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UNITED STATES  
**SECURITIES AND EXCHANGE COMMISSION**  
WASHINGTON, D.C. 20549

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**FORM S-8**  
REGISTRATION STATEMENT  
UNDER THE  
SECURITIES ACT OF 1933

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**COMPUGEN LTD.**

(Exact name of registrant as specified in its charter)

**Israel**

(State or other jurisdiction of  
incorporation or organization)

**N/A**

(I.R.S. Employer  
Identification No.)

**Azrieli Center, 26 Harokmim  
Street, Building D  
Holon, 5885849**

**Not Applicable**

(Zip Code)

(Address of Principal Executive Offices)

**Compugen USA, Inc.  
95 Oyster Point Boulevard, Suite 307  
South San Francisco, CA 94080  
415-373-0556**

(Name, address, including zip code, and telephone number, including area code, of agent for service)

**Compugen Ltd. 2021 Employee Share Purchase Plan**

*(Full title of the plan)*

**Anat Cohen-Dayag, Ph.D.  
President and Chief Executive Officer  
Compugen Ltd.  
Azrieli Center, 26 Harokmim Street, Building D  
Holon, 5885849 Israel  
Phone: +972-3-765-8585  
Fax: +972-3-765-8555**

*(Name, address, including Zip Code, and Telephone number, including area code, of agent for service)*

**Ari Krashin  
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Tel: 972-3-765-8585  
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**Copies to:  
Daniel I. Goldberg, Esq.  
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New York, NY 10001-2157  
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26 Harokmim Street  
Building D  
Holon, 5885849, Israel  
Tel: 972-3-765-8585  
Fax: 972-3-765-8555**

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Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definitions of “large accelerated filer,” “accelerated filer,” “smaller reporting company” and “emerging growth company” in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer ☐ Accelerated filer ☒ Non-accelerated filer ☐ Smaller reporting company ☐ Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 7(a)(2)(B) of the Securities Act. ☐

CALCULATION OF REGISTRATION FEE

Title of securities to be registered		Amount to be registered <sup>(1)</sup>	Proposed maximum offering price per share	Proposed maximum aggregate offering price	Amount of registration fee
Ordinary Shares, nominal (par) value NIS 0.01 per share		600,000	\$ 12.28 <sup>(2)</sup>	\$ 7,368,000 <sup>(2)</sup>	\$ 803.85
(1)	Pursuant to Rule 416 under the Securities Act of 1933, as amended (the “Securities Act”), this registration statement shall also cover any additional ordinary shares nominal (par) value NIS 0.01 per share (the “Ordinary Shares”) that may become issuable by reason of any share dividend, share split, recapitalization or other similar transaction effected without receipt of consideration that increases the number of outstanding Ordinary Shares of the registrant.				
(2)	Pursuant to Rule 457(h)(1) under the Securities Act, the proposed maximum offering price per security and the proposed maximum aggregate offering price are based on the average of the high and low sale prices per share of the registrant’s Ordinary Shares as reported by The Nasdaq Global Market on December 8, 2020.				

## **PART I**

### **INFORMATION REQUIRED IN THE SECTION 10(a) PROSPECTUS**

As permitted by Rule 428 under the Securities Act of 1933, as amended (the “Securities Act”), this Registration Statement omits the information specified in Item 1 and Item 2 of Part I of Form S-8. The documents containing the information specified in Part I will be delivered to the participants of the plan covered by this Registration Statement as required by Rule 428(b) under the Securities Act.

## **PART II**

### **INFORMATION REQUIRED IN THE REGISTRATION STATEMENT**

#### **Item 3. Incorporation of Documents by Reference.**

The following documents filed by Compugen Ltd. (the “Registrant”) with the U.S. Securities and Exchange Commission (the “Commission”) pursuant to the Securities Exchange Act of 1934, as amended (the “Exchange Act”) are hereby incorporated herein by reference and made a part hereof:

- (i) The Registrant’s Annual Report on Form 20-F for the fiscal year ended December 31, 2019, filed with the Commission on February 24, 2020, as amended on February 27, 2020 (File No. 000-30902);
- (ii) The Registrant’s Reports of Foreign Private Issuer on Form 6-K, as filed with the Commission on January 9, 2020, February 20, 2020, March 9, 2020, March 11, 2020, March 12, 2020, March 13, 2020, March 17, 2020, April 6, 2020, April 15, 2020, April 27, 2020, May 6, 2020, May 27, 2020, June 1, 2020, July 30, 2020, August 5, 2020, September 8, 2020, September 17, 2020, and November 5, 2020 (File No. 000-30902); and
- (iii) The description of the Registrant’s Ordinary Shares in the Registrant’s Registration Statement on Form 8-A (File No. 000-30902) filed with the Commission under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), on August 2, 2000, as amended in the Registrant’s Annual Report on Form 20-F/A, filed with the Commission on February 27, 2020 and including any amendment or report filed for the purpose of updating such description.

All documents subsequently filed by the Registrant with the Commission pursuant to Sections 13(a), 13(c), 14 and 15(d) of the Exchange Act, after the date of this Registration Statement and prior to the filing of a post-effective amendment which indicates that all securities offered have been sold or which deregisters all securities then remaining unsold, and all Reports of Foreign Private Issuer on Form 6-K submitted by the Registrant to the Commission during such period, or portions thereof that are identified in such forms as being incorporated into this Registration Statement, shall be deemed to be incorporated by reference in this Registration Statement and to be a part hereof from the date of filing such documents. Any document, or any statement contained in a document, incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded for purposes of this Registration Statement to the extent that a document or statement contained herein, or in any other subsequently filed document that also is deemed to be incorporated by reference herein, modifies or supersedes such document or statement. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Registration Statement. Subject to the foregoing, all information appearing in this Registration Statement is qualified in its entirety by the information appearing in the documents incorporated by reference.

#### **Item 4. Description of Securities.**

Not applicable.

#### **Item 5. Interests of Named Experts and Counsel.**

Not applicable.

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## Item 6. Indemnification of Directors and Office Holders.

*The Registrant's Office Holders' Insurance.* The Registrant's Amended and Restated Articles of Association (the "**Articles**") provide that, subject to the provisions of the Israeli Companies Law, 1999 (the "**Companies Law**"), the Registrant may enter into contracts to insure the liabilities of its Office Holders (as such term is defined in the Companies Law) for any liabilities or expenses incurred by or imposed upon them as a result of any act (or omission) carried out by them as the Registrant's Office Holders, including with respect to any of the following:

- a breach of duty of care to the Registrant or to another person;
- a breach of duty of loyalty to the Registrant, provided that the Office Holder acted in good faith and had reasonable grounds to assume that such act would not prejudice the Registrant's interests;
- monetary liabilities or obligations imposed upon him or her in favor of another person;
- a payment which the Office Holder is obligated to make to an injured party as set forth in Section 52(54)(a)(1)(a) of the Israeli Securities Law, 1968 (the "**Securities Law**"), and expenses that the Office Holder incurred in connection with a proceeding under Chapters H'3, H'4 or I'1 of the Securities Law, including reasonable litigation expenses, including attorney's fees, or in connection with Article D of Chapter Four of Part Nine of the Companies Law;
- expenses incurred by the Office Holder in connection with a proceeding under Chapter G'1, of the Israeli Restrictive Trade Practices Law, 1988 (the "**Restrictive Trade Law**"), including reasonable litigation expenses, including attorney's fees.

Under the Companies Law, exemption and indemnification of, and procurement of insurance coverage for, the Registrant's Office Holders, must be approved by the Registrant's Compensation Committee and Board of Directors and, with respect to an Office Holder who is the CEO or a director, also by the Registrant's shareholders. However, according to regulations promulgated under the Companies Law, shareholders and Board approvals for the procurement of such insurance are not required if the insurance policy is approved by the Registrant's Compensation Committee and: (i) the terms of such policy are within the framework for insurance coverage as approved by the Registrant's shareholders and set forth in its Compensation Policy; (ii) the premium paid under the insurance policy is at fair market value; and (iii) the insurance policy does not and may not have a substantial effect on the Company's profitability, assets or obligations.

In accordance with the Registrant's Amended and Restated Compensation Policy, approved by the Registrant's shareholders at the Annual General Meeting of the Registrant's shareholders held on September 16, 2020, the Registrant is entitled to hold directors' and officers' liability insurance policy for the benefit of its Office Holders with insurance coverage of up to \$100 million and with such annual premium reflecting market terms and not having a substantial effect on the Registrant's profitability, assets or obligations.

