

Aberdeen Asian Income Fund Limited

Corporate Governance Statement for the Year Ended 31 December 2025

The Company is committed to high standards of corporate governance. The Board is accountable to the Company's shareholders for good governance and this statement describes how the Company has applied the principles identified in the UK Corporate Governance Code as published in January 2024 (the "UK Code"), which is available on the Financial Reporting Council's (the "FRC") website: [frc.org.uk](https://www.frc.org.uk).

The Board has also considered the principles and provisions of the AIC Corporate Governance Code as published in August 2024 (the "AIC Code"). The AIC Code addresses the principles and provisions set out in the UK Code, as well as setting out additional provisions on issues that are of specific relevance to the Company. The AIC Code is available on the AIC's website: [theaic.co.uk](https://www.theaic.co.uk). It includes an explanation of how the AIC Code adapts the principles and provisions set out in the UK Code to make them relevant for investment companies.

The Board considers that reporting against the principles and provisions of the AIC Code, which has been endorsed by the Financial Reporting Council ("FRC") and the Jersey Financial Services Commission ("GFSC"), provides more relevant information to shareholders.

The Board confirms that, during the year, the Company complied with the principles and provisions of the AIC Code and the relevant provisions of the UK Code, except as set out below.

The UK Code includes provisions relating to:

- interaction with the workforce (provisions 2, 5 and 6);
- the role and responsibility of the chief executive (provisions 9 and 14);
- previous experience of the chairman of a remuneration committee (provision 32); and
- executive directors' and workforce remuneration (provisions 33 and 36 to 41).

The Board considers that these provisions are not relevant to the position of the Company, being an externally managed investment company. In particular, all of the Company's day-to-day management and administrative functions are outsourced to third parties. As a result, the Company has no executive directors, employees or internal operations. The Company has therefore not reported further in respect of these provisions.

AIC CODE PRINCIPLES & PROVISIONS		HOW THE PROVISIONS ARE APPLIED <i>(page references relate to the Annual Report for the year ended 31 December 2025)</i>
BOARD LEADERSHIP AND COMPANY PURPOSE		
PRINCIPLES		
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. The board should ensure that the necessary resources, policies and practices are in place for the company to meet its objectives and measure performance against them.	
B	The board should establish the company's purpose, values and strategy, and satisfy itself that these and its culture are all aligned. All directors must act with integrity, lead by example and promote the desired culture.	
C	Governance reporting should focus on board decisions and their outcomes in the context of the company's strategy and objectives. Where the board reports on departures from the AIC Code's provisions, it should provide a clear explanation.	
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.	
E	[Intentionally left blank]	
PROVISIONS		
1	The board should assess the basis on which the company generates and preserves value over the long-term. It should describe in the annual report how opportunities and risks to the future success of the business have been considered and addressed, the sustainability of the company's business model and how its governance contributes to the delivery of its strategy. For an investment company, the annual report should also include the company's investment objective and investment policy.	Confirmed. Refer to Chairman's Statement, Investment Manager's Review and Strategic Report.
2	The board should assess and monitor its own culture including its policies, practices and behaviour to ensure it is aligned with the company's purpose, values and strategy. It should also assess how its desired culture has been embedded.	Confirmed. Refer to Promoting the Success of the Company on pages 18 to 20.

3	<p>In addition to formal general meetings, the chair should seek regular engagement with major shareholders in order to understand their views on governance and performance against the company's investment objective and investment policy. Committee chairs should seek engagement with shareholders on significant matters related to their areas of responsibility. The chair should ensure that the board as a whole has a clear understanding of the views of shareholders.</p>	<p>Confirmed. Refer to Strategic Report on pages 17 to 25.</p>
4	<p>When 20 per cent or more of votes have been cast against the board recommendation for a resolution, the company should explain, when announcing voting results, what actions it intends to take to consult shareholders in order to understand the reasons behind the result. An update on the views received from shareholders and actions taken should be published no later than six months after the shareholder meeting¹. The board should then provide a final summary in the annual report and, if applicable, in the explanatory notes to resolutions at the next shareholder meeting, on what impact the feedback has had on the decisions the board has taken and any actions or resolutions now proposed.</p>	<p>Not applicable during the year.</p>
5	<p>The board should understand the views of the company's other key stakeholders and describe in the annual report how these and the matters set out in section 172 of the Companies Act 2006 have been considered in board discussions and decision-making. The board should keep engagement mechanisms under review so that they remain effective.</p>	<p>Confirmed. Refer to Strategic Report on pages 17 to 25.</p>
6	<p>The board should take action to identify and manage conflicts of interest, including those resulting from significant shareholdings, and ensure that the influence of third parties does not compromise or override independent judgement.</p>	<p>Confirmed. Refer to Directors' Report on page 42.</p>
7	<p>Where directors have concerns about the operation of the board or the company that cannot be resolved, their concerns should be recorded in the board minutes. On resignation, a non-executive director should provide a written statement to the chair, for circulation to the board, if they have any such concerns.</p>	<p>Board confirmation that this course of action would be taken.</p>

