

CAESARSTONE SDOT-YAM LTD. (THE “COMPANY”)
NOMINATING COMMITTEE CHARTER

The Board of Directors (the “**Board**”) of the Company has constituted and established a Nominating Committee (the “**Committee**”) with the authority, responsibility and specific duties as described in this Nominating Committee Charter (this “**Charter**”).

I. Purpose

The purposes of the Committee are to support and advise the Board in selecting individuals who are best able to fulfill the responsibilities of a director of the Company, including requirements applicable to all members of the Board of Directors and criteria for the selection of new members of the Board.

Director nominees must be recommended for the Board's selection by the Committee in accordance with this charter.

The purposes and provisions specified in this Charter are meant to serve as guidelines, and the Committee is delegated the authority to adopt such additional procedures and standards as it deems necessary from time to time to fulfill its responsibilities. Unless otherwise prescribed in this Charter, the rules and procedures applicable to the operation of the Board shall apply to the operation of the Committee with any necessary changes. Nothing herein is intended to expand applicable standards of liability under Israeli or U.S. federal law for directors of a corporation.

II. Membership

The Committee's membership shall satisfy the following requirements: (i) the Committee shall be comprised of three members of the Board; (ii) the members of the Committee shall be “Independent Directors” as determined in accordance with the Nasdaq Stock Market Rules; and (iii) at least one “External Director” appointed under the Israeli Companies Law, 5759-1999 (the “**Companies Law**”) shall be a member of the Committee.

Subject to applicable law (i) the Committee's members shall be appointed by and serve at the discretion of the Board, (ii) members shall serve until their successors are duly designated and qualified, (iii) any member of the Committee may be removed at any time, with or without cause, by a resolution of the Board, and (iv) any vacancy on the Committee occurring for any cause whatsoever may be filled by a resolution of the Board.

The Committee's chairperson shall be designated by the Board.

III. Meetings and Authority

The Committee shall meet as circumstances require. The chairperson of the Committee will preside at each meeting of the Committee and, in consultation with the other members of the Committee then present, shall determine the length of such meeting and the agenda of items to be addressed at such meeting.

The presence (in person or via telephone or other means of communication) of a majority of the members of the Committee shall constitute a quorum for the transaction of business at a meeting of the Committee, and the act of a majority of those present at any meeting at which there is a quorum and who are entitled to vote on the matter shall be the act of the Committee.

The Committee may ask members of management or others to attend meetings and provide pertinent information, as necessary.

The Committee shall have the power, without Board approval and at the Company's expense, to retain and subsequently terminate, as it deems appropriate, the services of an outside counsel and other experts and consultants to assist the Committee in connection with its responsibilities, and shall have the sole authority to approve such firms' fees and other retention terms.

IV. Duties and Responsibilities

The Committee shall have the power and authority of the Board to perform the duties and to fulfill the responsibilities detailed below. The Committee's approval of any matter below shall not derogate from the requirements of the Companies Law or the Articles of Association of the Company, pursuant to which approval of the Board, the Company's audit committee or shareholders is required for certain acts or transactions, and under such circumstances the Committee's approval shall constitute only a recommendation to any such body.

1. Conduct the appropriate and necessary inquiries into the backgrounds and qualifications of possible candidates to serve as directors in the Company. Among the qualifications considered in the selection of candidates, the Committee shall consider the following attributes and criteria of candidates: relevant experience, skills, expertise, personal and professional integrity, independency, time availability in light of other commitments, dedication, potential conflicts of interest and such other relevant factors that the committee considers appropriate in the context of the needs of the Board.

2. Review and recommend to the Board any nominees for election as directors of the Company, including nominees recommended by shareholders of the Company, and consider the performance of incumbent directors whose terms are expiring in determining whether to nominate them to stand for re-election.

3. Review and make recommendations to the Board regarding board member qualifications, board composition and structure, and recommend if necessary, measures to be taken so that the Board reflects the appropriate balance of knowledge, experience, skills, expertise and diversity required for the Board.

4. Perform such other activities and functions as are required by applicable law, stock exchange rules or provisions in the Company's Articles of Association, or as are otherwise necessary and advisable, in its or the Board's discretion, for the efficient discharge of its duties.

VI. Reporting

The Committee will apprise the Board regularly of its decisions, recommendations and any significant developments that arise during the course of performing the above responsibilities and duties.

VII. Review

The Committee shall from time to time review and assess the adequacy of this charter (including the structure, processes and membership requirements of the Committee) and recommend any proposed changes to the Board for approval. In addition, the Committee shall annually review its own performance.

VIII. Minutes

The Committee will maintain written minutes of its meetings.

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As Adopted: September 30, 2014