

# Dunedin Income Growth Investment Trust PLC

Annual Report 31 January 2026

A differentiated, UK-centric strategy, targeting rising income and capital growth, aligned with our sustainable investing approach

[dunedinincomegrowth.co.uk](https://dunedinincomegrowth.co.uk)





**"The Board is pleased to announce a total dividend of 19.10p per share, an increase of 34.5% compared to the previous year, providing a dividend yield of 6.2%."**

Howard Williams, Chairman



**"The portfolio's differentiated positioning in high-quality, resilient businesses looks unusually well priced. The valuation premium relative to the wider UK market has compressed to levels not seen in many years."**

Ben Ritchie and Rebecca Maclean,  
Aberdeen

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THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the action you should take, you are recommended to seek your own independent financial advice from your stockbroker, bank manager, solicitor, accountant or other financial adviser authorised under the Financial Services and Markets Act 2000 (as amended by the Financial Services Act 2012) if you are in the United Kingdom or, if not, from another appropriately authorised financial adviser.

**If you have sold or otherwise transferred all your Ordinary shares in Dunedin Income Growth Investment Trust PLC, please forward this document, together with the accompanying documents, immediately to the purchaser or transferee, or to the stockbroker, bank or agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.**

# Company Summary

A differentiated, UK-centric strategy, targeting rising income and capital growth, aligned with our sustainable investing approach.



## A stronger income proposition for shareholders

We have enhanced our income proposition with a dividend reset equivalent to 6.0% of NAV\*, offering an attractive notional yield compared to peers in the UK Equity Income sector. Looking ahead, we plan to maintain our progressive dividend policy, aiming to grow dividends over time while maintaining flexibility and resilience. With over 150 years of history, Dunedin Income Growth has a long-standing record of delivering for investors. For more than 45 years, we have paid a steady or rising dividend and are proud to be recognised as an AIC 'Next Generation Dividend Hero'. The Company continues to focus on high-quality companies and long-term capital growth, supported by strong distributable reserves and a disciplined investment approach.



## Focused investing in quality companies, primarily listed in the UK

Unlike many UK Equity Income investment trusts that focus on lowly-valued stocks, we prioritise quality. We invest in around 40 carefully chosen companies with strong financial foundations and long-term growth potential, making the Company a compelling complement to more value-driven strategies. Our portfolio is actively managed, with the investment team supported by a dedicated group of analysts across the UK and Europe, delivering deep insight into the businesses we invest in.



## Seeking growth that's good for the future

We look for companies we believe can deliver reliable, long-term income in a changing world. Our definition of quality goes beyond financial metrics – we consider leadership strength, governance standards, sustainable practices, industry trends, competitive advantages, and financial resilience. We assess both risks and opportunities, focusing on businesses with resilient business models and a clear commitment to acting responsibly. As active shareholders, we engage regularly with company leadership and use our voting power to support positive change.

\*as at 31 July 2025

# Performance Highlights

Dividend yield<sup>A</sup>

**6.2%**

2025

5.0%

Net asset value total return per Ord share<sup>AB</sup>

**8.2%**

2025

9.0%

Share price total return per Ord share<sup>A</sup>

**13.8%**

2025

8.4%

Revenue return per Ord share

**13.6p**

2025

13.8p

Ongoing charges<sup>A</sup>

**0.57%**

2025

0.56%

Discount to net asset value<sup>AB</sup>

**7.5%**

2025

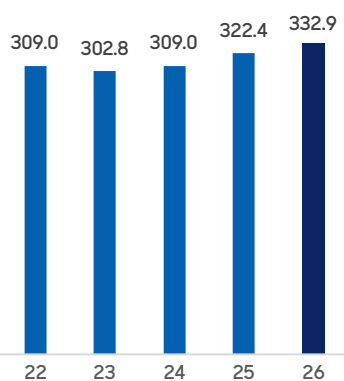
11.6%

<sup>A</sup> Alternative Performance Measure (see pages 108 to 110).

<sup>B</sup> With debt at fair value (see page 92).

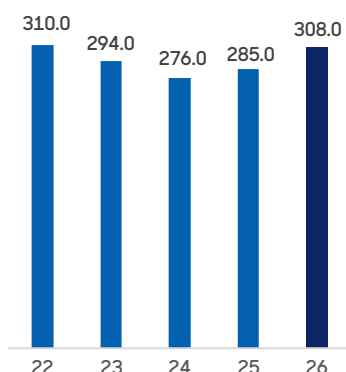
## Net Asset Value per share – debt at fair value

At 31 January – pence



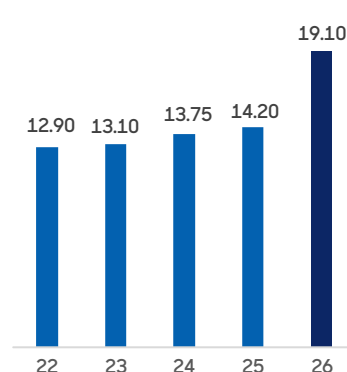
## Share price

At 31 January – pence



## Dividends per share

Year ended 31 January – pence



# Financial Calendar

## Calendar

Online shareholder presentation	<b>8 May 2026</b>
Annual General Meeting (London)	<b>21 May 2026</b>
Expected payment dates of quarterly dividends	<b>29 May 2026 28 August 2026 27 November 2026 26 February 2027</b>
Half year end	<b>31 July 2026</b>
Expected announcement of results for the six months ending 31 July 2026	<b>September 2026</b>
Financial year end	<b>31 January 2027</b>
Expected announcement of results for the year ending 31 January 2027	<b>April 2027</b>

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# Financial Highlights

	31 January 2026	31 January 2025	% change
Total assets (£'000) (see page 105 for definition)	442,879	477,187	-7.2
Equity shareholders' funds (£'000)	393,526	428,528	-8.2
Market capitalisation (£'000)	370,209	384,605	-3.7
Net asset value per Ordinary share*	327.40p	317.55p	3.1
Net asset value per Ordinary share with debt at fair value <sup>A*</sup>	332.88p	322.47p	3.2
Share price (mid)*	308.00p	285.00p	8.1
FTSE All-Share Index*	5,511.53	4,710.58	17.0

\* Capital only movements

## Discount (difference between share price and net asset value)

Discount where borrowings are deducted at fair value <sup>A</sup>	7.5%	11.6%
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## Gearing (see page 104 for definition)

Net gearing <sup>A</sup>	11.3%	10.9%
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## Dividends and earnings

Total return per share	22.00p	23.90p	-7.9
Revenue return per share	13.64p	13.82p	-1.3
Total dividend per share for the year	19.10p	14.20p	34.5
Dividend cover <sup>A</sup>	0.71	0.97	

## Revenue reserves

Prior to payment of third and final dividends <sup>B</sup>	17.94p	17.65p
After payment of third and final dividends <sup>BC</sup>	6.29p	9.85p

## Operating costs

Ongoing charges <sup>AD</sup>	0.57%	0.56%
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<sup>A</sup> Considered to be an Alternative Performance Measure as defined on pages 108 and 109.

<sup>B</sup> Calculated by dividing the revenue reserve per the Statement of Financial Position on page 78 by the number of shares in issue at the reporting date per note 16 on page 91.

<sup>C</sup> Third interim dividend for the year ended 31 January 2026 of 4.25p per share (2025 – 3.2p). Final dividend for the year ended 31 January 2026 of 7.4p per share (2025 – final dividend of 4.6p). See note 16 on page 91 for further details.

<sup>D</sup> Calculated in accordance with the latest AIC guidance.

# Your Company's History

The provenance of Dunedin Income Growth Investment Trust PLC goes back to 1873 and to the origins of the investment trust industry in Scotland. In 1873, a 28 year old Robert Fleming (sometimes dubbed the "father of the investment trust industry"), persuaded a group of Dundee's wealthiest investors to back his idea of forming "the first Association in Scotland for investments in American railroad bonds, carefully selected and widely distributed, and where investments would not exceed one-tenth of the capital in any one security".

Fleming, who was later founder of the merchant bank that bore this name, showed extraordinary commercial acumen at a very young age. He was born in modest circumstances in Dundee and was first apprenticed as office boy at 13, then rose to become, at 21, book-keeper with the exporting arm of Dundee's largest textile merchant, Edward Baxter & Son.

In 1870, the elderly Mr Baxter sent Robert Fleming to the United States to represent him on business. Fleming returned enthused about the investment opportunities offered by the States, despite the country still suffering from the aftermath of the American Civil War. The "association" proved to be an attractive means for investors to pool their resources, spread risk and put their investments under full-time management.

The new fund, then known as The Scottish American Investment Trust, was launched on 1 February 1873. The Scottish American Investment Trust was partly modelled on the Foreign & Colonial Government Trust that was launched in 1868. Unlike Foreign & Colonial, which purchased overseas government stocks, the new trust would invest in "The Bonds of States, cities, railroads and other corporations in the US, but chiefly in the mortgage bonds of railroads". John Guild, one of the chairmen, reported "while in this country you could not lend money on first-class railway debentures at over 4% or 4.5%, in America you could get 7% with the best security of this description". Coupled with the fact that railway infrastructure development in the UK had by then become relatively mature, it was for this reason that the United States was an attractive destination for Scottish funds.

The original prospectus described the intended issue of £150,000 in certificates of £100 each, paying interest of 6% per annum. Such was the level of demand that the original prospectus was withdrawn and a new one was printed with a capital issue of £300,000. The trust started out with 30 stocks, each comprising no more than 10% of the portfolio. Confusingly, a similar sounding investment trust company, launched in Edinburgh, The Scottish American Investment Company was formed in April 1873, just a few months after Fleming's launch in February 1873. In Dundee, two almost identical issues were made in the following two years, described as the "Second Issue" and "Third Issue". The three issues became three separate trust companies, under the Joint Stock Companies Act, in 1879 – the First, Second and Third Scottish American Trust Companies Ltd, but merged into a single trust company in 1969 as The First Scottish American Trust Company Ltd.

In 1984, The First Scottish American Trust Company Ltd became part of the Dunedin Fund Managers' stable of trusts and was subsequently renamed in 1990 as Dunedin Income Growth Investment Trust. Dunedin Fund Managers merged with Edinburgh Fund Managers in 1996, which was then acquired by Aberdeen Asset Management in 2003. Aberdeen Asset Management merged with Standard Life in 2017 to form what is now the Aberdeen Group.

In 2023, the Company celebrated its 150<sup>th</sup> anniversary and returned to Dundee for its AGM.

The book entitled "The History of Dunedin Income Growth Investment Trust PLC", covering the life of the Company from 1873 to 2018 is available on the Company's website.



# Strategic Report



4.2% of the Company's total assets are invested in the Gas, Water and Multi-utilities sub-sector (2025: 6.0%).



The Company is an investment trust with its shares listed on the Main Market of the London Stock Exchange.

The Company's objective is to achieve growth of income and capital from a high quality portfolio invested mainly in companies listed or quoted in the United Kingdom or companies having significant operations and/or exposure to the United Kingdom that meet the Company's sustainable and responsible investing approach.

# Chairman's Statement

## Highlights

- Total dividend of 19.10p per share, an increase of 34.5% compared to the previous year.
- Dividend yield of 6.2% at the year end.
- 14.8 million shares bought back, representing 10.9% of issued share capital.
- NAV total return of 8.2%.
- Share price total return of 13.8%.

## Review of the Period

A key development during the year was the Board's announcement of a new dividend policy, increasing the dividend by 34.5% and producing a share price yield of 6.2%. Full details of the new policy are set out below. The Board has made these changes in the expectation that they will lead to an increase in demand for the Company's shares over time.

The Company delivered another period of solid NAV and share price performance during the year ended 31 January 2026. The net asset value ("NAV") total return was 8.2% and the share price total return was 13.8%, reflecting a narrowing of the discount at which the shares trade to the NAV. (In the financial year ended 31 January 2025, the NAV total return was 9.0% and the share price total return was 8.4%.)

However, performance for the year lagged the wider market by some margin, with the benchmark FTSE All-Share Index producing a total return of 21.1%. While it is disappointing to see the Company's NAV and share price underperform, the benchmark's strong return was largely driven by returns in specific sectors, namely, Banking, Aerospace & Defence and Basic Materials, to which your Company had limited exposure. This positioning reflects the Investment Manager's quality-focused and sustainability-aligned investment approach which continued to face headwinds as investors favoured cheaper, more cyclical stocks. Performance was also constrained by AI-related uncertainty, which led to some indiscriminate selling in technology and information services companies within the portfolio, despite these holdings maintaining robust operational performance. Overall, a small number of large benchmark constituents not held in the portfolio, combined with style headwinds and sentiment pressures, drove the relative underperformance.

Given the de-rating of higher Quality stocks, it is perhaps not surprising that relative performance has been so challenged. However, the Investment Manager believes

that such stocks are now trading on highly attractive valuations and is fully committed to maintaining its investment approach. Performance can rebound quickly – when the Quality style returns to favour – and the Investment Manager's strategy has delivered strong outperformance in the past.

***"The Company delivered another period of solid NAV and share price performance during the year ended 31 January 2026. The NAV total return was 8.2% and the share price total return was 13.8%."***

A more detailed review of performance for the year is included in the Investment Manager's Review on pages 14 to 18.

## Sustainability and Responsible Investment Criteria

The Company remains committed to its sustainability ambitions which it believes support long term investing, help identify companies with resilient and growing dividends and is fully aligned with the Investment Manager's process. Applying sustainable and responsible investing principles also enables the Investment Manager to reduce risks in the portfolio. This is achieved by excluding companies whose business models face significant ESG-related threats, helping the Investment Manager identify companies positioned to benefit positively from sustainability themes, and creating opportunities for engagement to improve companies' performance and enhance shareholder value.

The Sustainable Investment Approach, including the negative screening criteria, is set out on pages 32 to 34.

During the year, the Board and Investment Manager spent considerable time reviewing the negative screening criteria to ensure that they remain appropriate to the Company's objectives. Following this work, the Board has approved a number of changes which are expected to be introduced during the first half of the current financial year. These changes are evolutionary in nature and are designed to align with best practice, which has also evolved in recent years, increase reporting transparency and provide the Investment Manager with greater flexibility in managing the portfolio.

At the headline level, the most significant changes in terms of increasing the Investment Manager's flexibility are to allow greater flexibility to invest in Aerospace & Defence, permit investment in Nuclear Energy and modify restrictions around investment in Natural Resource companies. As a consequence, the negative screening criteria, which currently exclude approximately 23% of the benchmark FTSE All-Share Index, will reduce the exclusions to around 13%. More details of the updated criteria will be published on the Company's website, in the Pre-investment Disclosure Document and in future Annual Reports.

## Earnings

Earnings per share for the year were 13.6p, slightly below the 13.8p reported in the previous year. Investment income declined by 9.2% over the period reflecting a reduction of 10.9% in the Company's capital base following implementation of the share buy back programme. Notwithstanding this, earnings growth from the underlying portfolio companies has generally remained positive, underscoring the resilience of the portfolio. The Company has also benefited from the receipt of a number of special dividends which provided an additional uplift to income.

Income generated by options activities remained a contributor, accounting for 8.7% of total income, albeit this was lower than the 10.6% recorded in the previous year.

Elsewhere, the Board has sought to control costs wherever possible and believes that the Company's on-going charges ratio of 0.57% remains competitive within the sector, underpinned by a low marginal investment management fee of 0.25% charged on net assets above £425 million.

## Dividends

As mentioned earlier, during the year the Board announced a significant increase in dividend distributions, targeting at least 19.10p per share for the year, representing 6.0% of the NAV as at 31 July 2025. This represents an attractive yield compared to cash, the FTSE All-Share Index and peers in the UK Equity Income sector. The Board also stated its intention to continue with a progressive dividend policy with growth in absolute terms in future years and building on the successful long-term track record of dividend increases. The Company will fund the dividend from a combination of revenue and capital generation, utilising one of the key advantages of the investment company structure.

The Board's decision reflects the importance of dividends in the Company's long term total return and their value to shareholders seeking reliable and sustainable income. The Board has also observed the significant change in corporate distribution policies which has seen UK companies increasingly favour share buy backs over dividend distributions. The revised approach therefore aligns better with this change in corporate behaviour.

The Board does not expect significant changes to the investment process as a result of the new dividend policy. The Investment Manager will continue to focus on high-quality companies and long-term capital and income growth, supported by a disciplined investment approach and an integrated sustainability focus. However, the policy will give the Company's portfolio managers additional flexibility to focus on delivering total returns.

***"A key development during the year was the Board's announcement of a new dividend policy, increasing the dividend by 34.5% and producing a share price yield of 6.2%."***

Three interim dividends amounting to 11.70p per share have already been paid. The Board is proposing a final dividend of 7.40p per share, payable on 29 May 2026 to shareholders on the register on 8 May 2026. This will bring total distributions to 19.10p per share for the year, equivalent to a dividend yield of 6.2% based on the year end share price.

This represents the 42<sup>nd</sup> dividend increase in the past 46 years, with distributions maintained in the other four years. In addition, having increased the dividend in every year since 2011, the Company is classified by the Association of Investment Companies as part of the 'Next Generation of Dividend Heroes', which recognises those investment trusts that have raised their dividend for between 10 and 19 consecutive years.

For future financial years, the Board expects to declare three equal interim dividend payments followed by a balancing final dividend.

# Chairman's Statement

## Continued

### Gearing

The Company currently has two sources of gearing, a £30 million loan note which matures in 2045, and a £30 million multi-currency revolving credit facility that expires in August 2027. A Sterling equivalent of £19.6 million was drawn down from the facility at the year end.

With debt valued at par, net gearing increased slightly from 10.9% to 11.3% during the year. The Board believes that the prudent use of gearing will enhance both revenue and capital returns over the long term. With the revolving credit facility only partially drawn, the Investment Manager retains flexibility should attractive additional investment opportunities arise.

### Discount

With the Company's discount relatively wide at the last year end, the Board continued to use the share buyback authority granted by shareholders at the AGM. During the year, the Company bought back 14.8 million shares to hold in treasury, representing 10.9% of the issued share capital. The weighted average discount of the shares bought back was 8.9% and the buy backs provided an accretion of 1.1% to the NAV per share. The discount at the end of the year was 7.5% (2025: 11.6%).

The Board will seek to renew the buy back authority at the AGM and will continue to repurchase shares when it considers this to be in shareholders' best interests.

Alongside this, the Board and Investment Manager continue to focus on improving relative performance, and delivering a targeted investor relations and marketing programme, which are key to achieving a higher rating for the Company's shares. The Board is particularly aware that relative investment performance over the past two years has been below expectations and will continue to monitor the Investment Manager closely and challenge the investment process robustly in anticipation of improved performance.

### Annual General Meeting ("AGM") and Online Shareholder Presentation

#### AGM

The AGM will be held at 12 noon on Thursday 21 May 2026 at Aberdeen's offices at 18 Bishops Square, London, E1 6EG. The meeting will include a presentation from the Investment Manager and will be followed by a buffet lunch. We encourage all shareholders to complete and return the Proxy Form enclosed with the Annual Report to ensure that your votes are represented at the meeting.

If you hold your shares in the Company on a platform via a nominee, please note that the Association of Investment Companies has provided helpful information on how to attend an AGM and how to vote investment company shares held on some of the major platforms. This information can be found at: [www.theaic.co.uk/how-to-vote-your-shares](http://www.theaic.co.uk/how-to-vote-your-shares)

The Notice of the AGM is contained on pages 112 to 117.

#### Online Shareholder Presentation

In previous years, for those who are unable to attend the AGM or for anyone who simply wishes to learn more about the Company, we have hosted an Online Shareholder Presentation. Given the popularity of these events, we will be hosting one again this year at 11.00am on Friday 8 May 2026. At this event you will receive a presentation from the Investment Manager and have the opportunity to ask live questions of the Chairman and the Investment Manager.

Full details on how to register for the online event are available on the Company's website.

### Board Succession

Since the end of the year, the Board was pleased to announce the appointment of Katrina Hart as an independent non-executive Director of the Company with effect from 1 March 2026.

Katrina is an experienced non-executive director and has chaired a number of investment company boards. Her biography is included on page 49 and, in accordance with the Articles of Association, Katrina will stand for election at the AGM.

Katrina's appointment complements the appointment of Arun Kumar Sarwal on 1 February 2025 and brings the number of Directors on the Board back to five.

## Outlook

As noted above, relative performance over the past year has been challenging. Investors have favoured cyclical and value-orientated sectors, while high-quality technology franchises and the UK mid-cap segment – areas where the Investment Manager sees many mis-priced opportunities – have underperformed.

