

# MOBEUS INCOME & GROWTH VCT PLC

Lucy Armstrong  
1B St Georges Terrace  
Jesmond  
Newcastle upon Tyne  
NE22 2SU

31 January 2022

Dear Lucy,

I am pleased to confirm that the Nomination and Remuneration Committee of Mobeus Income & Growth VCT plc (the "Company") has recommended that the Company's board of directors (the "Board") approve your appointment as an independent Non-Executive Director of the Company. Once you have returned the signed contract and the enclosed questionnaire, the Board will meet to approve your appointment prior to your start date of 1 March 2022. This letter sets out the main terms of your appointment.

By accepting this appointment, you agree that this letter is a contract for services and is not a contract of employment and you confirm that you are not subject to any restrictions which prevent you from holding office as a director.

## Appointment

1. Your appointment is subject to the Company taking reasonable steps to satisfy itself that you understand the responsibilities and obligations required as a director of a listed company in the UK, and to identify and resolve any conflicts of interest or any other matter which might prevent you from becoming a director of the Company.

To this end, please find enclosed a questionnaire which you are asked to complete and return to the Company Secretary at your earliest convenience.

Once you have completed and returned the questionnaire, you will be invited to take part in an induction which we would aim to arrange prior to the attendance of the online valuations meeting to be held at 10.00am on 3 March 2022. Please contact Trish Standaloft on 0204 549 2332 or 0755 115 3511 to arrange this on a mutually convenient date. If either myself or Bridget Guerin are available on that day, it may be possible to meet with you in person.

2. Your appointment will start from the Commencement Date, being 1 March 2022. Your appointment may be terminated by you or by the Company on the expiry of 3 months' notice in writing given by you or by the Company as the case may be.
3. Your appointment as a director of the Company is subject to the Articles of Association of the Company ("the Articles") and nothing in this letter shall be taken to vary or exclude the terms of the Articles as they may apply to you as a director of the Company. Under the Articles any person appointed by the Board shall hold office until the next Annual General Meeting ("AGM") and shall, subject to a recommendation by the Board, be eligible for election at that meeting. Accordingly, your appointment will need to be confirmed by shareholders at the Company's AGM in May 2022 and annually thereafter. Please note that it is a provision of the UK Corporate Governance Code

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(and the AIC Code of Corporate Governance) that all directors offer themselves for re-election annually.

Any director of the Company may be removed by the Board in certain circumstances as set out in Article 104 of the Articles and you may be asked to resign at any time. If the shareholders do not elect/re-elect you as a director of the Company or you are retired from office under the Articles, your appointment shall terminate automatically. This letter does not confer any right to hold office for any period, nor give you any right to compensation if you cease to be a director of the Company.

4. You will be appointed as a director of the Company, Chairman of the Audit Committee and a member of all the committees of the Board of Directors. These include the Nomination and Remuneration Committee and Management Engagement Committee. You may be appointed to further committees which the Board may introduce from time to time. You will be provided with terms of reference for each of these committees in your induction pack.

## **Duties**

5. Your responsibilities as a director of the Company will include:

- 5.1 Membership of the Board and attendance at meetings of the Board or of such committees as you are a member of and all general meetings of the Company unless unavoidably prevented from attending. Board meetings will normally be held quarterly, and committee meetings are usually held on the same day, but meetings may be more frequent at times. Board meetings may be held in person, by telephone or by electronic means. You will be expected to consider Board papers in advance of each meeting so as to play a full part in the work of the Board.

As Chairman of the Audit Committee, you will be expected to take the lead on:

- a) liaison with the auditors on audit matters relating to the Company and its accounts;
- b) initial challenges to valuations proposed by the investment advisor; and
- c) evaluation of and proposed changes to the Company's risk matrix.

For clarification, you can expect to be supported in all of these matters by the other directors who are also members of the Audit Committee.

- 5.2 You will be expected to perform your duties (whether statutory, fiduciary or common-law) faithfully, efficiently, diligently and to a standard commensurate with both the functions of your role and your knowledge, skills and experience.
- 5.3 You will exercise your powers in your role as an independent non-executive director of the Company having regard to relevant obligations under prevailing law and regulation, including the Companies Act 2006, the Code of Corporate Governance of the Association of Investment Companies ("AIC") and the UK Listing Authority's Listing Rules, Prospectus Rules and Disclosure Guidance and Transparency Rules issued by the Financial Conduct Authority ("FCA") and the Market Abuse Regulation (596/2014/EU) as each is amended from time to time, as the same are applicable to the Company and its directors.

