

RULES
of the
TRISTEL PLC
EXECUTIVE PERFORMANCE SHARE PLAN 2021

Approved by Shareholders on [] [] 2020

Adopted by Resolution of the Board on [] [] 2020

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1. **DEFINITIONS**

1.1 In these Rules the following words and expressions shall, unless the context otherwise requires, have the meanings set opposite them:-

“AIM”	the Alternative Investment Market of the London Stock Exchange;
“AIM Rules”	the published rules applying to companies whose shares are admitted to trading on AIM;
“Announcement Date”	the date on which the Company makes an announcement to the London Stock Exchange of the Company’s results for any financial period;
“Appendix”	an appendix to the Option Agreement;
“Auditors”	the auditors of the Company from time to time;
“Committee”	the remuneration committee of the board of directors of the Company from time to time or a duly constituted sub-committee thereof or where no such committee exists the board of directors of the Company;
“Closed Period”	Any period of time during which an Option Holder is prohibited from dealing in the Company's Shares whether pursuant MAR, the AIM Rules or otherwise;
“Company”	Tristel plc, registered no. 04728199;
“Control”	has the meaning given in section 995 of the Income Tax Act 2007;
“Date of Grant”	the date of an Option Agreement;
“Dealing Day”	a day on which the London Stock Exchange is open for the transaction of business;
“Eligible Employee”	an executive director of the Company;

“Employees’ Share Scheme”	has the meaning ascribed thereto by Section 1166 of the Companies Act 2006 and includes the Scheme;
“Employing Company”	means the company by reference to which the Option Holder is an Eligible Employee or, where any Subsidiary is liable to account to HMRC for any Option Tax Liability, that Subsidiary;
“HMRC”	HM Revenue & Customs;
“ITEPA”	Income Tax (Earnings and Pensions) Act 2003;
“London Stock Exchange”	London Stock Exchange plc;
“MAR”	the EU Market Abuse Regulation (596/2014) or other applicable legislation or internal policies related to restrictions on dealing relating to Shares;
“Operational Date”	the date on which the Scheme is approved and adopted by the Committee ;
“Option”	an option to acquire Shares granted pursuant to the Rules and an Option Agreement;
“Option Agreement”	the agreement documenting an Option which is entered into by an Eligible Employee and the Company and which complies with the requirements of Rule 2.5;
“Option Holder”	an individual to whom an Option has been granted or, if that individual has died, his executors or personal representatives;
“Option Price”	£0.01 per Share;
“Option Shares”	the shares over which the Option subsists;
“Option Tax Liability”	all liabilities to income tax, employee national insurance contributions or any other taxation or similar duties arising in the exercise of an Option which are payable by an Option Holder, but which an Employing Company may have to account to HMRC under the PAYE system or any other authority for (but not employers' national insurance contributions);

“Performance Conditions”	the performance conditions imposed by the Committee pursuant to Rule 2.7 of the Rules;
“Rules”	these rules as altered or varied from time to time;
“Schedule”	the schedule to these Rules;
“Scheme”	the performance share plan for executive directors constituted and governed by these Rules known as the Tristel plc Executive Performance Share Plan 2021;
“Scheme Period”	the period commencing on the Operational Date and ending on 31 December, 2021
“Share”	an ordinary share of £0.01 in the capital of the Company;
"Subsidiary"	has the meaning ascribed to it in the Companies Act 2006;
“Subsisting Option”	means an Option which has neither lapsed nor been exercised;
"Vested"	means the extent to which an Option is capable of being exercised, as a result of the applicable Performance Condition(s) having been satisfied and "Vest" and "Vesting" shall be construed accordingly;

1.2 In these Rules unless the context otherwise requires:-

1.2.1 words denoting the singular shall include the plural and vice versa;

1.2.2 words denoting the masculine gender shall include the feminine gender;
and

1.2.3 any reference to any enactment shall be construed as a reference to that enactment as from time to time amended, extended or re-enacted.

2. GRANT OF OPTIONS

2.1 The Company may during the Scheme Period grant Options from time to time to Eligible Employees selected by the Committee .

