

NOVOCURE LIMITED
SHARE OWNERSHIP GUIDELINES

Purpose

The Board of Directors of NovoCure Limited (“NovoCure”) has adopted these share ownership guidelines to strengthen the alignment of interests between NovoCure’s management and shareholders and further promote NovoCure’s commitment to sound corporate governance.

Applicability

These share ownership guidelines apply to NovoCure’s chief executive officer, executive chairman, executive officers and non-employee directors.

Minimum Ownership Guidelines

Share ownership guidelines for NovoCure’s chief executive officer, executive chairman, and executive officers are determined as a multiple of the executive’s annual base salary. Share ownership guidelines for NovoCure’s non-employee directors are determined as a multiple of the director’s annual cash retainer. Such executives and directors are expected to own ordinary shares of NovoCure valued in at least the following dollar amounts:

Title	Guideline
Chief Executive Officer/Executive Chairman	6 times annual base salary
Executive Officers	3 times annual base salary
Non-Employee Directors	3 times annual cash retainer

These represent minimum ownership guidelines – executives and directors are encouraged to own ordinary shares of NovoCure beyond these levels.

Time Period for Compliance

The minimum ownership guidelines described above are required to be met within five years after first becoming subject to these guidelines.

Retention Requirements

An executive officer or director who has not satisfied the applicable minimum share ownership requirement is required to retain an amount equal to 50% of the net shares received as a result of the exercise, vesting or payment of any equity awards granted to the executive officer or director. “Net shares” means those shares that remain after shares are withheld or sold to (i) pay for an equity award’s exercise price and (ii) any applicable tax withholdings. The number of retained net shares shall be calculated using the NASDAQ closing price of Novocure shares on the trading day immediately prior to the relevant exercise, vesting or payment. For examples of the retention requirements, please see Exhibit A.

Measurement and Valuation

Compliance with these share ownership guidelines will be measured on an annual basis on December 31st by Novocure's legal and HR team and the results of such measurement will be reported to the Compensation Committee. On each measurement date, compliance will be measured using each executive officer's base salary then in effect, each director's annual cash retainer then in effect, and the average 180-day trading price per share of NovoCure ordinary shares on the Nasdaq Stock Market on such date.

Once an executive officer or director has achieved the applicable ownership guideline, such person will be considered in compliance, regardless of any change in the price of NovoCure ordinary shares, so long as such person continues to own at least the number of NovoCure ordinary shares owned at the time of achieving the applicable guideline.

Calculating Share Ownership

Shares that will count toward achievement of the share ownership guidelines include:

- Shares owned outright by the executive officer or director or any of such person's immediate family members residing in the same household;
- Shares owned indirectly, if the individual has an economic interest in the shares. Indirect ownership would include those shares reported in Novocure's proxy statement (excluding shares subject to a right to acquire) and shares reportable on Table 1 of Forms 3, 4 or 5 under the Securities Exchange Act.
- Shares held in trust for the benefit of the executive officer or director or such person's family;
- Shares acquired through NovoCure's employee share purchase plan;
- Shares obtained through share option exercise and the net in-the-money, of vested but unexercised stock options;
- Vested restricted shares and vested restricted share units;
- Non-vested time-based restricted shares; and
- Non-vested time-based restricted share units.

The following shares will not count toward achievement of the share ownership guidelines:

- Non-vested share options and out-of-the money share options;
- Non-vested performance-based restricted shares; and
- Non-vested performance-based restricted share units.

Failure to Achieve Ownership Guidelines

Failure by an executive officer or director to achieve or to show sustained progress toward achievement of the applicable ownership guideline may result in the Compensation Committee taking any action it deems appropriate under the circumstances until the applicable guideline is achieved, including reducing future long term incentive grants and/or requiring the person to retain all NovoCure ordinary shares obtained through the vesting or exercise of equity grants.

Administration

The Compensation Committee is responsible for ongoing oversight of these guidelines. The Compensation Committee reserves the right to modify or amend these guidelines at any time. The Compensation Committee will evaluate whether exceptions to these guidelines should be made for any executive officer or director, including without limitation if the guidelines would impose a severe financial hardship.

HISTORY:

ADOPTED: February 22, 2017 (Board of Directors)

REVISED: October 27, 2020 (Compensation Committee)

Exhibit A

Example 1—Retention requirement following share option exercise for executive officer who has not met the ownership guideline.

Facts:

Executive Officer seeks to exercise a stock option for 1,000 shares on a cashless basis (ie paying the exercise price and any taxes through the sale of shares).

Exercise price is \$10.00/share.

Share price on NASDAQ on prior day to exercise is \$20.00.

Executive officer's estimated tax withholding rate is 39.6%

Retention calculation:

Pre-tax gain on option exercise = number of shares * (closing price – exercise price) = 1000 * (\$20.00 - \$10.00)	\$10,000
<i>Less</i> taxes withheld = estimated tax withholding rate * pre-tax gain on option exercise =39.6% * \$10,000	(\$3,960)
Equals after-tax gain on option exercise =pre-tax gain – taxes withheld = \$10,000 - \$3,960	\$6,040
50% of after-tax gain on option exercise	\$3,020
Net shares required to be retained = 50% of after-tax gain on option exercise/prior day closing price =\$3,020/\$20.00	151 shares

Example 2—Retention requirement following vesting of restricted shares for executive officer who has not met the ownership guideline.

Facts:

Executive Officer receives 1,000 shares upon vesting of a restricted share award (and after shares are withheld to cover the tax withholding)

Retention calculation:

Executive Officer must retain 500 shares (50% of 1,000).