However, the Investment Manager believes that the portfolio's differentiated positioning in high-quality, resilient businesses is very attractively valued with the valuation premium relative to the wider UK market compressed to levels not seen for several years, despite the portfolio continuing to exhibit strong profitability and balance sheet characteristics. The Investment Manager remains focused on identifying sustainable businesses capable of generating resilient income streams which should generate strong returns for shareholders when supported by disciplined portfolio construction, selective use of gearing and careful management of downside risk.

***"The Investment Manager believes that the portfolio's differentiated positioning in high-quality, resilient businesses is very attractively valued with the valuation premium relative to the wider UK market compressed to levels not seen for several years."***

As I write, events in the Middle East are casting a long shadow over an increasingly uncertain economic outlook, causing significant volatility in bond, equity and commodity markets across the globe. Investors are grappling with the prospect of a sustained oil price shock at a time when labour markets are showing signs of weakness, inflation remains stubbornly above Central Bank targets and against a backdrop of stretched government finances. Faced with such a challenging cocktail of macro-economic forces, it does not require a huge leap to envisage investors rotating out of lower quality, pro-cyclical stocks and into more defensive and higher quality names. Time will tell.

Meanwhile, the introduction of a structurally higher dividend policy has reinforced the Company's positioning as a highly differentiated proposition within the largely homogeneous UK Equity Income sector. The Board will remain vigilant in continuing to scrutinise our Investment Manager's performance and the investment process and team that supports this. Over time, the Board believes that the Company's distinct long term investment approach, together with the new dividend policy, should support the objective of delivering attractive shareholder returns and help the Company's shares trade closer to NAV.

The Board remains grateful to shareholders for their continued support.



Howard Williams  
Chairman  
8 April 2026

# Investment Manager's Review

## Introduction

Over the twelve months to 31 January 2026, the Company delivered a solid absolute net asset value ("NAV") total return of 8.2% and a share price total return of 13.8%. Over the same period, the FTSE All-Share Index returned 21.1%, meaning that the Company did not keep pace with a very strong market. Relative underperformance was predominantly driven by lower returns from high quality companies and partly by strong outperformance from sectors of the market excluded by our sustainability criteria. Helping to offset these dynamics were a number of exceptionally strong individual stock contributors, while most companies held in the portfolio continued to deliver robust operational results, including good earnings growth, strong cash generation and ongoing capital returns.

## Market Backdrop

The UK equity market delivered another exceptional return over the year, reaching new all-time highs. Benchmark gains were driven by a relatively narrow set of cyclical areas, with strength in Banking, Aerospace & Defence and Basic Materials playing a prominent role. In contrast, the higher quality part of the market lagged significantly. This was particularly evident in Technology and Information Services, where concerns around the impact of artificial intelligence ("AI") weighed on investor confidence, despite strong underlying financial delivery. As an illustration, the MSCI UK Quality Index was up just 5.1% over the period. It was also a period where we saw strong returns from sectors which we are largely precluded from investing in given our sustainability focus, namely Aerospace & Defence, Tobacco and Metals & Mining. Rolls Royce (not held in the portfolio), for example was up over 100% over the course of the year. We estimate that the impact of sustainability exclusions reduced returns by around 5%.

This matters for the Company because we are intentionally positioned to meet our long-term objective of delivering consistent growth in both capital and income. We run a high-conviction portfolio, focused on selecting high quality, financially resilient businesses with durable growth prospects and attractive long-term total return potential, within the Company's sustainable and responsible investing approach. This combination typically leads us to be more selective in the most cyclical parts of the market, and in some sectors the sustainability framework further raises the hurdle for investment. Over time, this emphasis on quality and resilience has tended to support the Company's ability to protect capital and income in more difficult markets, as we saw during Covid

in 2020, or more briefly during the Tariff Tantrum of early 2025, but it can be a headwind when investor optimism is concentrated in the lowest-valuation and more cyclical areas. Over the past five years, the portfolio's companies have delivered faster earnings and dividend growth than the market, reflecting this focus on strong underlying business operations. However, the valuation rating that the wider market trades on has recovered much faster than that of the underlying portfolio. That effect was very much in evidence again during the year under review.

***"The UK equity market delivered another exceptional return over the year, reaching new all-time highs. Benchmark gains were driven by a relatively narrow set of cyclical areas, with the higher quality part of the market lagging significantly."***

Importantly, we are not inflexible. We seek balance in the portfolio and will invest in cyclical businesses where we have a high degree of confidence in their long-term return potential and believe their financial strength enables them to navigate a range of economic outcomes. This would be well reflected in our single largest position being a holding in **TotalEnergies**, a cyclical and capital-intensive business but one which we think is best placed to navigate the energy transition while consistently delivering attractive distributions back to investors.

We also believe the opportunity set in UK mid-caps is improving after a prolonged period in which market returns were dominated by the largest companies. Valuations in parts of the mid-cap market remain more compelling than we would typically expect in a market at all-time highs, creating an attractive environment for active stock selection (approximately 40% of the portfolio is invested in companies with market capitalisations below £10 billion). We see several potential tailwinds that could support this market segment over time, including easing financial conditions, enhanced share buybacks and ongoing appetite from private and public acquirers for these types of assets.

## A Distinctive UK Income Proposition

The chart below shows the style and size positioning of the portfolio at the year end relative to UK Equity Income investment trust peers and the FTSE All-Share Index, highlighting its differentiated approach to generating long-term capital and income growth.



Source: Morningstar, January 2026.

## Performance Drivers

On the whole, portfolio holdings performed well operationally over the period, with good financial delivery and robust shareholder returns. Within this, there were an above average number of exceptional returns, with seven holdings delivering share price gains in excess of 40%.

**Prudential** delivered an exceptional return of 81%, supported by strong new business profit delivery and improving confidence in its outlook, alongside good capital generation and shareholder returns, including buybacks.

**ASML** gained 76% as rapid investment in data centres and AI infrastructure supported order momentum, with customers increasingly reliant on its advanced lithography systems for next generation semiconductor development.

**Genus** (+64%) also delivered a standout return, reflecting a cyclical recovery alongside continued progress with its innovative product development. **NatWest** (+62%) was a strong contributor, helped by resilient results and a re-rating in the banking sector, with our investment case supported by the company's strengthened balance sheet and attractive shareholder distributions. Alongside these companies, closed life book consolidator **Chesnara** (+47%) was rewarded for its acquisition of HSBC Life (UK),

Healthcare REIT **Assura** (+49%) was taken over and **M&G** (+59%) benefitted from a return to growth in its asset management division.

Despite these areas of very strong performance, relative returns were held back by strong gains from a small number of large companies not held in the portfolio, AI-related uncertainty over a portion of the holdings and several weaker stock specific situations.

In terms of wider strength in the market, areas that we did not have exposure to included Aerospace & Defence, Mining and Tobacco. This was driven by our sustainability focus. Banks were also extremely strong and an area where we have tended to be underweight given generally modest quality characteristics. A lack of exposure to these areas was a significant opportunity cost over the period.

During the second half of the year, investor concern increased about the pace and scale of generative AI adoption and what that could mean for pricing power and long-term growth assumptions across many segments of the market, including Technology and Information Services. This is a segment of the market to which we are attracted given high margins and returns, strong cash generation and attractive revenue growth potential. We have been analysing these developments closely for the past two years and recognise that the environment now carries greater uncertainty. Our focus has therefore been on testing each company's competitive advantage, its readiness to adapt to generative AI, the resilience of its pricing model, and its financial capacity to fund that transition. This work has been supported by extensive engagement with management teams, boards and external experts.

As a result, we believe the market has moved ahead of the evidence, and that fear has led to pockets of indiscriminate selling, leaving a number of high-quality franchises no longer priced for structural growth. In our view, this reflects an overly pessimistic assumption that incumbents will stand still. We instead expect the strongest businesses – those with products that genuinely add value for customers, proactive management teams, sensible capital allocation plans, and clear strategies to embed AI into products and workflows – to protect and potentially strengthen their positions. While it is early days, recent reporting would suggest accelerating revenue growth rather than risks, and many of these companies have also significantly stepped up their share buyback programmes to take advantage of overly discounted valuations.

# Investment Manager's Review

## Continued

On the rarer occasions where our assessment of a company's quality or prospects changes in a meaningful way, we act accordingly. In the first half of the year, we exited two holdings where our conviction had reduced – the long-standing holding **Novo-Nordisk** and the more recent addition **Azelis**, reinforcing the discipline at the heart of our process. In both cases, the shares weakened significantly after exit. **Edenred's** share price fell over the year, primarily due to regulatory changes in Italy and Brazil that have increased uncertainty around fee economics and profitability. Following detailed analysis, including attending the company's Capital Markets Day in Paris, we have added to the holding because we believe the current valuation offers the potential for attractive total returns as the regulatory and sentiment backdrop becomes clearer. We continually re-examine our assumptions on total return potential and ensure valuation compensates for the risks being taken, reallocating capital to higher conviction opportunities when that balance no longer holds.

### Portfolio Activity

Investment activity reflected our continued focus on delivering long-term returns while maintaining a balanced portfolio, with new positions funded by trimming or exiting holdings that offered less compelling prospective returns.

With regards to the impact of AI, we backed our existing positions by adding to **RELX**, **Sage**, and **Softcat**, where we believe share price weakness does not reflect strong underlying fundamentals or the resilience provided by proprietary data, customer relationships and embedded roles in mission critical workflows

In the Consumer Staples sector, we added to **Haleon**. While its shares weakened on slower North American growth, we believe its leading consumer health brands and strengthening balance sheet support attractive earnings and dividend growth relative to peers. In addition, we introduced **Tesco**, where we see an attractive combination of resilience and self-help. The business benefits from a strong position in UK food retail, and we see scope for further progress through multi-channel execution and the continued development of complementary profit streams. We funded this purchase by exiting **Unilever**, where we judged prospective returns to be less attractive than the opportunities available elsewhere.

We introduced two long-standing watchlist holdings, **Experian** and **Compass**. Experian provides data and analytics to businesses and consumers and, after several years of investment in product expansion and an integrated platform, we believe it is positioned for stronger growth, improving cash generation and rising returns. Compass is a global catering leader, taking share in a large addressable market with scope to apply US best practice to improve profitability in Europe. Both companies offer a below market starting yield but the potential for strong dividend growth which, alongside balance sheet optionality, supports attractive prospective returns.

We also added **LondonMetric**, a specialist real estate company with a diversified portfolio across logistics, convenience retail, healthcare and leisure assets, which supports an attractive income profile and the potential for modest growth. This was funded by exiting **Primary Health Properties** following its successful acquisition of Assura, and recycling capital into a holding we viewed as the stronger long-term income opportunity, supported by a high-quality portfolio, a strong management team and a robust balance sheet.

Consistent with our view that the opportunity set for mid-caps is improving, we introduced three new holdings. **Baltic Classifieds** is a market-leading digital classifieds platform in the Baltics with strong cash generation and attractive long-term growth characteristics. **XPS Pensions** is a pensions advisory and administration business with a strong growth record, high revenue visibility supported by regulatory tailwinds, and robust cash generation that underpins an attractive and growing dividend. **Kainos** is a digital transformation specialist serving public sector, healthcare and commercial clients, and we see improving momentum alongside longer-term opportunities from its product pipeline.

In the Financials sector, we introduced **Standard Chartered** as we believe the market has yet to fully reflect the improvement in its returns profile and the growth potential in its wealth business, supported by its broad geographic footprint. We also participated in the rights issue for **Chesnara** to finance the acquisition of HSBC Life (UK) and subsequently reduced the position meaningfully to manage risk as the transaction completed. We added to **NatWest** in the volatility that followed 'Liberation Day', and the shares subsequently recovered.

These purchases were funded through a combination of exits and reductions of strong performers, including reductions in holdings such as **Games Workshop**, **Mercedes-Benz**, **Hiscox**, **ASML**, **AstraZeneca**, **Prudential**, **Genus** and **National Grid** along with exits from **Morgan Sindall**, **Novo-Nordisk** and **Azelis**.

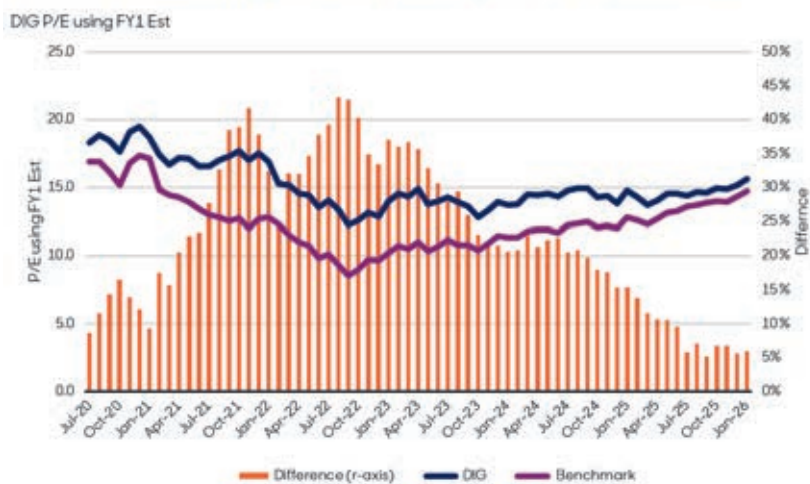
### Income

Investment income for the year was 9.2% lower than the preceding year, driven mainly by the reduction in the Company’s capital base due to share buy backs (10.9% of the issued share capital was bought back during the year). We continued to generate additional income from option writing.

During the year, the Company benefited from special dividends from **Softcat**, and **Volvo**, alongside strong dividend increases from a number of portfolio holdings including **NatWest** (+51%), **London Stock Exchange** (+15%) and **Hiscox** (+ 15%). In contrast, **Mercedes-Benz** lowered its distributions following weaker financial results impacted by global tariffs, exchange rate headwinds and competition from China.

## Compelling Valuations For High Quality Companies

Portfolio valuation premium has compressed dramatically...



Source: Aberdeen, January 2026.

...while quality has been maintained

	DIG	FTSE All Share	Difference
P/E using FY1 Est	15.6x	14.7x	6%
ROE (5 year)	19%	15%	27%
Operating margin	24%	20%	21%
Debt/Equity	1.0	1.4	-25%

# Investment Manager's Review

## Continued

### Outlook: A constructive view

Three developments leave us increasingly positive about the relative performance prospects for the Company.

Firstly, with the developments in Iran, the investment backdrop is shaped by a mix of geopolitical tensions, macroeconomic challenges and heightened uncertainty. In this environment, we believe the value of resilience comes to the fore, with companies that have durable business models, strong competitive positions and robust balance sheets better placed to navigate uncertainty and deliver attractive long-term returns.

Secondly, the portfolio's differentiated positioning in high-quality, resilient businesses looks unusually well priced. The valuation premium relative to the wider UK market has compressed to levels not seen in many years, even though the portfolio continues to exhibit superior growth, profitability and balance sheet strength (see table on page 17).

Finally, the Company's structure provides additional flexibility to act when opportunities arise. The combination of active discount management through share buybacks, prudent gearing and an enhanced dividend policy gives us a toolkit to enhance shareholder outcomes through the cycle while remaining focused on long-term total return.

We believe that this combination of high-quality companies delivering very well operationally at extremely attractive valuations at a time of heightened uncertainty positions the Company to navigate markets with confidence and deliver the goal of growth in capital and income.



**Ben Ritchie and Rebecca Maclean,**  
Aberdeen  
8 April 2026

# Ten Largest Investments

As at 31 January 2026



## TotalEnergies (Transition)

TotalEnergies is an energy company producing and marketing fuels, natural gas and electricity globally.



## NatWest (Transition)

NatWest is a UK-based banking company providing personal, private and business banking needs.



## National Grid (Solutions)

National Grid owns gas and electricity transmission and distribution assets in the UK and United States.



## Haleon (Solutions)

Haleon is a consumer healthcare company with a clear purpose to deliver better everyday health and humanity.



## RELX (Solutions)

RELX is a global provider of information and analytics for professionals and businesses across a number of industries including scientific, technical, medical and law.



## Prudential (Solutions)

Prudential is a life insurance and savings company with leading market positions in Asia and the United States.



## London Stock Exchange (Leader)

London Stock Exchange is a leading financial information company that also owns prominent pieces of market infrastructure.



## AstraZeneca (Solutions)

AstraZeneca is a pharmaceutical company that focuses on the research, development and manufacture of drugs in a range of therapeutic areas.



## Weir Group (Leader)

Weir Group is an engineering services company that designs and manufactures products for the minerals, oil and gas, and flow controls markets.



## Diageo (Leader)

Diageo is a global leader in spirits and liqueurs with a portfolio of world-renowned brands.

Definitions of Sustainability Leaders, Solution Providers and Transition Companies are provided on page 33.

# Portfolio

At 31 January 2026

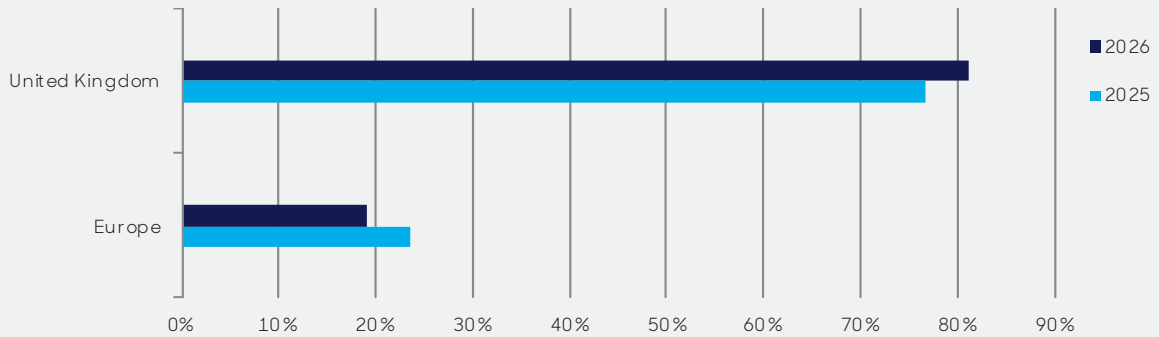
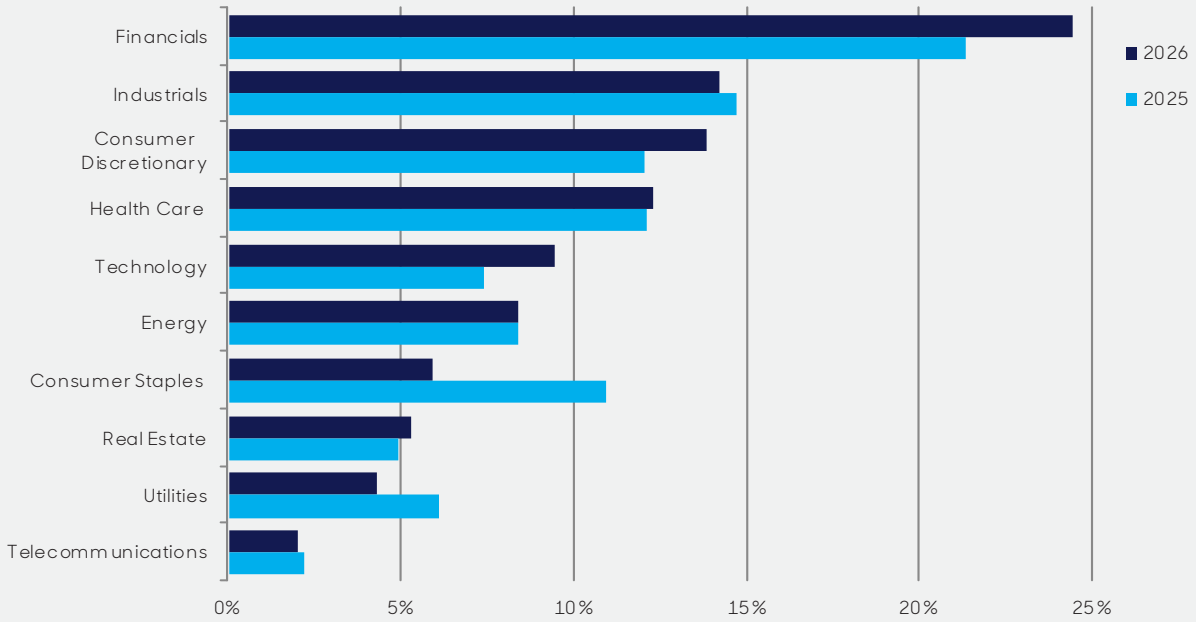
Company	Sector	Valuation 2026 £'000	Total assets %	Valuation 2025 £'000
TotalEnergies	Oil, Gas and Coal	28,699	6.5	29,564
NatWest	Banks	23,970	5.4	15,361
National Grid	Gas, Water and Multi-utilities	18,693	4.2	28,807
Haleon	Pharmaceuticals and Biotechnology	17,804	4.0	-
RELX	Software and Computer Services	17,413	3.9	25,008
Prudential	Life Insurance	15,585	3.6	13,060
London Stock Exchange	Finance and Credit Services	14,413	3.3	22,874
AstraZeneca	Pharmaceuticals and Biotechnology	13,457	3.0	22,179
Weir Group	Industrial Engineering	13,183	3.0	10,166
Diageo	Beverages	12,960	2.9	19,205
<b>Ten largest investments</b>		<b>176,177</b>	<b>39.8</b>	
Tesco	Personal Care, Drug and Grocery Stores	12,713	2.9	-
Gaztransport & Technigaz	Oil, Gas and Coal	12,292	2.8	9,913
Taylor Wimpey	Household Goods and Home Construction	12,072	2.7	9,607
LondonMetric	Real Estate Investment Trusts	12,056	2.7	-
Convatec	Medical Equipment and Services	11,883	2.7	13,086
Experian	Industrial Support Services	11,698	2.6	-
Compass	Consumer Services	11,263	2.5	-
Hiscox	Non-life Insurance	11,045	2.5	10,555
Sirius Real Estate	Real Estate Investment Trusts	10,973	2.5	11,334
ASML	Technology Hardware and Equipment	10,875	2.5	9,785
<b>Twenty largest investments</b>		<b>293,047</b>	<b>66.2</b>	
Oxford Instruments	Electronic and Electrical Equipment	10,560	2.4	8,708
Genus	Pharmaceuticals and Biotechnology	10,314	2.3	13,180
Sage	Software and Computer Services	10,120	2.3	14,624
Softcat	Software and Computer Services	10,000	2.2	9,994
Standard Chartered	Banks	9,177	2.1	-
Genuit	Construction and Materials	9,036	2.0	9,889
M&G	Investment Banking and Brokerage Services	8,755	2.0	11,544
Games Workshop	Leisure Goods	8,742	2.0	12,242
Telecom Plus	Telecommunications Service Providers	8,714	2.0	10,303
Intermediate Capital	Investment Banking and Brokerage Services	8,654	1.9	11,595
<b>Thirty largest investments</b>		<b>387,119</b>	<b>87.4</b>	

## At 31 January 2026

Company	Sector	Valuation 2026 £'000	Total assets %	Valuation 2025 £'000
Volvo	Industrial Transportation	8,073	1.8	11,375
Chesnara	Life Insurance	7,688	1.7	15,599
Baltic Classifieds	Software and Computer Services	7,411	1.7	-
Edenred	Industrial Support Services	7,399	1.7	10,136
XPS Pensions	Investment Banking and Brokerage Services	6,897	1.6	-
Kainos	Software and Computer Services	6,176	1.4	-
Mercedes-Benz	Automobiles & Parts	4,387	1.0	10,154
<b>Total investments</b>		<b>435,150</b>	<b>98.3</b>	
<b>Net current assets<sup>A</sup></b>		<b>7,729</b>	<b>1.7</b>	
<b>Total assets less current liabilities<sup>A</sup></b>		<b>442,879</b>	<b>100.0</b>	

<sup>A</sup> Excluding bank loan falling due within one year of £19,593,000 (2025 - £18,907,000).

