

STATEMENT OF CORPORATE GOVERNANCE – 11 NOVEMBER 2025

This statement of corporate governance is an explanation of how the Group has applied the ten principles of the Quoted Companies Alliance Corporate Governance Code 2023 (the QCA Code) throughout the year. The QCA Code and these standards are integrated into the Group's operations and compliance supports the achievement of our strategic objectives. Whilst day-to-day operational decisions are managed by the Chief Executive Officer, certain strategic decision making powers and authorities of the Company are reserved as matters for the Board. The Board recognises the value of good corporate governance and can confirm that it has complied with the QCA Code for the period under review, as required by the AIM Rules. The Group also provided disclosures for the new version of the QCA Code in the Annual Report and Accounts 2025 for the first time.

DISCLOSURES AGAINST THE PRINCIPLES OF THE QCA CODE – 11 NOVEMBER 2025

	Principle	Disclosure
1	Establish a purpose, strategy and business model which promote long-term value for shareholders.	<p>Purpose: The Group's purpose is to accelerate our customers' drive towards net zero emissions, improving road safety and the automation of vehicle applications through leadership and innovation in engineering and technology.</p> <p>Strategy: The Group's strategy begins with its strategic objectives which are centred around the topics of: product and innovation; capability and capacity; acquisitive growth; service and support; international footprint and diversification. More information on our strategy can be found in our Strategic report on page 13 of the Annual Report FY 2025.</p> <p>Business model: The Group's business model comprising its key inputs, focus on customers' requirements and our growth drivers (and further information about our business model) is set out in our Strategic report on pages 16 to 17 of the Annual Report FY 2025.</p>

2	Promote a corporate culture that is based on ethical values and behaviours.	<p>Group values: Our Group's vision and values underpin the Group's strategy, processes and culture. Our key values are: customers; people; diversity; innovation; excellence and responsibility, which ensure that our behaviours, culture and personal values align with those of the business and enable us to drive the strategy forward. Values were introduced as part of our performance appraisal process in FY 2024 and managers are encouraged to discuss these with employees. To read more about our values please see page 36 of the Annual Report FY 2025.</p> <p>Health and Safety: We believe that a focus on safety is essential to delivering a high-performing, open and constructive safety culture. The Group is committed to continuous improvement in health and safety performance, which is a standing item at every Board meeting. The Board is committed to maintaining a strong safety culture across the Group. To read more about our values please see page 36 of the Annual Report FY 2025.</p> <p>Ethics and compliance: We are committed to ensuring that the behaviours and practices of our organisation, including those within our supply chains, reflect our own high ethical standards and compliance with applicable laws and standards. We strive to conduct business honestly, openly and with integrity, as this approach will support our longterm success and sustainability. We hold our leaders accountable for ensuring their businesses operate according to the strict ethical standards we expect. We have in place a series of Group policies forming a global subsidiary governance framework to guide our actions and those of our employees, suppliers and partners to ensure good governance and ethical behaviour across our Group. These policies include human rights, anti-bribery and corruption, modern slavery, conflicts of interest, competition and anti-trust. These policies are reviewed annually and can be located on our website (www.abdplc.com).</p>
3	Seek to understand and meet shareholder needs and expectations.	<p>The Group seeks an open and transparent dialogue with shareholders with the desire to hear shareholders' views on the performance of the Group and to understand shareholders' objectives and expectations. The Group maintains regular contact with its major shareholders and is committed to communicating openly with shareholders through announcements made via RNS and presentations to institutional shareholders, private client brokers and investment analysts. Meetings and site visits are regularly held with existing and prospective investors. Shareholder feedback is discussed at Board meetings. For further and more detailed explanations of how the Group applies Principle 3, see our commentary on the Group's Section 172(1) responsibilities on pages 54 and 55 of the Annual Report FY 2025 and the Statement of corporate governance on pages 68 to 78 of the Annual Report FY 2025.</p>

