Ormat Technologies, Inc.
2014-2015 Sustainability Report

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Ormat's McGinness Hills Complex in Nevada, USA. Phase 2 was completed in 2015

About This Report

This is the fifth sustainability report Ormat Technologies, Inc. (Ormat), published in August 2016, has produced and covers the years 2014 and 2015. Check our website www.ormat.com/sustainability for regular updates on our sustainability activities.

This sustainability report references the Global Reporting Index's G3 guidelines, however Ormat has not self-declared a GRI disclosure level herein, as work to further refine data collection processes continues.

All financial and operational data in this report has been verified for corporate financial disclosure purposes in alignment with U.S. Sarbanes-Oxley (SOX) regulations. Specific sustainability reporting content has not been externally verified.

Ormat Technologies, Inc. or Ormat refers to the entire company and its subsidiaries. Dollar amounts are in U.S. currency unless otherwise stated.

We welcome your questions or comments.
Please direct them to sustainability@ormat.com.

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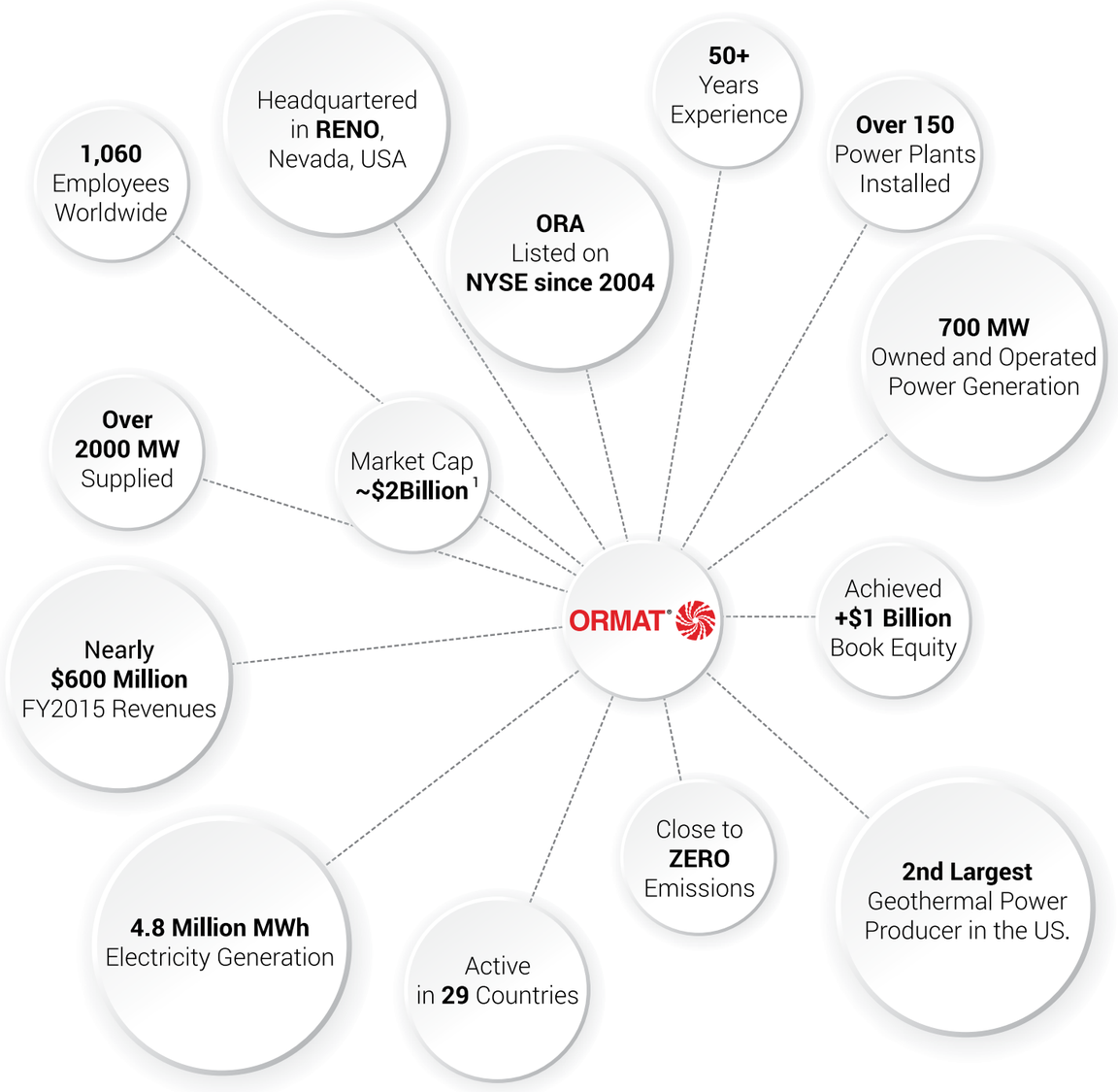


Vertically Integrated

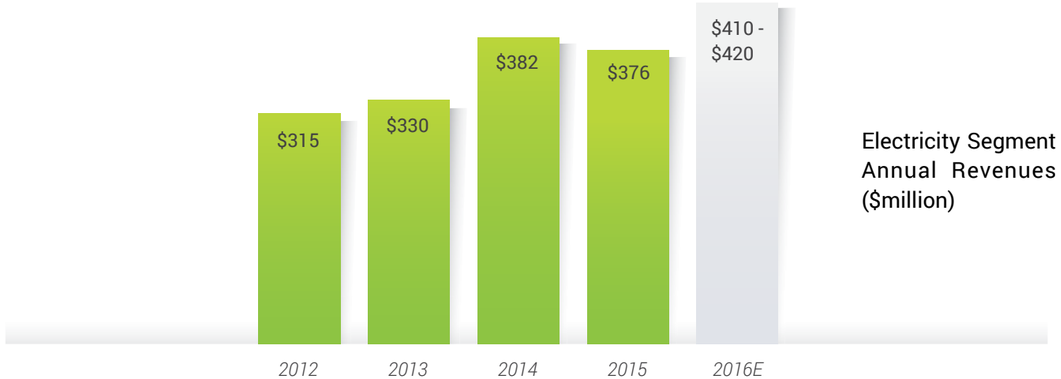
Ormat's Strategy

"Our strategy is to continue building a geographically balanced portfolio of geothermal and recovered energy assets, and to continue to be a leader in the geothermal energy market with the objective of becoming a leading global provider of renewable energy."