DIVISION OF RESPONSIBILITIES		
PRINCIPLES		
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.	
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.	
H	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.	
I	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.	
PROVISIONS		
8	The responsibilities of the chair, senior independent director, board and committees should be clear, set out in writing, agreed by the board and made publicly available. The annual report should set out the number of meetings of the board and its committees, and the individual attendance by directors.	Confirmed. Refer to Directors' Report on pages 40 to 47. Confirmed. Refer to Directors' Report on page 41.
9	When making new appointments, the board should take into account other demands on directors' time. Prior to appointment, significant commitments should be disclosed with an indication of the time involved. Additional external appointments should not be undertaken without prior approval of the board, with the reasons for permitting significant appointments explained in the annual report.	Confirmed. Refer to Directors' Report on page 44. Confirmed.
10	At least half the board, excluding the chair, should be non-executive directors whom the board considers to be independent. The majority of the board should be independent of the manager. There should be a clear division of responsibilities between the board and the manager.	Confirmed. All of the Directors are considered to be independent of the Investment Manager.

11	<p>The chair should be independent on appointment when assessed against the circumstances set out in Provision 13.</p>	<p>Confirmed. The Chairman, Ian Cadby, was independent upon his appointment as Chairman on 1 January 2022.</p>
12	<p>On appointment, and throughout the chair's tenure, the chair should have no relationships that may create a conflict of interest between the chair's interest and those of shareholders, including:</p> <ul style="list-style-type: none"> • being an employee of the manager or an ex-employee who has left the employment of the manager within the last five years; • being a professional adviser who has provided services to the manager or the board within the last three years; or • serving on any other boards of an investment company managed by the same manager. 	<p>Confirmed that no such relationships exist.</p>
13	<p>The board should identify in the annual report each non-executive director it considers to be independent. Circumstances which are likely to impair, or could appear to impair, a non-executive director's independence include, but are not limited to, whether a director:</p> <ul style="list-style-type: none"> • has, or has had within the last three years, a material business relationship with the company or the manager, either directly or as a partner, shareholder, director or senior employee of a body that has such a relationship with the company or the manager; • has received or receives additional remuneration from the company apart from a directors' fee; • has close family ties with any of the company's advisers, directors or the manager; • holds cross-directorships or has significant links with other directors through involvement in other companies or bodies. Directors who sit on the boards of more than one company managed by the same manager are entitled to serve as directors; however, they will not be regarded as independent for the purposes of fulfilling the requirement that there must be an independent majority; • represents a significant shareholder; or • has served on the board for more than nine years from the date of their first appointment. 	<p>Confirmed. All of the Directors are considered to be independent. Refer to Board biographies on pages 38 to 39.</p>