4	Take into account wider stakeholder interests, including social responsibilities and their implications for long-term success.	Social engagement and the Group's responsibilities to the communities within which we operate is one of the pillars of our sustainability strategy. Our duties to our internal and external stakeholders remain key to our Group's success. We summarise the Group's community activities and general corporate social responsibilities on pages 35 to 39.
5	Embed effective risk management, internal controls and assurance activities, considering both opportunities and threats, throughout the organisation.	The Group has implemented a risk management framework and management structure that ensure risks are identified, assessed and mitigated wherever possible. The Board has overall responsibility for the management and maintenance of systems and processes to manage risk and ensure delivery of our strategic priorities. The Audit and Risk Committee has responsibility for reviewing the effectiveness of the risk management framework and internal controls and ensures that the Group is in full compliance with the relevant regulations and laws, supported by the Company Secretary. Executive Directors have responsibility for overall management and delivery of the strategy, considering the risk environment and regular review of the risk management framework. For further and more detailed explanations of how the Group applies Principle 5, see Principal risks and uncertainties on pages 58 to 60.
6	Establish and maintain the Board as a well-functioning, balanced team led by the Chairman.	The Board is supported by its Committees – Audit and Risk, Nomination, Sustainability and Remuneration – each of which is chaired by an independent Non-Executive Director with relevant expertise. The Board and Committees were well attended by all Board members during the year. The Nomination Committee is satisfied that each Director commits the time necessary to fulfil their roles effectively. For further and more detailed explanations of how the Group applies Principle 6, see the Statement of corporate governance on pages 68 to 78.

7	Maintain appropriate governance structures and ensure that, individually and collectively, Directors have necessary up-to-date experience, skills and capabilities.	<p>The Board is responsible to the Group's shareholders and sets the Group's strategy for achieving long-term success in accordance with our purposes and values. The Board is also ultimately responsible for establishing the Group's governance structure, the effectiveness of our internal controls, risk management, and the direction of the Group to help deliver our strategy. The Governance framework is set out on pages 70 to 73 of the Annual Report FY 2025. The Directors ensure that they maintain their skills and capabilities partly through annual updates by the Group's legal advisers Pinsent Masons, and regular meetings with the Group's auditor Crowe UK LLP. The Board actively seeks information to support the Group's strategic objectives. More details of the Board's activities are set out on pages 72 and 73 of the Annual Report FY 2025.</p> <p>The composition of the Board is monitored by the Nomination Committee. The Board is satisfied that the Directors have a blend of skills, experience, knowledge and independence suited to the Group's needs and its continuing development. Information on the Directors' range of skills including details of their technical and/or financial experience and expertise can be found on pages 64 and 65.</p>
8	Evaluate Board performance based on clear and relevant objectives, seeking continuous improvement.	<p>The Board and its Committees review their skills, experience, independence and knowledge to enable the discharge of their duties and responsibilities effectively. This year the Board conducted an external Board performance review. For further and more detailed explanations of how the Group applies Principle 8, see our Statement of corporate governance on pages 68 to 78 of the Annual Report FY 2025.</p>
9	Establish a remuneration policy which is supportive of long-term value creation and the company's purpose, strategy and culture.	<p>The Remuneration Committee makes recommendations to the Board, within its agreed terms of reference, on the structure and quantum of the remuneration packages for Executive Directors and reviews the remuneration for senior management. The Committee consists entirely of Non-Executive Directors. The Remuneration Committee recommends to the Board a Remuneration Policy for the remuneration of the Chairman, Non-Executive Directors, Executive Directors and other senior management including terms and conditions to be included in service agreements, termination payments and compensation commitments and the approval of incentive schemes (and the performance conditions to be used for such schemes including share performance targets).</p> <p>The Company's Remuneration policy is designed to align with the Company's strategy, purpose and vision and recognises the experience of the leadership team which continues to lead the transformation of the Company and facilitate new opportunities for shareholders and other stakeholders. The Directors' remuneration report provides information on the link between the Group's strategy and remuneration outcomes for the Executive Directors.</p>

		The Company utilises FIT Remuneration Consultants to advise on remuneration matters. FIT is a member and signatory of the Remuneration Consultants Group and voluntarily operates under the Code of Conduct in relation to executive remuneration consulting in the UK, details of which can be found at www.remunerationconsultantsgroup.com . The Remuneration Committee's report in the Company's Annual Report presents the Directors' Remuneration Policy and the Annual Report on Remuneration (both a review of the operation of the Remuneration Policy for the preceding year and a statement of how it intends to operate the Policy going forward).
10	Communicate how the Company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders.	Engagement with our stakeholders is key to a successful business and is an ongoing part of managing our business. How the Board remains informed of this engagement and a statement summarising the effects of its consideration of stakeholder interests and the details of the principal decisions taken by the Board during the financial year can be found on page 78. For further and more detailed explanations of how the Group maintains a dialogue with its shareholders and other relevant stakeholders, refer to the Company's Section 172(1) statement on pages 54 and 55.