[1] as of August, 2016

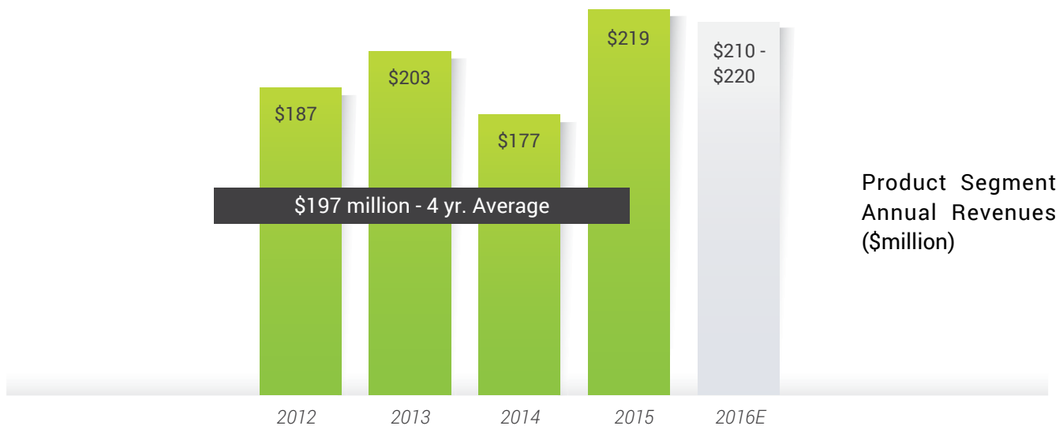
Our Business

Ormat's proprietary power plant technology supports our business segments and provides complementary advantages, through leveraging our operating, design, manufacturing, troubleshooting, maintenance and refurbishing experience.



Electricity Segment Annual Revenues ($million)

Ormat's electricity business segment manages the exploration, development, design, manufacturing, construction, ownership and operation of our geothermal and REG® power plants. Our company owns and operates 700 MW of generating capacity across 18 complexes and power plants in the US, our largest operating area, and we also operate geothermal facilities in Guatemala and Kenya.

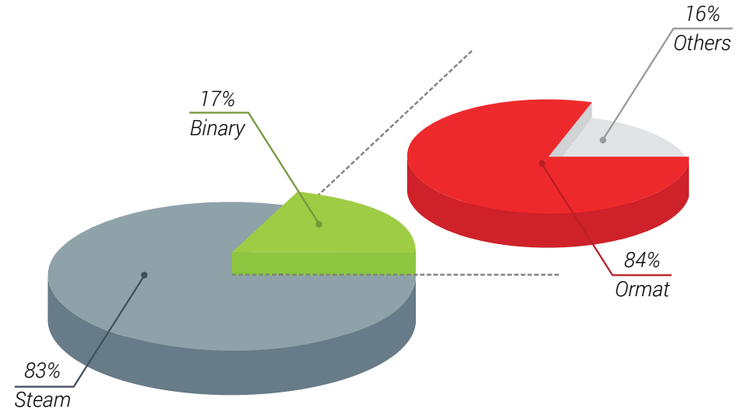


Product Segment Annual Revenues ($million)

Ormat's product segment is responsible for designing, manufacturing and selling equipment for geothermal and REG®-based electricity generation, remote power units and other power generating units. It also provides services for the engineering, procurement, construction, operation and maintenance of such power plants.

Market Leader

International Geothermal Market



Ormat Installations Worldwide

● Geothermal Power Plants ● REG® Power Plants ● Solar PV Plants

Message from Mr. Isaac Angel Chief Executive Officer

To our stakeholders,

Throughout 2014 and 2015, Ormat made solid strides forward towards our goal of being the world's leading renewable energy provider. Since mid-2014, when I joined Ormat, I have been impressed with the commitment and energy our employees contribute to our efforts to deliver consistent, profitable growth, reinforce the efficiency of our operations and those of our clients, while continually innovating. All are hallmarks of true sustainable leadership.

In 2015, we began implementing a multi-year strategic plan designed to expand our geographic reach, enlarge our technological playing field and attract new customers and becoming a leading global provider of renewable energy. New geographies, like Latin America, Indonesia and the French Caribbean island of Guadeloupe are opening up promising new horizons for our company, while at the same time, we continue to build value through the strategic development and expansion of geothermal facilities in the US, Central America and Africa.

The backbone of our business is the proven, stable, long-term customer base for the REG® and geothermal energy we sell to electrical utility customers in long-term Power Purchase Agreements. Our exceptional experience and the technical innovations we've introduced are being harnessed in ongoing collaborations, like the one we pioneered in 2015 with industry giant Toshiba. Together, Ormat's binary system expertise and Toshiba's flash system capabilities are expected to open up strong new potential for more uptake of geothermal energy.

Ormat is an active participant in the developing energy storage sector – an area with the potential to dramatically change the way utilities and the world's electrical grids operate. Once large-scale power storage from variable or intermittent energy sources like solar and wind become more technically viable, significant improvements in operating efficiency will be achieved and major capital investments in power plant assets will be reduced.

Ormat is also operating on the cutting edge of the renewable energy technologies, cultivating opportunities with major C&I customers such as e-Bay. New legislation in several US jurisdictions is making it possible and promising to develop power options directly for industrial customers.

Commercial considerations are not the only area in which Ormat maintains strong leadership goals. Wherever we work, we strive to give back to the community, channeling our financial and in-kind commitments to the vital areas of education, health care and environmental protection. We also strive to work openly and cooperatively, with local communities, governments, regulators, environmental groups and various other stakeholders, recognizing that responsive and transparent stakeholder relationships, and a spirit of mutual trust and respect, are vital to Ormat's ongoing success.

Our technologies - developing geothermal resources and unlocking this natural, prolific power source and our recovered energy generation technologies - have prevented millions of tons of carbon dioxide from being emitted. Ormat continues to reinforce this strong history of clean power generation with the next generation of renewable technologies we are developing.

I encourage you to learn more about our sustainable practices and our environmental, community and safety commitments, by visiting our website at www.ormat.com.

At Ormat, we are generating sustainable energy for generations.

Sincerely,

Isaac Angel
Chief Executive Officer
Ormat Technologies, Inc.