	Where any of these or other relevant circumstances apply, and the board nonetheless considers that the non-executive director is independent, a clear explanation should be provided.	
14	The board should appoint one of the independent non-executive directors to be the senior independent director to provide a sounding board for the chair and serve as an intermediary for the other directors and shareholders. Led by the senior independent director, the non-executive directors should meet without the chair present at least annually to appraise the chair's performance, and on other occasions as necessary.	Confirmed. Mark Florance has been appointed as the Senior Independent Director.
15	The primary focus at regular board meetings should be a review of investment performance and associated matters such as gearing, asset allocation, attribution analysis, marketing/investor relations, peer group information and industry issues.	Confirmed.
16	<p>The board should explain in the annual report the areas of decision making reserved for the board and those over which the manager has discretion. Disclosure should include:</p> <ul style="list-style-type: none"> • a discussion of the manager's overall performance, for example, investment performance, portfolio risk, operational issues such as compliance etc; • the manager's remit regarding stewardship, for example voting and shareholder engagement, and environmental, social and corporate governance issues in respect of holdings in the company's portfolio. <p>The board should also agree policies with the manager covering key operational issues.</p>	<p>Confirmed. Refer to Directors' Report on page 42.</p> <p>Confirmed. Refer to Overview of Strategy on page 24.</p> <p>Confirmed.</p>
17	<p>Non-executive directors should review at least annually the contractual relationships with, and scrutinise and hold to account the performance of, the manager.</p> <p>Either the whole board or a management engagement committee consisting solely of directors independent of the manager (or executives) should perform this review at least annually with its decisions and rationale described in the annual report. If the whole board carries out this review, it should explain in the annual report why it has done so rather than establish a separate management engagement committee.</p>	Confirmed. Refer to Directors' Report on page 44.

	The company chair may be a member of, and may chair, the management engagement committee, provided that they are independent of the manager.	
18	<p>The board should monitor and evaluate other service providers (such as the company secretary, custodian, depositary, registrar and broker).</p> <p>The board should establish procedures by which other service providers, should report back and the methods by which these providers are monitored and evaluated.</p>	Confirmed. Refer to Directors' Report on page 44.
19	All directors should have access to the advice of the company secretary, who is responsible for advising the board on all governance matters. Both the appointment and removal of the company secretary should be a matter for the whole board.	Confirmed.
20	The directors should have access to independent professional advice at the company's expense where they judge it necessary to discharge their responsibilities properly.	Confirmed.
21	Where a new company has been created by the manager, sponsor or other third party, the chair and the board should be selected and brought into the process of structuring a new launch at an early stage.	Not Applicable. Company was launched in 2005.
COMPOSITION, SUCCESSION AND EVALUATION		
PRINCIPLES		
J	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 ⁴ . They should promote diversity, inclusion and equal opportunity.	
K	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.	
L	Annual evaluation of the board should consider its performance, composition, diversity and how effectively members work together to achieve objectives. Individual evaluation should demonstrate whether each director continues to contribute effectively.	

PROVISIONS		
22	The board should establish a nomination committee to lead the process for appointments, ensure plans are in place for orderly succession to the board and oversee the development of a diverse pipeline for succession. A majority of members of the committee should be independent non-executive directors. If the board has decided that the entire board should fulfil the role of the nomination committee, it will need to explain why it has done so in the annual report. The chair of the board should not chair the committee when it is dealing with the appointment of their successor.	Confirmed. The Board has established a Nomination & Remuneration Committee. Refer to Directors' Report on page 44.
23	All directors should be subject to annual re-election. The board should set out in the papers accompanying the resolutions to elect each director the specific reasons why their contribution is, and continues to be, important to the company's long-term sustainable success.	Confirmed. Refer to Directors' Report on page 41.
24	Each board should determine and disclose a policy on the tenure of the chair. A clear rationale for the expected tenure should be provided, and the policy should explain how this is consistent with the need for regular refreshment and diversity.	Confirmed. Refer to Directors' Report on page 42.
25	Open advertising and/or an external search consultancy should generally be used for the appointment of the chair and non-executive directors. If an external search consultancy is engaged it should be identified in the annual report alongside a statement about any other connection it has with the company or individual directors.	Board confirmation that this information will be disclosed in respect of a year when a Director is appointed.
26	There should be a formal and rigorous annual review of the performance of the board, its committees, the chair and individual directors. The chair should consider having a regular externally facilitated board performance review. In FTSE 350 companies this should happen at least every three years. The external reviewer should be identified in the annual report and a statement made about any other connection it has with the company or individual directors.	Confirmed. Evaluation process carried out during the year. Refer to Directors' Report on page 44.
27	The chair should act on the results of the board performance review by recognising the strengths and addressing any weaknesses of the board. Each director should engage with the process and take appropriate action when development needs have been identified.	Confirmed. Refer to Directors' Report on page 44.

