

## Albion Enterprise VCT PLC

### Table of compliance with the Corporate Governance Code of the Association of Investment Companies ("the AIC Code")

The table below shows how the Company has complied with the AIC Code throughout the year ended 31 March 2025.

AIC Code	Principle	Compliance and/or explanation to the AIC Code
A	A successful company is led by an effective board, whose role is to promote the long-term sustainable success of the company, generating value for shareholders and contributing to wider society. (Incorporates relevant content from UK Code Principle A)	<p>The Board meets at least once every quarter to, amongst other things, assess the Company's performance, portfolio of investments and future prospects. It defines, evaluates and ranks its major risks to continued success and describes them within its Principal and Emerging Risks table published as part of its Annual Report, alongside its Investment Policy and objectives.</p> <p>The Board and the Manager are committed to managing the Company and its investment strategy in a sustainable manner, and further information is contained in the Environmental, Social and Governance ("ESG") Report in the Annual Report.</p> <p>The effectiveness of the Board and the Chairman is reviewed annually.</p>
B	The board should establish the company's purpose, values and strategy, and satisfy itself that these and its culture are aligned. All directors must act with integrity, lead by example and promote the desired culture. (UK Code Principle B)	<p>The purpose of the Company is aligned with its investment objective to provide investors with a regular and predictable source of income, combined with the prospect of long term capital growth, through a balanced portfolio of predominantly unquoted growth and technology businesses.</p> <p>The Board held an annual strategy meeting during the year where important issues faced by the Company and the industry were discussed. Discussions were had focussing on the future outlook of the Company, including the merger with Albion Development VCT PLC. Additionally, as part of the merger discussions in the year, the strategy and performance of the Company were discussed in depth, as well as Board composition.</p> <p>The Board promotes a culture of openness and integrity, as well as constructive challenge through ongoing engagement and dialogue with the Manager and the Company's key stakeholders. The Board formally evaluates its own performance as well as the Chairman and Audit and Risk Committee's performance on an annual basis.</p>
C	The board should ensure that the necessary resources are in place for the company to meet its objectives and measure performance against them. The board should also establish a framework of prudent and effective controls, which enable risk to be assessed and managed. (UK Code Principle C)	<p>The Board and the Audit &amp; Risk Committee regularly review the performance of the Company, the resources of the Manager, and future prospects of the underlying portfolio of investments. The Board report in the Annual Report on their objectives and how these have been met. The Manager, Albion Capital Group LLP ("Albion") reports to the Board on the Company's performance and discuss this with the Board against its industry peers on a regular basis. The Board is then able to determine whether or not its performance is satisfying, and what actions, if any, are needed to make improvement.</p> <p>The Board also review a formal document covering the risks the Company faces as well as its mitigations and the internal controls that are in place. This document is reviewed, discussed and amended accordingly on a regular basis.</p>
D	In order for the company to meet its responsibilities to shareholders and stakeholders, the board should ensure effective engagement with, and encourage participation from, these parties. (UK Code Principle D)	<p>The Board has a duty to promote the success of the Company and to ensure that its obligations to Shareholders are met. The Company communicates with Shareholders and solicits their views where it is appropriate to do so.</p> <p>The Board approves the circulation of the Half-Year and Annual Report and Financial Statements to Shareholders. Shareholders are welcome at the Annual General Meeting which provides a forum for Shareholders to ask questions of the Directors and Albion and to discuss issues affecting the Company with them. Albion also organises an annual shareholder event which the Board attends, to listen to any views that Shareholders may have and answer any questions about the Company. The Albion website has an archive of all current and historic reports and information about the Company.</p>
E	Intentionally left blank in the AIC Code	
F	The chair leads the board and is responsible for its overall effectiveness in directing the company. They should demonstrate objective judgement throughout their tenure and promote a culture of openness and debate. In addition, the chair facilitates constructive board relations and the effective contribution of all non-executive directors, and ensures that directors receive accurate, timely and clear information. (UK Code Principle F)	<p>The effectiveness of the Board and the Chairman is reviewed regularly. The Board carried out a performance evaluation review in respect of the year ended 31 March 2025. As part of their review, the Directors considered the performance of each of the Directors and of the Board as a whole in relation to specific areas of their activity. The performance of the Chairman was also assessed. The Board as a whole discussed the outcome of the performance evaluation, and led by the Chairman, considered and agreed a plan of action to rectify any shortfalls where appropriate and priorities for the year ahead. The Board concluded that the performance of the Board, the Chairman and the Directors remained effective, and that directors had received accurate, timely and clear information.</p>
G	The board should consist of an appropriate combination of directors (and, in particular, independent non-executive directors) such that no one individual or small group of individuals dominates the board's decision making. (Incorporates relevant content from UK Code Principle G)	<p>The Board believes that there is a diversity of skill, gender, experience and approach amongst the Board members, each of whom are independent non-executive directors. The composition of the Board was reviewed at the time of the merger discussions with Albion Development VCT PLC and it was determined that the Board should consist of members from both companies to provide continuity for shareholders of the two companies and knowledge of the respective portfolios and company histories. Both the Board and the Nomination Committee give careful consideration to issues of board balance and diversity when considering board composition and appointments. Details of each Director's experience and background is set out in the Annual Report.</p>