Ormat's Don A. Cambell Geothermal Power Plant, Nevada, USA

Corporate Governance

Ormat's Corporate Governance Guidelines and our Code of Business Conduct and Ethics outline our corporate governance practices and the expectations our company has for exemplary behavior.

100% Compliance Certificate - All Ormat employees, including board members and senior management must sign a compliance certificate stating their intention to uphold these standards, as a condition of engagement.

A Fully Independent Eight-Member Board of Directors - Ormat is a publicly traded company managed by a fully independent eight-member Board of Directors.

Board Committee Mandates - Audit, Compensation and Nominating, and Corporate Governance are three key Board committees. See our website www.ormat.com/governance for our corporate documents and charters for each committee of the Board.

20% of Annual Profits Go to Dividends - Ormat has a dividend policy designed to distribute at least 20% of annual profits (available for distribution and if approved by our Board of Directors) by way of quarterly dividends to registered shareholders. An equivalent amount may be distributed in the form of employee bonuses.

Ethics Support for Employees - Ormat has a specific Code of Ethics contact person, and several tools, including a dedicated telephone line and website, where employees may confidentially report concerns about unethical behavior.

PWC-Verified Financial Control Systems - PricewaterhouseCoopers LLP, a registered global professional services firm, has independently verified the effectiveness of Ormat's internal financial control systems.

Conflict Minerals Policy - In April 2014, Ormat adopted a Conflict Minerals Policy, in compliance with the U.S. Securities and Exchange Commission's Dodd-Frank Act. The Conflict Mineral Rule is intended to reduce a significant source of funding for armed groups that are committing human rights abuses in the Democratic Republic of the Congo and neighboring countries. It defines principles and commitments, expectations that extend to Ormat partners, subcontractors and suppliers, and seeks to identify sources of tin, tantalum, tungsten and gold in the components and materials supplied to Ormat. More details on Ormat's Conflict Minerals Policy can be found at www.ormat.com/sustainability

Workplace

Ormat believes employees have the right to a workplace that is fair, open and free from discrimination or harassment and that encourages engagement and development of potential. Progressive workplaces attract, retain and keep the best employees and Ormat recognizes our ability to do so is a key driver of our success as a company.

$ + Benefits - Ormat offers equitable and competitive pay and benefits, health insurance and retirement savings plans.

Professional Development - We offer a wide variety professional development opportunities designed to help individuals excel at their current responsibilities, and to advance in their careers.

Health and Safety Performance

Safety is Our #1 Priority

The health and safety of our employees, contractors, the public and the environment are an overarching priority at Ormat. Ormat manages risks by identifying, assessing and controlling risks in their workspace. We promote safety awareness and values so we can achieve our goal of zero incidents and continuously improving our safety performance and instilling our workplace safety culture.

Ormat's Health & Safety Policy is focused on four components:
Everyone, Everyday *- Ormat employees are integral to safe operations, each charged with the responsibility to work safely and helping create and maintain a safe work environment.*
Manage Hazards *- Ormat strives to systematically identify hazards, and then manage them by elimination, isolation or minimization.*
Core Value *- Safety is a core value at Ormat. We are committed to safeguarding employees and assets, customers, the community and the environment at all times.*
Continual Vigilance *- Our goal of zero incidents requires that all employees maintain constant vigilance to ensure that unsafe acts and conditions are prevented.*

Training Improves Safety

Every Ormat facility has a safety-training program, which is the responsibility of each plant manager, and which is directed by our company's Safety Strategy Committee. They work to ensure safety expectations are clearly communicated to and understood by employees and contractors, and that a comprehensive safety plan is maintained across all company operations.

To further reinforce safety across our operating facilities, Ormat has appointed an Environment, Health and Safety Director, with responsibility for oversight of all safety policies, processes, training and work practices across the company. Plant managers at each Ormat operating site are accountable for implementing these safety initiatives at the local level.

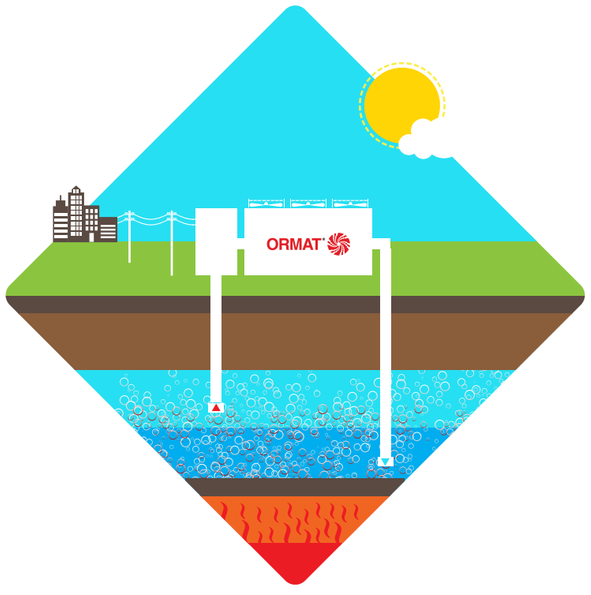
Diligent monitoring in the McGinness Hills Complex

Environmental and Technological Advances

Environmental and Technological Leadership

Ormat has developed and manufactured over 2,000 MW of geothermal and REG® power plants since our company was established 50 years ago. All operate without fossil fuel consumption and create virtually no air emissions. We are proud of the sustainable focus we've achieved across our entire suite of renewable energy generation technologies and the advances we have helped pioneer in the geothermal industry, and are looking forward to enter other renewables fields.

Ormat's vertically integrated structure enables our company to supply complete geothermal energy solutions, from project start to finish, from the acquisition of land, permitting, geological exploration and drilling to equipment design, manufacturing, construction, and commissioning. The ability to leverage our experience in owning and operating our own geothermal power plants heightens the overall quality and precision of the solutions we devise for clients.



Geothermal Energy – Harnessing the Earth's Heat

Geothermal energy is heat energy derived from the earth's molten interior and is transported to the surface by movements of the earth's crustal plates, intrusion of molten magma and deep circulation of groundwater. Reservoirs of hot water under pressure are the result of these actions – and it is these underground reservoirs that Ormat targets. Drilling wells into geothermal reservoirs enables the steam and high-pressure hot water to be captured and directed to drive turbines in power plants. This converts earth-bound energy into electrical energy.

Geothermal energy offers numerous benefits for a world seeking alternatives to high emission fossil fuels. Geothermal is a natural and locally available resource. It provides firm, flexible and reliable base-load electricity. Geothermal is a low carbon alternative that consumes less land, water and exerts much lower impacts on the environment, compared with conventional fossil fuel combustion.