# Sector and Geographical Analysis



## As at 31 January 2026

		FTSE All-Share Index weighting 2026 %	Portfolio weighting 2026 %	Portfolio weighting 2025 %
<b>Energy</b>	Oil, Gas and Coal	8.5	9.3	8.3
		<b>8.5</b>	<b>9.3</b>	<b>8.3</b>
<b>Basic Materials</b>	Chemicals	0.3	-	-
	Industrial Metals and Mining	6.2	-	-
	Precious Metals & Mining	0.7	-	-
		<b>7.2</b>	<b>-</b>	<b>-</b>
<b>Industrials</b>	Aerospace & Defence	6.5	-	-
	Construction and Materials	0.5	2.0	4.1
	Electronic and Electrical Equipment	0.9	2.4	1.8
	General Industrials	0.7	-	-
	Industrial Engineering	0.6	3.0	2.1
	Industrial Support Services	2.5	4.3	4.2
	Industrial Transportation	0.8	1.8	2.4
		<b>12.5</b>	<b>13.5</b>	<b>14.6</b>
<b>Consumer Discretionary</b>	Automobiles & Parts	0.1	1.0	2.1
	Consumer Services	1.3	2.5	-
	Household Goods and Home Construction	0.8	2.7	2.0
	Leisure Goods	0.2	2.0	2.6
	Media	0.9	-	5.2
	Personal Goods	0.2	-	-
	Retailers	1.4	-	-
	Travel & Leisure	1.8	-	-
		<b>6.7</b>	<b>8.2</b>	<b>11.9</b>
<b>Health Care</b>	Medical Equipment and Services	0.5	2.7	2.7
	Pharmaceuticals and Biotechnology	11.3	9.4	9.3
		<b>11.8</b>	<b>12.1</b>	<b>12.0</b>

# Sector and Geographical Analysis

Continued

As at 31 January 2026

		FTSE All-Share Index weighting 2026 %	Portfolio weighting 2026 %	Portfolio weighting 2025 %
<b>Consumer Staples</b>	Beverages	2.1	2.9	4.0
	Food Producers	0.5	-	-
	Personal Care, Drug and Grocery Stores	6.8	2.9	6.8
	Tobacco	4.1	-	-
		<b>13.5</b>	<b>5.8</b>	<b>10.8</b>
<b>Real Estate</b>	Real Estate Investment & Services	0.3	-	-
	Real Estate Investment Trusts	1.8	5.2	4.9
		<b>2.1</b>	<b>5.2</b>	<b>4.9</b>
<b>Utilities</b>	Electricity	1.2	-	-
	Gas, Water and Multi-utilities	3.3	4.2	6.0
		<b>4.5</b>	<b>4.2</b>	<b>6.0</b>
<b>Financials</b>	Banks	16.1	7.5	3.3
	Finance and Credit Services	1.5	3.2	4.8
	Investment Banking and Brokerage Services	3.1	5.5	4.8
	Closed End Investments	5.4	-	-
	Life Insurance	2.6	5.3	6.0
	Non-life Insurance	0.7	2.5	2.2
		<b>29.4</b>	<b>24.0</b>	<b>21.1</b>
<b>Technology</b>	Software and Computer Services	2.5	11.5	5.2
	Technology Hardware and Equipment	-	2.5	2.1
		<b>2.5</b>	<b>14.0</b>	<b>7.3</b>
<b>Telecommunications</b>	Telecommunications Service Providers	1.3	2.0	2.2
		<b>1.3</b>	<b>2.0</b>	<b>2.2</b>
<b>Total investments</b>		<b>100.0</b>	<b>98.3</b>	<b>99.1</b>
<b>Net current assets before borrowings<sup>A</sup></b>			<b>1.7</b>	<b>0.9</b>
<b>Total assets less current liabilities<sup>A</sup></b>			<b>100.0</b>	<b>100.0</b>

<sup>A</sup> Excluding bank loan falling due within one year of £19,593,000 (2025 - £18,907,000).

# Investment Case Studies

The two case studies below illustrate how the portfolio combines income today with long-term, sustainable growth, supporting the Company's objective of delivering attractive total returns over time.



## Prudential (Solutions)

Dividend yield	1.9%
Dividend growth*	>10.0%

### Foundations

- Provider of life and health insurance across Asia and Africa.
- Footprint is concentrated in markets with low levels of protection and savings penetration, rising household wealth and large unmet needs for financial and health security.

### Investment Case

- Well positioned in structurally growing and under-served life, health and protection markets across Asia. The company is investing in technology to support and enhance its agency-led distribution model and drive new business profits.
- Simplification and a sharper focus on profitability and cash generation supports the balance sheet and underpins attractive shareholder returns, including strong dividend growth and additional share buybacks.

### Quality and Sustainability

- Inclusive Insurance Framework, which is intended to guide and support local businesses in increasing insurance penetration by developing commercially viable products that are affordable and accessible for underserved customer segments.
- One pillar of the framework relates to low income segments and the company is looking to create products for what it calls the 'missed middle'.

\*Based on consensus estimates. Source: Factset



## Softcat (Solutions)

Dividend yield	3.8%
Dividend growth*	8.0%

### Foundations

- The UK's largest technology value-added reseller, supplying hardware, software and services to small and mid-sized businesses and the public sector.
- Highly cash generative business which operates a net cash balance sheet, returning surplus capital to shareholders through ordinary and special dividends, and, more recently, share buybacks.

### Investment Case

- Customers are increasingly investing in cloud, networking, cybersecurity and data infrastructure, and the pace of vendor innovation, including generative AI, increases the need for trusted advice and implementation support.
- Culture supports high customer satisfaction and is an important driver of consistent execution and share gains in a fragmented market.

### Quality and Sustainability

- Remuneration framework reflects its long-term focus on employees and service levels, linking a portion of annual incentives to measures such as employee engagement, customer satisfaction and sustainability.
- Winner of Glassdoor's Employees' Choice Awards (Best Places to Work 2025) and has been certified as a Great Place to Work across the UK and Ireland.

# Performance

## Ten Year Financial Record

Year ended 31 January	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Total revenue (£'000)	21,963	22,317	22,263	20,518	18,346	21,518	21,950	22,949	22,550	<b>20,013</b>
<b>Per share (p)</b>										
Revenue return	12.55	12.64	12.68	12.08	10.90	12.87	13.02	13.54	13.82	<b>13.64</b>
Dividends paid/proposed	11.70	12.10	12.45	12.70	12.80	12.90	13.10	13.75	14.20	<b>19.10</b>
Revenue reserve <sup>A</sup>	10.51	11.16	11.54	10.94	9.07	9.05	8.97	8.99	9.85	<b>6.29</b>
Net asset value <sup>B</sup>	270.34	290.57	266.83	312.22	297.64	309.03	302.80	308.98	322.47	<b>332.88</b>
Total return <sup>C</sup>	43.83	30.83	(11.95)	58.57	(1.81)	23.78	1.92	15.45	23.90	<b>22.00</b>
<b>Shareholders' funds (£'000)</b>	<b>415,810</b>	<b>442,384</b>	<b>401,731</b>	<b>469,806</b>	<b>448,293</b>	<b>464,579</b>	<b>448,605</b>	<b>445,815</b>	<b>428,528</b>	<b>393,526</b>

<sup>A</sup> After payment of third interim and final dividends (see note 16 on page 91 for further details).

<sup>B</sup> With debt at fair value.

<sup>C</sup> Per Statement of Comprehensive Income.

## Performance (total return)

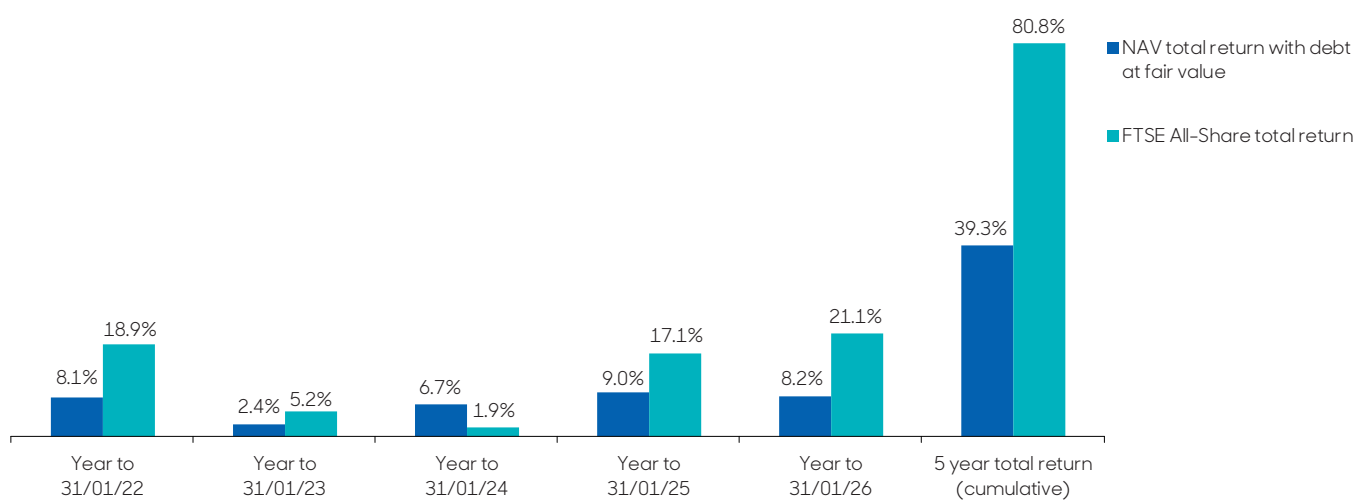
	1 year % return	3 year % return	5 year % return
<b>Total return (Capital return plus net dividends reinvested)</b>			
Net asset value <sup>AB</sup>	8.2	25.9	39.3
Share price <sup>B</sup>	13.8	21.5	35.5
FTSE All-Share Index	21.1	44.5	80.8
<b>Capital return</b>			
Net asset value <sup>A</sup>	3.2	9.9	11.8
Share price	8.1	4.8	7.3
FTSE All-Share Index	17.0	29.5	51.3

<sup>A</sup> Cum-income NAV with debt at fair value.

<sup>B</sup> Considered to be an Alternative Performance Measure (see page 110)

Source: Aberdeen, Factset & Morningstar

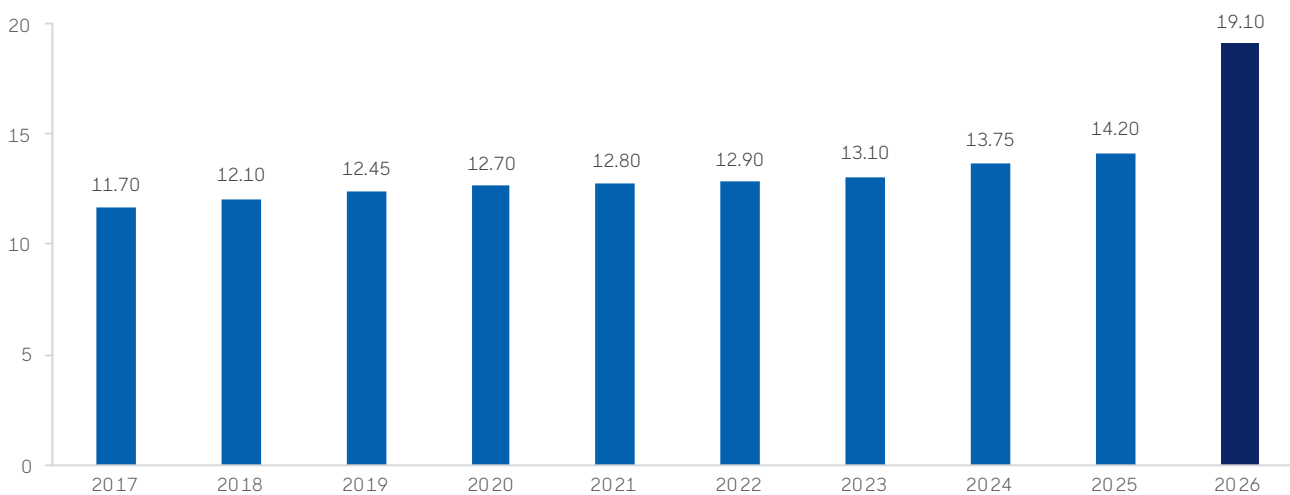
## Comparison of NAV Total Return Performance to FTSE All-Share Index Total Return for 5 years



Source: Aberdeen & Morningstar

## Dividends per Share – Pence

Year to 31 January



# Performance

## Continued

### Dividends per Share

Dividend per share	Rate	xd date	Record date	Payment date
Final dividend 2026	7.40p	7 May 2026	8 May 2026	29 May 2026
Third interim dividend 2026	4.25p	5 February 2026	6 February 2026	27 February 2026
Second interim dividend 2026	4.25p	6 November 2025	7 November 2025	28 November 2025
First interim dividend 2026	3.20p	7 August 2025	8 August 2025	29 August 2025
<b>Total dividend 2026</b>	<b>19.10p</b>			

Dividend per share	Rate	xd date	Record date	Payment date
Final dividend 2025	4.60p	1 May 2025	2 May 2025	30 May 2025
Third interim dividend 2025	3.20p	6 February 2025	7 February 2025	28 February 2025
Second interim dividend 2025	3.20p	31 October 2024	1 November 2024	29 November 2024
First interim dividend 2025	3.20p	1 August 2024	2 August 2024	30 August 2024
<b>Total dividend 2025</b>	<b>14.20p</b>			

# Information About the Investment Manager

## Aberdeen Group

The Company's Investment Manager is abrdn Investments Limited which is a wholly-owned subsidiary of Aberdeen Group plc. The Aberdeen Group's assets under management and administration were £556 billion as at 31 December 2025, managed for a range of clients including 9 UK-listed closed end investment companies.

## The Investment Team Senior Managers



### Ben Ritchie

Head of Developed Markets Equities

Ben Ritchie is Head of Developed Markets Equities at Aberdeen. He originally joined Aberdeen in 2002 as a graduate trainee and has been managing the Company since 2012, including as lead manager since 2016. Ben has a BA (Hons) in Modern History and Politics from Pembroke College, University of Oxford, and is an alumni of Harvard Business School. He is a CFA Charterholder.



### Rebecca Maclean

Investment Director, UK Equities

Rebecca Maclean is an Investment Director in the UK Equities team at Aberdeen. She has worked in the responsible investment industry since 2010 and joined Aberdeen in 2013 as a Responsible Investment Analyst. She moved to the UK Equities team in 2016. Rebecca graduated with a BA in Experimental Psychology from University of Oxford, holds a MA in International Relations from King's College London, and is a CFA Charterholder.

# Investment Process

## Investment Philosophy and Style

The Investment Manager believes that building a concentrated portfolio of high quality companies that meet its sustainable and responsible investment criteria will deliver both real income growth and attractive total returns over the long-term.

The application of sustainable and responsible investing principles enables the Investment Manager to reduce risks in the portfolio by identifying and excluding companies whose business models it considers face significant threats from Environmental, Social and Governance ("ESG") factors. It also enables the Investment Manager to identify positive opportunities for companies to benefit from the same trends as well as giving the potential for engagement to improve companies' performance and increase shareholder value.

A focus on high quality companies and sustainable and responsible investing principles is therefore well aligned with the generation of resilient and growing dividend income, and a capital return profile that is both robust in difficult market conditions and able to participate in upside opportunities, enhancing risk adjusted returns.

Details of the Investment Manager's Sustainable Investment Approach are included on pages 32 to 34.

## Investment Process

The investment process has five stages:

- 1. Idea Generation**  
The Investment Manager's teams of investment analysts generate investment ideas from their comprehensive coverage of the UK and European equity markets. This involves them considering the merits of over 1,000 listed UK and European companies across the market cap spectrum.
- 2. Sustainability**  
Companies with excessive ESG risks are excluded through a combination of pre-set screens and quantitative and fundamental analysis. This removes around a quarter of the companies monitored from the Investment Manager's consideration.
- 3. Quality**  
Businesses that don't meet the analysts' quality criteria are then filtered out. Only around 20% of companies will meet this hurdle and the Investment Manager particularly emphasises allocation to companies that are considered to be sustainable leaders.
- 4. Total Return**  
Focus is then placed on those companies that the analysts identify as having the most attractive total return potential as well as those that have compelling income generation characteristics.
- 5. Portfolio Construction**  
The Investment Manager then builds a concentrated portfolio that can deliver the income and total return requirements while matching the style and risk profile and meeting the sustainable and responsible investing principles.

## A Highly Selective Strategy

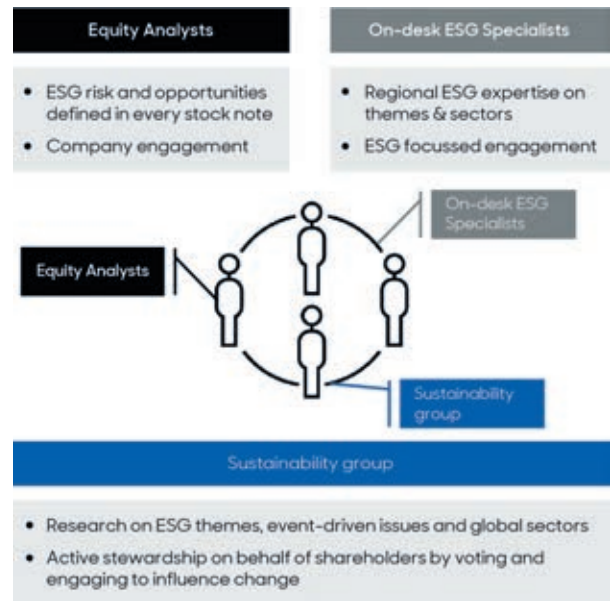
Emphasis on sustainability, quality, total return and income



## Integration of ESG into the Investment Process

The Investment Manager draws upon three resources to assist it with the integration of ESG into the investment process; there is a team of approximately 60 investment professionals in the Developed Markets team and 30 in the sustainability institute ("Central ESG capability"), and two 'on-desk' ESG specialists. Each plays an important yet distinct role in implementation.