28	<p>The annual report should describe the work of the nomination committee, (including where the whole board is acting as the nomination committee) including:</p> <ul style="list-style-type: none"> • the process used in relation to appointments, its approach to succession planning and how both support developing a diverse pipeline; • how the board evaluation has been conducted, the nature and extent of an external reviewer’s contact with the board and individual directors, the outcomes and actions taken, and how it has or will influence future board composition; and • the policy and any initiatives on diversity and inclusion, their objectives and link to company strategy, how they have been implemented and progress on achieving the objectives. 	<p>Refer to Directors’ Report on page 44.</p> <p>Refer to Directors’ Report on page 44.</p> <p>Refer to Directors’ Report on page 44.</p>
AUDIT, RISK AND INTERNAL CONTROL		
PRINCIPLES		
M	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.	
N	The board should present a fair, balanced and understandable assessment of the company’s position and prospects.	
O	The board should establish and maintain an effective risk management and 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.	
PROVISIONS		
29	The board should establish an audit committee of independent non-executive directors, with a minimum membership of three, or in the case of smaller companies two. The chair of the board should not chair the committee but can be a member if they were independent on appointment. If the chair of the board is a member of the audit committee, the board should explain in the annual report why it believes this is appropriate. The board should satisfy itself that at least one member has recent and relevant financial experience. The committee as a whole shall have competence relevant to the sector in which the company operates.	Confirmed. Refer to Audit Committee’s Report on pages 48 to 49.

<p>30</p>	<p>The main roles and responsibilities of the audit committee should include:</p> <ul style="list-style-type: none"> • monitoring the integrity of the financial statements of the company and any formal announcements relating to the company’s financial performance, and reviewing significant financial reporting judgements contained in them; • providing advice (where requested by the board) on whether the annual report and accounts, taken as a whole, is fair, balanced and understandable, and provides the information necessary for shareholders to assess the company’s position and performance, business model and strategy; • following the Audit Committees and the External Audit: Minimum Standard; • reviewing the company’s risk management and internal control framework, unless expressly addressed by a separate board risk committee composed of independent non-executive directors, or by the board itself; and • reporting to the board on how it has discharged its responsibilities. 	<p>Confirmed. Refer to Audit Committee’s Report on pages 48 to 49.</p>
<p>31</p>	<p>The annual report should describe the work of the audit committee, including the matters set out in the <i>Audit Committees and the External Audit: Minimum Standard</i>.</p>	<p>Confirmed. Refer to Audit Committee’s Report on pages 48 to 49.</p> <p><i>Audit Committees and the External Audit: Minimum Standard</i> is applicable to companies included within the FTSE 350 Index, and therefore not applicable to the Company.</p>
<p>32</p>	<p>The directors should explain in the annual report their responsibility for preparing the annual report and accounts, and state that they consider the annual report and accounts, taken as a whole, is fair, balanced and understandable, and provides the information necessary for shareholders to assess the company’s position, performance, business model and strategy.</p>	<p>Confirmed. Refer to Statement of Directors’ Responsibilities on page 53.</p>
<p>33</p>	<p>The board should carry out a robust assessment of the company’s emerging and principal risks. The board should confirm in the annual report that it has completed this assessment, including a description of its principal risks, and an explanation of how these are being managed or mitigated. The board should explain what procedures are in place to identify and</p>	<p>Confirmed. Refer to Overview of Strategy on pages 21 to 24.</p>

	manage emerging risks.	
34	<p>The board should monitor the company's risk management and internal control systems and, at least annually, carry out a review of their effectiveness and report on that review in the annual report. The monitoring and review should cover all material controls, including financial, operational and compliance controls.</p> <p><i>[Note: For accounting periods beginning on or after 1 January 2026 the following provision will apply in place of the current Provision 34 above:</i></p> <p><i>The board should monitor the company's risk management and internal control framework and, at least annually, carry out a review of its effectiveness. The monitoring and review should cover all material controls, including financial, operational, reporting and compliance controls. The board should provide in the annual report:</i></p> <ul style="list-style-type: none"> • <i>a description of how the board has monitored and reviewed the effectiveness of the framework;</i> • <i>a declaration of effectiveness of the material controls as at the balance sheet date; and</i> • <i>a description of any material controls which have not operated effectively as at the balance sheet date, the action taken or proposed, to improve them and any action taken to address previously reported issues.]</i> 	<p>Confirmed. Refer to Directors' Report on pages 45 to 46.</p> <p><i>[It is the Board's intention that the Company will comply with these updated provisions during the current financial year and include the required disclosures in the Annual Report for the year ended 31 December 2026.]</i></p>
35	<p>In annual and interim financial statements, the board should state whether it considers it appropriate to adopt the going concern basis of accounting in preparing them, and identify any material uncertainties to the company's ability to continue to do so over a period of at least twelve months from the date of approval of the financial statements.</p>	<p>Confirmed. Refer to Directors' Report on pages 44 to 45.</p>
36	<p>Taking account of the company's current position and principal risks, the board should explain in the annual report how it has assessed the prospects of the company, over what period it has done so and why it considers that period to be appropriate. The board should state whether it has a reasonable expectation that the company will be able to continue in operation and meet its liabilities as they fall due over the period of their assessment, drawing attention to any qualifications or assumptions as necessary.</p>	<p>Confirmed. Refer to Overview of Strategy on pages 24 to 25.</p>