H	<p>Non-executive directors should have sufficient time to meet their board responsibilities. They should provide constructive challenge, strategic guidance, offer specialist advice and hold third party service providers to account. (Incorporates relevant content from UK Code Principle H)</p>	<p>The Board make declarations of their own potential conflicts of interest and external engagements on an ongoing basis. They are asked to evaluate the amount of time committed in their external roles to ensure that they remain able to carry out all their required duties to the Company.</p> <p>The Board meet quarterly to discuss the Company's activities with Albion. The Board have the opportunity to provide constructive challenge and strategic guidance of both the Company and its service providers' performance and methods through direct communication with Albion.</p> <p>The Board carries out a formal review of Albion and other key suppliers on an annual basis.</p>
I	<p>The board, supported by the company secretary, should ensure that it has the policies, processes, information, time and resources it needs in order to function effectively and efficiently. (UK Code Principle I)</p>	<p>Albion was the Corporate Company Secretary to the Company throughout the year ended 31 March 2025. The Company Secretarial team at Albion works in close communication with the Board, providing regular updates on matters for their consideration. Additionally, Albion are currently undergoing a corporate governance health check by Lavery Governance Consulting. The Board will have access to the report once the health check has been completed. The Directors have access to independent professional advice where they deem it necessary to discharge their responsibilities properly.</p>
J	<p>Appointments to the board should be subject to a formal, rigorous and transparent procedure, and an effective succession plan should be maintained. Both appointments and succession plans should be based on merit and objective criteria and, within this context, should promote diversity of gender, social and ethnic backgrounds, cognitive and personal strengths. (Incorporates relevant content from UK Code Principle J)</p>	<p>The Nomination Committee is responsible for proposing candidates for appointment to the Board and for overseeing the recruitment process. The Board and its Committees comprise of independent directors. As of 19 December 2024, following the completion of the Merger with Albion Development VCT PLC ("AADV"), the Board considered the skills and diversity that the existing directors of AADV would bring and deemed it appropriate that Ben Larkin and Lord James O'Shaughnessy would join Chris Burrows, Pippa Latham and Rhodri Whitlock on the Board of the Company.</p> <p>The Committee considers diversity and equality in its recruitment of any new director, and promotes appointments based on merit, with a focus on identifying and seeking the required skills, expertise and experience that is needed to supplement the existing Board.</p>
K	<p>The board and its committees should have a combination of skills, experience and knowledge. Consideration should be given to the length of service of the board as a whole and membership regularly refreshed. (UK Code Principle K)</p>	<p>The Board conducts an annual review of its performance and that of its individual directors, including length of service of Directors.</p> <p>The Board believe that there is a diversity of skills, gender, experience and approach amongst the Board members. The Nomination Committee give careful consideration to issues of Board balance and diversity when considering Board composition and appointments. Details of each Director's experience and background are set out in the Annual Report.</p> <p>The Board does not have a strict policy of limiting the tenure of any Director as the Board does not consider that a Director's length of service reduces their ability to act independently of the Manager. However, it is agreed that, as far as practical, the independent Directors should have no more than a nine year tenure.</p>
L	<p>Annual evaluation of the board should consider its composition, diversity and how effectively members work together to achieve objectives. Individual evaluation should demonstrate whether each director continues to contribute effectively. (UK Code Principle L)</p>	<p>The Board conducts an annual review of its performance and that of its individual directors on an annual basis.</p> <p>During this evaluation, consideration is given to the effectiveness of the Board's current methods of working, both with itself, and with Albion. Practical issues are highlighted and a collaborative approach is used with the Manager to seek improvement in areas where it is deemed to be beneficial.</p>
M	<p>The board should establish formal and transparent policies and procedures to ensure the independence and effectiveness of external audit functions and satisfy itself on the integrity of financial and narrative statements. (Incorporates relevant content from UK Code Principle M)</p>	<p>The Board has established an Audit and Risk Committee tasked with monitoring the integrity of financial statements of the company, conducting a tender process for the external auditor and making recommendations for the appointment of an external auditor. The Committee reviews the external auditor's independence and objectivity, with a final review and recommendation for the proposal to Shareholders of its reappointment taking place at its year end meeting, usually held in June/July.</p> <p>In 2023 the Audit and Risk Committee commenced a formal audit tender process, and several firms were invited to tender. During the audit tender process, prospective auditors were evaluated using guidance issued by the Financial Reporting Council in February 2017 and the Board completed a two-stage process which considered and evaluated relevant expertise, audit firm quality, audit firm resilience and value for money. No non-audit services have been provided by the Company's external auditor.</p> <p>The Board is of the belief that the committee members provides the necessary balance and diversity of opinion required to achieve an objective assessment.</p>
N	<p>The board should present a fair, balanced and understandable assessment of the company's position and prospects. (UK Code Principle N)</p>	<p>The Board considers a report from Albion at each of its quarterly meetings which provides information on the performance of each of the investments in the portfolio, recent or forthcoming corporate actions at any of the portfolio companies and other matters related to the portfolio. The Board monitors the investments made by Albion to ensure they are in line with the Company's Investment Policy. The Board also considers peer group performance, asset allocation and wider industry and economic issues in reviewing investment performance and strategy. In addition, the Board monitors financial and other internal controls including maintenance of VCT status and the level of share price discount.</p> <p>In light of this information provided by Albion and its other professional advisers, the Board formally reviews and discusses all its communications with Shareholders, particularly within its Half-Year and Annual Reports to ensure that it is presenting an informed, transparent, fair, balanced and understandable assessment of the Company's position and prospects to its Shareholders.</p>