While deploying these resources, the ultimate responsibility for stock selection and portfolio construction lies with the Company's portfolio managers.



# Sustainable Investment Approach

## Investing for Sustainable Income and Long-Term Value

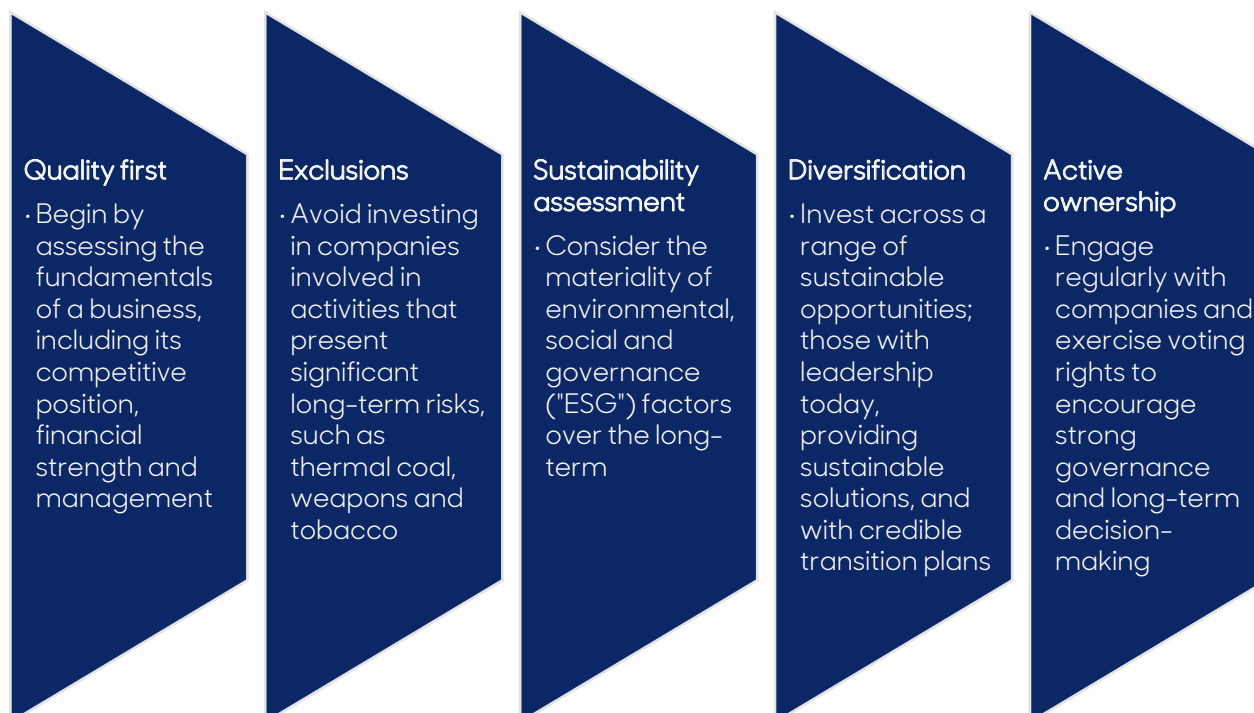
Sustainability is a distinctive element of the Investment Manager's approach to investing for the Company. Companies with strong governance, sustainable business models and responsible practices are, in its view, better placed to manage risk, adapt to change and support reliable shareholder returns over time. By contrast, poor governance, weak stakeholder engagement and sustainable practices can undermine long-term performance.

The Investment Manager's approach focuses on identifying companies that are positively positioned for the future, avoiding those where sustainability risks are greatest, and engaging constructively with management teams to encourage improvement where appropriate.

### What this means for shareholders

The Company offers a differentiated approach to sustainability within the UK Equity Income sector. This includes a disciplined focus on long-term income sustainability, reduced exposure to businesses facing structural or governance risks, and investment in companies with the potential for change over time.

### How we invest sustainably



## Selection Criteria: Key Attributes and Exclusions

### What we invest in

Rather than taking a purely best-in-class approach, the Investment Manager also invests in companies that are taking real steps to improve their ESG performance. Opportunities for improvement are identified by the team of investment analysts in conjunction with the Investment Manager’s on-desk ESG analysts and central ESG team.

The portfolio encompasses;



The Investment Manager believes this balanced approach broadens the opportunity set and can help it identify attractively valued businesses that the market may be overlooking. In particular, the inclusion of transition companies allows the Investment Manager to invest in selected energy companies where it believes portfolio composition and capital allocation show greater alignment with the energy transition.

### What we avoid

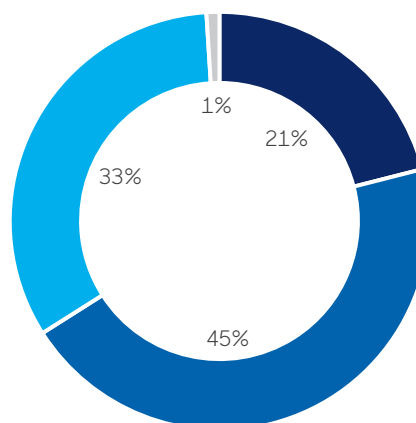
The Investment Manager does not invest in companies whose activities or behaviours, in its assessment, present long-term sustainability risks. This includes companies with weaker sustainability practices, with exclusions related to, but not limited to, failures of the UN Global Compact, involvement in thermal coal extraction, tobacco or weaponry, and oil and gas companies without credible transition plans.

The Pre-investment Disclosure Document published on the Company’s website contains full details of the screening criteria applied.

### How sustainability is assessed

To support investment decision-making, the Investment Manager uses a combination of fundamental analysis, proprietary sustainability tools and engagement to assess material ESG risks and opportunities. This includes internal ESG quality assessments to provide a consistent view across the portfolio.

For companies classified as solutions providers, the Investment Manager considers the extent to which revenues or investment activity are aligned with sustainability themes, such as the UN Sustainable Development Goals.



■ Leader ■ Solutions ■ Transition ■ Cash

### Sustainability at the portfolio level

**Carbon footprint:** The portfolio’s carbon intensity (Scope 1 & 2) is materially lower than that of the FTSE All-Share Index, reflecting a focus on less carbon-intensive business models.

**Sustainability profile:** The portfolio is diversified across sustainability leaders, solution providers and transition companies, supporting both risk management and long-term opportunity.

# Sustainable Investment Approach

## Continued

During the year, the Board and Investment Manager spent considerable time reviewing the negative screening criteria to ensure that they remain appropriate to the Company's objectives. Following this work, the Board has approved a number of changes which are expected to be introduced during the first half of the current financial year. These changes are evolutionary in nature and are designed to align with best practice, which has also evolved in recent years, increase reporting transparency and provide the Investment Manager with greater flexibility in managing the portfolio.

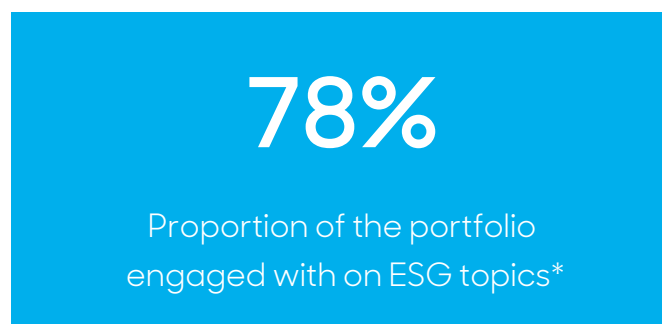
At the headline level, the most significant changes in terms of increasing the Investment Manager's flexibility are to allow greater flexibility to invest in Aerospace & Defence, permit investment in Nuclear Energy and modify restrictions around investment in Natural Resource companies. As a consequence, the negative screening criteria, which currently exclude approximately 23% of the benchmark FTSE All-Share Index, will reduce the exclusions to around 13%. More details of the updated criteria will be published on the Company's website, in the Pre-investment Disclosure Document and in future Annual Reports.

## Engagement and Active Ownership

### Engagement activity

The Investment Manager believes that long-term investors have a responsibility to engage constructively with the companies they own.

During the year, the Investment Manager held regular meetings with portfolio companies where sustainability topics were discussed. A number of these meetings were with transition companies where the Investment Manager believes progress could strengthen long-term outcomes for shareholders.



\*Year ended 31 January 2026

### Voting on your behalf

Voting is an important part of the Investment Manager's stewardship approach. While it typically supports management at the companies it invests in, it will vote against proposals where it believes they are not in the best long term interests of shareholders.

# Overview of Strategy

## Business

The Company is an investment trust with its shares listed on the Main Market of the London Stock Exchange.

## Investment Objective

The Company's objective is to achieve growth of income and capital from a high quality portfolio invested mainly in companies listed or quoted in the United Kingdom or companies having significant operations and/or exposure to the United Kingdom that meet the Company's sustainable and responsible investing approach.

## Investment Policy

In pursuit of its objective, the Company's investment policy is to deliver income and long-term growth from investing mainly in equities and equity-related securities of companies incorporated or domiciled in the United Kingdom, or companies having significant operations and/or exposure to the United Kingdom, that meet the Company's sustainable and responsible investing approach.

The Company ensures that all equity and equity related securities adhere to the Investment Manager's Sustainable Investment Approach details of which are included on pages 32 to 34.

The Company does not have a UK sustainable investment label under the sustainability disclosure requirements and investment labels regime ("SDR"). While the Company has sustainability characteristics, it does not have a sustainability objective. Sustainable investment labels are intended to help investors find products that have a specific sustainability goal.

## Management Process

The Investment Manager has discretion to actively manage the portfolio to achieve a diverse asset mix at sector and stock level.

The Company incorporates sustainability characteristics through a combination of positive allocation, negative exclusions, and corporate engagement. The Company uses the Investment Manager's proprietary, forward-looking Environmental Social and Governance ("ESG") tools to assess the sustainable characteristics of investments and classifies holdings as Sustainable Leaders, Solutions Providers and Transition companies.

The Investment Manager's internal ESG House Score and ESG Quality Score are also used to identify and exclude companies exposed to the highest ESG risks. For example, the Company will not invest in ESG Q 4 and 5 rated

companies or those with an ESG House Score in the bottom 10% of the investment universe. In addition, a set of company exclusions are applied relating to the principles of the UN Global Compact, tobacco manufacturing, thermal coal, oil & gas and weapons (for further details, see the Sustainable Investment Approach section on pages 32 to 34).

Further, sustainability characteristics are targeted at the aggregate portfolio level. The Company is committed to having a carbon footprint (Scope 1 and 2) of at least 20% below the FTSE All-Share Index.

The Company may also invest in other investment funds (including those managed by the Investment Manager), money-market instruments and cash. These assets may not adhere to the Company's investment objective but will not conflict with the Company's sustainable and responsible investing approach and will pass the Company's exclusionary screening criteria as agreed by the Board.

## Risk Diversification

The Company maintains a diversified portfolio consisting, substantially, of equity or equity-related securities, and it can invest in other financial instruments. The Company is invested mainly in companies listed or quoted in the United Kingdom and can invest up to 25% of its gross assets overseas.

It is the policy of the Company to invest no more than 15% of its gross assets in other listed investment companies and no more than 15% of its gross assets in any one company.

## Gearing

The Board is responsible for determining the gearing strategy for the Company, with day-to-day gearing decisions being made by the Manager within the remit set by the Board. The Board has set its gearing limit at a maximum of 30% of the net asset value at the time of draw down. Gearing is used selectively to leverage the Company's portfolio in order to enhance returns where and to the extent considered appropriate.

The Company may only make material changes to its investment policy (including the level of gearing set by the Board) with the approval of shareholders in the form of an ordinary resolution and the prior approval of the Financial Conduct Authority ("FCA").

# Overview of Strategy

## Continued

### Delivering the Investment Objective and Policy

The Directors are responsible for determining the Company's investment objective and investment policy.

Day-to-day management of the Company's assets has been delegated, via the AIFM, to the Investment Manager.

### Benchmark

The Company's benchmark is the FTSE All-Share Index (total return). Performance is measured on a net asset value ("NAV") total return basis over the long-term.

### Dividend Policy

It is the stated intention of the Board to continue with a progressive dividend policy with growth in absolute terms in future years.

### Promoting the Success of the Company

The Board's statement on pages 42 to 45 describes how the Directors have discharged their duties and responsibilities over the course of the financial year under section 172 (1) of the Companies Act 2006 and how they have promoted the success of the Company for the benefit of the members as a whole.

### Key Performance Indicators ("KPIs")

The Board uses a number of financial performance measures to assess the Company's success in achieving its objective and determining the progress of the Company in pursuing its investment policy. The main KPIs are shown in the table below.



KPI	Description
Performance of NAV against benchmark index	The Company's NAV total return performance against the total return of the benchmark index – the FTSE All-Share Index – for this year and for the past three and five years is shown on page 26.
Revenue return per Ordinary share	The revenue returns per Ordinary share for each of the past 10 years are set out on page 26.
Dividend per Ordinary share	The dividends per share for each of the past 10 years are set out on page 26.
Share price performance	The Company's share price performance on a total return basis for this year and for the past three and five years is shown on page 26.
Discount/premium to NAV	The discount at the year end and at the end of the previous year are disclosed on page 6.
Ongoing charges	The ongoing charges ratio ("OCR") is the total of investment management fees and administrative expenses, expressed as a percentage of net assets. The OCR for the year and the previous year is disclosed on page 6.

## Principal Risks and Uncertainties

The Board carries out a regular review of the risk environment in which the Company operates, including changes to the environment and individual risks. The Board also considers emerging risks which might affect the Company. The Board receives updates from the Manager on the risks that could affect the Company.

The Board has carried out a robust assessment of the Company's principal and emerging risks, which include those that would threaten its business model, future performance, solvency, liquidity or reputation. The principal risks and uncertainties facing the Company at the current time, together with a description of the mitigating actions the Board has taken, are set out in the table below. In addition to these principal risks and uncertainties, the Board considers that the development of Artificial Intelligence ("AI") presents potential risks, both positive and negative, to businesses in almost every sector. The extent of the risk presented by AI is extremely hard to assess at this point but the Board considers that it is an emerging risk and, together with the Manager, will monitor developments in this area.




Investment Performance risk is considered to have increased during the year due to the underperformance of the Company against the benchmark index. Geo-political risk is considered to have increased as a result of the conflict in the Middle East since the end of the financial year. The trend of other principal risks has not changed during the year.

Risk	Trend	Mitigating Action
<p><b>Investment objectives</b> - a lack of demand for the Company's shares could result in a widening of the discount of the share price to its underlying NAV and a fall in the value of its shares.</p>		<p><b>Board review.</b> The Board formally reviews the Company's objectives and strategies for achieving them on an annual basis, or more regularly if appropriate, to ensure they remain relevant to shareholders.</p> <p><b>Shareholder communication.</b> The Board is cognisant of the importance of regular communication with shareholders. Directors attend meetings with the Company's largest shareholders and meet other shareholders at the Annual General Meeting and, as explained in the Chairman's Statement, the Company will hold an online shareholder presentation in advance of the Annual General Meeting this year, including an interactive question and answer session. The Board reviews shareholder correspondence and investor relations reports and also receives feedback from the Company's Stockbroker.</p> <p><b>Discount monitoring.</b> The Board, through the Manager, keeps the level of discount under constant review. The Board is responsible for the Company's share buy back policy and is prepared to authorise the use of share buy backs to provide liquidity to the market and try to limit volatility in the share price and any widening of the discount.</p>
<p><b>Investment strategies</b> - the Investment Manager acts outside the terms of the management agreement or investment guidelines, leading to an adverse impact on performance and a widening of the discount.</p>		<p><b>Adherence to investment guidelines.</b> The Board sets investment guidelines and restrictions which the Manager follows, covering matters such as asset allocation, diversification, gearing, currency exposure and use of derivatives, as well as the Company's sustainable and responsible investment criteria. These guidelines are reviewed regularly and the Manager reports on compliance with them at Board meetings.</p> <p><b>Diversification.</b> In order to ensure adequate diversification, the Board has set absolute limits on maximum holdings and exposures in the portfolio at the time of investment, which are in addition to the limits contained in the Company's investment policy, including the following:</p> <ul style="list-style-type: none"> <li>• No more than 10% of gross assets to be invested in any single stock; and</li> <li>• The top five holdings should not account for more than 40% of gross assets.</li> </ul>

# Overview of Strategy

## Continued

Risk	Trend	Mitigating Action
<p><b>Investment performance</b> – poor investment decisions, leading to underperformance, a loss of value for shareholders and a widening discount.</p>		<p><b>Monitoring of performance.</b> The Board reviews investment performance formally at Board meetings where it receives a presentation on performance and the outlook for the portfolio from the Investment Manager. The Board also keeps under close review (inter alia) the Investment Manager’s resources and adherence to investment processes.</p> <p><b>Management Engagement Committee.</b> A detailed formal appraisal of the Manager is carried out annually by the Management Engagement Committee.</p>
<p><b>Sustainable and responsible investing criteria</b> – failure of the Company to adhere to its sustainable and responsible investment criteria, or non-compliance with applicable regulations, could lead to a loss of investor confidence or accusations of greenwashing.</p>		<p><b>Adherence to restrictions.</b> The Board sets restrictions relating to the Company’s sustainable and responsible investment criteria, which the Investment Manager follows. These restrictions are reviewed regularly and the Investment Manager reports on compliance with them at Board meetings.</p> <p><b>Awareness of regulations.</b> Through the regulatory risk controls stated below, the Board is also aware of the relevant ESG regulations impacting the Company.</p> <p>As set out in the Chairman’s Statement on pages 10 and 11, since the year end the Board has approved a number of changes to the Company’s sustainability criteria, which are expected to be introduced during the first half of the current financial year.</p>
<p><b>Income/dividends</b> – the Company adopts an unsustainable dividend policy resulting in cuts to or suspension of dividends to shareholders, or one which fails to meet investor demands.</p>		<p><b>Revenue forecasting and monitoring.</b> The Manager presents detailed forecasts of income and expenditure at Board meetings, covering both the current and subsequent financial years. Dividend income received is compared to forecasts, and variances analysed.</p> <p>It is the stated intention of the Board to continue with a progressive dividend policy with growth in absolute terms in future years.</p> <p><b>Use of reserves.</b> The Company has the ability to fund dividend distributions from both accumulated revenue reserves and realised capital reserves.</p>
<p><b>Financial/market</b> – insufficient oversight or controls over financial risks, including market risk, foreign currency risk, liquidity risk and credit risk could result in losses to the Company.</p>		<p><b>Management controls.</b> The Manager has a range of procedures and controls relating to the Company’s financial instruments, including a review of investment risk parameters by its Investment Risk department and a review of credit worthiness of counterparties by its Counterparty Credit Risk team.</p> <p><b>Foreign currency hedging.</b> It is not the Company’s policy to hedge foreign currency exposure but the Company may, from time to time, partially mitigate it by drawing down borrowings in foreign currencies.</p> <p><b>Board review.</b> As stated above, the Board sets investment guidelines and restrictions which are reviewed regularly and the Manager reports on compliance with them at Board meetings.</p> <p>Further details of the Company’s financial instruments and risk management are included in note 19 to the financial statements.</p>

Risk	Trend	Mitigating Action
<p><b>Gearing</b> – gearing accentuates the effect of rises or falls in the market value of the Company's investment portfolio on its NAV. An inappropriate level of gearing at a time of falling values could result in a significant fall in the value of the Company's net assets and share price. Such a fall in the value of the Company's net assets could result in a breach of loan covenants and trigger demands for early repayment or require investments to be sold to meet any shortfall. This could result in further losses.</p>		<p><b>Gearing restrictions.</b> The Board sets gearing limits within which the Manager can operate.</p> <p><b>Monitoring.</b> Both the limits and actual levels of gearing are monitored on an ongoing basis by the Manager and at regular Board meetings. In the event of a possible impending covenant breach, appropriate action would be taken to reduce borrowing levels.</p> <p><b>Scrutiny of loan agreements.</b> The Board takes advice from the Manager and the Company's lawyers before approving details of loan agreements. Care is taken to ensure that covenants are appropriate and unlikely to be breached.</p> <p><b>Limits on derivative exposure.</b> The Board has set limits on derivative exposures and positions are monitored at regular Board meetings.</p>
<p><b>Regulatory</b> – changes to, or failure to comply with, relevant regulations could result in fines, loss of reputation, reduced demand for the Company's shares and potentially loss of an advantageous tax regime.</p>		<p><b>Board awareness.</b> The Directors have an awareness of the more important regulations and are provided with information on changes by the Manager and the Association of Investment Companies. In terms of day to day compliance with regulations, the Board is reliant on the knowledge and expertise of the Manager. However, where necessary, the Board engages the service of external advisers. In addition, all Directors attend relevant training courses and seminars.</p> <p><b>Management controls.</b> The Manager's company secretariat and accounting teams use checklists to aid compliance and these are backed by the Manager's compliance monitoring programme and risk based internal audit investigations.</p>
<p><b>Operational (including cyber-crime)</b> – the Company is reliant on services provided by third parties (in particular those of the Manager and the Depositary) and any control gaps and failures in their operations could expose the Company to loss or damage.</p>		<p><b>Agreements.</b> Written agreements are in place defining the roles and responsibilities of all third party service providers.</p> <p><b>Internal control systems of the Manager.</b> The Board receives reports on the operation and efficacy of the Manager's IT and control systems, including those relating to cyber-crime, and its internal audit and compliance functions.</p> <p><b>Safekeeping of assets.</b> The Depositary is ultimately responsible for the safekeeping of the Company's assets and its records are reconciled to those of the Manager on a regular basis. Through a delegation by the Depositary, the Company's investments and cash balances are held in segregated accounts by the Depositary.</p> <p><b>Monitoring of other third party service providers.</b> The Manager monitors closely the control environments and quality of services provided by third parties, including those of the Depositary. This includes controls relating to cyber-crime and is conducted through service level agreements, regular meetings and key performance indicators. The Directors review reports on the Manager's monitoring of third party service providers on a periodic basis.</p>

# Overview of Strategy

## Continued

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**Geo-political** – the impact of current and future geo-political events could result in losses to the Company.