- 5.4 You will have particular regard to the general duties of directors as set out in Part 10, Chapter 2 of the Companies Act 2006, including the duty to promote the success of the Company for the benefit of its shareholders as a whole, and in doing so have regard (amongst other matters) to:
- (a) the likely consequences of any decision in the long term;
  - (b) the need to foster the Company's business relationships with service providers and others;
  - (c) the impact of the Company's operations on the community and the environment;
  - (d) the desirability of the Company maintaining a reputation for high standards of business conduct; and
  - (e) the need to act fairly between shareholders of the Company.
- 5.5 The Company has adopted the AIC Code of Corporate Governance in respect of its obligations under paragraph 9.8.6 of the Listing Rules. You should also have particular regard to the FRC's UK Corporate Governance Code and associated Guidance on Board Effectiveness in respect of the role of the board and role of the non-executive director.
- 5.6 In your role as a non-executive director of the Company you will be required to:
- constructively challenge and help develop proposals on strategy;
  - review, appraise and make decisions regarding investment proposals submitted for consideration by the Investment Adviser;
  - scrutinise the performance of the Investment Adviser in meeting agreed goals and objectives and monitor the reporting of performance;
  - satisfy yourself on the integrity of financial information and that financial controls and systems of risk management are robust and defensible;
  - devote time to developing and refreshing your knowledge and skills;
  - uphold high standards of integrity and probity and support me and the other directors of the Company in instilling the appropriate culture, values and behaviours in the boardroom and beyond;
  - insist on receiving high-quality information sufficiently in advance of Board meetings;
  - take into account the views of shareholders and other stakeholders where appropriate;
  - make sufficient time available to discharge your responsibilities effectively; and
  - not do anything that would cause you to be disqualified from acting as a director.
- 5.7 You will be required to exercise relevant powers under, and abide by, the Articles.

- 5.8 You will be required to exercise relevant powers as a director in accordance with the Company's policies and procedures and internal control framework.
- 5.9 You will disclose any direct or indirect interest which you may have in any matter being considered at a board meeting or committee meeting and, save as permitted under the Articles, you will not vote on any resolution of the Board, or one of its committees, on any matter where you have any direct or indirect interest.
- 5.10 You will immediately report to me your own wrongdoing or the wrongdoing or proposed wrongdoing of any service provider or director of which you may become aware.
- 5.11 Unless specifically authorised to do so by the Board, you will not enter into any legal or other commitment or contract on behalf of the Company.
- 5.12 You shall be entitled to request all relevant information about the Company's affairs as is reasonably necessary to enable you to discharge your responsibilities as a non-executive director of the Company.

#### **Inside information and dealing in the Company's shares**

6. Your attention is drawn to the requirements under both law and regulation regarding the disclosure of inside information, and in particular to the Market Abuse Regulation (596/2014/EU) ("MAR"), the Disclosure Guidance and Transparency Rules issued by the FCA and s52 of the Criminal Justice Act 1993 on insider dealing. You should avoid making any statement that might risk a breach of these requirements. If in doubt, please contact me or the Company Secretary.
7. You will comply and procure that Persons Closely Associated with you (as defined in MAR) comply with all applicable laws, regulations, rules and codes of conduct, including without limitation the Criminal Justice Act 1993, MAR, the UK Listing Authority's Listing Rules, the Disclosure and Transparency Rules issued by the FCA, the City Code on Takeovers and Mergers, together with the Company's policies as may be in force from time to time in relation to:
  - 7.1 dealings in shares, debentures or other securities of the Company or any Group company;
  - 7.2 any inside or unpublished price sensitive information affecting the securities of the Company; and
  - 7.3 any form of market abuse as defined by MAR.
8. The Company does not require directors of the Company to hold qualification shares. The Board does encourage directors of the Company to invest in the shares of the Company, subject of course to the restrictions on dealings imposed by law and by MAR and the City Code on Takeovers and Mergers.
9. You must declare your interests in the Company's shares as required by law and by the Articles and notify the Company Secretary in advance of any intention to buy, sell or transfer shares in the Company.

### **Time commitment**

10. You will be expected to devote such time as is necessary for the proper performance of your duties and you should be prepared to spend sufficient time on Company business. The nature of the role makes it impossible to be specific about the maximum time commitment, and there is always the possibility of additional time commitment in respect of preparation and ad hoc matters which may arise from time to time, and particularly when the Company is undergoing a period of increased activity or is involved in a new issue of shares. At certain times it may be necessary to convene additional board, committee or shareholder meetings.
11. By accepting this appointment, you undertake that, taking into account all other commitments you may have, you are able to, and will continue to, devote sufficient time to your duties as a non-executive director of the Company.