Recovered Energy – Added Energy Value

Ormat has developed unique expertise in the production of electricity from recovered energy – waste heat sources that result as a by-product of many common industrial processes. Cement manufacturing and gas pipeline compression stations are two such examples of processes and equipment that generate residual heat that has value. When captured, it can be used to generate electricity without burning additional fuel or generating emissions.

Solar Energy - Harnessing the Sun's Heat

Ormat's renewable energy history also includes solar power. In fact, one of the first units Ormat manufactured in 1966 was entirely solar-powered. In the 1970s, Ormat advanced the development of solar pond technology, in which saltwater pools collect and store solar thermal energy. More recently, Ormat has made forays into the solar energy market, through the development of Solar PV installations, which is currently the most efficient and prevalent way to generate electricity from solar resources.

Heber Solar in California, USA was built by Ormat in 2014

Storage – A Powerful Combination

Energy Storage Systems make use of surplus electricity, which is reused at different times to power various operations when optimally required by the grid. Storage serve both sides of the meter- the Grid side managed by utilities and independent system operators and behind the meter, at the customer side. Ormat renewable energy strategy include this global fast, large, growing market.

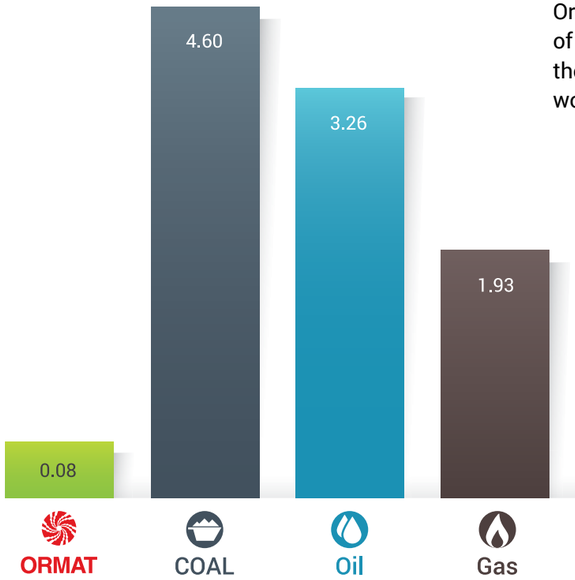
Energy storage offers a unique and highly flexible capability to utilities – enabling them to avoid large capital investments in power plants as well as in transmission and distribution assets. Energy storage systems also enable generators to run closer to full capacity for longer periods of time and operate more efficiently and effectively By addressing issues of frequency and voltage regulations and other ancillary services to the grid. Customers can deploy storage behind the meter to address demand response and pick load management, reduce demand charges and increase electricity efficiency.

The interest in energy storage is growing rapidly and one of the main drivers is the rapid development of intermittent renewable energy resources, and the perceived need for storage to accommodate the variable nature of these new resources. The need for balancing services, rapid generation ramping, and moving energy from times of excess to times of high demand are expected to increase with high levels of wind and solar energy penetration. Although some energy storage technologies are mature and ready to serve, many other storage technologies span the range of development maturity with rapid improvements in many technologies underway.

Ormat's Plants Mitigate CO_2 Emissions

All of Ormat's operating activities (Scope 1 and 2), including manufacturing facilities, offices, corporate automobile fleet and other contributors created CO_2 emissions of approximately 14, 600 tons in 2015 [2]. This is minimal compared to the contribution of our owned power plants to mitigate the CO_2 emissions worldwide, which we will discuss here.

In 2015, Ormat-owned facilities generated more than 4.83 million MWh of electricity. Note that these do not count in scope 1 and 2 emissions as the electricity is sold to utilities and it is counted as their emissions. When compared with other base load electricity generation methods, all of which are fossil fuel-based, and eliminating the minute emissions generated in our own plants, the following is the renewable electricity offset that Ormat recorded.



Ormat's CO_2 emissions from the 4.83 million MWh of electricity it generated in 2015 compared to the emission other base load electricity sources would have generated [3].

All figures in million tons of CO_2

In our efforts to show more accurate figures, this year, we did not calculate the emissions from our plants based on the estimation of emission from geothermal plants available in literature as we did in the past but rather calculated the actual emission from each of our plants. As expected, based on our advanced technology, the figure was less than the average geothermal power plant would have produced.

In addition, these figures represent only what Ormat's owned power plants mitigated in 2015. The amount of CO_2 mitigated by the more than 1,000 MW in power plants Ormat has supplied to other power producers would result in a substantially higher offset figure.

[2] Please contact us at sustainability@ormat.com to learn more about the studies the data is based on or see our report to the Carbon Disclosure Project at www.cdp.net

[3] "CO_2 Emissions From Fuel Combustion Highlights 2015" International Energy Agency (IEA), 2016

Ormat Supports The American Business Act on Climate Pledge

In 2015, as part of the events leading up to the Paris Climate Agreement, Ormat joined the growing number of companies that chose to demonstrate their support for ambitious targets for climate action, by publically supporting The American Business Act on Climate Pledge. We committed to produce over 4.5 million MWh of clean, renewable energy annually and to play a role in the ongoing promotion of renewable energy's importance. Ormat's pledge reiterated our lifelong commitment to clean and renewable energy generation, our belief that action on climate change is imperative, and our promise to continue to develop and build clean renewable generation facilities, implement clean technologies, conserve water and reduce the carbon footprint of our manufacturing facilities.

Ormat Geothermal Power Plants Registered for Greenhouse Gas Emissions Trading Under UN Clean Development Mechanism (CDM)

Ormat has two power plants registered under CDM by the Executive Board of the United Nations Framework Convention on Climate Change (UNFCCC). Our Amatilan Geothermal Project in Guatemala has been registered as a CDM since December 2008 and has the potential to offset approximately 83,000 tons of CO_2 emissions annually. Ormat's Olkaria III power plant has been registered as a CDM since 2010. Following recent project expansions, Olkaria III has the potential to offset more than 500,000 tons of CO_2 emissions per year. We hope future power plants will also be registered to such mechanisms.