*The Registrant's Office Holders' Indemnification.* The Articles provide that, subject to the provisions of the Companies Law, the Registrant may indemnify any of its Office Holders for all liabilities and expenses incurred by them arising from or as a result of any act (or omission) carried out by them as Office Holders of the Registrant, including as follows:

- for any monetary liabilities or obligations imposed on the Registrant's Office Holder in favor of another person pursuant to a court judgment, including a compromise judgment or an arbitrator's decision approved by a court;
  - for any payments which the Registrant's Office Holder is obligated to make to an injured party as set forth in Section 52(54)(a)(1)(a) of the Securities Law and expenses the Office Holder incurred in connection with a proceeding under Chapters H'3, H'4 or I'1 of the Securities Law, including reasonable litigation expenses, including attorney's fees, or in connection with Article D of Chapter Four of Part Nine of the Companies Law;
  - for reasonable litigation expenses, including attorney's fees, incurred by the Office Holder in consequence of an investigation or proceeding instituted against the Office Holder by an authority that is authorized to conduct such investigation or proceeding, and which was concluded without filing of an indictment against the Office Holder and without imposing on the Office Holder a financial obligation in lieu of criminal proceedings, or which was concluded without filing of an indictment against the Office Holder but with imposing on such Office Holder a financial obligation in lieu of criminal proceedings in respect of an offense that does not require proof of criminal intent or in connection with a financial sanction; For the purposes hereof: (i) "a proceeding that concluded without filing an indictment in a matter in respect of which an investigation was conducted"; and (ii) "financial obligation in lieu of a criminal proceeding", shall have the meanings specified in Section 260(a)(1A) of the Companies Law;
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- for reasonable litigation expenses, including attorney's fees, incurred by the Office Holder or which the Office Holder is ordered to pay by a court, in a proceeding filed against the Office Holder by the Registrant or on its behalf or by another person, or in a criminal action of which the Office Holder is acquitted, or in a criminal action in which the Office Holder is convicted of an offense that does not require proof of criminal intent;
- for expenses incurred by the Registrant's Office Holder in connection with a proceeding under Chapter G'1, of the Restrictive Trade Law, including reasonable litigation expenses, including attorney's fees;
- for any other liability, obligation or expense indemnifiable or which the Registrant's Officer Holders may from time to time be indemnifiable by law.

The Registrant may undertake to indemnify an Office Holder as mentioned above: (a) prospectively, provided that with respect of the first act (financial liability) the undertaking is limited to events which in the opinion of the board of directors are foreseeable in light of the Registrant's actual operations when the undertaking to indemnify is given, and to an amount or criteria set by the board of directors as reasonable under the circumstances, and further provided that such events and amount or criteria are set forth in the undertaking to indemnify, and (b) retroactively.

Indemnification letters, covering indemnification of those liabilities discussed above, were granted to each of the Registrant's present Office Holders. Hence, the Registrant undertook to indemnify its Office Holders to the fullest extent permitted under the Companies Law.

*The Registrant's Office Holder's Exemption.* The Articles provide that, subject to the provisions of the Companies Law, the Registrant may exempt and release its Office Holders, including in advance, from all or part of such Office Holders' liability for monetary or other damages due to a breach of their duty of care to the Registrant. The Registrant's directors are released and exempt from all liability as aforesaid to the fullest extent permitted by law with respect to any such breach, which has been or may be committed.

*Limitations on Insurance, Indemnification and Exemption.* The Companies Law provides that a company may not insure, exempt or indemnify an Office Holder for any breach of his or her liability arising from any of the following:

- a breach by the Office Holder of his or her duty of loyalty, except that the company may enter into an insurance contract or indemnify an Office Holder if the Office Holder acted in good faith and had a reasonable basis to believe that the act would not prejudice the company;
- a breach by the Office Holder of his or her duty of care if such breach was intentional or reckless, but unless such breach was solely negligent;
- any act or omission done with the intent to derive an illegal personal benefit; or
- any fine, civil fine, financial sanction or monetary settlement in lieu of criminal proceedings imposed on such Office Holder.

Insofar as the indemnification for liabilities arising under the Securities Act may be permitted to directors, officers or persons controlling the Registrant, the Registrant has been informed that in the opinion of the Commission, such indemnification is against public policy as expressed in the Securities Act and is therefore unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the Registrant of expenses incurred or paid by a director, officer or controlling person of the Registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the Registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

**Item 7. Exemption from Registration Claimed.**

Not applicable.

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**Item 8. Exhibits.**

The following is a list of exhibits filed as a part of this Registration Statement which are incorporated herein:

EXHIBIT NO.	EXHIBIT
<a href="#">1.1</a>	<a href="#">Articles of Association of Compugen, as amended (incorporated by reference to Annex A3 of Exhibit 99.4 to Compugen's report on Form 6-K filed with the SEC on August 5, 2019 (File No. 000-30902) and incorporated herein by reference).</a>
<a href="#">1.2</a>	<a href="#">Memorandum of Association of Compugen, as amended (incorporated by reference to Annex A2 of Exhibit 99.4 to Compugen's report on Form 6-K filed with the SEC on August 5, 2019 (File No. 000-30902) and incorporated herein by reference).</a>
<a href="#">5.1</a>	<a href="#">Opinion of Shibolet &amp; Co., Law Firm</a>
<a href="#">10.1</a>	<a href="#">Compugen Ltd. 2021 Employee Share Purchase Plan.</a>
<a href="#">23.1</a>	<a href="#">Consent of Kost Forer Gabbay &amp; Kasierer, a Member of Ernst &amp; Young Global</a>
<a href="#">23.2</a>	<a href="#">Consent of Shibolet &amp; Co., Law Firm (included in Exhibit 5.1)</a>
<a href="#">24.1</a>	<a href="#">Powers of Attorney (included in the signature pages to this Registration Statement)</a>

**Item 9. Undertakings.**

(a) The undersigned Registrant hereby undertakes:

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this Registration Statement:

- (i) To include any prospectus required by Section 10(a)(3) of the Securities Act;
- (ii) To reflect in the prospectus any facts or events arising after the effective date of the Registration Statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the Registration Statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of a prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than 20 percent change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective Registration Statement;
- (iii) To include any material information with respect to the plan of distribution not previously disclosed in the Registration Statement or any material change to such information in the Registration Statement;

*provided, however*, that paragraphs (a)(1)(i) and (a)(1)(ii) above shall not apply if the information required to be included in a post-effective amendment by those paragraphs is contained in reports filed with or furnished to the Commission by the Registrant pursuant to Section 13 or 15(d) of the Exchange Act that are incorporated by reference in the Registration Statement.

(2) That, for the purpose of determining any liability under the Securities Act, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial *bona fide* offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

(b) The undersigned Registrant hereby undertakes that, for purposes of determining any liability under the Securities Act, each filing of the Registrant's annual report pursuant to Section 13(a) or 15(d) of the Exchange Act (and, where applicable, each filing of an employee benefit plan's annual report pursuant to Section 15(d) of the Exchange Act) that is incorporated by reference in the Registration Statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial *bona fide* offering thereof.

(c) Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the Registrant pursuant to the foregoing provisions, or otherwise, the Registrant has been advised that in the opinion of the Commission such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by Registrant of expenses incurred or paid by a director, officer or controlling person of the Registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the Registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

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## SIGNATURES

*The Registrant.* Pursuant to the requirements of the Securities Act of 1933, the Registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-8 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in City of Holon, State of Israel, on December 10, 2020.

COMPUGEN LTD.

By: /s/ Anat Cohen-Dayag, Ph.D.

Anat Cohen-Dayag, Ph.D.

Chief Executive Officer and President

Each person whose signature appears below constitutes and appoints Anat Cohen-Dayag, Ph.D., Ari Krashin and Eran Ben Dor, and each of them singly, his true and lawful attorneys-in-fact and agents, with full power of substitution and re-substitution in each of them singly, for him and in his name, place and stead, and in any and all capacities, to sign any and all amendments (including post-effective amendments) to this Registration Statement of Compugen Ltd. and to file the same, with all exhibits thereto and other documents in connection therewith, with the Securities and Exchange Commission, granting to the attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite or necessary to be done in or about the premises, as full to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that the attorneys-in-fact and agents or any or each of them or their substitute may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed by the following persons in the capacities and on the dates indicated.

