60 days of March 17, 2017. The options granted to Mr. Falk have an exercise price of \$38.24 per share of Common Stock and expire on November 3, 2022.

(11) Includes 37,500 shares of Common Stock issuable to Mr. Boehm upon the exercise of options that are exercisable within 60 days of March 17, 2017. The options granted to Mr. Boehm have exercise prices that range between \$18.56 and \$38.24 per share of Common Stock and expire on different dates between August 1, 2019 and November 3, 2022. See also footnote 1 above.

(12) Includes (a) 2,000 shares of Common Stock purchased at market price and (b) 15,000 shares of Common Stock issuable to Mr. Clarke upon the exercise of options that are exercisable within 60 days of March 17, 2017. The options granted to Mr. Clarke have exercise prices that range between \$28.23 and \$38.24 per share of Common Stock and expire on different dates between November 5, 2021 and November 3, 2022.

(13) Includes 7,500 shares of Common Stock issuable to Mr. Joyal upon the exercise of options that are exercisable within 60 days of March 17, 2017. The options granted to Mr. Joyal have an exercise price of \$38.24 per share of Common Stock and expire on November 3, 2022.

(14) Includes 15,000 shares of Common Stock issuable to Mr. Granot upon the exercise of options that are exercisable within 60 days of March 17, 2017. The options granted to Mr. Granot have exercise prices that range between \$28.23 and \$38.24 per share of Common Stock and expire on different dates between November 5, 2021 and November 3, 2022.

(15) This number includes 7,500 shares of Common Stock issuable to each of Ms. Barniv and Mr. Stern upon the exercise of options granted to them on January 5, 2016 that have an exercise price of \$35.15 per share of Common Stock and expire on January 6, 2023.

(16) Includes 150,000 shares of Common Stock issuable to Mr. Angel upon the exercise of options that are exercisable within 60 days of March 17, 2017. The options granted to Mr. Angel have an exercise price of \$29.52 per share of Common Stock and expire on March 31, 2020

(17) Includes 62,500 shares of Common Stock issuable to Mr. Blachar upon the exercise of options that are exercisable within 60 days of March 17, 2017. The options granted to Mr. Blachar have exercise prices that range between \$20.54 and \$24.57 per share of Common Stock and expire on different dates between February 9, 2019

and April 2, 2019.

Includes (a) 4,957 shares of Common Stock acquired through the exercise of SARs previously granted to Mr. Sullivan and 47,500 shares of Common Stock issuable to Mr. Sullivan upon the exercise of options that are (18)exercisable within 60 days of March 17, 2017. The options granted to Mr. Sullivan have exercise prices that range between \$20.13 and \$25.65 per share of Common Stock and expire at different periods between March 31, 2018 and June 4, 2019.

This number includes (a) 6,931,075 shares of Common Stock and (b) options (including SARs) to purchase 395,000 shares of Common Stock of the Company exercisable within 60 days of March 17, 2017, held directly (19)(or deemed to be beneficially owned) by all of our directors and executive officers as a group. These options have exercise prices that range between \$18.56 and \$38.24 per share of Common Stock and expire on different dates between March 31, 2018 and November 3, 2022.

21

COMPENSATION DISCUSSION AND ANALYSIS

Compensation Objectives and Design

The overall objective of our executive compensation policies and procedures is to offer short-term, medium-term and long-term compensation components that enable us to attract, motivate and retain talented executives who contribute to our continued success. Equally important to us is to align the interests of our executives with those of our stockholders. As described below, the short-term component of our executive compensation packages consists of annual salary, the medium-term component consists of an annual bonus, and the long-term component consists of equity awards.

We aim to design executive compensation packages that, like our general compensation policies, meet or exceed competitive compensation averages for executives with similar responsibilities at companies with similar financial, operating and industry characteristics in similar locations. In most cases, we do not benchmark to a particular industry or companies, but we informally consider published data, such as labor indices, in formulating our executive compensation packages.

Compensation Elements

Our compensation program consists of three elements, namely, annual salary, annual bonus, and equity awards:

1. Annual salary, which is paid monthly, is intended to provide an annual income at a level consistent with individual contributions.
2. Annual bonuses, which are paid annually to our executives, are intended to link our executive officers' compensation to the Company's overall performance, as well as, in most cases, their individual achievements.

Equity awards are designed to promote long-term leadership and align the interests of our executives with those of our stockholders, while the vesting schedule assists us in retaining our executives. Equity awards typically begin to vest two years from the date of grant, with 25% vesting on each of the second and third anniversaries of the date of grant and the remaining 50% on the fourth anniversary of the date of grant. All employees and consultants of the Company are eligible to receive equity awards pursuant to the Company's incentive compensation plan. The term of our equity awards typically ranges from six to ten years from the date of grant with respect to grants to our current executives. Except for equity awards granted to two of our current named executive officers, there is no provision that provides for accelerated vesting upon a change in control and there is no holding period for vested options.