Ormat's Amatitlan geothermal power plant in Guatemala

Geothermal Technology Pillars and Advances

Ormat's technology mitigates the geothermal risk

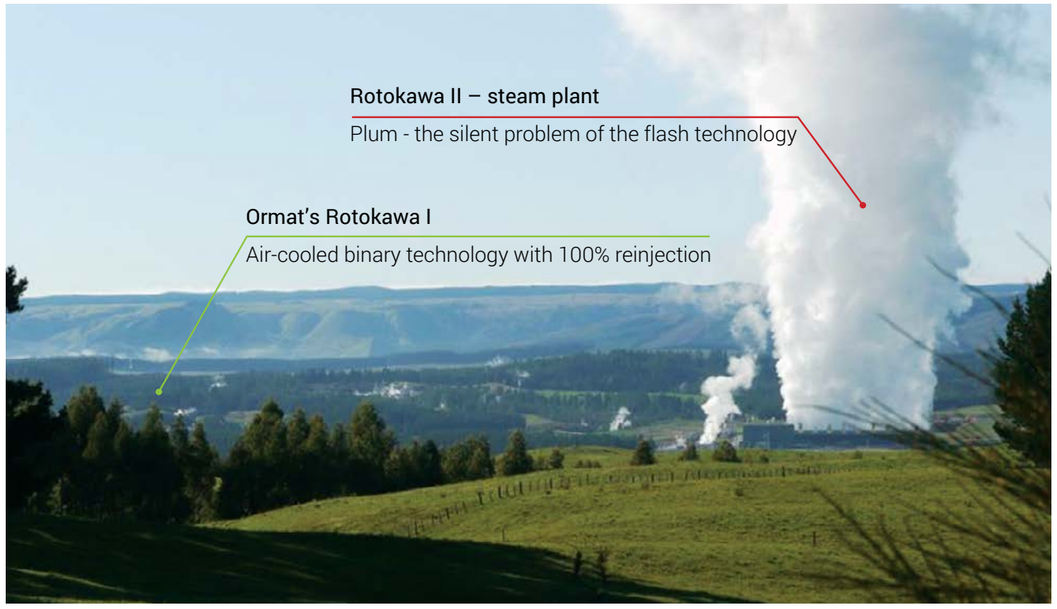
Ormat's sustainable approach to energy development is based on key technology pillars and an ongoing commitment to advancing the science of geothermal, recovered energy, solar and other renewable energy technologies.

Reinjection

A key sustainability driver for geothermal power generation is the conservation and recycling of the water that conveys the heat from deep underground to geothermal power plants on the earth's surface. Ormat, through its unique designs and operating processes, makes strong efforts to ensure that this precious resource is not depleted. The geothermal resources Ormat develops involve 100% reinjection and recirculation of the geothermal fluids back into their respective reservoirs, in what are known as "closed loop" systems. This highly efficient method continuously recharges geothermal systems, by maintaining consistent water flow and pressures.

Reinjection of geothermal fluids, which are often referred to as "brines", as they contain water, salts and other minerals, help reduce production-related pressure drawdown and promote enhanced thermal energy extraction from the heated rocks within the reservoir. Importantly, reinjection also avoids the need for disposal of wastewater into nearby surface water bodies and minimizes make-up water required to keep a geothermal reservoir viable.

Ormat emphasizes resource management and almost all of our plants are air-cooled without requiring make-up water. Our company is known for our pioneering advances, which achieve 100% recirculation of the exploited geothermal fluid (condensate and brine) back into geothermal reservoirs and avoids the unsustainable use of water to enhance depleted resources.



Visibility

Optimizing locations for energy generating facilities to lessen their visual impact is an important aspect of reducing the footprint associated with geothermal energy generation. The visible plumes geothermal power plants emit consist of water vapor emissions in the form of steam. No harmful emissions such as carbon dioxide, sulphur dioxide or nitrous oxides are released because geothermal power plants do not combust fossil fuels.

Even so, a steam plume's impact can be further reduced by thoughtful design. Ormat designs and sites geothermal facilities to blend into the surrounding landscape, through the actual physical locale of each facility, the configuration of units that are used to build it, landscaping, paint and other surface finishes.
Studies show that over a typical 30-year lifespan of a power plant, a geothermal facility consumes 404 square meters of land per gigawatt hour, while a coal facility consumes 3,632 square meters per gigawatt hour [4].

Advancing Technology Through Fundamental Research

Ormat is also a key participant in various research programs that are furthering the understanding of geothermal reservoirs and advancing methodologies to increase efficiencies.

Ormat is one of seven proponents working on a Poroelastic Tomography project designed to assess integrative technology for charactering and monitoring changes in the rock mechanical properties. The University of Wisconsin-Madison is coordinating the study, which will lead to enhanced knowledge and ability to analyze geothermal reservoir potential.

In 2015, Ormat began a partnership with Sandia National Laboratory and others on the Frontier Observatory for Research in Geothermal Energy (FORGE.) FORGE is a U.S. Department of Energy initiative that will establish a field laboratory to study enhanced geothermal systems and serve as a center where scientists will advance EGS commercial viability.

New Ormat and Toshiba Collaboration

Ormat Technologies Inc. and Toshiba Corporation signed a strategic collaboration agreement (SCA) in 2015 to develop strategic opportunities for collaboration in the areas of geothermal power generation systems and related equipment. Under the agreement, Ormat and Toshiba are exploring opportunities to offer potential customers more competitive solutions related to geothermal developments, from resource assessment, field development, power plant engineering, procurement and construction (EPC) to power plant operation.

Geothermal power plants generally utilize either a binary system or a conventional flash system. In some situations, a combined cycle using both systems can be employed, with the specific technology for each project chosen based on the unique characteristics of the geothermal resource. This collaboration will leverage Toshiba's leadership in flash systems and Ormat's leadership in binary systems, to offer an efficient solution that combines the two technologies. This joint effort will enable a more complete recovery of the energy value contained in a geothermal resource.

Exploring Motive Fluids

In 2014, Ormat scientists conducted a research study that explored motive fluids for geothermal organic power cycles, evaluating 35 different possible working fluids, which included alkans, alkens, alkynes, cyclo

[4] "A Guide to Geothermal Energy and the Environment" Geothermal Energy Association, April 2007

hydrocarbons, aldehydes and ketones, freons, siloxans, ethers, cohels and amines. Ormat's criteria for working fluids includes substances that offer high thermal conductivity, high thermal stability and that are non-corrosive and non-toxic, as well as environmentally friendly, with low global warming potential (GWP) and ozone depletion potential (ODP). The study showed that Ormat's geothermal working fluids exhibit the lowest GWP and ODP and are among the most environmentally friendly motive fluids currently being used in geothermal development.