<u>Signature</u>	<u>Title(s)</u>	<u>Date</u>
<u>/s/ Anat Cohen-Dayag, Ph.D.</u> Anat Cohen-Dayag, Ph.D.	Chief Executive Officer and President and Director (principal executive officer)	December 10, 2020
<u>/s/ Ari Krashin</u> Mr. Ari Krashin	Chief Financial Officer (principal financial and accounting officer)	December 10, 2020
<u>/s/ Paul Sekhri</u> Mr. Paul Sekhri	Chairman of the Board	December 10, 2020
<u>/s/ Sandy Zweifach</u> Mr. Sandy Zweifach	Director	December 10, 2020
<u>/s/ Jean-Pierre Bizzari</u> Dr. Jean-Pierre Bizzari	Director	December 10, 2020
<u>/s/ Eran Perry</u> Mr. Eran Perry	Director	December 10, 2020
<u>/s/ Gilead Halevy</u> Mr. Gilead Halevy	Director	December 10, 2020
<u>/s/ Kinneret Linvat Savitzky</u> Dr. Kinneret Linvat Savitzky	Director	December 10, 2020
<b>Compugen USA, Inc.</b> <u>By: /s/ Julia Decker</u> Name: Julia Decker Title: Treasurer and Director of Finance of Compugen USA, Inc.	Authorized U.S. Representative	December 10, 2020

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Museum Tower - 4 Berkowits St. Tel Aviv  
6423806, Israel | T. 972.3.7778333  
F. 972.3.7778444 | www.shibolet.com

Tel Aviv, December 10, 2020

Compugen Ltd.  
Azrieli Center  
26 Harokmim Street, Building D  
Holon, 585849  
Israel

**Re: Compugen Ltd. - Registration Statement on Form S-8**

Ladies and Gentlemen:

We refer to the registration statement on Form S-8 (the "Registration Statement"), to be filed by Compugen Ltd., a company organized under the laws of the State of Israel (the "Registrant"), with the United States Securities and Exchange Commission under the Securities Act of 1933, as amended (the "Act"), relating to the registration of 600,000 of the Registrant's Ordinary Shares, nominal value NIS 0.01 each (the "Shares"), authorized for issuance under the Compugen Ltd. 2021 Employee Share Purchase Plan (the "Plan").

This opinion is being furnished in accordance with the requirements of Item 8 of Form S-8 and Item 601(b)(5)(i) of Regulation S-K.

In our capacity as the Registrant's Israeli external legal counsel in connection with the registering of the Shares pursuant to the Registration Statement, we have examined copies of the Registrant's Articles of Association, as amended, the Plan, protocols of meetings of the Board of Directors of the Registrant with respect to the reservation of the Shares for issuance under the Plan which were presented to us, and other corporate records, instruments and documents we have considered necessary or appropriate for the purpose of this opinion, which were presented to us by the Registrant, and such matters of Israeli law as we have considered necessary or appropriate for the purpose of rendering this opinion. We have assumed that the Registrant presented to us all such protocols and documents relating to or having any bearing on the Plan.

In our examination, we have assumed the genuineness of all signatures, the legal capacity of all natural persons, the correctness and completeness of certificates of public officials and the representations set forth therein, the authenticity of all documents submitted to us as originals and the conformity to authentic original documents of all documents submitted to us as copies. We have assumed the same to have been properly given and to be accurate and we have assumed the truth of all facts communicated to us by the Registrant. We have also assumed that all protocols of meetings of the Registrant's Board of Directors which have been provided to us are true and accurate and have been properly prepared in accordance with the Registrant's incorporation documents and all applicable laws. We have also assumed that each individual grant of right to participate in the Plan under the terms thereof to be made after the date hereof will be duly authorized by all necessary corporate action in accordance with the Israeli Companies Law, 5759-1999.

Based upon and subject to the foregoing, we are of the opinion that the Shares being registered pursuant to this Registration Statement have been duly and validly authorized for registration under the Registration Statement, and if, and when, issued and paid for upon the exercise of the right to participate in the Plan pursuant to the terms and conditions of the Plan, such Shares will be validly issued, fully paid and nonassessable.

We are members of the Israeli Bar and we are opining herein as to the effect on the subject matter only of the internal laws of the State of Israel, and we express no opinion with respect to the applicability thereto, or the effect thereon, of the laws of any other jurisdiction.

This opinion letter is rendered as of the date first written above and we disclaim any obligation to advise the Registrant of facts, circumstances, events or developments, including, without limitation, in the law, which hereafter may be brought to our attention and which may alter, affect or modify the opinion expressed herein. Our opinion is expressly limited to the matters set forth above and we render no opinion, whether by implication or otherwise, as to any other matters relating to the Registrant, the Plan or the Shares.

We consent to the filing of this opinion letter as Exhibit 5.1 to the Registration Statement. This consent is not to be construed as an admission that we are a party whose consent is required to be filed with the Registration Statement under Section 7 of the Act or the rules and regulations promulgated thereunder.

Very truly yours,

/s/ Shibolet & Co., Law Firm  
Shibolet & Co., Law Firm

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**COMPUGEN LTD.  
2021 EMPLOYEE SHARE PURCHASE PLAN**

1. **Purpose.** The purpose of the Plan is to provide incentive for present and future eligible Participants to acquire equity interests (or increase existing equity interests) in the Company through the purchase of Shares in order to promote the interest of the Company.

2. **Definitions.**

(a) **“Applicable Exchange”** means the NASDAQ Stock Market or such other securities exchange or inter-dealer quotation system as may at the applicable time be the principal market for the Shares.

(b) **“Applicable Percentage”** means the percentage specified in Section 6(b), subject to adjustment by the Committee as provided in Section 6(b).

(c) **“Board”** means the Board of Directors of the Company.

(d) **“Committee”** means the committee appointed by the Board to administer the Plan as described in Section 14 or, in the absence of a committee, the Board.

(e) **“Company”** means Compugen Ltd., an Israeli company, or any successor thereto.

(f) **“Company Transaction”** has the meaning given such term in Section 13(b)(iii).

(g) **“Compensation”** means, with respect to each Participant who is an Employee for each pay period: base salary, wages, overtime, and shift premium paid to such Participant by the Company or a Designated Subsidiary. Except as otherwise determined by the Committee, “Compensation” does not include: (i) any amounts contributed by the Company or a Designated Subsidiary to any pension plan, (ii) any automobile, relocation or housing allowances, or reimbursement for any expenses, including automobile, relocation or housing expenses, (iii) any amounts paid as a bonus, including a starting bonus, referral fee, annual bonus, relocation bonus, or sales incentives or commissions, (iv) any amounts realized from the exercise of any share options or incentive awards, (v) any amounts paid by the Company or a Designated Subsidiary for other fringe benefits, such as health and welfare, hospitalization and group life insurance benefits, disability pay, or perquisites, or paid in lieu of such benefits, or (vi) other similar forms of extraordinary compensation. **“Compensation”** means, with respect to each Participant who is a Consultant, for each period covered by an invoice or, in respect to Consultants paid on retainer, each period for which such retainer is paid, 80% of all fees and retainers paid to such Participant (or a company controlled by him or her), but excluding (i) any reimbursement for any expenses, including automobile, equipment, travel, and the like; (ii) any amounts paid as a bonus, including a starting bonus, referral fee, annual bonus, relocation bonus, or sales incentives or commissions, (iii) any amounts realized from the exercise of any share options or incentive awards, (iv) any amounts paid by the Company or a Designated Subsidiary for other fringe benefits, such as health and welfare, hospitalization and group life insurance benefits, disability pay, or perquisites, or paid in lieu of such benefits, or (v) other similar forms of extraordinary compensation.

(h) **“Consultant”** shall mean any consultant or adviser (including an office holder of the Company) engaged to provide services to the Company or any Designated Subsidiary who qualifies as a consultant or advisor under the applicable rules of the Securities and Exchange Commission for registration of shares on a Form S-8 Registration Statement.

(i) **“Designated Subsidiary”** shall mean Compugen USA, Inc. and any Subsidiary which has been designated by the Committee from time to time in its sole discretion as eligible to participate in the Plan. The Committee may designate, or terminate the designation of, a subsidiary as a Designated Subsidiary at any time upon its sole discretion.

