KEY INFORMATION DOCUMENT

Purpose

This document provides you with key information about this investment product. It is not marketing material. The information is required by law to help you understand the nature, risks, costs, potential gains and losses of this product and to help you compare it with other products.

DOWNING FOUR VCT PLC - AIM SHARE CLASS

Product: AIM Shares of 0.1 pence each nominal value issued by Downing FOUR VCT plc ("**Shares**")

ISIN: GB00BMYXV611

Names of PRIIP manufacturers: Downing FOUR VCT plc (reg. number 06789187) (the "**Company**")

Website for the PRIIP manufacturer: www.downing.co.uk/d4

Call this telephone number for more information: +44(0)207 416 7780

Competent Authority of the PRIIP Manufacturer in relation to the KID: UK Financial Conduct Authority

Date of production of this Key Information Document: 17 August 2021

Comprehension alert: **You are about to purchase a product that is not simple and may be difficult to understand.**

What is this product?

Type: Venture Capital Trust

Objectives: To provide attractive returns to investors by investing in a high conviction portfolio, initially targeting holdings of between 15 and 20 companies, primarily listed on AIM.

Bid-offer spread: Shares are bought and sold via markets. Typically, at any given time on any given day, the price you pay for a Share will be higher than the price at which you could sell it.

The recommended holding period: is ten years to allow for underlying investments to mature. The Company is intended to be evergreen and there are no relevant prescribed maturity dates but it is always open for a majority of shareholders to resolve that the Company should be liquidated. If you subscribe for Shares at issue and hold them for less than five years you will lose any tax reliefs for which you may have been eligible in respect of that subscription.

Intended retail investor: a typical investor in the Company will be a UK higher-rate income taxpayer, over 18 years of age and with an investment range of between £5,000 and £200,000 as a lump sum, who is capable of understanding and is comfortable with the risks of VCT investment.

Risk Indicator

The summary risk indicator is a guide to the level of risk of this product compared to other products. It shows how likely it is that the product will lose money because of movements in the markets or because we are not able to pay you.

1	2	**3**	4	5	6	7

Lower risk ← → Higher risk

We have classified this product as 3 out of 7 which is a medium risk class. This has been calculated using the prescribed methodology, based on historic share price data of appropriate proxies. This rates the potential losses from future performance at a medium level, and poor market conditions may impact the amount you could get back.

This Product does not include any protection from future market performance, so you could lose some or all of your investment. If we are not able to pay what is owed, you could lose your entire investment. This investment offers no capital guarantee against credit risk. If the underlying companies in which the Company invests do not pay what they owe the Company, you could lose part of the capital you invest (but you do not bear the risk of incurring additional financial obligations or commitments). If you cash in at an early stage, you may not be able to sell your product easily or you may have to sell at a price that significantly impacts on how much you get back. This liquidity risk is not contractual but is due to there being a limited secondary market for shares in venture capital trusts. This investment offers no capital protection against future market performance so you could lose all or part of your investment if you sell in a poor market.

Performance Scenarios

This table shows the money you could get back over the next ten years, under different scenarios, assuming that you invest £10,000. The scenarios shown illustrate how your investment could perform. You can compare them with the scenarios of other products. The scenarios presented are an estimate of future performance based on evidence from the past and are not an exact indicator of what your returns will be. Your returns will depend on how the market performs and how long you keep the investment. The stress scenario shows what you might get back in extreme market circumstances, and it does not take into account the situation where we are not able to pay you.

Investment Scenarios		1 year	5 years	10 years (recommended holding period)
Stress scenario	**What you might get back after costs**	**£5,935**	**£5,531**	**£4,206**
	Average return each year	-40.65%	-11.17%	-8.30%
Unfavourable scenario	**What you might get back after costs**	**£9,476**	**£11,045**	**£14,531**
	Average return each year	-5.24%	2.01%	3.81%
Moderate scenario	**What you might get back after costs**	**£10,854**	**£14,918**	**£22,201**
	Average return each year	8.54%	8.33%	8.30%
Favourable scenario	**What you might get back after costs**	**£12,332**	**£19,988**	**£33,646**
	Average return each year	23.32%	14.86%	12.90%

What happens if Downing FOUR VCT plc is unable to pay out?