**Board and Manager awareness.** Geo-political events over which the Company has no control are always a risk. The Investment Manager's focus on quality companies, the diversified nature of the portfolio and a managed level of gearing all serve to provide a degree of protection in times of market volatility.

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no change to risk rating during the year



increased risk rating

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### Promotional Activities

The Board recognises the importance of promoting the Company to prospective investors both for improving liquidity and enhancing the rating of the Company's shares. The Board believes one effective way to achieve this is through subscription to, and participation in, the promotional programme run by Aberdeen on behalf of a number of investment trusts under its management. The Company's financial contribution to the programme is matched by the Manager. The Company also supports the Manager's investor relations programme which involves regional roadshows, promotional and public relations campaigns. The Manager's promotional and investor relations teams report to the Board on a quarterly basis, giving analysis of the promotional activities as well as updates on the shareholder register and any changes in the composition of the register.

The purpose of the promotional and investor relations programmes is both to communicate effectively with existing and prospective investors and to gain new shareholders, with the aim of improving liquidity and enhancing the value and rating of the Company's shares. Communicating the long-term attractions of the Company is key. The promotional programme includes commissioning independent paid-for research on the Company, most recently from Kepler Trust Intelligence. A copy of the latest research note is available from the Literature section of the Company's website.

### Social and Human Rights Issues

The Company has no employees as the Board has delegated the day to day management and administrative functions to the Manager. There are therefore no disclosures to be made in respect of employees.

### Modern Slavery Act

Due to the nature of its business, being a company that does not offer goods and services to customers, the Board considers that the Company is not within the scope of the Modern Slavery Act 2015. The Company is therefore not required to make a slavery and human trafficking statement. In any event, the Board considers the Company's supply chains, dealing predominantly with professional advisers and service providers in the financial services industry, to be low risk in relation to this matter.

### Global Greenhouse Gas Emissions

The Company has no greenhouse gas emissions to report from its operations, nor does it have responsibility for any other emissions producing sources under the Companies Act 2006 (Strategic Report and Directors' Reports) Regulations 2013.

Under Listing Rule 11.4.22(R), the Company, as a closed ended investment company, is exempt from complying with the Task Force on Climate-related Financial Disclosures.

The portfolio's carbon intensity (Scope 1 & 2) is materially lower than that of the FTSE All-Share Index, reflecting a focus on less carbon-intensive business models.

## The UK Stewardship Code and Proxy Voting

The Company supports the UK Stewardship Code and seeks to play its role in supporting good stewardship of the companies in which it invests. Responsibility for actively monitoring the activities of portfolio companies has been delegated by the Board to the Manager, which has sub-delegated that authority to the Investment Manager.

Aberdeen Group plc is a signatory to the UK Stewardship Code, which aims to enhance the quality of engagement by investors with investee companies in order to improve their socially responsible performance and the long term investment return to shareholders. While delivery of stewardship activities has been delegated to the Manager, the Board acknowledges its role in setting the tone for the effective delivery of stewardship on the Company's behalf.

The Board has also given discretionary powers to the Manager to exercise voting rights on resolutions proposed by the investee companies within the Company's portfolio. The Manager reports on a quarterly basis on stewardship (including voting) issues.

The Investment Manager's approach to stewardship and engagement and proxy voting is set out on pages 34 and 41.

## Viability Statement

The Board considers that the Company, which does not have a fixed life, is a long term investment vehicle and, for the purposes of this statement, has decided that five years is an appropriate period over which to consider its viability. The Board considers that this period reflects a balance between looking out over a long term horizon and the inherent uncertainties of looking out further than five years.

Taking into account the Company's current position and the potential impact of its principal risks and uncertainties, the Directors have a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due for a period of five years from the date of this Report.

In assessing the viability of the Company over the review period, the Directors have focused upon the following factors:

- The principal risks and uncertainties detailed on pages 37 to 40 and the steps taken to mitigate these risks.
- The relevance of the Company's investment objective.
- The Company is invested in readily-realizable listed securities.
- The level of share buy backs carried out during the year and subsequent to the year end.
- Although the Company's stated investment policy contains a maximum gearing limit of 30% of the net asset value at the time of draw down, the Board's policy is to have a relatively modest level of gearing and the financial covenants attached to the Company's borrowings provide for significant headroom.
- The ability of the Company to fund dividend payments from both accumulated revenue reserves and realised capital reserves.
- The level of ongoing charges.
- The robustness of the operations of the Company's third party service suppliers.

In making its assessment, the Board is also aware that there are other matters that could have an impact on the Company's prospects or viability in the future, including current and future geo-political events, economic shocks or significant stock market volatility caused by other factors, and changes in regulation or investor sentiment.

## Outlook

The Board's view on the general outlook for the Company can be found in the Chairman's Statement on page 13 while the Investment Manager's views on the outlook for the portfolio are included on page 18.

### On behalf of the Board

**Howard Williams**

Chairman

8 April 2026

# Promoting the Success of the Company

## Introduction

Section 172 (1) of the Companies Act 2006 (the "Act") requires each Director to act in the way he/she considers, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole.

The Board is required to describe to the Company's shareholders how the Directors have discharged their duties and responsibilities over the course of the financial year under that provision of the Act (the "Section 172 Statement"). This statement provides an explanation of how the Directors have promoted the success of the Company for the benefit of its members as a whole, taking into account, among other things, the likely long term consequences of decisions, the need to foster relationships with all stakeholders and the impact of the Company's operations on the environment.

## The Purpose of the Company and Role of the Board

The purpose of the Company is to act as a vehicle to provide, over time, financial returns (both income and capital) to its shareholders. Investment trusts, such as the Company, are long-term investment vehicles and are typically externally managed, have no employees, and are overseen by an independent non-executive board of directors.

The Board, which throughout the year comprised independent non-executive Directors with a broad range of skills and experience across all major functions that affect the Company, retains responsibility for taking all decisions relating to the Company's investment objective and policy, gearing, corporate governance and strategy, and for monitoring the performance of the Company's service providers.

The Board's philosophy is that the Company should operate in a transparent culture where all parties are provided with the opportunity to offer practical challenge and participate in positive debate which is focused on the aim of achieving the expectations of shareholders and other stakeholders alike. The Board reviews the culture and manner in which the Manager and Investment Manager operate at its meetings and receives regular reporting and feedback from the other key service providers. The Board works very closely with the Manager and Investment Manager in reviewing how stakeholder issues are handled, ensuring good governance and responsibility in managing the Company's affairs, as well as visibility and openness in how the affairs are conducted.

The Company's main stakeholders have been identified as its Shareholders, the Manager (and Investment Manager), Service Providers, Investee Companies, Debt Providers and, more broadly, the environment and community at large.

## How the Board Engages with Stakeholders

The Board considers its stakeholders at Board meetings and receives feedback on the Manager's interactions with them.

Further details are included in the table below.

Stakeholder	How We Engage
<b>Shareholders</b>	<p>Shareholders are key stakeholders and the Board places great importance on communication with them. The Board welcomes all shareholders' views and aims to act fairly between all of them. The Manager and Company's Stockbroker meet regularly with current and prospective shareholders to discuss performance and shareholder feedback is discussed by the Directors at Board meetings. In addition, the Manager meets with analysts who cover the investment trust sector and the Directors attend meetings with the Company's largest shareholders and meet other shareholders at the Annual General Meeting.</p> <p>The Company subscribes to the Manager's investor relations programme in order to maintain communication channels, in particular, with the Company's institutional shareholder base.</p> <p>Regular updates are provided to shareholders through the Annual Report, Half Yearly Report, monthly factsheets, Company announcements, including daily NAV announcements, and the Company's website.</p> <p>The Company's Annual General Meeting provides a forum, both formal and informal, for shareholders to meet and discuss issues with the Directors and Manager. The Board encourages as many shareholders as possible to attend the Company's Annual General and to provide feedback on the Company. In addition to the Annual General Meeting, this year the Company will again hold an online shareholder presentation at which shareholders will receive updates from the Chairman and Investment Manager and there will be the opportunity for an interactive question and answer session. Further details are provided in the Chairman's Statement.</p>
<b>Manager (and Investment Manager)</b>	<p>The Investment Manager's Review on pages 14 to 18 details the key investment decisions taken during the year. The Investment Manager has continued to manage the Company's assets in accordance with the mandate provided by the Company, with the oversight of the Board.</p> <p>The Board regularly reviews the Company's performance against its investment objective and the Board undertakes an annual strategy review meeting to ensure that the Company is positioned well for the future delivery of its objective for its stakeholders.</p> <p>The Board receives presentations from the Investment Manager at every Board meeting to help it to exercise effective oversight of the Investment Manager and the Company's strategy.</p> <p>The Board, through the Management Engagement Committee, formally reviews the performance of the Manager at least annually. More details are provided on pages 55 to 56.</p>

# Promoting the Success of the Company

## Continued

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<b>Service Providers</b>	<p>The Board seeks to maintain constructive relationships with the Company's suppliers either directly or through the Manager, with regular communications and meetings.</p> <p>The Management Engagement Committee conducts an annual review of the performance, terms and conditions of the Company's main service providers to ensure they are performing in line with Board expectations, carrying out their responsibilities and providing value for money.</p>
<b>Investee Companies</b>	<p>Responsibility for actively monitoring the activities of portfolio companies has been delegated by the Board to the Manager which has sub-delegated that authority to the Investment Manager.</p> <p>The Board has also given discretionary powers to the Manager to exercise voting rights on resolutions proposed by the investee companies within the Company's portfolio. The Manager reports on a quarterly basis on stewardship (including voting) issues.</p> <p>Through engagement and exercising voting rights, the Investment Manager actively works with companies to improve corporate standards, transparency and accountability. Further details are provided on pages 34 and 41.</p> <p>The Manager reports regularly to the Board on investment and engagement activity.</p>
<b>Debt Providers</b>	<p>On behalf of the Board, the Manager maintains a positive working relationship with The Bank of America, N.A., London Branch, the provider of the Company's multi-currency loan facility, and provides regular updates on business activity and compliance with its loan covenants.</p> <p>The Manager also provides regular covenant compliance certificates to the holders of the Company's £30 million Loan Notes.</p>
<b>Environment and Community</b>	<p>The Board and Manager are committed to investing in a sustainable and responsible manner. Further details are provided in the Investment Policy on page 35.</p>

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## Specific Examples of Stakeholder Consideration During the Year

While the importance of giving due consideration to the Company's stakeholders is not a new requirement, and is considered during every Board decision, the Directors were particularly mindful of stakeholder considerations during the following decisions undertaken during the year ended 31 January 2026. Each of these decisions was made after taking into account the short and long term benefits for stakeholders.

### Investment Objective and Portfolio (including sustainable and responsible investing criteria)

The Investment Manager's Review details the key investment decisions taken during the year, including adherence to the Company's sustainable and responsible investing criteria.

The overall shape and structure of the investment portfolio is an important factor in delivering the Company's stated investment objective and is reviewed at every Board meeting, including adherence to the Company's sustainable and responsible investing criteria, further details of which are included on pages 32 to 34.

During the year, through the work of the Management Engagement Committee, the Board decided that the continuing appointment of the Manager is in the best interests of shareholders.

### Dividend

During the year, and as explained in greater detail in the Chairman's Statement on page 11, the Board announced that it would significantly increase dividend distributions to shareholders such that, for the year ending 31 January 2026, the Company's dividend was increased by 34.5% to 19.10p per share. This provided a dividend yield of 6.2% at the end of the year, offering an attractive yield compared to cash, the FTSE All-Share Index and peers in the UK Equity Income sector.

Furthermore, the Board stated its intention to continue with a progressive dividend policy with growth in absolute terms in future years from the increased level, and building on the successful long-term track record of dividend increases.

The Company has the ability to fund the dividend cost from a combination of accumulated revenue reserves and realised capital reserves thus utilising one of the key benefits of the investment trust structure.

Through meetings with shareholders and feedback from the Manager and the Company's Stockbroker, the Board is conscious of the importance that shareholders place on the level of dividends paid by the Company. The Board therefore considers that that the increase in the dividend level is in the interest of shareholders.

#### **Share Buy Backs**

During the year, the Company bought back 14.8 million Ordinary shares to be held in treasury, at a cost of £43.3 million, providing an accretion of 1.1% to the NAV per share and a degree of liquidity to the market at times when the discount to the NAV per share had widened in normal market conditions. It is the view of the Board that this policy is in the interest of all shareholders.

#### **Shareholder Engagement**

During the year, the Board met shareholders at the AGM which was held in Edinburgh. The AGM will be held in London this year. The Board receives feedback from the Stockbroker and the Manager following meetings with shareholders and the Charman is available to meet with the Company's larger shareholders. Shareholder letters addressed to the Board are shared with all Directors and responded to directly by the Charman.

To encourage and promote stronger interaction and engagement with the Company's shareholders, the Board will hold an interactive online shareholder presentation which will be held at 11.00am on Friday 8 May 2026. At the presentation, shareholders will receive updates from the Chairman and Investment Manager and there will be the opportunity for an interactive question and answer session. Details of how to register for the event can be found on the Company's website.

In addition, the Chairman and the Manager recorded podcasts during the year which are available on the Company's website, providing updates on performance and the outlook for markets.

The Board considers that it is important to maintain an ongoing dialogue with shareholders to properly understand their views and to communicate the actions of the Board.

#### **Board Succession**

Having served for nine years, David Barron and Jasper Judd retired from the Board on 22 May 2025. As explained in the Chairman's Statement on page 12 and the Directors' Report on pages 52 and 56, as part of the Board's succession planning, and following a search process, Arun Kumar Sarwal was appointed as an independent non-executive Director on 1 February 2025 and as Chair of the Audit & Risk Committee on 22 May 2025. Katrina Hart was appointed as an independent non-executive Director on 1 March 2026.

New Board appointments seek to achieve a good balance of skills, experience, gender and ethnicity. The Board believes that shareholders' interests are best served by ensuring a smooth and orderly refreshment of the Board which serves to provide continuity and maintain the Board's open and collegiate style.

#### **On behalf of the Board**

##### **Howard Williams**

Chairman  
8 April 2026

# Governance

A photograph of a man in a construction site. He is wearing an orange hard hat and blue overalls over a grey t-shirt. He has a beard and is smiling, looking off to the side. He is holding a pencil in his right hand and a clipboard in his left. The background is a blurred construction site with wooden structures and machinery.

2.7% of the Company's total assets are invested in the House Goods and Home Construction sub-sector (2025: 2.0%).



The Company is committed to high standards of corporate governance and applies the principles identified in the UK Corporate Governance Code and the AIC Corporate Governance Code.

The Directors, all of whom are non-executive and independent of the Manager, supervise the management of the Company and represent the interests of shareholders.

# Board of Directors



## Howard Williams

Independent Non-Executive Chairman

### Experience:

Howard Williams has over 40 years' of fund management experience and was, until October 2017, Chief Investment Officer and Head of the Global Equity Team at JPMorgan Asset Management. Prior to joining JPMorgan Asset Management in 1994, he held a number of senior positions at Shell Pensions and Kleinwort Benson Asset Management. He started his career at James Capel & Co. He is also a non-executive director of Strategic Equity Capital plc and Lifesight Limited and is Chairman of Schroders Unit Trusts Limited.

### Length of service:

8 years, appointed a Director on 1 April 2018 and Chairman on 22 May 2025

### Last re-elected to the Board:

22 May 2025

### Committee membership:

Management Engagement Committee and Nomination & Remuneration Committee

### Contribution:

The Nomination & Remuneration Committee has reviewed the contribution of Howard Williams and has concluded that he has chaired the Company expertly since his appointment to the role on 22 May 2025, fostering a collaborative spirit between the Board and Manager whilst ensuring that meetings remain focused on the key areas of stakeholder relevance. In addition, he continues to provide significant investment insight to the Board and knowledge of the investment management sector.



## Gay Collins

Independent Non-Executive Director and Chair of the Nomination & Remuneration Committee

### Experience:

Gay Collins has over 35 years of experience in the financial services sector and has founded and grown three PR companies, Montfort Communications, Penrose Financial (which became MHP) and Ludgate Communications, and has an executive role at Montfort where she advises financial services companies on communications. She was, until January 2026, a non-executive director of the Association of Investment Companies.

### Length of service:

4 years, appointed a Director on 1 July 2021

### Last re-elected to the Board:

22 May 2025

### Committee membership:

Audit & Risk Committee, Management Engagement Committee and Nomination & Remuneration Committee (Chair)

### Contribution:

The Nomination & Remuneration Committee has reviewed the contribution of Gay Collins in light of her proposed re-election at the AGM and has concluded that she has continued to provide significant value to the Board through her knowledge of the financial services sector, and promotional activities in particular, and knowledge of the investment trust sector.



## Katrina Hart

Independent Non-Executive Director

### Experience:

Katrina Hart spent her executive career in investment banking, advising, analysing and commentating on a broad range of businesses. Initially working in corporate finance at ING Barings and Hawkpoint Partners, she then moved into equities research at HSBC. Latterly, she headed up the Financials research teams at Bridgewell Group and Canaccord Genuity, specialising in wealth and asset managers. She is currently Chair of JPMorgan UK Small Cap Growth & Income plc and Blackrock Frontiers Investment Trust plc and a non-executive director of AEW UK REIT plc (due to retire in September 2026) and Montanaro Asset Management Limited.

### Length of service:

Appointed a Director on 1 March 2026

### Last re-elected to the Board:

n/a – will stand for election at the AGM on 21 May 2026

### Committee membership:

Audit & Risk Committee, Management Engagement Committee and Nomination & Remuneration Committee



## Christine Montgomery

Senior Independent Non-Executive Director and Chair the Management Engagement Committee

### Experience:

Christine Montgomery has over 30 years of investment management experience, most recently as Head of Global Equities at AustralianSuper in Melbourne from 2016 until 2019. She previously held roles as a global equities portfolio manager at Fidelity Worldwide Investments, Martin Currie and Edinburgh Partners. She is also a non-executive director of The Scottish American Investment Company plc.

### Length of service:

6 years, appointed a Director on 1 February 2020

### Last re-elected to the Board:

22 May 2025

### Committee membership:

Audit & Risk Committee, Management Engagement Committee (Chair) and Nomination & Remuneration Committee

### Contribution:

The Nomination & Remuneration Committee has reviewed the contribution of Christine Montgomery in light of her proposed re-election at the AGM and has concluded that she has continued to provide significant investment insight to the Board and knowledge of the investment management sector.

# Board of Directors

## Continued



### **Arun Kumar Sarwal**

Independent Non-Executive Director and Chairman of the Audit & Risk Committee

#### **Experience:**

Arun Kumar Sarwal has broad experience of global equities and fund management over some 35 years in the UK, Europe, and Asia. He is Chairman of the board of Tumelo, a director and Chairman of the Audit Committee of JPMorgan European Discovery Trust plc and a director of Invesco Bond Income Plus Limited. His previous roles include CEO of Broadridge Fund Communication Solutions, Senior Vice President of SS&C Technologies, COO and CFO at Scottish Widows Investment Partnership and global roles at ABN AMRO and Societe Generale Investment Limited. He is a Chartered Accountant.