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- (j) “Effective Date” means November 3, 2020.
- (k) “Employee” means any individual designated as an employee of the Company or a Designated Subsidiary on the payroll records thereof.
- (l) “Entry Date” means the first day of each Offering Period.
- (m) “ESPP Brokerage Account” has the meaning given such term in Section 9(a).
- (n) “Fair Market Value” means, if the Shares are listed on a national securities exchange, as of any given date, the closing price for a Share on such date on the Applicable Exchange, or if Shares were not traded on the Applicable Exchange on such measurement date, then on the closest preceding date on which Shares are so traded, all as reported by such source as the Committee may select. If the Shares are not listed on a national securities exchange, the Fair Market Value of a Share shall mean the amount determined by the Board in good faith.
- (o) “Offering” shall mean an offer under the Plan of an option that may be exercised at the end of an Offering Period as further described in Sections 4 and 5. Unless otherwise specified by the Committee, each Offering to the eligible Participants shall be deemed a separate Offering, even if the dates and other terms of the applicable Offering Periods of each such Offering are identical and the provisions of the Plan will separately apply to each Offering.
- (p) “Offering Period” means, subject to adjustment as provided in Section 4(b), the approximately six (6) month period beginning on each: (i) June 1 of each year and ending the last day of November of such year, or (ii) December 1 of each year and ending on the last day of May of the following year, until the Plan terminates; provided that the first Offering Period shall begin on January 1, 2021.
- (q) “Participant” means an Employee or a Consultant, in each case, who is eligible to participate in the Plan under Section 3 and who has elected to participate in the Plan by enrolling as provided in Section 5 hereof.
- (r) “Plan” means the Compugen Ltd. 2021 Employee Share Purchase Plan, including any other sub-plans or appendices hereto, as amended and/or restated from time to time.
- (s) “Plan Contributions” means, with respect to each Participant, the after-tax payroll deductions withheld from the Compensation of the Participant and contributed to the Plan for the Participant as provided in Section 7 hereof.
- (t) “Purchase Date” means the last day of each Offering Period.
- (u) “Purchase Price” means the price per Share offered in a given Offering Period determined as provided in Section 6(b).
- (v) “Section 409A” shall mean Section 409A of the Code and the Department of Treasury regulations and other interpretive guidance issued thereunder, including, without limitation, any such regulations or other guidance issued after the Effective Date.
- (w) “Share” means an ordinary share, par value NIS 0.01 per share, of the Company (including any new, additional or different shares or securities resulting from any change in capitalization pursuant to Section 13(b)).

(x) "Subsidiary" means any corporation of which the Company owns, directly or indirectly, 50% or more of the total combined voting power of all classes of stock.

(y) "Terminating Event" means a Participant ceases to be an Employee or a Consultant under any circumstances; provided, however, that, for purposes of the Plan, a Participant's status as an Employee shall be considered to be continuing intact while such Participant is on military leave, sick leave, or other bona fide leave of absence approved by the Committee or the Participant's supervisor; provided further, however, that if such period of leave of absence exceeds three (3) months, and the Participant's right to reemployment is not provided either by applicable law or by contract, the Participant's status as an Employee shall be deemed to have terminated on the first day immediately following such three (3)-month period. For purposes of the Plan, a Participant's status as a Consultant shall be considered to be continuing at such events determined by the Committee and also in the event that such Consultant is not entitled to any consideration under Consultant's contract during a specific period of time (even as a result of termination), provided that the Participant has a right to resume his or her right to consideration either by applicable law or by contract executed prior to the time Consultant became ineligible to said consideration. A transfer of a Participant's employment between or among the Company and/or Designated Subsidiaries (solely Designated Subsidiaries and not all Subsidiaries) shall not be considered a Terminating Event.

3. Eligibility.

(a) General Rule. Except as otherwise provided herein, all Employees and such Consultants designated by the Committee in writing shall be eligible to participate in the Plan.

(b) Exclusion. Notwithstanding the provisions of Section 3(a), the Committee may exclude from participation in the Plan (i) such Employees and Consultants who have not been employed or engaged by the Company or the Designated Subsidiary, as the case may be, for such continuous period preceding an Offering Period; (ii) temporary Employees; (iii) part-time Employees; (iv) Consultants who are entitled to annual Compensation below a certain amount specified by the Committee; and (v) other Employees and Consultants that do not meet other criteria set by the Committee.

4. Offering Periods.

(a) In General. The Plan shall generally be implemented by a series of Offering Periods, each of which lasts approximately six (6) months.

(b) Changes by Committee. The Committee shall have the authority to make changes to the occurrence, duration and/or the frequency of Offering Periods with respect to future Offering Periods if any such change is announced prior to the scheduled beginning of the first Offering Period to be affected by such changes, provided that the duration of an Offering Period may not exceed two (2) years from the Entry Date.

5. Participation. Employees and Consultants meeting the eligibility requirements of Section 3 hereof may elect to participate in the Plan commencing on any Entry Date for the applicable Offering Period by enrolling online in the manner and through the website designated by the Company during the period beginning on the First Enrollment Date and ending at 5:30 pm Israeli time on the Last Enrollment Date that corresponds to the applicable Offering Period set forth below:

<u>Offering Period</u>	<u>First Enrollment Date</u>	<u>Last Enrollment Date</u>
June 1 – November 30	May 1	May 31
December 1 – May 31	November 1	November 30

; provided, however, that before the Entry Date for any such Offering Period, the Committee may prescribe with respect to all Employees and Consultants meeting the eligibility requirements of Section 3 hereof any alternative enrollment period and method for such Offering Period.

Notwithstanding the foregoing, the first Offering Period under this Plan shall begin on January 1, 2021 (and end on May 31, 2021) and the First Enrollment Date for such Offering Period shall be December 15, 2020 and December 31, 2020 being the Last Enrollment Date for such Offering Period.

6. Grant of Option.

(a) Shares Subject to Option. On a Participant's Entry Date, the Participant shall be granted an option to purchase on the subsequent Purchase Date (at the Purchase Price determined as provided in Section 6(b) below) up to a number of Shares determined by dividing such Participant's Plan Contributions accumulated during the current Offering Period prior to such Purchase Date and retained in the Participant's account as of such Purchase Date by the Purchase Price; provided that the maximum number of Shares a Participant may purchase during any calendar year shall be that whole number of Shares determined by dividing \$40,000 by the Purchase Price; provided further that such maximum number of Shares may instead be established by the Committee as a fixed number or a different predetermined formula with respect to any Offering Period prior to the Entry Date thereof. No fractional Shares shall be issued or otherwise transferred upon the exercise of an option under the Plan.

(b) Purchase Price. The Purchase Price offered to each Participant in a given Offering Period shall be the Applicable Percentage of the Fair Market Value of a Share on the Entry Date or the Purchase Date, whichever is lower. The Applicable Percentage with respect to each Offering Period shall be 85% unless and until such Applicable Percentage is changed by the Committee, in its discretion, provided that any such change in the Applicable Percentage with respect to a given Offering Period must be established prior to the commencement of the enrollment process for such Offering Period.

(c) No Rights as Shareholder. Until a Participant's option has been exercised and the Shares have been purchased by such Participant in accordance with the provisions of the Plan and have actually been issued to such Participant or to an appointed nominee, such Participant shall (i) have no voting, dividend or other rights and/or privileges of a shareholder of the Company in respect of shares purchasable upon exercise of any part of such option, and (ii) shall not be deemed to be a class of shareholders or creditors of the Company under applicable law, including Sections 350 and 351 of the Israeli Companies Law - 1999.

(d) Bookkeeping Accounts Maintained. Individual bookkeeping account shall be maintained for all Participants. All Plan Contributions from a Participant's Compensation shall be credited to such Participants' Plan account. However, all Plan Contributions made for a Participant shall be deposited in the Company's or a Designated Subsidiary's general corporate bank accounts, and no interest shall accrue or be credited with respect to a Participant's Plan Contributions. All Plan Contributions received or held by the Company or a Designated Subsidiary may be used by the Company or such Designated Subsidiary for any corporate purpose, and neither the Company nor such Designated Subsidiary shall be obligated to segregate or otherwise set apart such Plan Contributions from any other corporate funds.