REMUNERATION		
PRINCIPLES		
P	Remuneration policies and practices should be designed to support strategy and promote long-term sustainable success.	
Q	A formal and transparent procedure for developing policy on remuneration should be established. No director should be involved in deciding their own remuneration outcome.	
R	Directors should exercise independent judgement and discretion when authorising remuneration outcomes, taking account of company and individual performance, and wider circumstances.	
PROVISIONS		
37	The board should establish a remuneration committee of independent non-executive directors with a minimum membership of three, or in the case of smaller companies, two. In addition, the chair of the board can only be a member if they were independent on appointment and cannot chair the committee. Before appointment as chair of the remuneration committee, the board should satisfy itself that the appointee has relevant experience and understanding of the company. If the board has decided that the entire board should fulfil the role of the remuneration committee, it will need to explain why it has done so in the annual report.	Confirmed. The Board has established a Nomination & Remuneration Committee. Refer to Directors' Report on page 44 and the Directors' Remuneration Report on pages 50 to 52.
38	The remuneration committee should have delegated responsibility for determining the policy and setting the remuneration for the chair.	Confirmed.
39	The remuneration of non-executive directors should be determined in accordance with the Articles of Association or, alternatively, by the board. Levels of remuneration for the chair and all non-executive directors should reflect the time commitment and responsibilities of the role. Remuneration for all non-executive directors should not include share options or other performance-related elements. Provision should be made for additional directors' fees where directors are involved in duties beyond those normally expected as part of the director's appointment. In such instances the board should provide details of the events, duties and responsibilities that gave rise to any additional directors' fees in the annual report.	Confirmed. Directors' fees are set by the Nomination & Remuneration Committee. Confirmed that remuneration for non-executive Directors does not include share options or other performance-related elements. Refer to Directors' Remuneration Report on pages 50 to 52.

40	Where a remuneration consultant is appointed, this should be the responsibility of the remuneration committee. The consultant should be identified in the annual report alongside a statement about any other connection it has with the company or individual directors. Independent judgement should be exercised when evaluating the advice of external third parties.	There was no recruitment consultant appointed during the year.
41	The main role and responsibilities of the remuneration committee should include: <ul style="list-style-type: none"> • in conjunction with the chair, setting the directors' remuneration levels; and • considering the need to appoint external remuneration consultants. 	Confirmed. Refer to Directors' Report on page 44.
42	There should be a description of the work of the remuneration committee in the annual report.	Confirmed. Refer to the Directors' Remuneration Report on pages 50 to 52.

Disclosure Guidance & Transparency Rules ("DTRs")

The following further information is disclosed in this statement in accordance with DTR 7.2.6 and DTR 7.2.7:

- The Company's capital structure and voting rights are summarised on page 40 of the Annual Report;
- Details of the substantial shareholders in the Company are listed on page 41 of the Annual Report;
- The rules concerning the appointment and replacement of Directors are contained in the Company's Articles of Association and are summarised above;
- Amendment of the Company's Articles of Association and powers to issue or buy back the Company's shares require a special resolution to be passed by shareholders;
- There are no restrictions concerning the transfer of securities in the Company; no special rights with regard to control attached to securities; no agreements between holders of securities regarding their transfer known to the Company; no agreements which the Company is party to that might affect its control following a takeover bid;
- There are no agreements between the Company and its Directors concerning compensation for loss of office; and
- Details of the management, administrative and company secretarial arrangements are set out on page 40 of the Annual Report.

By order of the Board

Ian Cadby
Chairman
17 March 2026