#### **Length of service:**

1 year, appointed a Director on 1 February 2025.

#### **Elected to the Board:**

22 May 2025

#### **Committee membership:**

Audit & Risk Committee (Chairman), Management Engagement Committee and Nomination & Remuneration Committee

#### **Contribution:**

The Nomination & Remuneration Committee has reviewed the contribution of Arun Kumar Sarwal and has concluded that he has chaired the Audit & Risk Committee expertly since taking over the Chair on 22 May 2025 and provides financial and business insight to the Board and knowledge of the investment trust sector.

# Directors' Report

The Directors present their report and the audited financial statements for the year ended 31 January 2026.

## Results and Dividends

The financial statements for the year ended 31 January 2026 are contained on pages 77 to 100. A first interim dividend of 3.20p per Ordinary share was paid on 29 August 2025 and second and third interim dividends, each of 4.25p per Ordinary share, were paid on 28 November 2025 and 27 February 2026. The Directors recommend a final dividend of 7.40p per Ordinary share, payable on 29 May 2026 to shareholders on the register on 8 May 2026. The ex-dividend date is 7 May 2026. A resolution to approve the final dividend will be proposed at the Annual General Meeting.

## Principal Activity and Status

The Company is registered as a public limited company (registered in Scotland No. SC000881) and is an investment company within the meaning of Section 833 of the Companies Act 2006. The Company has been approved by HM Revenue & Customs as an investment trust subject to it continuing to meet the relevant eligibility conditions of Section 1158 of the Corporation Tax Act 2010 and the ongoing requirements of Part 2 Chapter 3 Statutory Instrument 2011/2999. The Directors are of the opinion that the Company has conducted its affairs for the year ended 31 January 2026 so as to enable it to comply with the ongoing requirements for investment trust status.

## Individual Savings Accounts

The Company has conducted its affairs in such a way as to satisfy the requirements as a qualifying security for Individual Savings Accounts. The Directors intend that the Company will continue to conduct its affairs in this manner.

## Donations to Charity

The Board has previously decided that amounts of unclaimed dividends greater than 12 years old, which are returned annually to the Company by the Registrar in accordance with the Company Articles of Association, will be donated to charity. Accordingly, the Company made a donation of £16,000 (2025: £20,000) to the Aberdeen Group Charitable Trust, which directs funding to charities around the world.

The Aberdeen Group Charitable Trust is a registered charity. Its board of directors includes independent representation from the Aberdeen Group and provides oversight and guidance for its charitable giving activities.

## Capital Structure and Voting Rights

The issued Ordinary share capital at 31 January 2026 consisted of 120,197,609 Ordinary shares of 25p and 33,480,326 Ordinary shares held in treasury.

Each Ordinary share holds one voting right and shareholders are entitled to vote on all resolutions which are proposed at general meetings of the Company. The Ordinary shares, excluding treasury shares, carry a right to receive dividends. On a winding up or other return of capital, after meeting the liabilities of the Company, the surplus assets will be paid to Ordinary shareholders in proportion to their shareholdings.

There are no restrictions on the transfer of, or voting rights attaching to, the Ordinary shares in the Company other than certain restrictions which may from time to time be imposed by law.

## Management Agreement

The Company has appointed abrdn Fund Managers Limited ("aFML"), a wholly owned subsidiary of Aberdeen Group plc, as its alternative investment fund manager. aFML has been appointed to provide investment management, risk management, administration and company secretarial services and promotional activities to the Company. The Company's portfolio is managed by abrdn Investments Limited ("aIL") by way of a group delegation agreement in place between aFML and aIL. In addition, aFML has sub-delegated administrative and secretarial services to abrdn Holdings Limited and promotional activities to aIL. Details of the management fees and fees payable for promotional activities are shown in notes 4 and 5 to the financial statements.

The management agreement is terminable on not less than six months' notice. In the event of termination by the Company on less than the agreed notice period, compensation is payable to the Manager in lieu of the unexpired notice period.

# Directors' Report

## Continued

### Substantial Interests

Information provided to the Company by major shareholders pursuant to the FCA's Disclosure Guidance and Transparency Rules is published by the Company via a Regulatory Information Service.

The table below sets out the interests in 3% or more of the issued share capital of the Company, of which the Board was aware as at 31 January 2026.

Shareholder	Number of shares held	% held
Interactive Investor	31,926,663	26.6
Hargreaves Lansdown	16,186,574	13.5
AJ Bell	6,494,302	5.4
HSDL Stockbrokers	5,016,029	4.2
WM Thomson	4,735,997	3.9
EFG Harris Allday	4,272,111	3.6
Charles Stanley	4,105,091	3.4
Rathbones	3,933,849	3.3

There have been no changes notified to the Company between the year end and the date of approval of this Report.

### Directors

At the year end, the Board comprised four non-executive Directors, each of whom is considered by the Board to be independent of the Company and the Manager. Howard Williams is the Chairman and Christine Montgomery is the Senior Independent Director.

Arun Kumar Sarwal was appointed as an independent non-executive Director on 1 February 2025. Following the year end, Katrina Hart was appointed as an independent non-executive Director on 1 March 2026 and will stand for election at the Annual General Meeting. David Barron and Jasper Judd retired as Directors on 22 May 2025.

Under the terms of the Company's Articles of Association, Directors are subject to election at the first Annual General Meeting after their appointment and are required to retire and be subject to re-election at least every three years thereafter. However, the Board has decided that all Directors will retire annually. Accordingly, Gay Collins, Christine Montgomery, Arun Kumar Sarwal and Howard Williams will retire at the Annual General Meeting and, being eligible, offer themselves for re-election.

The Board believes that all the Directors seeking election/re-election are independent of the Manager and free from any relationship which could materially interfere with the exercise of their judgement on issues of strategy, performance, resources and standards of conduct. The biographies of each of the Directors are shown on pages 48 to 50, setting out their range of skills and experience as well as length of service and their contribution to the Board during the year. The Board believes that each Director has the requisite high level and range of business, investment and financial experience which enables the Board to provide clear and effective leadership and proper governance of the Company. Following formal performance evaluations, each Director's performance continues to be effective and demonstrates commitment to the role, and their individual performances contribute to the long-term sustainable success of the Company. All of the Directors have demonstrated that they have sufficient time and commitment to fulfil their directorial roles with the Company. The Board therefore recommends the election/re-election of each of the Directors at the Annual General Meeting.

The Directors attended scheduled Board and Committee meetings during the year ended 31 January 2026 as follows (with their eligibility to attend the relevant meetings in brackets):

	Board Meetings	Audit & Risk Committee Meetings	Management Engagement Committee Meetings	Nomination & Remuneration Committee Meetings
David Barron <sup>A</sup>	2 (2)	- (-)	- (-)	- (-)
Gay Collins	5 (5)	2 (2)	1 (1)	1 (1)
Jasper Judd <sup>B</sup>	2 (2)	2 (2)	- (-)	- (-)
Christine Montgomery	5 (5)	2 (2)	1 (1)	1 (1)
Arun Kumar Sarwal	5 (5)	2 (2)	1 (1)	1 (1)
Howard Williams <sup>C</sup>	5 (5)	1 (1)	1 (1)	1 (1)

<sup>A</sup> David Barron retired as a Director on 22 May 2025. As Chairman of the Board he was not a member of the Audit & Risk Committee but attended by invitation.

<sup>B</sup> Retired as a Director on 22 May 2025.

<sup>C</sup> Howard Williams was appointed as Chairman of the Board on 22 May 2025. Since that date, he has not been a member of the Audit & Risk Committee but attends by invitation.

The Board meets more frequently when business needs require.

## Board's Policy on Tenure

In normal circumstances, it is the Board's expectation that Directors will not serve beyond the Annual General Meeting following the ninth anniversary of their appointment. However, the Board takes the view that independence of individual Directors is not necessarily compromised by length of tenure on the Board and that continuity and experience can add significantly to the Board's strength. The Board believes that recommendation for re-election should be on an individual basis following a rigorous review which assesses the contribution made by the Director concerned, but also taking into account the need for managed succession and diversity.

It is the Board's policy that the Chairman of the Board will not serve as a Director beyond the Annual General Meeting following the ninth anniversary of his or her appointment to the Board. However, this may be extended in exceptional circumstances or to facilitate effective succession planning and the development of a diverse Board. In such a situation the reasons for the extension will be fully explained to shareholders and a timetable for the departure of the Chairman clearly set out.

## Board Diversity

The Board recognises the importance of having a range of skilled, experienced individuals with the right knowledge represented on the Board in order to allow it to fulfil its obligations. The Board also recognises the benefits, and is supportive of, the principle of diversity in its recruitment of new Board members, including diversity of thought, location and background. The Board will not display any bias for age, gender, race, sexual orientation, religion, ethnic or national origins, or disability in considering the appointment of its Directors. In view of its size, the Board will continue to ensure that all appointments are made on the basis of merit against the specification prepared for each appointment. In doing so, the Board will take account of the targets set out in the FCA's Listing Rules, which are set out below.

The Board has resolved that the Company's year end date is the most appropriate date for disclosure purposes.

**Table for reporting on gender as at 31 January 2026**

	Number of Board members	Percentage of the Board	Number of senior positions on the Board (CEO, CFO, Chair and SID)	Number in executive management	Percentage of executive management
Men	2	50%			
Women	2	50% (note 1)	n/a (note 3)	n/a (note 3)	n/a (note 3)
Not specified/prefer not to say	-	-			

**Table for reporting on ethnic background as at 31 January 2026**

	Number of Board members	Percentage of the Board	Number of senior positions on the Board (CEO, CFO, Chair and SID)	Number in executive management	Percentage of executive management
White British or other White (including minority-white groups)	3	75%			
Asian/ Asian British	1	25% (note 2)	n/a (note 3)	n/a (note 3)	n/a (note 3)
Not specified/prefer not to say	-	-			

### Notes:

1. Meets the target that at least 40% of Directors are women as set out in LR 6.6.6R (9)(a)(i).
2. Meets the target that at least one Director is from a minority ethnic background as set out in LR 6.6.6R (9)(a)(iii).
3. This column is not applicable as the Company is externally managed and does not have any executive staff. Specifically, it does not have either a CEO or CFO. The Board considers that the roles of Chairman of the Board, Senior Independent Director and Chairs of the Audit & Risk Committee, Nomination & Remuneration Committee and Management Engagement Committee are senior Board positions and, accordingly, that the Company meets in spirit the requirement that at least one of the senior Board positions is held by a woman as set out in LR 6.6.6R (9)(a)(ii).

# Directors' Report

## Continued

### Matters Reserved for the Board

The Board has a schedule of matters reserved to it for decision and the requirement for Board approval on these matters is communicated directly to the senior staff of the Manager. Such matters include strategy, gearing, treasury and dividend policy. Full and timely information is provided to the Board to enable the Directors to function effectively and to discharge their responsibilities.

### The Roles of the Chairman and Senior Independent Director

The Chairman is responsible for providing effective leadership of the Board, demonstrating objective judgement and promoting a culture of openness and debate. The Chairman facilitates the effective contribution and encourages active engagement by each Director. In conjunction with the Company Secretary, the Chairman ensures that Directors receive accurate, timely and clear information to assist them with effective decision-making. The Chairman acts upon the results of the Board evaluation process by recognising strengths and addressing any weaknesses and also ensures that the Board engages with major shareholders and that all Directors understand shareholder views.

The Senior Independent Director acts as a sounding board for the Chairman and acts as an intermediary for other Directors, when necessary. Working closely with the Nomination & Remuneration Committee, the Senior Independent Director takes responsibility for an orderly succession process for the Chairman, and leads the annual appraisal of the Chairman's performance. The Senior Independent Director is also available to shareholders to discuss any concerns they may have.

### Directors' and Officers' Liability Insurance

The Company maintains insurance in respect of Directors' and Officers' liabilities in relation to their acts on behalf of the Company. Each Director is entitled to be indemnified out of the assets of the Company to the extent permitted by law against any loss or liability incurred by him or her in the execution of his or her duties in relation to the affairs of the Company. These rights are included in the Articles of Association of the Company.

### Management of Conflicts of Interest

The Board has a procedure in place to deal with a situation where a Director has a conflict of interest. As part of this process, each Director prepares a list of other positions held and all other conflict situations that may need to be authorised either in relation to the Director concerned or his or her connected persons. The Board considers each Director's situation and decides whether to approve any conflict, taking into consideration what is in the best interests of the Company and whether the Director's ability to act in accordance with his or her wider duties is affected. Each Director is required to notify the Company Secretary of any potential, or actual, conflict situations that will need authorising by the Board. Authorisations given by the Board are reviewed at each Board meeting.

No Director has a service contract with the Company although all Directors are issued with letters of appointment. There were no contracts during, or at the end of the year, in which any Director was interested.

The Company has a policy of conducting its business in an honest and ethical manner. The Company takes a zero-tolerance approach to bribery and corruption and has procedures in place that are proportionate to the Company's circumstances to prevent them. The Manager also adopts a group-wide zero-tolerance approach and has its own detailed policy and procedures in place to prevent bribery and corruption. Copies of the Manager's anti-bribery and corruption policies are available on its website.

In relation to the corporate offence of failing to prevent tax evasion, it is the Company's policy to conduct all business in an honest and ethical manner. The Company takes a zero-tolerance approach to facilitation of tax evasion whether under UK law or under the law of any foreign country and is committed to acting professionally, fairly and with integrity in all its business dealings and relationships.

## Corporate Governance

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 investment companies. 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"), 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);
- requirement of the chairman of a remuneration committee to have served on a remuneration committee for at least 12 months prior to appointment (provision 32); and
- executive directors' remuneration (provisions 33 and 36 to 41).

These provisions are not repeated in the AIC Code and the Board considers that they 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.

Full details of the Company's compliance with AIC Code can be found on its website.

The Board is conscious of the updated provisions in the UK Code (provision 29) and the AIC Code (provision 34), which are effective for accounting periods beginning on or after 1 January 2026. These provisions relate to the reporting by the Board on its monitoring and review of the Company's internal control framework and a declaration by the Board of the effectiveness of the material controls at the balance sheet date. 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 January 2027.

## Board Committees

The Board has appointed a number of Committees, as set out below. Copies of their terms of reference, which clearly define the responsibilities and duties of each Committee, are available on the Company's website, or upon request from the Company. The terms of reference of each of the Committees are reviewed and re-assessed by the Board for their adequacy on an ongoing basis.

### Audit & Risk Committee

The Audit & Risk Committee's Report is contained on pages 63 to 65.

### Management Engagement Committee

The Management Engagement Committee consists of all the Directors and is chaired by Christine Montgomery. The terms and conditions of the Manager's appointment, including an evaluation of performance and fees, are reviewed by the Committee on an annual basis. The Committee also keeps the resources of the Aberdeen Group under review, together with its commitment to the Company and its investment trust business. In addition, the Committee conducts an annual review of the performance, terms and conditions of the Company's main third party suppliers.

# Directors' Report

## Continued

Following a detailed review of performance for the year, the Board remains satisfied with the capability of the Aberdeen Group to deliver satisfactory investment performance, that its investment screening processes are thorough and robust and that it employs a well-resourced team of skilled and experienced fund managers. In addition, the Board is satisfied that the Aberdeen Group has the secretarial, administrative and promotional skills required for the effective operation and administration of the Company. Accordingly, the Board believes that the continuing appointment of the Manager on the terms agreed is in the interests of shareholders as a whole.

### **Nomination & Remuneration Committee**

The Nomination & Remuneration Committee consists of all the Directors. The Committee is chaired by Gay Collins who has relevant experience and understanding of the Company. The Committee reviews the effectiveness of the Board, succession planning, Board appointments, appraisals and training, and determines the Directors' remuneration policy and level of remuneration, including for the Chairman. The Committee also considers the need to appoint an external remuneration consultant. Further details of the remuneration policy are provided in the Directors' Remuneration Report on pages 60 to 62.

During the year, the Committee undertook an annual appraisal of the Chairman of the Board, individual Directors and the performance of Committees and the Board as a whole. This process involved the completion of questionnaires by each Director and follow-on discussions between the Chairman and each Director. The appraisal of the Chairman was undertaken by the Senior Independent Director. The results of the process were discussed by the Board following its completion, with appropriate action points made.

Following the evaluation process, the Board believes that it continues to operate in an efficient and effective manner with each Director making a significant contribution to the Board.

The Nomination & Remuneration Committee will consider the need for a regular externally evaluated Board evaluation.

The Committee considers succession planning on at least an annual basis. Potential new Directors are identified against the requirements of the Company's business and the need to have a balance of skills, experience, independence, diversity and knowledge of the Company within the Board. New Directors are selected on merit, and with due regard to the benefits of diversity on the Board, taking care to ensure that appointees have enough time available to devote to the position. Every Director is entitled to receive appropriate training as deemed necessary.

In relation to the appointments of Arun Kumar Sarwal as a Director on 1 February 2025 and Katrina Hart as a Director on 1 March 2026, the Board engaged the services of an independent search consultant, Sapphire Partners.

### **Going Concern**

The Company's assets consist mainly of equity shares in companies listed on the London Stock Exchange and in most circumstances are considered to be realisable within a short timescale. The Board has set limits for borrowing and derivative contract positions and regularly reviews actual exposures, cash flow projections and compliance with loan covenants. The Directors have considered the fact that Company's investments comprise readily realisable securities which can be sold to meet funding requirements if necessary. The Directors have also performed stress testing on the portfolio and the loan financial covenants.

Having taken these matters into account, the Directors believe that the Company has adequate financial resources to continue in operational existence for the foreseeable future and for at least twelve months from the date of this Report. Accordingly, they continue to adopt the going concern basis of accounting in preparing the financial statements.

### **Accountability and Audit**

The respective responsibilities of the Directors and the Auditor in connection with the financial statements appear on pages 68 and 73.

Each Director confirms that, so far as he or she is aware, there is no relevant audit information of which the Company's Auditor is unaware, and they have taken all the steps that they could reasonably be expected to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the Company's Auditor is aware of that information.

## Independent Auditor

The Company's Auditor, Deloitte LLP, has indicated its willingness to remain in office. The Board will propose resolutions at the Annual General Meeting to re-appoint Deloitte LLP as Auditor for the ensuing year and to authorise the Directors to determine its remuneration.

## Relations with Shareholders

The Directors place a great deal of importance on communications with shareholders. Shareholders and investors may obtain up to date information on the Company through its website.

The Board's policy is to communicate directly with shareholders and their representative bodies without the involvement of the management group (including the Company Secretary or the Manager) in situations where direct communication is required, and representatives from the Board and Manager meet with major shareholders on at least an annual basis in order to gauge their views.

abrdn Holdings Limited has been appointed Company Secretary to the Company. Whilst abrdn Holdings Limited is a wholly owned subsidiary of the Aberdeen Group, there is a clear separation of roles between the Manager and Company Secretary with different board compositions and different reporting lines in place. The Company Secretary only acts on behalf of the Board, not the Manager, and there is no filtering of communication.

At each Board meeting the Board receives full details of any communication from shareholders to which the Chairman responds personally as appropriate.

Directors attend meetings with the Company's largest shareholders and meet other shareholders at the Annual General Meeting and, as explained in the Chairman's Statement, the Company will hold an online shareholder presentation in advance of the Annual General Meeting this year, which will include an interactive question and answer session.

The notice of the Annual General Meeting is sent out at least 20 working days in advance of the meeting. All shareholders have the opportunity to put questions to the Board and Manager at the meeting.

## Disclosures in Strategic Report

In accordance with Section 414 C (11) of the Companies Act 2006, the following information otherwise required to be set out in the Directors' Report has been included in the Strategic Report: risk management objectives and policies and likely future developments in the business.

## Annual General Meeting

The Annual General Meeting will be held at 18 Bishops Square, London E1 6EG at 12 noon on Thursday 21 May 2026.

The Notice of the Meeting is included on pages 112 to 117. Resolutions including the following business will be proposed:

### Allotment of Shares

Resolution 12 will be proposed as an ordinary resolution to confer an authority on the Directors, in substitution for any existing authority, to allot up to 33.33% of the issued Ordinary share capital of the Company (excluding treasury shares) as at the date of the passing of the resolution (up to a maximum aggregate nominal amount of £9,887,830 based on the number of Ordinary shares in issue as at the date of this Report) in accordance with Section 551 of the Companies Act 2006. The authority conferred by this resolution will expire at the next Annual General Meeting of the Company or on 31 July 2027, whichever is earlier (unless previously revoked, varied or extended by the Company in general meeting).