7. Plan Contributions.

(a) Contribution by Payroll Deduction. All contributions to the Plan made by eligible Participants who are Employees shall be made only by after-tax payroll deductions by the Company or Designated Subsidiary. All contributions to the Plan made by eligible Participants who are Consultants shall be made only by deductions from Compensation paid by the Company or Designated Subsidiary to such Consultants pursuant to the agreement governing the Consultant relationship. Unless otherwise determined by the Committee, all such contributions shall be paid in the same currency pursuant to which the Compensation is payable and if not in United States dollars will be exchanged into United States dollars as determined by the Committee.

(b) Payroll Deduction Election. At the time a Participant enrolls with respect to an Offering Period in accordance with Section 5, the Participant shall authorize payroll, or, solely in respect of Consultants, accounts payable, deductions from his or her Compensation to be made on each payroll, or, solely in respect of Consultants, invoice payment, date during the portion of the Offering Period that he or she is a Participant in an amount not less than 1% and not more than 15% of the Participant's Compensation on each payroll, or, solely in respect of Consultants, invoice payment, date during the portion of the Offering Period that he or she is a Participant, subject to any limitations and restrictions pertaining to payroll, or, solely in respect of Consultants, accounts payable, deductions pursuant to applicable law and subject further to any decision of the Committee to change the maximum cap of the payroll, or, solely in respect of Consultants, accounts payable, deduction (i.e. 15%) whether in general or in respect of certain Offering Period(s), as determined by the Committee. The amount of payroll, or, solely in respect of Consultants, accounts payable, deductions must be a whole percentage (e.g., 1%, 2%, 3%, etc.) of the Participant's Compensation. The amount of payroll, or, solely in respect of Consultants, accounts payable, deductions may be adjusted to the extent determined necessary or appropriate by the Committee.

(c) Commencement of Payroll Deductions. Except as otherwise determined by the Committee, payroll, or, solely in respect of Consultants, accounts payable, deductions shall commence with the earliest administratively practicable payroll, or, solely in respect of Consultants, invoice payment, date on or after the Entry Date with respect to which the Participant enrolls in accordance with Section 5, or is deemed to have elected continued participation in the Plan with respect to succeeding Offering Periods in accordance with Section 7(d).

(d) Automatic Continuation of Deductions for Succeeding Offering Periods. Subject to Section 12(a), with respect to each succeeding Offering Period, a Participant shall be deemed (i) to have elected to participate in such immediately succeeding Offering Period (and, for purposes of such Offering Period, the Participant's "Entry Date" shall be the first day of such succeeding Offering Period), and (ii) to have authorized the same payroll, or, solely in respect of Consultants, accounts payable, deduction for such immediately succeeding Offering Period as was in effect for the Participant immediately prior to the commencement of such succeeding Offering Period, unless such Participant elects otherwise prior to the Entry Date of such succeeding Offering Period, in accordance with Section 7(e) below or such Participant withdraws from the Plan in accordance with Section 12 hereof.

(e) Change of Deduction Election. A Participant may not decrease or increase the rate of his or her payroll, or, solely in respect of Consultants, accounts payable, deductions during an Offering Period, unless otherwise determined by the Committee. Using the authorization process designated for this purpose by the Company in accordance with Section 5 above authorizing a change in the rate of payroll, or, solely in respect of Consultants, accounts payable, deductions, a Participant may decrease or increase the rate of his or her payroll, or, solely in respect of Consultants, accounts payable, deductions (within the limitations of Section 7(b) above) commencing with the first Offering Period that begins after the date of such authorization. Additionally, a Participant may withdraw from an Offering Period as provided in Section 12(a) hereof.

(f) Automatic Changes in Deduction. The Company may decrease a Participant who is an Employee rate of payroll, or, solely in respect of a Participant who is a Consultant, accounts payable, deductions, but not below zero percent, at any time during an Offering Period to the extent necessary to comply with Section 6(a) or, as determined by the Committee in its discretion. Payroll, or, solely in respect of Consultants, accounts payable, deductions shall recommence at the rate provided in the Participant's enrollment at the beginning of the first Offering Period beginning in the following calendar year, unless the Participant's participation in the Plan terminates as provided in Section 12.

(g) Other Forms of Contributions Transfer. Notwithstanding any other provisions of the Plan to the contrary, where participation in the Plan through payroll, or, solely in respect of Consultants, accounts payable, deductions is prohibited or inapplicable (e.g., leave of absence that does not constitute a Terminating Event), the Committee may provide that an eligible Employee or Consultant may elect to participate through contributions to his or her account under the Plan in a form acceptable to the Committee (such as payment by cash, check, wire transfer or otherwise) in lieu of or in addition to payroll, or, solely in respect of Consultants, accounts payable, deductions, provided that such contributions are made prior to the Purchase Date of the respective Offering Period.

8. Exercise of Options and Purchase of Shares.

(a) Exercise of Options. On each Purchase Date, the option for the purchase of Shares of each Participant who has not withdrawn from the Plan shall be automatically exercised to purchase the number of whole Shares determined by dividing (i) the total amount of the accumulated Plan Contributions then credited to the Participant's account under the Plan during the Offering Period and not previously applied toward the purchase of Shares by (ii) the Purchase Price, subject to the limitations in Section 6(a) and any other limitation in the Plan.

(b) Pro Rata Allocation of Shares. If the aggregate number of Shares to be purchased by all Participants in the Plan on a Purchase Date exceeds the number of Shares available as provided in Section 13, the Company shall make a pro rata allocation of the remaining Shares in as uniform manner as practicable and as the Company determines to be equitable. Any fractional Share resulting from such pro rata allocation to any Participant shall be disregarded and shall not be issued.

(c) Delivery of Shares. As soon as practicable after each Purchase Date but in no event later than fourteen (14) days after the applicable Purchase Date, the Company shall arrange the delivery of the Shares purchased by each Participant on such Purchase Date to a broker designated by the Company that will hold such Shares for the benefit of each such Participant; provided that the Company may arrange the delivery to a Participant of a certificate representing such Shares. Shares to be delivered to a Participant under the Plan shall be registered in the name of the Participant.

(d) Return of Cash Balance. Any cash balance remaining in a Participant's Plan account following any Purchase Date shall be refunded to the Participant as soon as practicable after such Purchase Date but in no event later than fourteen (14) days after the applicable Purchase Date. However, if the cash balance to be returned to a Participant pursuant to the preceding sentence is less than the amount that would have been necessary to purchase an additional whole Share on such Purchase Date, the Company may arrange for the cash balance to be retained in the Participant's Plan account and applied toward the purchase of Shares in the subsequent Offering Period, as the case may be.

(e) Tax Withholding. Any tax consequences arising from participation in the Plan, the issuance, sale or disposition of Shares or from any other event or act (including, without limitation, by the Company, and/or any Designated Subsidiary or any Participant) hereunder shall be borne solely by the relevant Participant. Without derogating from the generality of the foregoing, at the time a Participant's option is granted or exercised, in whole or in part, or at the time a Participant disposes of some or all of the Shares he or she purchases under the Plan, the Participant shall make adequate provision for the federal, state, local, Israeli and other non-United States tax withholding obligations, if any, of the Company and/or the applicable Designated Subsidiary which arise upon grant or exercise of such option or upon such disposition of Shares, respectively. The Company and/or applicable Designated Subsidiary may, but shall not be obligated to: (i) pay all applicable federal, state, local, Israeli and other non-United States tax withholding taxes required by law to be withheld in respect of the options granted hereunder, by the sale of Shares purchased hereunder, in an amount reasonably determined by the Company to be sufficient to satisfy any such withholding tax required under applicable law; and/or (ii) withhold from the Participant's compensation the amount necessary to meet such withholding obligations as it may deem necessary or appropriate. Furthermore, by receiving any benefit under the Plan, a Participant shall be deemed to agree to indemnify the Company and the Designated Subsidiaries and hold them harmless against and from any and all liability for any such tax or interest or penalty thereon, including without limitation liabilities relating to the necessity to withhold, or to have withheld, any such tax from any payment or distribution made to such Participant.

(f) Expiration of Option. Any portion of a Participant's option remaining unexercised after the end of the Offering Period to which such option relates shall expire immediately upon the end of such Offering Period.