Each element is determined individually, based on the relevant criteria described in this discussion.

In addition to these main compensation components, executives who are residents of Israel receive, as a function of their salary payments, the standard social benefits (i.e., severance pay, defined contribution plan, and disability) paid to all of our employees who are based in Israel. These social benefits are fixed as a percentage of the employee's salary and are not subject to discretionary adjustments. Executives who are residents of the U.S. participate in a defined contribution plan (401(k) plan) and receive health insurance benefits, in addition to social security. We do not cover any tax payments or otherwise "gross-up" any part of the compensation packages of our executive officers regardless of their location.

Determination of Amounts and Formulas for Compensation

Annual Salary

Consistent with our objectives with regard to our executives, the Compensation Committee provides guidance in setting base salaries for the Company's executive officers annually at levels that reflect the Compensation Committee's interpretation of competitive compensation averages for individuals with similar responsibilities at companies with similar financial, operating and industry characteristics, in similar locations. The Compensation Committee typically does not undertake or commission a formal study or survey to benchmark compensation to a particular industry or to particular companies and the members of the Compensation Committee evaluate executive compensation using their accumulated individual knowledge and industry experience, as well as publicly available compensation information with respect to companies that have a similar market cap or similar annual revenues, and that operate under a business structure similar to ours (although not necessarily in the same industry segment).

In addition, the Compensation Committee takes into consideration the performance of the Company, individual performance of each executive, and the executive's scope of responsibility in relation to other officers and key executives within the Company. Annual salaries reflect current practices within a named executive officer's specific geographic region and among executives holding similar positions. In addition to these factors, the annual salary for a named executive officer ("NEO") depends on a number of more subjective factors, including our evaluation of the executive's leadership role, professional contribution, experience and sustained performance.

Following publication of the prior year's audited financial statements, the CEO determines whether and to what degree to award salary increases to any of the NEOs. Factors that are considered include the net income of the Company during the prior year, the need for a salary adjustment to remain competitive with compensation averages for executives in similar positions, and the particular NEO's effectiveness in supporting the Company's long-term goals. We also consider the executive's department's contribution to our success as well as our general achievements during the preceding year. All salary increases are awarded retroactive to January 1. Salaries are paid on a monthly basis, and with two exceptions, each of our current NEOs has a standard employment agreement that is based on a form used company-wide. However, on February 20, 2017, the Compensation Committee approved a new form of employment agreement to be entered into by certain of our executive officers and which shall be effective on April 1, 2017.

Annual Bonus

Each year, following publication of our financial statements for the preceding year, our Compensation Committee determines the basket of bonuses that may be awarded on a Company-wide basis for the prior year. The Compensation Committee determines and approves the amount of any annual bonus payable to our CEO and, based upon the recommendations of our CEO, reviews the annual bonus payable to our other NEOs.

Our CEO's annual bonus is payable in accordance with the terms of his employment agreement with the Company and Ormat Systems, which are described under the heading "Employment Agreements" below. Under the terms of our CEO's employment agreement, our CEO is eligible for an annual bonus in an amount of up to .75% of our annual profits up to \$50 million (inclusive) and 1% of the portion of our annual profits, if any, above \$50 million. The maximum annual bonus payable to our CEO is \$750,000.

Annual bonuses for our other NEOs are payable pursuant to the Company's Annual Management Incentive Plan (the "Plan") which was approved by the Board and the Compensation Committee on February 23, 2016. The Plan provides for annual cash incentive awards for participating employees based upon achievement of certain performance measures established by the Compensation Committee, based on the recommendations of our CEO. Target, minimum and maximum awards, specified as a percentage of the employee's base compensation, will be established for each participating employee, with our CEO generally determining the employee's level of achievement within 45 days after approval of the Company's annual financial statements by the Board. The Plan also authorizes the Compensation Committee to make discretionary awards.

Performance-based awards under the Plan will be based upon: (i) the Company Performance Metrics (as defined in the Plan) with respect to at least 50% of an award and (ii) the contributions made by a participating employee to achieving the goals, plans or objectives of the Company as may be established by our CEO for that particular employee. No performance-based awards will be made under the Plan unless the Company's annual consolidated net income for the plan year is a positive number.

Awards under the Plan are generally payable as soon as practicable after the amount of such award is determined in accordance with the Plan, and in any event within the calendar year following the calendar year in which the bonus is earned.

Equity Awards

We are committed to long-term incentive programs for executives that promote the long-term growth of the Company and align the interests of our executives with those of our stockholders. The determination of the overall basket of equity awards that may be awarded to our employees in a particular year is determined in a similar manner to our annual incentive bonuses. If we are to make equity awards in a particular year, then, following the publication of our financial results for the preceding year, our Compensation Committee determines the annual basket of equity awards that may be made to all of our employees. This basket is typically calculated as up to 1.5% of the outstanding shares of the Company per year.