The value of the Shares and the income derived from them is dependent on the performance of the Company's underlying investments and can fluctuate. Investors could lose all or part of their investment. Your capital is at risk. As a shareholder of the Company you would not be able to make a claim to the Financial Services Compensation Scheme about the Company in the event that the Company is unable to pay out.

What are the costs?

The Reduction in Yield (RIY) shows what impact the total costs you pay will have on the investment return you might get. The total costs take into account one-off, ongoing and incidental costs. The amounts shown here are the cumulative costs of the product itself, for three different holding periods. The figures assume you invest £10,000. The figures are estimates and may change in the future.

Costs over time

The person selling you or advising you about this product may charge you other costs. If so, this person will provide you with information about these costs and show you the impact that all costs will have on your investment over time.

Investment Scenarios	If you cash in after 1 year*	If you cash in after 5 years*	If you cash in after 10 years
Total costs	**£785**	**£2,675**	**£7,287**
Impact on return (RIY) per year	7.85%	3.63%	3.12%

*This product cannot be easily realised. This means it is difficult to estimate how much you would get back if you attempt to realise your investment early. You will either be unable to realise your investment early or you will have to pay high costs or make a large loss if you do so. You will also lose tax reliefs gained on subscription if you sell within five years.

Composition of costs

The table below shows the compounding impact each year of the different types of costs on the investment return you might get at the end of the recommended holding period and the meaning of the different cost categories.

This table shows the impact on return per year			
One-off costs	**Entry costs**	0.51%	Downing LLP will charge a promoter's fee to the Company or either 2.5% or 4.5% of amounts invested depending on the category of investor. We have calculated the impact based on the maximum promoter fee of 4.5%. Stamp duty reserve tax of 0.5% is payable if the Shares are purchased on the secondary market, however this is not included in these calculations.
	Exit costs	0.00%	The Company's costs of buying and selling underlying investments (including costs that borne by those companies). This is an estimate of the expected exposure to such costs.
Ongoing costs	**Portfolio transaction costs**	0.00%	The impact of the costs of us buying and selling underlying investments for the product.
	Other ongoing costs	2.62%	This represents impact of the costs of running the AIM Share Pool each year and includes the fees charged to investee companies by Downing LLP. The AIM Share Pool's annual running costs are capped at 3.0% of its net assets, including a management fee to Downing LLP of 1.75%.
Incidental costs	**Performance fees**	0.00%	There are no Performance Incentive arrangements associated with this product.
	Carried interests	0.00%	There are no carried interest arrangements associated with this product.

How long should I hold it and can I take money out early?

The recommended holding period is ten years because investing in smaller companies involves a higher degree of risk and volatility. This holding period is also reflective of the long-term nature of the AIM Share Pool's investment objective. Investments are likely to be realised by the sale of Shares back to the Company or in the market. The Company has a policy to buy back shares which its shareholders wish to sell, currently at a nil discount to the most recently announced NAV but its ability to do so may be limited by available cash, the rules of the UKLA, the Companies Act 2006 and the VCT Rules. Accordingly, it is unlikely there will be a liquid market as there is a limited secondary market for shares in VCTs and Investors may find it difficult to realise their investments.

How can I complain?

As a shareholder of Downing FOUR VCT plc you do not have the right to complain to the Financial Ombudsman Service about the management of Downing FOUR VCT plc. Complaints about the Company or the key information document should be sent to the company secretary: Mr. Grant Whitehouse, Downing LLP, St. Magnus House, 3 Lower Thames Street, London EC3R 6HD.

Other relevant information:

Other relevant information relating to Downing FOUR VCT plc can be found in the Prospectus in respect of the Company's AIM Share Offer: www.downing.co.uk/assets/d4prospectus

The cost, performance and risk calculations included in this KID follow the methodology prescribed by EU rules, as stated in the PRIIPs Regulations and as transposed in UK law in the FCA Handbook. Performance has been calculated using the prescribed methodology, based on historic share price data of appropriate proxies.

Depending on how you buy Shares you may incur other costs, including broker commission, platform fees and Stamp Duty. The distributor will provide you with additional documents where necessary.. Therefore, you should only make investments in the fund that you can afford to lose without having any significant impact on your overall financial position or commitments. Taxation levels, bases and reliefs may change if the law changes and the tax benefits of products will very according to your personal circumstances: independent advice should therefore be sought. Please note that it cannot be guaranteed that the Company's investments will be qualifying companies or that the Company will maintain its qualifying status as a venture capital trust.