(g) Provision of Reports to Participants. Unless otherwise determined by the Committee, each Participant who has exercised all or part of his or her option under the Plan shall receive, as soon as practicable after the Purchase Date, a report of such Participant's Plan account setting forth the total Plan Contributions accumulated prior to such exercise, the number of Shares purchased, the Purchase Price for such Shares, the date of purchase and the cash balance, if any, remaining immediately after such purchase that is to be refunded or retained in the Participant's Plan account pursuant to Section 8(d). The report pursuant to this Section may be delivered in such form and by such means, including by electronic transmission, as the Company may determine.

9. Deposit of Shares into ESPP Brokerage Account. Notwithstanding any other provisions of the Plan to the contrary, the Company may require that the Shares purchased on behalf of each Participant under the Plan shall be deposited directly into a brokerage account which the Company may establish for the Participant at a Company-designated brokerage firm (such an account, the "ESPP Brokerage Account"). A Participant may sell Shares held in his or her ESPP Brokerage Account at any time.

10. Designation of Beneficiary.

(a) Designation. Unless otherwise determined by the Committee, a Participant may file with the Company (or a person or firm designated by the Committee) a written designation (in a form acceptable to the Committee) of a beneficiary who is to receive any Shares and/or cash, if any, otherwise deliverable from the Participant's Plan account and/or ESPP Brokerage Account in the event of the Participant's death prior to delivery to the Participant thereof, to the extent permitted and recognized by applicable law.

(b) Change of Designation; Absence of Designated Beneficiary. A Participant's beneficiary designation may be changed by the Participant at any time in the manner designated by the Company (or a person or firm designated by the Committee). In the event of the death of a Participant and in the absence of a beneficiary validly designated under the Plan in accordance with applicable law who is living at the time of such Participant's death, the Company (or a person or firm designated by the Committee) shall deliver such Shares and/or cash to the executor or administrator of the estate of the Participant, or if no such executor or administrator has been appointed (to the knowledge of the Company), the Company (or a person or firm designated by the Committee), in its discretion, may deliver such Shares and/or cash to the spouse or to any one or more dependents or relatives of the Participant, or if no spouse, dependent or relative is known to the Company, then to such other person as the Company may designate.

11. Transferability. Unless otherwise determined by the Committee, neither Plan Contributions credited to a Participant's account nor any option or rights to exercise any option or receive Shares under the Plan may be assigned, transferred, pledged or otherwise disposed of in any way (other than by will or the laws of descent and distribution, or as provided in Section 10). Any attempted such assignment, transfer, pledge or other disposition shall be without effect, except that the Company may treat such act as an election to withdraw in accordance with Section 12(a).

12. Withdrawal; Terminating Event.

(a) Withdrawal. A Participant may withdraw from an Offering Period at any time by giving written notice to the Company (or a person or firm designated by the Committee) not later than 5:30 pm Israel time on the last withdrawal date that corresponds to the applicable Purchase Date set forth below:

<u>Offering Period</u>	<u>Purchase Date</u>	<u>Last Withdrawal Date</u>
June 1 – November 30	Last day of November	November 23
December 1 – May 31	Last day of May	May 24

Payroll, or, solely in respect of Consultants, accounts payable, deductions, if any have been authorized, shall cease as soon as administratively practicable after receipt by the Company of the Participant's notice of withdrawal, in a form as prescribed by the Company, and, subject to administrative practicability, no further purchases shall be made for the Participant's account. All Plan Contributions credited to such Participant's account, if any, and not yet used to purchase Shares, shall be returned to the Participant as soon as administratively practicable after receipt of the Participant's notice of withdrawal (but in no event more than fourteen (14) days thereafter). Such Participant's unexercised options to purchase Shares pursuant to the Plan shall be automatically terminated. Payroll, or, solely in respect of Consultants, accounts payable, deductions will not resume on behalf of a Participant who has withdrawn from the Plan (a "Former Participant") unless the Former Participant enrolls in a subsequent Offering Period in accordance with Section 5 and subject to the restriction provided in Section 12(b), below.

(b) Effect of Withdrawal on Subsequent Participation. A Former Participant who has withdrawn from the Plan pursuant to Section 12(a) and who is an eligible Participant pursuant to Section 3, shall be eligible to participate in the Plan at the beginning of the next Offering Period following the date the Former Participant withdrew, and the Former Participant must submit a new enrollment in accordance with Section 5 in order to again become a Participant.

(c) Terminating or Transfer Event. If a Participant has a Terminating Event, (i) such Participant may not make further Plan Contributions, (ii) any amount of cash then credited to his or her Plan account shall be promptly returned to such Participant following the date of such Terminating Event, (iii) the Participant will not be permitted to purchase Shares under this Plan on the Purchase Date that follows such Terminating Event, and (iv) all Shares held in such Participant's ESPP Brokerage Account shall continue to be held in such ESPP Brokerage Account unless the Participant sells or transfers such Shares. For the avoidance of doubt, unless determined otherwise by the Committee, in the event that the employment or other service relationship of a Participant is transferred from the Company or a Designated Subsidiary, and such Participant becomes an employee or a consultant, of a Designated Subsidiary or the Company, such transfer of the Participant shall not constitute a Terminating Event. The Committee may establish rules to govern transfers of employment between the Company and the Designated Subsidiary and vis versa.

13. Shares Issuable under the Plan.

(a) Number of Shares. Subject to adjustment as provided in Section 13(b), the maximum number of Shares that may be issued under the Plan in the aggregate shall be 600,000. Such Shares issuable under the Plan may be authorized and unissued shares (which will not be subject to preemptive rights), Shares held in treasury by the Company, Shares repurchased by the Company on the open market or by private purchase or any combination of the foregoing. Any Shares issued under the Plan shall reduce on a Share-for-Share basis the number of Shares available for subsequent issuance under the Plan. If an outstanding option under the Plan for any reason expires or is terminated or cancelled, the Shares allocable to the unexercised portion of such option shall again be available for issuance under the Plan.

(b) Adjustments Upon Changes in Capitalization; Company Transactions.

i. If the outstanding Shares are increased or decreased, or are changed into or are exchanged for a different number or kind of shares, including as a result of one or more mergers, reorganizations, restructurings, recapitalizations, reclassifications, stock splits, reverse stock splits, stock dividends or the like, or there occurs a separation, spin-off or other distribution of stock or property (including any extraordinary dividend, but excluding any ordinary dividends) affecting the Company, then appropriate adjustments shall be made to the number and/or kind of shares available for issuance in the aggregate under the Plan and under each outstanding option under the Plan and to the Purchase Price thereof, in each case as determined by the Committee, in its discretion, and the Committee's determination shall be conclusive.



ii. In the event of any proposed dissolution or liquidation of the Company, immediately prior to the consummation of such proposed action, any outstanding Offering Period will terminate, and any Shares held in ESPP Brokerage Accounts, and all Plan Contributions credited to Participant Plan accounts and not used to purchase Shares, shall be distributed to each applicable Participant, unless otherwise provided by the Committee.

iii. In the event of sale of all or substantially all of the Company's assets, or a merger, amalgamation, consolidation, acquisition or sale or exchange of shares or similar event affecting the Company as aforesaid (each, a "Company Transaction"), then, as determined by the Committee, in its discretion, which determination shall be conclusive, either:

(A) each option under the Plan shall be assumed or an equivalent option shall be substituted by the Company's successor corporation or a parent corporation of such successor corporation, unless the Committee determines, in the exercise of its discretion, and in lieu of such assumption or substitution, to shorten the Offering Period then in progress by setting a new Purchase Date (the "New Purchase Date"). If the Committee shortens the Offering Period then in progress in lieu of assumption or substitution in the event of a Company Transaction, the Company shall notify each Participant in writing, prior to the New Purchase Date, that the Purchase Date for such Participant's option has been changed to the New Purchase Date, and that such Participant's option will be exercised automatically on the New Purchase Date, unless prior to such date the Participant has withdrawn from the Plan as provided in Section 12(a). For purposes of this Section 13(b), an option granted under the Plan shall be deemed to have been assumed if, following the Company Transaction, the option confers the right to purchase, for each Share subject to the option immediately prior to the Company Transaction, the consideration (whether shares, cash or other securities or property) received in the Company Transaction by holders of Shares for each Share held on the effective date of the Company Transaction (and if such holders were offered a choice of consideration, the type of consideration chosen by the holders of a majority of the outstanding Shares); provided, that if the consideration received in the Company Transaction was not solely common stock or Shares of the successor corporation or its parent corporation, the Committee may, with the consent of the successor corporation, provide for the consideration to be received upon exercise of the option to be solely common stock of the successor corporation or its parent corporation equal in fair market value to the per share consideration received by the holders of Shares in the Company Transaction; or

(B) the Plan shall terminate, and any Shares held in ESPP Brokerage Accounts and all the Plan Contributions credited to Participant Plan accounts and not yet used to purchase Shares, shall be distributed to each applicable Participant.

iv. In all cases, the Committee shall have discretion to exercise any of the powers and authority provided under this Section 13, and the Committee's actions hereunder shall be final and binding on all Participants. No fractional shares shall be issued under the Plan pursuant to any adjustment authorized under the provisions of this Section 13.