Our CEO recommends to the Compensation Committee the particular amount of equity awards to be made to each executive considering the Company's performance and relative stockholder return, the expected contribution of the NEO to the Company's growth and success, and awards given to the executive officers of the Company in past years. As our CEO is intimately involved in our day-to-day activities and works closely with our executives, he has the knowledge to make a subjective determination of the individual executive's contribution to our growth and success. No specific criteria are used in making these determinations. This process is typically completed within one month from the determination of the basket of awards for the year. In general, the equity awards that we grant to our executives are subject to the same pricing, vesting, and exercise terms that govern the grant of equity awards to all of our employees.

Historically, we granted our executives stock options as the long-term component of their compensation. In 2012 and 2013, our Compensation Committee decided to grant our executives SARs instead of stock options because the Compensation Committee determined that SARs provide comparable long-term incentives while utilizing fewer shares of our Common Stock. In 2014, our Compensation Committee granted stock option awards to our CEO, Isaac Angel, and our CFO, Doron Blachar. In addition, we may grant stock options to newly hired executives upon their commencement of employment.

In 2012, the Board adopted, and our stockholders approved, a new 2012 Incentive Compensation Plan, which was amended in 2014.

Tax Considerations

Our Compensation Committee considers the potential impact of Section 162(m) of the Internal Revenue Code of 1986, as amended ("Section 162(m)") on compensation. Section 162(m) disallows a tax deduction for any publicly held corporation for individual compensation exceeding \$1.0 million in any taxable year for the CEO and our other NEOs (except our CFO) other than compensation that is performance-based under a plan that is approved by the stockholders of the corporation and that meets certain other technical requirements. Based on these requirements, since none of the NEOs who are employed by the Company received compensation in excess of \$1.0 million, the Compensation Committee has determined that Section 162(m) will not prevent us from receiving a tax deduction for any of the compensation paid to our executive officers.

At our 2014 Annual Meeting of Stockholders, approximately 90.0% of the shares voted at the meeting voted to approve on an advisory basis the compensation of the Company's NEOs. Based on this endorsement, the Compensation Committee has not implemented any changes in our executive compensation program as a result of such vote. A say-on-pay vote will take place at the meeting. The Compensation Committee will continue to consider the outcome of the Company's say-on-pay votes when making future compensation decisions for its named executive officers.

COMPENSATION COMMITTEE REPORT

The Compensation Committee has reviewed and discussed the Compensation Discussion and Analysis with management and based on the review and discussions, it has recommended to the Board that the Compensation Discussion and Analysis be included in the Company's annual report on Form 10-K for the fiscal year ended December 31, 2016 and Proxy Statement.

Submitted on February 28, 2017 by the members of the Compensation Committee of the Board of Directors of Ormat Technologies, Inc.

Ravit Barniv, Chair
Dan Falk
Ami Boehm
David Granot

The foregoing Compensation Committee Report on Executive Compensation and compensation-related disclosures set forth in the proxy statement shall not be deemed to be soliciting material or be incorporated by reference by any general statement incorporating by reference this proxy statement into any filing under the Securities Act or under the Exchange Act except to the extent the Company specifically incorporates this information by reference, and shall not otherwise be deemed filed under the Securities Act or the Exchange Act.

25

EXECUTIVE COMPENSATION

Summary Compensation Table

The following table sets forth the total compensation earned by (1) our CEO, (2) our CFO, and (3) our three most highly compensated executive officers other than our CEO and CFO who were serving as executive officers as of December 31, 2016, during the years ended December 31, 2016, 2015, and 2014 for such periods that such individual was serving as an NEO:

Name and Principal Position	Year	Salary (\$)	Bonus (\$) ⁽¹⁾	Stock Awards (\$)	Option Awards (\$) ⁽²⁾	Non-Equity Incentive Plan Compensation (\$) ⁽³⁾	Change in Pension Value and Nonqualified Deferred Compensation Earnings (\$)	All Other Compensation (\$)	Total (\$)
Isaac Angel, Chief Executive Officer ⁽⁴⁾	2016	435,474	None	None	1,198,000	750,000	61,661	50,127 ⁽⁵⁾	2,495,262
	2015	426,122	None	None	None	750,000	60,251	49,037	1,285,410
	2014	368,577	None	None	3,785,820	318,750	48,431	32,470	4,554,048
Doron Blachar, Chief Financial Officer	2016	336,391	None	None	509,150	215,345	50,223	40,038 ⁽⁶⁾	1,151,147
	2015	331,581	None	None	None	185,853	49,275	39,822	606,531
	2014	358,118	None	None	187,871	248,255	52,462	44,078	890,784
Zvi Krieger, Executive Vice President of the Electricity Segment	2016	228,731	None	None	509,150	142,783	33,437	40,808 ⁽⁷⁾	954,909
	2015	223,020	None	None	None	75,141	32,111	38,509	368,781
	2014	226,465	None	None	None	79,714	32,749	42,040	380,968
Bob Sullivan, Executive Vice President for Business Development, Sales and Marketing	2016	225,172	None	None	509,150	126,000		55,754 ⁽⁸⁾	916,076
	2015	231,800	None	None	None	86,500		30,172	348,472
	2014	184,391	None	None	None	41,000		52,178 ⁽¹⁰⁾	277,569
Shimon Hatzir, Executive Vice President of Engineering	2016	206,073	None	None	509,150	109,493	29,279	38,611 ⁽⁹⁾	892,606
	2015	200,354	None	None	None	90,902	28,891	37,275	357,422
	2014	217,337	None	None	None	45,287	31,479	33,759	327,862