O	<p>The board should establish procedures to manage risk, oversee the internal control framework, and determine the nature and extent of the principal risks the company is willing to take in order to achieve its long-term strategic objectives. (UK Code Principle O)</p>	<p>The Board has established a schedule of internal controls which highlights key risks and enables it to plan, measure and manage how it mitigates threats to its performance, and to prioritise its resources in doing so. These schedules are reviewed regularly by its Audit &amp; Risk Committee.</p> <p>The Board monitors performance against its agreed strategy on an ongoing basis and reviews its overall strategy at its strategy meeting.</p> <p>From this, the Board reviews and defines the Company's Principle and Emerging Risks, which are then published and explained, along with information on associated mitigation measures, alongside the Company's key policies in the Strategic Report within the Company's Annual Report and Financial Statements.</p>
P	<p>Remuneration policies and practices should be designed to support strategy and promote long-term sustainable success. (Incorporates relevant content from UK Code Principle P)</p>	<p>The Remuneration Committee formally considers the remuneration of the Directors annually and makes recommendations to the Board. The Board reviews its Remuneration Policy every three years to ensure that it remains appropriate and effective in enabling the Company to deliver its long-term strategic aims. It ensures that the Policy does not conflict with any of its key policies and objectives. The Company seeks Shareholder approval of its Remuneration Policy by resolution at the Annual General Meeting on a 3 year basis.</p> <p>The Board are satisfied that the remuneration of the directors is aligned to the Company's Remuneration Policy.</p>
Q	<p>A formal and transparent procedure for developing policy on remuneration should be established. No director should be involved in deciding their own remuneration outcome. (Incorporates relevant content from UK Code Principle Q)</p>	<p>The Remuneration Committee formally considers the remuneration of the Directors annually and makes recommendations to the Board. The Committee reviews industry standards with regards to directors' remuneration to ensure that the level of remuneration remains appropriate and competitive so as to ensure that it is able to attract and maintain the level of experience and expertise required for an effective Board. The Board must be satisfied that the remuneration of the directors is aligned to the Company's Remuneration Policy.</p> <p>The Company published a Directors' Remuneration report which provides a detailed breakdown of directors' level of remuneration for both the forthcoming year and the year in review, in its Annual Report &amp; Financial Statements. The Company seeks Shareholder approval of its Remuneration Policy by resolution at the Annual General Meeting on a 3 year basis.</p> <p>For further details, see the Annual Report and Financial Statements.</p>
R	<p>Directors should exercise independent judgement and discretion when authorising remuneration outcomes, taking account of company and individual performance, and wider circumstances. (UK Code Principle R)</p>	<p>The Remuneration Committee considers the remuneration of the Directors annually and makes recommendations to the Board. One of the main principles of the Company's Remuneration Policy is that directors' fees should take account of the workload and responsibilities of each Director and the value and amount of time that each Director is required to commit to the Company. Any decision on remuneration is taken after considering current market conditions. For further details, see the Annual Report and Financial Statements.</p>