14. Administration. The Plan shall be administered by the Committee. The Committee shall have all authority that may be necessary or helpful to enable it to discharge its responsibilities with respect to the Plan. Without limiting the generality of the foregoing sentences of this Section 14, subject to the express provisions of the Plan, the Committee shall have full and exclusive discretionary authority to interpret and construe any and all provisions of the Plan and any agreements, forms, and instruments relating to the Plan; prescribe the forms and manner of any agreements, forms, and instruments, and all enrollment, designation or communication, relating to the Plan; determine eligibility to participate in the Plan; adopt rules and regulations for administering the Plan; adjudicate and determine all disputes arising under or in connection with the Plan; determine whether a particular item is included in "Compensation;" establish the exchange ratio applicable to amounts withheld in a currency other than United States dollars, retain and engage such third parties as it shall determine to assist with the administration of the Plan and make all other determinations necessary or advisable for the administration of the Plan. All decisions, actions and determinations by the Committee with respect to the Plan; any agreement, form or instrument relating to the Plan; or any operation or administration of the Plan shall be final, conclusive and binding on all persons. Subject to applicable laws, rules, and regulations, the Committee may, in its discretion, from time to time, delegate all or any part of its responsibilities and powers under the Plan to any employee or group of employees of the Company or any Subsidiary, and revoke any such delegation. Notwithstanding the foregoing, the Board, in its absolute discretion, may at any time and from time to time exercise any and all rights, duties and responsibilities of the Committee under the Plan, including, but not limited to, establishing procedures to be followed by the Committee.

15. Amendment, Suspension, and Termination of the Plan.

(a) Amendment of the Plan. The Board or the Committee may at any time, or from time to time, amend the Plan in any respect; provided that except as otherwise provided by Section 4(b) or Section 13(b), or to comply with any applicable law, regulation or rule, including rules, regulations and bylaws of any stock exchange on which the Company's shares are listed for trading, any such amendment will become effective immediately following the close of any Offering Period then in effect.

(b) Suspension of the Plan. The Board or the Committee may, at any time, suspend the Plan; provided that the Company shall provide notice to the Participants prior to the effectiveness of such suspension. The Board or the Committee may resume the operation of the Plan following any such suspension; provided that the Company shall provide notice to the Participants prior to the date of termination of the suspension period. A Participant shall remain a Participant in the Plan during any suspension period (unless he or she withdraws pursuant to Section 12(a)), however no options shall be granted or exercised, and no payroll deductions shall be made in respect of any Participant during the suspension period.

(c) Termination of the Plan. The Plan and all rights of Participants hereunder shall terminate on the earliest of:

i. the Purchase Date at which Participants become entitled to purchase a number of Shares greater than the number of Shares remaining available for issuance under the Plan pursuant to Section 13;

ii. such date as is determined by the Board in its discretion; or

iii. the last Purchase Date immediately preceding the tenth (10th) anniversary of the Effective Date.

Notwithstanding the foregoing to the contrary, (i) the Board may at any time, with notice to Participants, terminate an Offering Period then in progress and provide, in its discretion, that the outstanding balance of Plan Contributions credited to Participant Plan accounts and not yet used to purchase Shares shall either be (x) used to purchase Shares on an early Purchase Date established by the Board, or (y) distributed to the applicable Participants, and (ii) upon any termination of the Plan, any Offering Period then in progress shall be treated as may be determined by the Board in accordance with clause (i) of this sentence, and any Shares held in ESPP Brokerage Accounts shall be distributed to the applicable Participants.

16. Miscellaneous.

(a) Notices. All notices or other communications by a Participant to the Company under or in connection with the Plan shall be in writing and shall be deemed to have been duly given when received in the form specified by the Company at the location, or by the person or agent, designated by the Company for the receipt thereof.

(b) Expenses of the Plan. All costs and expenses incurred in administering the Plan shall be paid by the Company or a Designated Subsidiary, except that any stamp duties or transfer taxes applicable to participation in the Plan may be charged to the account of such Participant by the Company.

(c) Rights of Participants.

i. Rights or Claims. No person shall have any rights or claims under the Plan except in accordance with the provisions of the Plan and any applicable agreement thereunder. The liability of the Company or any Designated Subsidiary under the Plan is limited to the obligations expressly set forth in the Plan, and no term or provision of the Plan may be construed to impose any further or additional duties, obligations, or costs on the Company, any Designated Subsidiary or any other affiliate thereof or the Board or the Committee not expressly set forth in the Plan. The grant of any option under the Plan shall not confer any rights upon the Participant holding such option other than such terms, and subject to such conditions, as are specified in the Plan as being applicable to such option, or to all options. Without limiting the generality of the foregoing, neither the existence of the Plan nor anything contained in the Plan or in any agreement thereunder shall be deemed to:

- (A) give any Participant the right to be retained in the service of the Company or any Designated Subsidiary, whether in any particular position, at any particular rate of compensation, for any particular period of time or otherwise;
- (B) restrict in any way the right of the Company or any Designated Subsidiary to terminate, change or modify any Participant's employment or consulting relationship at any time with or without cause;
- (C) constitute a contract of employment between the Company or any Designated Subsidiary and any Employee, nor shall it constitute a right to remain in the employ of the Company or any Designated Subsidiary;
- (D) give any Employee or Consultant of the Company or any Designated Subsidiary the right to receive any bonus, whether payable in cash or in Shares, or in any combination thereof, from the Company and/or a Designated Subsidiary, nor be construed as limiting in any way the right of the Company and/or a Designated Subsidiary to determine, in its discretion, whether or not it shall pay any Employee or Consultant bonuses, and, if so paid, the amount thereof and the manner of such payment; or
- (E) give any Employee or Consultant any rights whatsoever with respect to any Share options except as specifically provided in the Plan and any applicable agreement thereunder.

ii. Options. Notwithstanding any other provision of the Plan, a Participant's right or entitlement to purchase any Shares under the Plan shall only result from continued employment, or other service relationship, with the Company or any Designated Subsidiary.

iii. No Effects on Benefits; No Damages. Any compensation received by a Participant under an option is not part of any (1) normal or expected compensation or salary for any purpose, as an employee or otherwise; (2) termination, indemnity, severance, resignation, redundancy, end of service payments; (3) bonuses; (4) long-service awards; (5) pension or retirement benefits; or (6) similar payments under any laws, plans, contracts, policies, programs, arrangements or otherwise, in each case, otherwise payable or provided to such Participant. A Participant shall, by participating in the Plan, waive any and all rights to compensation or damages in consequence of termination of employment of such Participant for any reason whatsoever, whether lawfully or otherwise, insofar as those rights arise or may arise from such Participant ceasing to have rights under the Plan as a result of such termination of employment, or from the loss or diminution in value of such rights or entitlements, including by reason of the operation of the terms of the Plan or the provisions of any statute or law relating to taxation. No claim or entitlement to compensation or damages arises from the termination of the Plan or diminution in value of any option or Shares purchased under the Plan.

iv. No Effect on Other Plans. Neither the adoption of the Plan nor anything contained herein shall affect any other compensation or incentive plans or arrangements of the Company or any Designated Subsidiary, or prevent or limit the right of the Company or any Designated Subsidiary to establish any other forms of incentives or compensation for their employees or grant or assume options or other rights otherwise than under the Plan.

(d) Participants Deemed to Accept Plan. By accepting any benefit under the Plan, each Participant and each person claiming under or through any such Participant shall be conclusively deemed to have indicated their acceptance and ratification of, and consent to, all of the terms and conditions of the Plan and any action taken under the Plan by the Board, the Committee or the Company, in any case in accordance with the terms and conditions of the Plan.