2.2 During the Scheme Period the Company may only grant options:

2.2.1 in relation to the first grant of Options, at any time within a period of 42 days after the Operational Date;

- 2.2.2 at any time within a period of 42 days after an Announcement Date; and
 - 2.2.3 at a time when the Committee deems there are exceptional circumstances justifying the grant of an Option.
- 2.3 In the event of the Company being prevented by MAR or the AIM Rules or, if relevant, by any statute, order, regulation, government directive or other restriction from granting Options within the periods specified in Rule 2.2, then the Company shall be permitted to grant such Options within a further period of 42 days commencing on the date the said restriction is first lifted provided that the further period does not straddle a Closed Period. If the further period of 42 days would straddle a Closed Period it shall cease on the day prior to the commencement of any Closed Period.
- 2.4 The Company shall enter into an Option Agreement with each Eligible Employee selected pursuant to Rule 2.1.
- 2.5 Each Option Agreement shall constitute an Option granted by the Company in favour of the Eligible Employee to acquire Shares, and shall:
 - 2.5.1 state the date on which the Option is granted;
 - 2.5.2 specify the maximum number of Shares that may be acquired on exercise of the Option;
 - 2.5.3 specify the Option Price;
 - 2.5.4 state the time and method of exercise;
 - 2.5.5 state the Performance Conditions;
 - 2.5.6 include an indemnity in respect of any Option Tax Liability; and
 - 2.5.7 be in writing and signed by the Company and by the Eligible Employee.
- 2.6 The number of Shares to be included in any Option granted shall be determined by the Committee in its discretion.
- 2.7 The Committee shall also determine that, notwithstanding any provisions of this Scheme, an Option may not be exercised in whole or in part until such additional Performance Conditions as are specified in the Option Agreement have been satisfied PROVIDED that no such Performance Conditions shall entitle or be

deemed to entitle the holder of a relevant Option (or part of an Option) to exercise it any later than the tenth anniversary of the relevant Date of Grant.

3. AMENDMENTS

3.1 Amendments to Rules

The Committee, subject to Rule 3.3, may from time to time in its absolute discretion make such amendments to the Scheme as it deems desirable.

3.2 Amendments to Option Agreements

The Committee may from time to time, subject to Rule 3.3, alter or add to any Option Agreement in such manner and to such extent as the Committee may think fit.

3.3 Rights of Option Holders

3.3.1 No alteration or addition to the Rules shall be made which shall materially and adversely affect the rights of an Option Holder as regards an Option granted prior to the alteration or addition being made.

3.3.2 No alteration or addition to any Option Agreement shall be made without the written agreement of the Option Holder.

4. ADMINISTRATION

4.1 Committee to Administer Scheme

The Scheme shall be administered by the Committee whose decision on all disputes and matters concerning the interpretation of the Rules and terms of an Option and assessment of any Performance Conditions shall be final.

4.2 Costs of Establishing Scheme

The cost of establishing and operating the Scheme shall be borne by the Company and its Subsidiaries in such proportions as the Committee shall determine.

4.3 Notices

Any notice, communication or other document required to be given hereunder or in connection with the Scheme shall be in writing and may be given either by personal delivery or by sending the same by first class post, in the case of the Committee to

the Company's Registered Office (or at such other place as the Committee may determine and notify to Eligible Employees or Option Holders) addressed to the Company Secretary, and in the case of any Eligible Employee and/or Option Holder to his last known address or to the address of the place of business at which he performs the whole or substantially the whole of the duties of his office or employment. Where a notice, communication or other document is sent by post it shall be deemed to have been received the day following the day it was put into the post properly addressed and stamped.

4.4 **Unissued Shares**

The Company shall keep available for issue sufficient unissued Shares to satisfy all rights from time to time subsisting in respect of Options granted by the Committee to be satisfied on exercise by allotment of Shares from the unissued share capital of the Company.

5. **GOVERNING LAW**

The Scheme, the Rules and all other documents relating to the Scheme shall be governed by and construed in accordance with English Law.

6. **ESTABLISHMENT OF THE SCHEME**

The Scheme shall be established and shall come into operation on the Operational Date.