Refurbishing Older Power Plants

Renovating and refurbishing existing power production facilities is an approach to asset management that is gaining favour. In contrast to today's "throw-away world", it makes both economic and environmental sense to capture as many successful operating years from a facility investment as possible. Ormat's ability to provide comprehensive retrofits and upgrades on older or underperforming power plants is expertise that is finding a growing response. We've demonstrated our ability to successfully integrate the latest operating technology and computerized systems into older facilities, providing clients with decades of additional operating life and value for their facility investments. Below are three examples from recent years.

Cove Fort Binary Power Plant - Ormat worked with customer Enel Green Power, which acquired the rights to the Cove Fort geothermal project in 2007. The company selected Ormat to develop this new project because of our extensive experience in developing geothermal assets, and our ability to successfully turnaround underperforming geothermal power plant assets. Ormat worked closely with Enel Green Power, conducting analysis for a thermodynamic solution fit for the existing resource and applying our Organic Rankine Cycle (ORC)-based energy generation units, which convert low, medium and high temperature heat into electrical energy, Ormat was awarded the contract to supply the plant in April 2012 and the facility began operating in November 2013, approximately one month ahead of the planned start-up schedule.

HS Orka, Svartsengi, Iceland - Strategic modular design, diligent maintenance and thoughtful operating practices are approaches Ormat recently demonstrated in Iceland, on behalf of long-term client HS Orka. In November 2015, Ormat successfully upgraded the control systems of three of the geothermal units supplied to HS Orka, one of Iceland's leading producers of geothermal electricity. HS Orka decided to split the upgrade into two stages, starting with the three water-cooled units in 2015 and the four air-cooled units in 2016. Ormat equipped the units with the latest GE RX3i model controllers and built modules equipped with new hardware so they fit into the existing boards. Ormat also replicated software from the existing controller to the new ones. The first unit was synchronized after two days of installations and troubleshooting. After the client tested the first unit, the second and third units each required only a single day to fully commission. We strive to ensure every power module we design and manufacture, can still operate at peak efficiency, even if it left Ormat's factory 25 years ago. Among other upgrades, Ormat is now offering long-standing clients an upgrade package for the control systems in their geothermal facilities.

Ormat Repowers BM Holdings' Gumuskoy, Turkey - Early in 2014, BM Holdings, a leading Turkish geothermal power producer asked Ormat help to repower two units at their binary cycle power plant near Gumuskoy. The binary cycle units were first commissioned in May 2013 by another company, but could not reach stable operation levels and were barely synchronized to the grid. Ormat's Process and Analytical engineers conducted a rigorous visit and analysis of the units in July 2014 and only seven months from receiving the approval to proceed, Ormat successfully repowered the two units, which now operate with Ormat organic turbines that use a more environmentally friendly butane motive fluid. These modifications have generated an average corrected power production rate that is10% higher than the facility's 13.2 MW design capacity.

The refurbished HS Orka geothermal power plant in Iceland

The new and refurbished Gumuskoy geothermal power plant in Turkey

How We Work – Respectfully and Responsibly

Above you read about how Ormat's technology has a profound and positive impact on the environment. We take this even further, by going to great lengths to minimize and mitigate our impact on the environment, adhere to all regulations in each of the different countries we operate in and by going beyond legal requirements.

Compliance with Environmental Legislation

The countries in which Ormat operates have local environmental protection laws regulating:

- The effect on the environment outside of the power plant, including restrictions on noise, air emissions and discharge of pollutants and contaminants;
- Air quality and noise levels inside our power plants, in order to protect employees; and,
- Safety and general requirements, including ventilation, fire protection, personal protection, railings, electric protection, and employee training on pertinent issues.

Ormat maps and monitors all laws regulating all of our sites and maintains a multi-year plan for the continuous improvement of our environmental performance.
In addition to meeting all legal and regulatory requirements in the multiple jurisdictions in which we operate, Ormat meets the exacting standards of various international operating guidelines and has earned ISO14001 certification.

Ormat's general liability insurance policy provides coverage for unexpected events. Under this policy, Ormat's insurers will cover environmental damage to third parties resulting from unexpected events that do not involve negligence.

Environmental Incidents

Ormat's facilities and the people who operate them strive to work in full compliance with all applicable environmental regulations. Despite our best efforts, sometimes exceedances (emissions beyond what a facility is licensed to emit), spills or other incidents may occur. That's why Ormat continually monitors facility performance and reports any incidents that may occur. Close monitoring of our environmental performance provides the information necessary to improve or modify procedures to prevent future incidents.

Hell's Gate Natural Park Giraffes walk around Olkaria III piping

Minimizing Impacts to Local Resources

Ormat minimizes our facility footprint in the U.S. by operating in accordance with National Environmental Policy Act (40 CRS 1500.1) if sited on public land. Ormat interacts with various government and regulatory agencies in the US, most frequently with the federal Bureau of Land Management (BLM), as well as with the U.S. Forest Service (USFS) and the Department of Defense (DOD). Other federal agencies we consult with on proposed geothermal projects or during permitting application and review processes may include: U.S. Fish and Wildlife Service (USFWS), U.S. Army Corp of Engineers (ACOE), Advisory Council on Historic Preservation (ACHP), U.S. Environmental Protection Agency (EPA), Department of Energy (DOE), National Park Service (NPS), State Historic Preservation Office (SHPO). Ormat is also active in Wildlife Working Groups.

Innovative Mitigation Practices at Ormat Facilities in Nevada

Ormat originally commissioned the McGinness Hills geothermal power plant complex in Lander County, Nevada in June 2012. In early 2015, an expansion was completed that more than doubled the generation from the complex.

During the construction planning and siting of power plant locations at McGinness Hills, Ormat took a number of measures to reduce a wide range of potential impacts. These included measures such as drilling multiple geothermal wells from one well pad, routing piping along existing roadways and power plants, co-locating power plants, pipes and road systems and using overland travel versus new roadway construction, wherever possible. All helped reduce McGinness Hill's operational and environmental "footprint".

But those measures are just the beginning. Ormat maintains a considerable year-round and ongoing wildlife monitoring program around the McGinness Hills complex, designed to create scientific models of the local habitat and obtain a clear understanding of the impacts that facility and infrastructure exert. For example, the wildlife monitoring captures information on the populations of the Greater Sage Grouse, which inhabit the desert near McGinness Hills and are currently classified as "warranted but precluded" species by the US Department of the Interior.