The Directors consider that the authority proposed to be granted by Resolution 12 is necessary to retain flexibility, although they do not at the present time have any intention of exercising such authority.

# Directors' Report

## Continued

### Limited Disapplication of Pre-emption Provisions

Resolution 13 will be proposed as a special resolution and seeks to give the Directors power to allot Ordinary shares and to sell Ordinary shares held in treasury (see below) (i) by way of a rights issue (subject to certain exclusions); (ii) by way of an open offer or other offer of securities (not being a rights issue) in favour of existing shareholders in proportion to their shareholdings (subject to certain exclusions); and (iii) to persons other than existing shareholders for cash up to a maximum aggregate nominal amount representing 10% of the Company's issued Ordinary share capital as at the date of the passing of the resolution (up to an aggregate nominal amount of £2,966,645 based on the number of Ordinary shares in issue as at the date of this Report), without first being required to offer such shares to existing shareholders pro rata to their existing shareholding.

This power will expire at the conclusion of the next Annual General Meeting of the Company or on 31 July 2027, whichever is earlier (unless previously revoked, varied or extended by the Company in general meeting).

The Company may buy back and hold shares in treasury and then sell them at a later date for cash rather than cancelling them. Such sales are required to be on a pre-emptive, pro rata basis to existing shareholders unless shareholders agree by special resolution to disapply such pre-emption rights. Accordingly, in addition to giving the Directors power to allot unissued Ordinary share capital on a non pre-emptive basis, Resolution 13 will also give the Directors power to sell Ordinary shares held in treasury on a non pre-emptive basis, subject always in both cases to the limitations noted above. Pursuant to this power, Ordinary shares would only be issued for cash, and treasury shares would only be sold for cash, at a price of not less than the net asset value per share of the existing Ordinary shares (calculated after the deduction of prior charges at market value). Treasury shares are explained in more detail under the heading "Market Purchase of the Company's own Ordinary Shares" below.

### Market Purchase of the Company's own Ordinary Shares

Resolution 14 will be proposed as a special resolution to authorise the Company to make market purchases of its own Ordinary shares. The Company may do either of the following things in respect of its own Ordinary shares which it buys back and does not immediately cancel but, instead, holds in treasury:

- sell such shares (or any of them) for cash (or its equivalent); or
- ultimately cancel the shares (or any of them).

Treasury shares may be re-sold quickly and cost effectively. The Directors therefore intend to continue to take advantage of this flexibility as they deem appropriate. Treasury shares also enhance the Directors' ability to manage the Company's capital base.

No dividends will be paid on treasury shares and no voting rights attach to them.

The maximum aggregate number of Ordinary shares which may be purchased pursuant to the authority is 14.99% of the issued Ordinary share capital of the Company as at the date of the passing of the resolution (approximately 17.8 million Ordinary shares as at the date of this Report). The minimum price which may be paid for an Ordinary share is 25p (exclusive of expenses). The maximum price (exclusive of expenses) which may be paid for the shares is the higher of (a) 5% above the average of the middle market quotations of the Ordinary shares (as derived from the Daily Official List of the London Stock Exchange) for the shares for the five business days immediately preceding the date of purchase; and (b) the higher of the price of the last independent trade and the highest current independent bid on the main market for the Ordinary shares.

This authority, if conferred, will expire at the conclusion of the next Annual General Meeting of the Company or on 31 July 2027, whichever is earlier (unless previously revoked, varied or extended by the Company in general meeting), and will be exercised only if it would result in an increase in net asset value per Ordinary share for the remaining shareholders and if it is in the best interests of shareholders as a whole.

## Recommendation

The Directors consider that the resolutions to be proposed at the Annual General Meeting are in the best interests of the Company and its shareholders as a whole and recommend that shareholders vote in favour of the resolutions as they intend to do in respect of their own beneficial shareholdings, amounting to 27,574 Ordinary shares, representing 0.02% of the issued share capital as at the date of this Report.

### By order of the Board abrdn Holdings Limited

Company Secretary  
1 George Street  
Edinburgh EH2 2LL  
8 April 2026

# Directors' Remuneration Report

This Directors' Remuneration Report comprises three parts:

1. a Remuneration Policy which is subject to a binding shareholder vote every three years (or sooner if varied during this interval) – most recently voted on at the Annual General Meeting on 16 May 2023;
2. an Implementation Report which is subject to an advisory vote on the level of remuneration paid during the year; and
3. an Annual Statement.

Company law requires the Company's Auditor to audit certain of the disclosures provided in the Directors' Remuneration Report. Where disclosures have been audited, they are indicated as such. The Auditor's report is included on pages 69 to 76.

The Director's Remuneration Policy and level of Directors' remuneration are determined by the Nomination & Remuneration Committee, which is chaired by Gay Collins and comprises all of the Directors.

The Directors' Remuneration Policy takes into consideration the principles of the UK Corporate Governance Code and the AIC's recommendations regarding the application of those principles to investment companies.

No shareholder views have been sought in setting the remuneration policy although any comments received from shareholders are considered.

## Remuneration Policy

The Board's policy is that the remuneration of non-executive Directors should be sufficient to attract Directors of the quality required to run the Company successfully. The remuneration should also reflect the nature of the Directors' duties, responsibilities, the value of their time spent and be fair and comparable to that of other investment trusts that are similar in size, and have similar capital structures and similar investment objectives.

### Appointment

- The Company only intends to appoint non-executive Directors.
- All the Directors are non-executive and are appointed under the terms of letters of appointment.
- Under the terms of the Company's Articles of Association, Directors are subject to election at the first Annual General Meeting after their appointment and are required to retire and be subject to re-election at

least every three years thereafter. However, the Board has decided that all Directors will retire annually.

- Any Director newly appointed to the Board will receive the fee applicable to each of the other Directors at the time of appointment together with any other fee then currently payable in respect of a specific role which the new Director is to undertake for the Company.
- No incentive or introductory fees will be paid to encourage a person to become a Director.
- Directors are not eligible for bonuses, pension benefits, share options, long term incentive schemes or other benefits.
- Directors are entitled to re-imbursment of out-of-pocket expenses incurred in connection with the performance of their duties, including travel expenses.
- The Company indemnifies its Directors for all costs, charges, losses, expenses and liabilities which may be incurred in the discharge of duties as a Director of the Company.

### Performance, Service Contracts, Compensation and Loss of Office

- Directors' remuneration is not subject to any performance related fee.
- No Director has a service contract.
- No Director was interested in contracts with the Company during the period or subsequently.
- The terms of appointment provide that a Director may be removed without notice.
- Compensation will not be due upon leaving office.
- No Director is entitled to any other monetary payment or any assets of the Company.

Directors' & Officers' liability insurance cover is maintained by the Company on behalf of the Directors.

There were no changes to the Directors' Remuneration Policy during the year nor are there any proposals for changes in the foreseeable future.

### Approval of Remuneration Policy and Statement of Voting at Annual General Meeting

The Remuneration Policy was last approved by shareholders at the Annual General Meeting on 16 May 2023. 97.8% of proxy votes were in favour of the resolution and 2.2% were against. There were abstentions in respect of 712,258 shares.

A resolution to approve the Remuneration Policy will be proposed at the Annual General Meeting to be held on 21 May 2026. The Remuneration Policy is reviewed by the Board on an annual basis and it is the Board's intention that this Remuneration Policy will apply for the three year period ending 31 January 2029.

## Implementation Report

### Limit on Directors' Fees

Directors' fees are set within the limits of the Company's Articles of Association which limit the aggregate fees payable to the Board of Directors per annum. The current limit is £250,000 per annum and may only be increased by shareholder resolution.

### Review of Directors' Fees

The levels of fees at the year end are set out in the table below. Fees are reviewed annually and were most recently changed with effect from 1 February 2025.

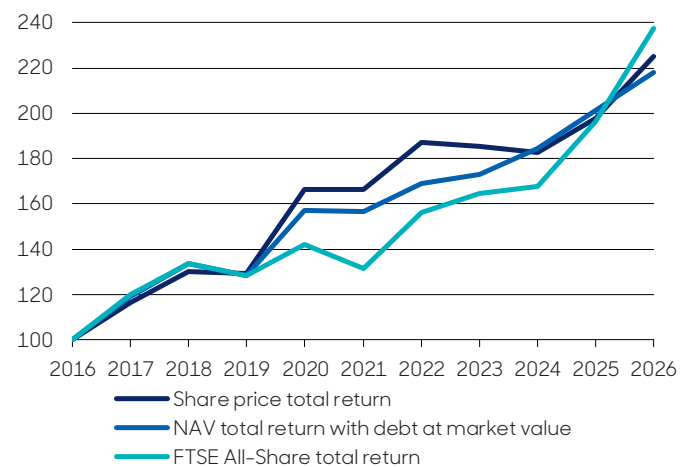
	31 January 2026 £	31 January 2025 £
Chairman	45,000	44,000
Chairman of Audit & Risk Committee	36,250	35,500
Director	30,000	29,500

An additional fee of £2,000 per annum is payable to the Senior Independent Director.

The Nomination & Remuneration Committee carried out a review of the level of Directors' fees during the year. This included consideration of fees paid by comparable investment trusts and the sector as a whole, the responsibilities and time commitment of the Directors, their skills and experience, and the level of basic fee required to attract new Directors of sufficient calibre. Following this review, the Committee concluded that, with effect from 1 February 2026, fees should be increased to £47,250 for the Chairman, £38,000 for the Audit & Risk Committee Chairman and £31,500 for the other Directors. It was also agreed that an additional fee of £2,000 per annum should continue to be payable to the Senior Independent Director. There are no further fees to disclose as the Company has no employees, chief executive or executive directors.

## Company Performance

The graph below shows the share price and NAV total returns (assuming all dividends are reinvested) to Ordinary shareholders compared to the total return from the FTSE All-Share Index for the ten year period to 31 January 2026 (rebased to 100 at 31 January 2016). This Index was chosen for comparison purposes as it is the Company's benchmark used for investment performance measurement purposes.



### Spend on Pay

As the Company has no employees, the Directors do not consider it appropriate to present a table comparing remuneration paid to employees with distributions to shareholders. The total fees paid to Directors are shown below.

### Fees Payable (Audited Information)

The Directors who served during the year received the following emoluments in the form of fees.

Director	2026 £	2025 £
David Barron <sup>A</sup>	13,911	44,000
Gay Collins	30,000	29,500
Jasper Judd <sup>A</sup>	11,206	35,500
Christine Montgomery	31,382	29,500
Arun Kumar Sarwal <sup>B</sup>	34,318	-
Howard Williams	40,981	31,500
<b>Total</b>	<b>161,798</b>	<b>170,000</b>

<sup>A</sup> Retired as a Director on 22 May 2025

<sup>B</sup> Appointed as a Director on 1 February 2025

# Directors' Remuneration Report

## Continued

The above amounts exclude any employers' national insurance contributions. All fees are at a fixed rate and there is no variable remuneration. Fees are pro-rated where a change takes place during a financial year. There were no payments to third parties included in the fees referred to in the table above.

### Annual Percentage Change in Directors' Remuneration

The table below sets out the annual percentage change in Directors' fees for the past five years.

Director	Year ended 31 January:				
	2026	2025	2024	2023	2022
	%	%	%	%	%
Gay Collins <sup>A</sup>	1.7	5.4	5.7	7.1	n/a
Christine Montgomery <sup>B</sup>	6.4	5.4	5.7	7.1	3.1
Arun Kumar Sarwal <sup>C</sup>	16.3	-	-	-	-
Howard Williams <sup>D</sup>	30.1	5.0	5.3	6.5	8.1

<sup>A</sup> Pro-rated from date of appointed on 1 July 2021

<sup>B</sup> Appointed Senior Independent Director on 22 May 2025

<sup>C</sup> Pro-rated from date of appointed on 1 February 2025. Appointed Chairman of the Audit & Risk Committee on 22 May 2025

<sup>D</sup> Appointed Senior Independent Director on 16 July 2020 and Chairman on 22 May 2025

### Directors' Interests in the Company

The Directors are not required to have a shareholding in the Company. The Directors (including their connected persons) at 31 January 2026 and 31 January 2025 had no interest in the share capital of the Company other than those interests, all of which are beneficial, shown in the following table.

	31 January 2026	31 January 2025
	Ordinary shares	Ordinary shares
David Barron <sup>A</sup>	21,977	21,977
Gay Collins	3,032	3,032
Jasper Judd <sup>A</sup>	5,000	5,000
Christine Montgomery	5,000	5,000
Arun Kumar Sarwal	5,026	-
Howard Williams	14,242	13,556

<sup>A</sup> At date of retirement on 22 May 2025

Since the year end Howard Williams and Arun Kumar Sarwal have acquired, respectively, an additional 204 Ordinary shares and 70 Ordinary shares through dividend re-investment plans. There have been no other changes to the Directors' interests in the share capital of the Company since the year end up to the date of approval of this Report.

### Statement of Voting at Annual General Meeting

At the Company's last Annual General Meeting, held on 22 May 2025, shareholders approved the Directors' Remuneration Report (excluding the Directors' Remuneration Policy) in respect of the year ended 31 January 2025. 98.5% of proxy votes were in favour of the resolution and 1.5% were against. There were abstentions in respect of 279,665 shares.

A resolution to receive, adopt and approve the Directors' Remuneration Report (excluding the Directors' Remuneration Policy) in respect of the year ended 31 January 2026 will be proposed at the Annual General Meeting.

### Annual Statement

On behalf of the Board and in accordance with Part 2 of Schedule 8 of the Large and Medium-sized Companies and Groups (Accounts and Reports) (Amendment) Regulations 2013, it is confirmed that the above Remuneration Report summarises, as applicable, for the year to 31 January 2026:

- the major decisions on Directors' remuneration;
- any substantial changes relating to Directors' remuneration made during the year; and
- the context in which the changes occurred and decisions have been taken.

### On behalf of the Board

#### Howard Williams

Chairman  
8 April 2026

# Audit & Risk Committee's Report

The Audit & Risk Committee presents its Report for the year ended 31 January 2026.

## Committee Composition

Throughout the year the Audit & Risk Committee consisted of all the Directors except for the Chairman of the Board. Since 22 May 2025, the Committee has been chaired by Arun Kumar Sarwal who is a Chartered Accountant and has recent and relevant financial experience. The Board is satisfied that the Committee as a whole has competence relevant to the investment trust sector.

## Functions of the Audit & Risk Committee

The principal role of the Audit & Risk Committee is to assist the Board in relation to the reporting of financial information, the review of financial controls and the management of risk. The Committee has defined terms of reference which are reviewed and re-assessed for their adequacy on at least an annual basis. Copies of the terms of reference are published on the Company's website and are available from the Company on request.

The Committee's main functions are listed below:

- to review and monitor the risk management and internal control framework on which the Company is reliant (the Directors' statement on the Company's internal controls and risk management is set out below);
- to consider whether there is a need for the Company to have its own internal audit function;
- to monitor the integrity of the half-yearly and annual financial statements of the Company by reviewing, and challenging where necessary, the actions and judgements of the Manager;
- to review, and report to the Board on, the significant financial reporting issues and judgements made in connection with the preparation of the Company's financial statements, half-yearly financial reports, announcements and related formal statements;
- to review the content of the Annual Report and advise the Board on whether, taken as a whole, it is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's position and performance, business model and strategy;
- to meet with the Auditor to review the proposed audit programme of work and the findings of the Auditor. The Committee shall also use this as an opportunity to assess the effectiveness of the audit process;

- to develop and implement policy on the engagement of the Auditor to supply non-audit services. Non-audit fees paid to the Auditor during the year under review amounted to £nil (2025: £nil). All non-audit services must be approved in advance by the Audit & Risk Committee and will be reviewed in the light of statutory requirements and the need to maintain the Auditor's independence;
- to review a statement from the Aberdeen Group detailing the arrangements in place within the group whereby staff may, in confidence, escalate concerns about possible improprieties in matters of financial reporting or other matters;
- to make recommendations in relation to the appointment of the Auditor and to approve the remuneration and terms of engagement of the Auditor; and
- to monitor and review the Auditor's independence, objectivity, effectiveness, resources and qualification.
- to report to the Board on how it has discharged its responsibilities.

## Activities During the Year

The Audit & Risk Committee met twice during the year when, amongst other things, it considered the Annual Report and the Half-Yearly Financial Report in detail. Representatives of the Aberdeen Group's internal audit, risk and compliance departments reported to the Committee at these meetings on matters such as internal control systems, risk management and the conduct of the business in the context of its regulatory environment.

## Internal Controls and Risk Management

There is an ongoing process for identifying, evaluating and managing the Company's significant business and operational risks, that has been in place for the year ended 31 January 2026 and up to the date of approval of the Annual Report, is regularly reviewed by the Board and accords with the FRC's guidance on internal controls.

The Board has overall responsibility for ensuring that there is a system of internal controls in place and a process for reviewing its effectiveness. Any system of internal control is designed to manage rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

# Audit & Risk Committee's Report

## Continued

The design, implementation and maintenance of controls and procedures to safeguard the assets of the Company and to manage its affairs properly extends to financial, operational and compliance controls and risk management. The Board, through the Audit & Risk Committee, has prepared its own risk register which lists potential risks as set out in the Strategic Report on pages 37 to 40. The Board considers the potential cause and possible effect of these risks as well as reviewing the controls in place to mitigate them.

Clear lines of accountability have been established between the Board and the Manager. The Board receives regular reports covering key performance and risk indicators and considers control and compliance issues brought to its attention. In carrying out its review, the Board has had regard to the activities of the Aberdeen Group, including its internal audit and compliance functions, and the Auditor.

The Board has reviewed the Aberdeen Group's process for identifying and evaluating the significant risks faced by the Company and the policies and procedures by which these risks are managed. The Board has also reviewed the effectiveness of the Aberdeen Group's system of internal control including its annual internal controls report prepared in accordance with the International Auditing and Assurance Standards Board's International Standard on Assurance Engagements ("ISAE") 3402, "Assurance Reports on Controls at a Service Organization".

Risks are identified and documented through a risk management framework by each function within the Aberdeen Group's activities. Risk is considered in the context of the FRC's guidance on internal controls and includes financial, regulatory, market, operational and reputational risk. This helps the internal audit risk assessment model identify those functions for review. Any weaknesses identified are reported to the Board and timetables are agreed for implementing improvements to systems. The implementation of any remedial action required is monitored and feedback provided to the Board.

The key components designed to provide effective internal control are outlined below:

- written agreements are in place which specifically define the roles and responsibilities of the Manager and other third party service providers;
- the Board and Manager have agreed clearly defined investment criteria, specified levels of authority and exposure limits. Reports on these issues, including

performance statistics and investment valuations, are regularly submitted to the Board;

- the Manager prepares forecasts and management accounts which allow the Board to assess the Company's activities and review its performance; the emphasis is on obtaining the relevant degree of assurance and not merely reporting by exception;
- as a matter of course the Aberdeen Group's compliance department continually reviews the Company's operations; and
- at its meeting in March 2026, the Audit & Risk Committee carried out an annual assessment of internal controls for the year ended 31 January 2026 by considering documentation from the Aberdeen Group, including the internal audit and compliance functions and taking account of events since 31 January 2026.

The Board has considered the need for an internal audit function. However, the Company has no employees and the day-to-day management of the Company's assets has been delegated to the Aberdeen Group which has its own compliance and internal control systems. The Board has therefore decided to place reliance on those systems and internal audit procedures and has concluded that it is not necessary for the Company to have its own internal audit function.

### Financial Statements and Significant Issues

During its review of the Company's financial statements for the year ended 31 January 2026, the Audit & Risk Committee considered the following significant issues, in particular those communicated by the Auditor during its planning and reporting of the year-end audit:

#### Valuation and Existence of Investments

How the issue was addressed – the Company's investments have been valued in accordance with the accounting policies, as disclosed in note 2 (c) to the financial statements. All investments are in quoted securities in active markets, are considered to be liquid and have been categorised as Level 1 within the FRS102 fair value hierarchy. The portfolio holdings and their pricing is reviewed and verified by the Manager on a regular basis and management accounts, including a full portfolio listing, are prepared for each Board meeting. The Company uses the services of an independent Depository (The Bank of New York Mellon (International) Limited) to hold the assets of the Company. The Depository checks the consistency of its records with those of the Manager on a monthly basis and reports to the Board on an annual basis.

### Recognition of Investment Income

How the issue was addressed – the recognition of investment income is undertaken in accordance with the stated accounting policies. In addition, the Directors review the Company’s income, revenue forecasts and dividend comparisons at each Board meeting.

### Maintenance of Investment Trust Status

How the issue was addressed – the Company has been approved as an investment trust under Sections 1158 and 1159 of the Corporation Tax Act 2010. Ongoing compliance with the eligibility criteria is monitored on a regular basis by the Manager and reported at each Board meeting.