### **Independence and conflicts of interest**

12. The Board of the Company has determined that you will be an independent director on appointment under the AIC Code of Corporate Governance.
13. It is accepted and acknowledged that you have business interests other than those of the Company. You must inform me or the Company Secretary in advance of any changes to these commitments. In certain circumstances, you may have to seek the Board's agreement before accepting further commitments which either might give rise to a conflict of interest or a conflict with any of your duties to the Company, or which might impact the time that you are able to devote to your role at the Company.

### **Remuneration and expenses**

14. Your director's fees will be as follows:

Director fee:	£25,000 per annum
Audit Committee Chairman supplemental fee:	£11,500 per annum

Your fees will be payable in equal quarterly instalments in arrears commencing on the last working day of the quarter (your first fee will be pro rata from 1 March to 31 March 2022 and will be paid on 31 March 2022) and will be paid through PAYE and will be subject to income tax and other statutory deduction.

Directors' fees are decided by the Board on the recommendation of the Nomination and Remuneration Committee from time to time.

The fees paid to directors of the Company include travel to and from Board and Committee meetings (i.e. travel expenses cannot be expensed). Any other expense should be submitted to the Chairman for approval prior to the expense being incurred.

15. Office as a non-executive director of the Company is not pensionable. You will not be entitled to participate in any share option schemes or any other employee benefits offered by the Company.

## **The Company's advisers**

16. Should you, in furtherance of your duties as a director of the Company, require professional advice on the affairs of the Company, you may consult the Company's usual professional advisers at the Company's expense. The Company's principal advisers are:

Auditors:	BDO LLP
VCT Tax Advisers:	Philip Hare & Associates LLP
Solicitors:	Shakespeare Martineau LLP
Brokers:	Panmure Gordon (UK) Limited
Bankers:	Natwest plc

This does not apply to advice on your personal position. Arrangements to consult the Company's advisers must be made by yourself and I will be pleased if you will clear this with me before seeking any such advice, other than in circumstances where you believe I may be conflicted. If for an overriding reason such as confidentiality or conflict of interest you need such advice from a professional adviser other than the Company's usual advisers and you cannot raise the matter with me, you may consult an independent adviser at your own expense and provided you have acted reasonably you may reclaim such cost as expenses, in accordance with the Company's policy.

## **Confidentiality**

17. You will not at any time make use, for your own benefit or that of any party other than the Company, of information which is divulged to you as a director of the Company and which is described by the Company or the party divulging it as being of a confidential nature and/or which by reason of its nature or the circumstances or manner in which it comes to your knowledge is apparently of such a confidential nature, or (save as may be required by law or any governmental or regulatory body) disclose such information to any other person, firm or of the Company, provided always that information shall not be or shall cease to be confidential if and to the extent that it comes to be in the public domain other than as a result of your act or default.
18. You acknowledge the need to hold and retain Company information (in whatever format you may receive it) under appropriately secure conditions.
19. When you cease to be a director of the Company you will be required to deliver up to the Company all documents, information or other property belonging to the Company.

## **Insurance**

20. The Company has directors' and officers' liability insurance in place and it is intended to maintain such cover for the full term of your appointment. The current indemnity limit and further details of the policy will be included in your induction pack. Other details of the cover are available from the Company Secretary.

## **Changes to personal details**

21. You shall advise the Company Secretary promptly of any change in address or other personal contact details.

**Entire agreement**

- 21. This letter and any document referred to in it constitutes the entire terms and conditions of your appointment and supersedes and extinguishes all previous agreements, promises, assurances, warranties, representations and understandings between you and the Company, whether written or oral, relating to its subject matter.
- 22. You agree that you shall have no remedies in respect of any representation, assurance or warranty (whether made innocently or negligently) that is not set out in this letter and you shall not have any claim for innocent or negligent misrepresentation or negligent misstatement based on any statement in this letter.

**Variation**

No variation of this letter shall be effective unless it is in writing and signed by you and the Company (or respective authorised representatives).

**Governing law and jurisdiction**

Your appointment with the Company and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) shall be governed by and construed in accordance with the law of England and Wales and you and the Company irrevocably agree that the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim that arises out of or in connection with this appointment or its subject matter or formation (including non-contractual disputes or claims).

Please indicate your acceptance of this offer by signing and returning the enclosed copy in the envelope provided. I very much look forward to working with you as a director.

Yours sincerely,



Clive Boothman, Chairman  
**For and on behalf of Mobeus Income & Growth VCT plc**

I accept the terms and conditions set out in the above letter applicable to appointment as a director of the Company.

Signed:  Date: 