In 2015, a total of 12 leks were identified near McGinness Hills and 42 Greater Sage Grouse were fitted with GPS transmitters. Fire and the cheat grass cycle were identified as the main impact to these bird populations in recent years. Cheat grass encourages fire spread and reduces sage brush regrowth after fires. In addition, the encroachment of pinion juniper into sage group habitat is impacting the bird populations as the trees serve as perches and nesting sites for raptors, which prey on sage grouse. Power line infrastructure also promotes predation from raptors and ravens. Despite these impediments, the Greater Sage Grouse population in this area is considered stable.

A similar monitoring program is in place near Ormat's Tuscarora facility. In 2015, 90 birds were recorded as fitted with VHF transmittters and 62 were fitted with GPS transmitters. Aviation predation from ravens is playing a significant role in nest failures in this region, and the lower density sagebrush is also contributing to the success of the raven population. The Greater Sage Grouse population here is most likely in decline, however lots of breeding activity has been noted around the plant areas.

Community and Stakeholder Involvement Investment

Thinking Globally, Acting Locally

Ormat has many stakeholders. They include our employees, customers, shareholders, utilities, regulatory and governing authorities, lenders, scientists and local community members residing near our power plants.

Shareholders	Customers	Utilities	Lenders	Residents and Business Owners	Employees	Local Government Officials	Environmental Regulators	Scientific Researchers
who own Ormat stock	we sell equipment and build power plants for	who buy the power we generate	who lend to invest in power plants we develop	who live or operate near our power plants	of Ormat worldwide	at municipal, state and federal levels	who develop policy and enforce regulations	in the field of geothermal and energy research

The Power of a Positive Approach

Ormat values positive, long-term relationships and strives to create them wherever we operate. We do so by listening carefully to our stakeholders' concerns and ideas. We create policies and protocols to guide stakeholder interaction and make these efforts in a timely, transparent and respectful manner.

Website	Community Relations	Civic Engagement	Facility Tours	Buying Locally
www				$

Participation and Benefits

At Ormat, we believe in being an active participant in the communities in which we operate our power plants. We want the communities we interact with to benefit from our presence and to be better after we leave. We also believe communities have the right to know how we operate to ensure that our employees, the public and the environment are protected.
We recognize that every part of our connection with stakeholders – from pre-development and planning through facility shutdown– is important.

In the United States

Supporting community development through funding scholarships and institutions that promote higher learning, especially in the scientific and technical fields related to geothermal development, is a key platform for Ormat's US community investment program. Ormat is a key participant in a number of research programs that are furthering the understanding of geothermal reservoirs and advancing methodologies to increase efficiencies across the development cycle. Read more in the Environment and Technology section.

Ormat also provides funding for local community initiatives that contribute to the quality of life for people who live in areas close to our facilities. This support, which is further advanced by our employees and their volunteer and fundraising activities, helps support everything from local ball teams and sports facilities to health care, education and social service-related charitable organizations. We would like to talk a bit more about two examples below, in Puna and Mammoth.

Puna Geothermal Venture Updates Community

Management and employees from Ormat's Puna Geothermal Venture, located on the Big Island of Hawaii, U.S., held a community outreach session for local residents in the community of Pahoa in December 2015. The year-end update provided details on activites such as well drilling, as the facility works to meet its 38 MW electricity commitment with the Hawaii Electric Light Company. Ormat representatives also responded to questions about a steam release which occurred during Tropical Storm Iselle in August 2014. Additional information was provided about air monitoring at the facility, during both regular operations and maintenance.

Mammoth Pacific & Stakeholder Concern about Geothermal Water Use

Ormat has developed extensive geothermal facilities across California and Nevada in the US. With over 30 years of geothermal development experience, and decades of objective, scientific monitoring data on the impact of geothermal operations on water systems, our company is known for our responsible and well-informed approach to development and the prudent steps we take to protect air, land and water.

The Mammoth Geothermal Complex, located in the Eastern Sierra Nevada mountain range in California, features three power plants that generate 29 MW, enough electricity to power 22,000 homes. The first plant came online in 1984 and two additional facilities came online in 1990 and the first facility was re-energized in 2014. A fourth phase of expansion (named Casa Diablo IV, or CD IV) has been advanced, and planned for an area first developed in 2006 with two production wells which are currently connected to the existing power plants. As is the current practice, all geothermal fluids are injected back into the geothermal reservoir, to maintain sustainability of the resource. Injection is planned for CD IV in the Basalt Canyon field and has been analyzed in the EIR/EIS for both resource and surface impacts.

CD IV expansion is a perfect example of our commitment to prudent development. We have collected 30 years of monitoring data that has been analyzed and studied by many experts. Data collected from these two wells mentioned above for over nine years has shown no adverse affects. As is the current practice, all geothermal fluids are injected back into the geothermal reservoir, this is critical to the sustainability of the resource. Injection is planned for CD IV in the Basalt Canyon field and was analyzed in the EIR/EIS for both resource and surface impacts.

Ormat has an extensive community outreach program and has endeavored to engage with community members over the past several years as this development plan has been proposed. This included numerous meetings, open houses, and multi-stakeholder consultation efforts, as well as the open and transparent sharing of all scientific monitoring data. For example, in 2014 we hosted two open houses for the public, in August and again in October. Our employees met members of the public, provided tours of the facility and expressed enthusiasm about the opportunity to help educate citizens about geothermal energy development.

For more information on Mammoth Pacific go to its website www.mammothpacific.com

In Honduras

Ormat's commitment to community support typically begins well before we begin development in a new region, as we strive to understand local regulations, and the cultural and socio-economic aspects of local community life.

In 2013, Ormat first began development activities for a 35 MW geothermal facility in Honduras, after signing a Build, Operate, and Transfer (BOT) contract for the Geotermica Platanares geothermal project, in cooperation with ELCOSA, a privately owned Honduran energy company. Ormat continuously meets with local communities, answering their questions and hearing their needs, and from that creating a community engagement program.

A key aspect of our community engagement activities in the country involve programs that promote hiring of local workers for facility positions. In addition, Ormat worked to support the communities of San Andres Minas and Palania, by building pipelines to install potable water lines so that both communities could enjoy clean, safe drinking water. In addition, contributions were made to local kindergarden, primary school and middle schools, to enhance the educational environments for students.