(1) This column reflects the amount of any discretionary bonus (cash or non-cash) earned for the fiscal year. All other performance-based bonus awards are included in the 'Non-Equity Incentive Plan Compensation' column.

Represents the grant date fair value of all option awards in accordance with accounting guidance for stock compensation. The awards were SARs. Each NEO is entitled to receive shares of Common Stock equal to the amount by which the market value of the shares in respect of which the SAR is exercised exceeds the grant price (2) set forth in the SAR, multiplied by the number of shares in respect of which the SAR is exercised. For the years 2014 and 2015 the fair value of each grant of stock-based awards on the date of grant is estimated using Black and Scholes valuation model and for the year 2016 using the Exercise Multiple-Based Lattice Pricing model and the assumptions noted in the following table.

	Year Ended December 31,					
	2016		2015		2014	
Risk-free interest rates	1.4	%	1.4	%	1.7	%
Expected lives (in years)	4.0		4.0		5.1	
Dividend yield	0.7	%	0.7	%	0.9	%
Expected volatility	29.2	%	29.2	%	35.1	%
Forfeiture rate	0.0	%	0.0	%	0.0	%

The expected lives represents the period that our stock-based awards are expected to be outstanding. In the absence of enough historical information, the expected lives was determined using the simplified method giving consideration to the contractual term and vesting schedule. The dividend yield forecast is expected to be 20% of our annual net profits, which is equivalent to a 0.7% annual weighted average dividend rate in the year ended December 31, 2016. The risk-free interest rate was based on the yield from U.S. constant treasury maturities bonds with an equivalent term. The forfeiture rate is based on trends in actual stock-based awards forfeitures.

(3) This column excludes the amount of any discretionary bonus award earned for any year, including any such discretionary awards made under the Company's Annual Management Incentive Plan adopted February 23, 2016, with effect from January 1, 2015 (the "Plan"). Consistent with the terms of the Plan, the amounts shown in this table reflect bonus amounts earned under the Plan for 2016 which are paid in 2017.

(4) Isaac Angel commenced serving as an officer of the Company on April 1, 2014, and assumed the position of CEO as of July 1, 2014.

(5) Includes payments of car-related expenses in the amount of \$22,604; Israel National Insurance in the amount of \$9,436; U.S. Social Security in the amount of \$9,533; health insurance in the amount of \$222; convalescence pay in the amount of \$1,646; Education Fund in the amount of \$3,691 and perquisites amounting to \$2,995.

(6) Includes payments of car-related expenses in the amount of \$21,153; Israel National Insurance in the amount of \$9,436; health insurance in the amount of \$56; convalescence pay in the amount of \$1,646; Education Fund in the amount of \$3,691; and perquisites amounting to \$4,056.

(7) Includes payments of car-related expenses in the amount of \$12,987; Israel National Insurance in the amount of \$9,436; health insurance in the amount of \$56; convalescence pay in the amount of \$1,646; Education Fund in the amount of \$3,691; vacation redemption of \$11,667; and perquisites amounting to \$1,325.

(8) Includes payments of social security in the amount of \$26,550; health insurance in the amount of \$18,798 and 401(k) plan contributions amounting to \$10,406.

(9) Includes payments of car-related expenses in the amount of \$12,976; Israel National Insurance in the amount of \$9,436; convalescence pay in the amount of \$1,646; Education Fund in the amount of \$3,691; vacation redemption of \$7,222; and perquisites amounting to \$3,640.

(10) Includes a \$25,000 relocation allowance.

Grants of Plan-Based Awards

The following table sets forth grants of plan-based awards to each NEO during the year ended December 31, 2016:

Name	Grant Date	All Other Option Awards: Number of Securities Underlying Options ⁽²⁾	Exercise Price of Option Awards (\$/Share)	Grant Date Fair Value of Option Awards (\$) ⁽¹⁾
Isaac Angel	June 14, 2016	100,000	42.87	1,198,000