(e) Uncertificated Shares. To the extent that the Plan provides for issuance of certificates to reflect the transfer of Shares, the transfer of such Shares may nevertheless be affected on an uncertificated basis, to the extent not prohibited by applicable law or the rules, regulations and bylaws of any stock exchange. Notwithstanding any contrary Plan provisions prescribing the manner and form in which share certificates may be issued and/or Shares may be held by or on behalf of Participants, the Company and any affiliate thereof shall have the right to make such alternative arrangements as they may, in their discretion, determine, and which may include the transfer of Shares and/or the issue of share certificates to any nominee or trust or other third party arrangement established for the benefit in whole or in part of Participants.

(f) Governing Law. The Plan shall be governed by the laws of the State of Israel, excluding any conflicts or choice of law rule or principle that might otherwise refer construction or interpretation of the Plan to the substantive law of another jurisdiction. Participants are deemed to submit to the exclusive jurisdiction and venue of the courts in Tel-Aviv, Israel, to resolve any and all issues that may arise out of or relate to the Plan or any related document.

(g) No Constraint on Corporate Action. Nothing contained in the Plan shall be construed to prevent the Company or any Designated Subsidiary from taking any corporate action (including the Company's right or power to make adjustments, reclassifications, reorganizations or changes of its capital or business structure, or to merge or consolidate, or dissolve, liquidate, sell, or transfer all or any part of its business or assets) which is deemed by it to be appropriate, or in its best interest, whether or not such action would have an adverse effect on the Plan, or any rights awarded Participants under the Plan. No employee, consultant, beneficiary, or other person, shall have any claim against the Company or any Designated Subsidiary as a result of any such action.

(h) Section 16. The provisions and operation of the Plan are intended to result in no transaction under the Plan being subject to (and not exempt from) the rules of Section 16 of the Securities Exchange Act of 1934, as amended, to the extent such rules are or become applicable to the Company.

(i) Requirements of Law: Limitations on Awards.

i. The Plan, the granting, acceptance and exercise of options and the issuance of Shares under the Plan and the Company's obligation to sell and deliver Shares upon the exercise of options to purchase Shares shall be subject to all applicable laws, rules, and regulations, and to such approvals by any governmental agencies or national securities exchanges as may be required.

ii. If at any time the Committee shall determine, in its discretion, that the listing, registration and/or qualification of Shares upon any securities exchange or under any state, Federal or non-United States law, or the consent or approval of any governmental regulatory body, is necessary or desirable as a condition of, or in connection with, the sale or purchase of Shares hereunder, the Company shall have no obligation to allow the grant or exercise of any option under the Plan, or to issue or deliver evidence of title for Shares issued under the Plan, in whole or in part, unless and until such listing, registration, qualification, consent and/or approval shall have been effected or obtained, or otherwise provided for, free of any conditions not acceptable to the Committee.

iii. If at any time counsel to the Company shall be of the opinion that any sale or delivery of Shares pursuant to an option is or may be in the circumstances unlawful or result in the imposition of excise taxes on the Company, any Designated Subsidiary or any affiliate respectively thereof under the statutes, rules or regulations of any applicable jurisdiction, the Company shall have no obligation to make such sale or delivery, or to make any application or to effect or to maintain any qualification or registration under the United States Securities Act of 1933, as amended, or otherwise with respect to Shares or options, and the right to exercise any option under the Plan shall be suspended until, in the opinion of such counsel, such sale or delivery shall be lawful or will not result in the imposition of excise taxes on the Company, any Designated Subsidiary or any such affiliate.

iv. Upon termination of any period of suspension under Section 16(i)(iii), any option affected by such suspension which shall not then have expired or terminated shall be reinstated as to all Shares available before such suspension and as to the Shares which would otherwise have become available during the period of such suspension, but no suspension shall extend the term of any option.

v. The Committee may require each person receiving Shares in connection with any option under the Plan to represent and agree with the Company in writing that such person is acquiring such Shares for investment without a view to the distribution thereof, and/or provide such other representations and agreements as the Committee may prescribe. The Committee, in its absolute discretion, may impose such restrictions on the ownership and transferability of the Shares purchasable or otherwise receivable by any person under any option as it deems appropriate. Any such restrictions may be set forth in the applicable agreement, and the certificates evidencing such shares may include any legend that the Committee deems appropriate to reflect any such restrictions.

(j) Data Protection. By participating in the Plan, each Participant consents to the collection, processing, transmission and storage by the Company and any Designated Subsidiary, in any form whatsoever, of any data of a professional or personal nature which is necessary for the purposes of administering the Plan. The Company and any Designated Subsidiary may share such information with any affiliate thereof, any trustee, its registrars, brokers, other third-party administrator or any person who obtains control of the Company or any Designated Subsidiary or any affiliate respectively thereof, or any division respectively thereof.

(k) Electronic Delivery. Any reference in the Plan or any related agreement to an agreement, document, statement, instrument or notice, whether written or otherwise, will include any agreement, document, statement, instrument or notice delivered electronically, filed publicly at [www.sec.gov](http://www.sec.gov) (or any successor website thereto) or posted on the Company's SharePoint (or similar site).

(l) Drafting Context: Captions. Except where otherwise indicated by the context, any masculine term used herein also shall include the feminine; the plural shall include the singular and the singular shall include the plural. The word "Section" herein shall refer to provisions of the Plan, unless expressly indicated otherwise. The words "include," "includes," and "including" herein shall be deemed to be followed by "without limitation" whether or not they are in fact followed by such words or words of similar import, unless the context otherwise requires. The headings and captions appearing herein are inserted only as a matter of convenience. They do not define, limit, construe, or describe the scope or intent of the provisions of the Plan.

(m) Rules for Israeli and Other Jurisdictions.

i. With respect to Employees employed in Israel, the Plan may qualify, in the discretion of the Company, under any tax route of Section 102 of the Israeli Tax Ordinance (as amended) and/or under any tax ruling given in this matter by the Israeli tax authorities (if any). Notwithstanding any other provision of the Plan, the grant of options and issuance of Shares hereunder is subject to any rules, regulations and limitations of applicable law resulting from the tax route elected by the Company or as promulgated by such tax ruling (if any). As a condition for grant of options and issuance of Shares hereunder, a Participant shall execute any document and assume any obligation required by the Company in order to comply with such rules, regulations and limitations, including any trust arrangement (if applicable).

ii. The Committee may adopt rules or procedures relating to the operation and administration of the Plan to accommodate the specific requirements of local laws and procedures. Without limiting the generality of the foregoing, the Committee is specifically authorized, in its discretion, to adopt rules and procedures regarding the exclusion of particular Subsidiaries from participation in the Plan, eligibility to participate, the definition of Compensation, handling of payroll deductions, payment of interest, conversion of local currency, data privacy security, payroll tax, withholding procedures, establishment of bank or trust accounts to hold payroll deductions or contributions, determination of beneficiary designation requirements, and handling of share certificates which vary with local requirements. The Committee may also adopt sub-plans applicable to particular Designated Subsidiaries, locations or classes of Employees. The rules of any such sub-plans shall take precedence over other provisions of the Plan, but unless otherwise superseded by the terms of such sub-plan, the provisions of the Plan shall govern the operation of such sub-plan.

(n) Section 409A. The Plan and the options granted pursuant to Offerings thereunder are intended to comply with Section 409A. Notwithstanding any provision of the Plan to the contrary, if the Committee determines that any option granted under the Plan may be or become subject to Section 409A or that any provision of the Plan may cause an option granted under the Plan to be or become subject to Section 409A, the Committee may adopt such amendments to the Plan and/or adopt other policies and procedures (including amendments, policies and procedures with retroactive effect), or take any other actions as the Committee determines are necessary or appropriate to avoid the imposition of taxes under Section 409A, either through compliance with the requirements of Section 409A or with an available exemption therefrom.

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**CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

We hereby consent to the incorporation by reference in the Registration Statement on Form S-8 of Compugen Ltd. pertaining to the Compugen Ltd. 2021 Employee Share Purchase Plan of our reports dated February 24, 2020, with respect to the consolidated financial statements of Compugen Ltd., and the effectiveness of internal control over financial reporting of Compugen Ltd. included in its Annual Report on Form 20-F for the year ended December 31, 2019, filed with the Securities and Exchange Commission.

Tel Aviv, Israel  
December 10, 2020

/s/ KOST FORER GABBAY & KASIERER  
KOST FORER GABBAY & KASIERER  
A Member of Ernst & Young Global

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