In Guatemala

Ormat operates two geothermal power plants in Guatemala: the 23 MW Zunil power plant built in 1999 and the 20 MW Amatitlan power plant, which began generating power in 2007. Since Ormat has been operating in these communities for more than 15 years, we know our neighbors and have created a series of ongoing community involvement initiatives that are directed through two trusts –the Orpacaya Trust and Tigo Foundations. Both trusts facilitate input and decision-making at the community level, with local community leaders.

Ambulance for the local communities around Amatitlan

Education, health care, food assurance and infrastructure development continue to be the areas in which we focus the majority of our resources and financial support. Five communities located close to our two facilities in the San Vincente Pacaya region, which include the communities of San Francisco, Cedro, Calderas, Pepinal and Bejucal, continue to be the main beneficiaries of our community programming.

In 2014, a computer lab was created in the Cedro Primary school in San Francisco. Other repairs and remodeling was also completed, including a new roof and kitchen, rewiring of an electrical system and painting of installed flooring. Beyond funding the school the students received school bags filled with supplies and catered food for the entire community as part of a ceremony inaugurating the refurbishment initiative. A dramatically improved learning environment will contribute in a meaningful way to improved educational outcomes for the students; all school aged kids from the local communities.

Scholarships are other important ways Ormat supports educational opportunity, with over 60 students from local communeties receiving Ormat support for their beyond-elementary school schooling.

Reforestation event in Amatitlan

Ormat' Annual Fair at Zunil

In Kenya

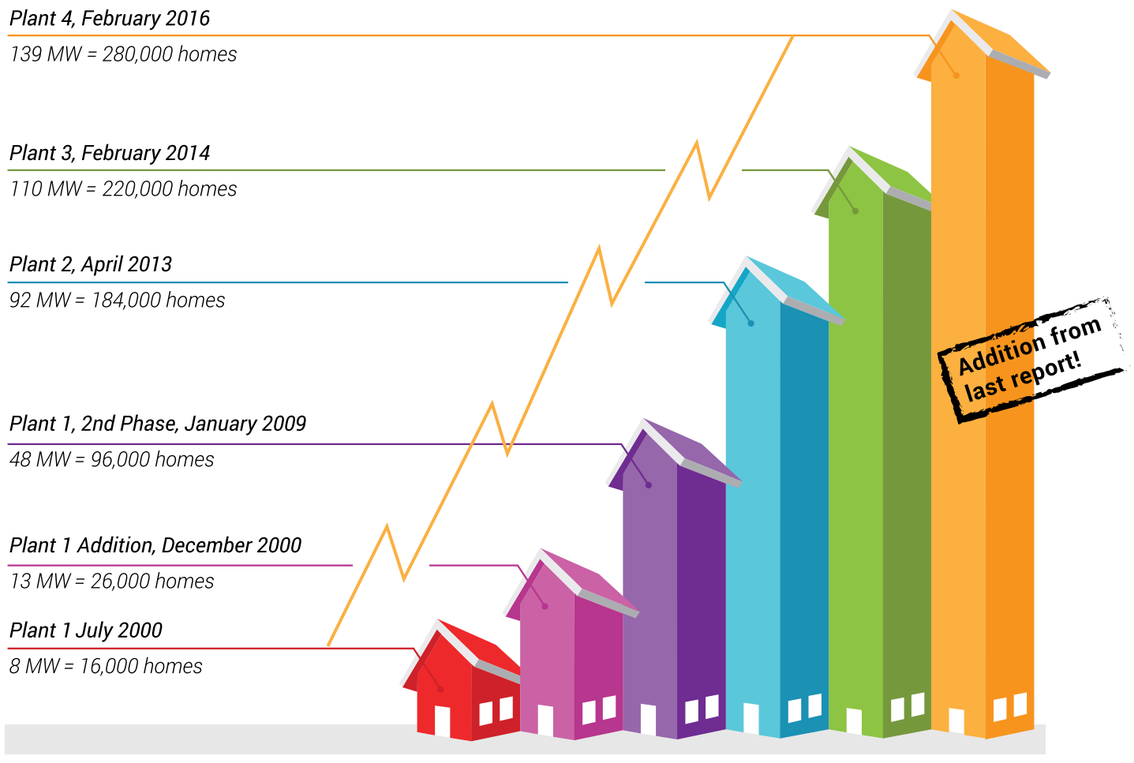
Ormat subsidiary Orpower 4, Inc. operates the Olkaria III geothermal complex in Kenya, Africa. Our company has a longstanding presence in this region, and a unique operating location, inside of the Hellsgate national park – a wildlife sanctuary. Since 2001, Ormat has provided an annual fixed donation that facilitates the environmental management of the park and is paid annually to the Kenya Wildlife service.

Education programs are key sponsorship areas that Ormat maintained throughout 2014 and 2015. A total of 29 local students drawn from primary schools in the areas received secondary bursaries. Providing local bright young girls with these opportunities provides alternatives to early marriages and motherhood and opens up wider horizons for economic growth for the community. Ormat also sponsored 15 primary school teachers to supplement the government teachers.

Contribution to many other community efforts, from an orphan's children home to plastic water tanks for community groups, to a feeding program providing porridge and lunch to school pupils are examples of the practical, on-the-ground assistance that improves quality of life and opportunity.

Students in the Ormat School, Kenya

Ormat's Olkaria III Facility Contribution to Kenya - Today 139 MW light 280,000 Kenyan homes [5].



[5] USAID's Power Africa project 2013 annual report, see www.usaid.gov/powerafrica

Ormat's Safe Harbor Statement

Information provided in this Sustainability Report may contain statements relating to current expectations, estimates, forecasts and projections about future events that are "forward-looking statements" as defined in the Private Securities Litigation Reform Act of 1995. These forward-looking statements generally relate to Ormat's plans, objectives and expectations for future operations and are based upon its management's current estimates and projections of future results or trends. Actual future results may differ materially from those projected as a result of certain risks and uncertainties. For a discussion of such risks and uncertainties, see "Risk Factors" as described in Ormat Technologies, Inc.'s Annual Report on Form 10-K filed with the Securities and Exchange Commission on February 26, 2016.

These forward-looking statements are made only as of the date hereof, and we undertake no obligation to update or revise the forward-looking statements, whether as a result of new information, future events or otherwise.