### Review of the Auditor

The Audit & Risk Committee has reviewed the effectiveness of the Auditor, Deloitte LLP (“Deloitte”), including:

- Independence – the Auditor discusses with the Audit & Risk Committee, at least annually, the steps it takes to ensure its independence and objectivity and makes the Committee aware of any potential issues, explaining all relevant safeguards.
- Quality of audit work – including the ability to resolve issues in a timely manner (identified issues are satisfactorily and promptly resolved), its communications/presentation of outputs (the explanation of the audit plan, any deviations from it and the subsequent audit findings are comprehensive and comprehensible), and working relationship with management (the Auditor has a constructive working relationship with the Manager).
- Quality of people and service – including continuity and succession plans (the audit team is made up of sufficient, suitably experienced staff with provision made for knowledge of the investment trust sector and rotation of the audit partner).

In reviewing the Auditor, the Committee also took into account the FRC’s Audit Quality Inspection Report for Deloitte.

### Tenure of the Auditor

Deloitte was initially appointed as the Company’s Auditor at the Annual General Meeting on 23 May 2017. In accordance with current professional guidelines the audit partner is rotated after no more than five years and the year ended 31 January 2026 is the fourth year for which the present audit partner, Michael Caullay, has served.

The Audit & Risk Committee is satisfied that Deloitte is independent and therefore supports the recommendation to the Board that the re-appointment of Deloitte as Auditor of the Company until the conclusion of the next Annual General Meeting be put to shareholders for approval at the Annual General Meeting.

In compliance with the appropriate regulations for the tendering and rotation of auditors, the next audit tender of the Company is due to take place by 2027.


#### Arun Kumar Sarwal

Chairman of the Audit & Risk Committee  
8 April 2026



# Financial Statements

7.5% of the Company's total assets are invested in the Banks sub-sector (2025: 3.3%).

A close-up photograph of a woman with a joyful expression, smiling broadly. She is holding a dark blue smartphone in her right hand, which is adorned with a gold ring. In her left hand, she holds a dark blue credit card. She is also wearing a gold ring and a dark watch on her left hand. The background is a soft, out-of-focus teal color.

The Company's net asset value ("NAV") increased by 8.2% on a total return basis. The share price total return was 13.8%.

# Statement of Directors' Responsibilities

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations. Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with UK Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Republic of Ireland'.

Under Company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

Under applicable law and regulations, the Directors are also responsible for preparing a Strategic Report, Directors' Report, Directors' Remuneration Report and Statement of Corporate Governance that comply with that law and those regulations.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website, but not for the content of any information included on the website that has been prepared or issued by third parties. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Directors confirm that to the best of their knowledge:

- the financial statements have been prepared in accordance with applicable accounting standards and give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company;
- the Annual Report taken as a whole, is fair, balanced and understandable and it provides the information necessary to assess the Company's position and performance, business model and strategy; and
- the Strategic Report and Directors' Report include a fair review of the development and performance of the business and the position of the Company, together with a description of the principal risks and uncertainties that the Company faces.

**On behalf of the Board**

**Howard Williams**

Chairman

8 April 2026

# Independent Auditor's Report to Dunedin Income Growth Investment Trust PLC

## Report on the Audit of the Financial Statements

### 1. Opinion

In our opinion the financial statements of Dunedin Income Growth Investment Trust PLC (the "Company"):

- give a true and fair view of the state of the Company's affairs as at 31 January 2026 and of its return for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Statement of Recommended Practice issued by the Association of Investment Companies in July 2022 'Financial Statements of Investment Trust Companies and Venture Capital Trusts'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the Statement of Comprehensive Income;
- the Statement of Financial Position;
- the Statement of Changes in Equity;
- the Statement of Cash Flows; and
- the related notes 1 to 22.

The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice)' ("FRS 102") and the Statement of Recommended Practice issued by the Association of Investment Companies in July 2022 'Financial Statements of Investment Trust Companies and Venture Capital Trusts' ("SORP").

### 2. Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the "FRC's") Ethical Standard as applied to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We confirm that we have not provided any non-audit services prohibited by the FRC's Ethical Standard to the Company.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### 3. Summary of Our Audit Approach

<b>Key audit matters</b>	The key audit matter that we identified in the current year was: <ul style="list-style-type: none"><li>· Valuation and existence of listed investments.</li></ul>
<b>Materiality</b>	The materiality that we used in the current year was £3.9 million (2025: £4.3 million) which was determined on the basis of 1% of net assets as at 31 January 2026.
<b>Scoping</b>	Audit work to respond to the risks of material misstatement was performed directly by the audit engagement team.
<b>Significant changes in our approach</b>	There were no significant changes in our approach in the current year.

# Independent Auditor's Report to Dunedin Income Growth Investment Trust PLC

## Continued

### 4. Conclusions Relating to Going Concern

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Our evaluation of the Directors' assessment of the Company's ability to continue to adopt the going concern basis of accounting included:

- obtaining an understanding of management's process for evaluating the Company's ability to continue as a going concern;
- reviewing the output of management's assessment of the Company's ability to remain an investment trust;
- assessing the performance and position of the Company, including its cash position, dividend income and management fee expenses;
- assessing whether the Company has complied with the covenant tests for its borrowings facilities in order to assess the continued availability of those facilities;
- assessing the risks to the investment portfolio of market altering factors such as inflation and increased interest rates, by looking at the Company's operational impact and business continuity plans;
- assessing the Company's ability to cover its expenses for the 12 month period from the date of signing the financial statements, including the ability of the Company to exit underperforming investments, if needed; and
- assessing the appropriateness of the disclosures in the financial statements relating to going concern.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In relation to the reporting on how the Company has applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the Directors' statement in the financial statements about whether the Directors considered it appropriate to adopt the going concern basis of accounting.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

### 5. Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team.

These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

#### 5.1 Valuation and Existence of Listed Investments

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Key audit matter description	
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	As an investment entity, the Company holds listed investments of £435.2 million as at 31 January 2026 (2025: £472.7 million). These represent the most quantitatively significant financial statement line on the Statement of Financial Position.
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	There is a risk that investments may not be valued correctly or may not represent the property of the Company. This may result in a material misstatement within the investments held at fair value through profit or loss and we consider that there is a potential area for fraud since investment return is a key performance indicator for the Company.
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	Refer to note 2 (c) to the financial statements for the accounting policy on investments and details of the investments are disclosed in note 10 to the financial statements. The valuation and existence of listed
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investments has been included in the Audit & Risk Committee's Report on page 64 as a significant reporting matter.

**How the scope of our audit responded to the key audit matter**

We performed the following procedures to address the valuation and existence of the listed investment portfolio:

- we tested the relevant controls over the valuation and existence of listed investments;
- we independently valued 100% of the investment portfolio to the closing bid prices published by an independent pricing source;
- we confirmed the existence of 100% of investments at the year-end date by obtaining independent third-party confirmations directly from the Custodian; and
- we assessed the completeness and appropriateness of disclosures in relation to fair value measurement and liquidity risk.

**Key observations**

Based on the work performed, we concluded that the valuation and existence of listed investments was appropriate.

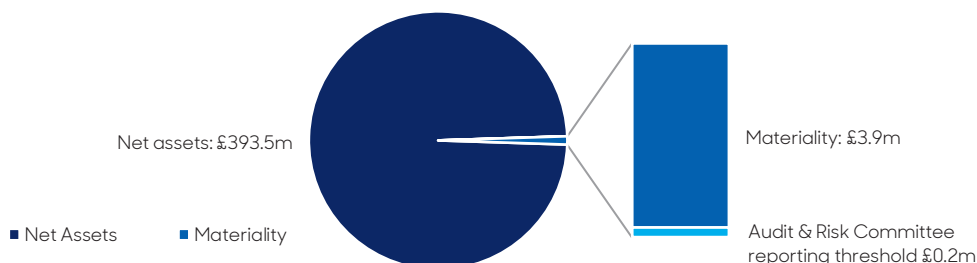
## 6. Our Application of Materiality

### 6.1 Materiality

We define materiality as the magnitude of misstatement in the financial statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality both in planning the scope of our audit work and in evaluating the results of our work.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

<b>Materiality</b>	£3.9 million (2025: £4.3 million)
<b>Basis for determining materiality</b>	1% (2025: 1%) of net assets
<b>Rationale for the benchmark applied</b>	Net assets have been chosen as this is considered the most relevant benchmark for investors and is a key driver of shareholder value



# Independent Auditor's Report to Dunedin Income Growth Investment Trust PLC

## Continued

### 6.2 Performance Materiality

We set performance materiality at a level lower than materiality to reduce the probability that, in aggregate, uncorrected and undetected misstatements exceed the materiality for the financial statements as a whole. Performance materiality was set at 70% of materiality for the 2026 audit (2025: 70%). In determining performance materiality, we considered the following factors:

- a) there have been no significant changes in the business structure and operations;
- b) our experience from previous audits has indicated a low number of corrected and uncorrected misstatements identified in prior periods; and
- c) the quality of the control environment.

### 6.3 Error Reporting Threshold

We agreed with the Audit & Risk Committee that we would report to the Committee all audit differences in excess of £0.2 million (2025: £0.2 million), as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds.

We also report to the Audit & Risk Committee on disclosure matters that we identified when assessing the overall presentation of the financial statements.

## 7. An Overview of the Scope of our Audit

### 7.1 Scoping

Our audit was scoped by obtaining an understanding of the Company and its environment, including internal control and assessing the risks of material misstatement. Audit work to respond to the risks of material misstatement was performed directly by the audit engagement team.

### 7.2 Our Consideration of the Control Environment

In assessing the Company's control environment, we considered controls in place at the Company's service organisation, BNP Paribas, which acts as administrator. As part of this we evaluated the System and Organisation Controls (SOC 1) Report of BNP Paribas which covers the period from 1 October 2024 to 30 September 2025. We evaluated the SOC 1 report in respect of general IT controls and the relevant controls over the process around the valuation and existence of investments. We have obtained a bridging letter to cover the four month period between the date of the controls report and the date of the Annual Report. Furthermore, we have performed additional procedures on the bridging period where we have tested controls in relation to valuation and existence of investments.

We also obtain an understanding of relevant controls over the financial reporting process and the posting of journal entries and other adjustments made in the preparation of financial statements.

### 7.3 Our Consideration of Climate-Related Risks

In planning our audit, we have considered the potential impact of climate change on the Company's business and its financial statements. The Company continues to develop its assessment of the potential impacts of environmental, social and governance ("ESG") on the Company, including climate change, as outlined on pages 32 to 34. As part of our audit, we held discussions with management to understand the process of identifying climate-related risks, management's determination of mitigating actions and the impact on the Company's financial statements. We performed our own qualitative risk assessment of the potential impact of climate change on the Company's account balances and classes of transactions. We have read the disclosures in relation to climate change made in the other information within the Annual Report to ascertain whether the disclosures are materially consistent with the financial statements and our knowledge from our audit.

## 8. Other Information

The other information comprises the information included in the Annual Report, other than the financial statements and our Auditor's report thereon. The Directors are responsible for the other information contained within the Annual Report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated.

If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## 9. Responsibilities of the Directors

As explained more fully in the Statement of Directors' Responsibilities, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

## 10. Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditor's report.

## 11. Extent to which the Audit was Considered Capable of Detecting Irregularities, Including Fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

# Independent Auditor's Report to Dunedin Income Growth Investment Trust PLC

## Continued

### 11.1 Identifying and Assessing Potential Risks Related to Irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the industry and sector, control environment and business performance including the design of the Company's remuneration policies, key drivers for remuneration, bonus levels and performance targets;
- results of our enquiries of management, the Directors and the Audit & Risk Committee about their own identification and assessment of the risks of irregularities, including those that are specific to the Company's sector;
- any matters we identified having obtained and reviewed the Company's documentation of its policies and procedures relating to:
  - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
  - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
- the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the valuation and existence of listed investments. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory framework that the Company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Companies Act, Listing Rules, tax legislation and the Association of Investment Companies' SORP.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the Company's ability to operate or to avoid a material penalty. This included the requirements of the United Kingdom's Financial Conduct Authority ("FCA"), the Alternative Investment Fund Managers Directive, and the ESG Sourcebook.

### 11.2 Audit Response to Risks Identified

As a result of performing the above, we identified the valuation and existence of listed investments as a key audit matter related to the potential risk of fraud. The Key Audit Matters section of our report explains the matter in more detail and also describes the specific procedures we performed in response to that key audit matter.

In addition to the above, our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- enquiring of management and the Audit & Risk Committee concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

## Report on Other Legal and Regulatory Requirements

### 12. Opinions on Other Matters Prescribed by the Companies Act 2006

In our opinion the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the Companies Act 2006.

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Strategic Report or the Directors' Report.

### 13. Corporate Governance Statement

The Listing Rules require us to review the Directors' statement in relation to going concern, longer-term viability and that part of the Corporate Governance Statement relating to the Company's compliance with the provisions of the UK Corporate Governance Code specified for our review.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the Corporate Governance Statement is materially consistent with the financial statements and our knowledge obtained during the audit:

- the Directors' statement with regards to the appropriateness of adopting the going concern basis of accounting and any material uncertainties identified set out on page 56;
- the Directors' explanation as to its assessment of the Company's prospects, the period this assessment covers and why the period is appropriate set out on page 41;
- the Directors' statement is fair, balanced and understandable as set out on page 68;
- the Board's confirmation that it has carried out a robust assessment of the emerging and principal risks set out on page 37;
- the section of the Annual Report that describes the review of effectiveness of risk management and internal control systems set out on pages 63 to 64; and
- the section describing the work of the Audit & Risk Committee set out on pages 63 to 65.

### 14. Matters on Which we are Required to Report by Exception

#### 14.1 Adequacy of Explanations Received and Accounting Records

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns.

We have nothing to report in respect of these matters.

# Independent Auditor's Report to Dunedin Income Growth Investment Trust PLC

## Continued

### 14.2 Directors' Remuneration

Under the Companies Act 2006 we are also required to report if in our opinion certain disclosures of Directors' remuneration have not been made or the part of the Directors' Remuneration Report to be audited is not in agreement with the accounting records and returns.

We have nothing to report in respect of these matters.

## 15. Other Matters Which we Are Required to Address

### 15.1 Auditor Tenure

Following the recommendation of the Audit & Risk Committee, we were appointed by shareholders at the Annual General Meeting on 23 May 2017 to audit the financial statements for the period ending 31 January 2018 and subsequent financial periods. The period of total uninterrupted engagement including previous renewals and reappointments of the firm is eight years, covering the years ending 31 January 2018 to 31 January 2025. We were re-appointed as part of the Annual General Meeting on 22 May 2025.

### 15.2 Consistency of the Audit Report with the Additional Report to the Audit & Risk Committee

Our audit opinion is consistent with the additional report to the Audit & Risk Committee we are required to provide in accordance with ISAs (UK).

## 16. Use of Our Report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### Michael Caullay (Senior Statutory Auditor)

For and on behalf of Deloitte LLP

Statutory Auditor

Glasgow

United Kingdom

8 April 2026

# Statement of Comprehensive Income

	Notes	Year ended 31 January 2026			Year ended 31 January 2025		
		Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Gains on investments	10	-	13,321	13,321	-	16,405	16,405
Foreign currency (losses)/gains		-	(698)	(698)	-	175	175
Income	3	20,013	-	20,013	22,550	-	22,550
Investment management fee	4	(641)	(961)	(1,602)	(691)	(1,036)	(1,727)
Administrative expenses	5	(725)	-	(725)	(898)	-	(898)
<b>Net return before finance costs and taxation</b>		<b>18,647</b>	<b>11,662</b>	<b>30,309</b>	20,961	15,544	36,505
Finance costs	6	(740)	(1,110)	(1,850)	(827)	(1,240)	(2,067)
<b>Return before taxation</b>		<b>17,907</b>	<b>10,552</b>	<b>28,459</b>	20,134	14,304	34,438
Taxation	7	(685)	-	(685)	(510)	-	(510)
<b>Return after taxation</b>		<b>17,222</b>	<b>10,552</b>	<b>27,774</b>	19,624	14,304	33,928
<b>Basic and diluted return per Ordinary share (pence)</b>	9	<b>13.64</b>	<b>8.36</b>	<b>22.00</b>	13.82	10.08	23.90

The column of this statement headed "Total" represents the profit and loss account of the Company.

All revenue and capital items in the above statement derive from continuing operations.

The accompanying notes are an integral part of the financial statements.

# Statement of Financial Position

	Notes	As at 31 January 2026 £'000	As at 31 January 2025 £'000
<b>Non-current assets</b>			
Investments at fair value through profit or loss	10	435,150	472,652
<b>Current assets</b>			
Debtors	11	3,605	3,292
Cash and cash equivalents		4,777	2,329
		8,382	5,621
<b>Creditors: amounts falling due within one year</b>			
Bank loan	12	(19,593)	(18,907)
Other creditors	12	(653)	(1,086)
		(20,246)	(19,993)
<b>Net current liabilities</b>		<b>(11,864)</b>	<b>(14,372)</b>
<b>Total assets less current liabilities</b>		<b>423,286</b>	<b>458,280</b>
<b>Creditors: amounts falling due after more than one year</b>			
	13	(29,760)	(29,752)
<b>Net assets</b>		<b>393,526</b>	<b>428,528</b>
<b>Capital and reserves</b>			
Called-up share capital	14	38,419	38,419
Share premium account		4,908	4,908
Capital redemption reserve		1,606	1,606
Capital reserve		327,027	359,775
Revenue reserve	16	21,566	23,820
<b>Equity shareholders' funds</b>		<b>393,526</b>	<b>428,528</b>
<b>Net asset value per Ordinary share (pence)</b>	17	<b>327.40</b>	<b>317.55</b>

The financial statements were approved and authorised for issue by the Board of Directors on 8 April 2026 and were signed on its behalf by:

**Howard Williams**

Director

Company Number: SC000881

The accompanying notes are an integral part of the financial statements.

# Statement of Changes in Equity

## For the year ended 31 January 2026

	Notes	Share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Capital reserve £'000	Revenue reserve £'000	Total £'000
Balance at 31 January 2025		38,419	4,908	1,606	359,775	23,820	428,528
Return after taxation		-	-	-	10,552	17,222	27,774
Repurchase of shares for Treasury		-	-	-	(43,300)	-	(43,300)
Dividends paid	8	-	-	-	-	(19,476)	(19,476)
<b>Balance at 31 January 2026</b>		<b>38,419</b>	<b>4,908</b>	<b>1,606</b>	<b>327,027</b>	<b>21,566</b>	<b>393,526</b>

## For the year ended 31 January 2025

	Notes	Share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Capital reserve £'000	Revenue reserve £'000	Total £'000
Balance at 31 January 2024		38,419	4,908	1,606	376,996	23,886	445,815
Return after taxation		-	-	-	14,304	19,624	33,928
Repurchase of shares for Treasury		-	-	-	(31,525)	-	(31,525)
Dividends paid	8	-	-	-	-	(19,690)	(19,690)
<b>Balance at 31 January 2025</b>		<b>38,419</b>	<b>4,908</b>	<b>1,606</b>	<b>359,775</b>	<b>23,820</b>	<b>428,528</b>

The Revenue reserve and the part of the Capital reserve represented by realised capital gains represent the amount of the Company's reserves distributable by way of dividend.

The accompanying notes are an integral part of the financial statements.

# Statement of Cash Flows

	Notes	Year ended 31 January 2026 £'000	Year ended 31 January 2025 £'000
<b>Operating activities</b>			
Net return before finance costs and taxation		30,309	36,505
Adjustment for:			
Gains on investments		(13,321)	(16,405)
Currency losses/(gains)		698	(175)
Decrease in accrued dividend income		11	116
Decrease/(increase) in other debtors excluding tax		14	(20)
Decrease in other creditors		(32)	(226)
Overseas withholding tax		(1,023)	(970)
<b>Net cash flow from operating activities</b>		<b>16,656</b>	<b>18,825</b>
<b>Investing activities</b>			
Purchases of investments		(135,747)	(115,323)
Sales of investments		186,570	133,163
<b>Net cash from investing activities</b>		<b>50,823</b>	<b>17,840</b>
<b>Financing activities</b>			
Interest paid		(1,865)	(2,007)
Dividends paid	8	(19,476)	(19,710)
Buyback of Ordinary shares for treasury		(43,678)	(31,261)
Drawdown of Loan		-	5,856
<b>Net cash used in financing activities</b>		<b>(65,019)</b>	<b>(47,122)</b>
<b>Increase/(decrease) in cash and cash equivalents</b>		<b>2,460</b>	<b>(10,457)</b>
<b>Analysis of changes in cash and cash equivalents during the year</b>			
Opening balance		2,329	12,868
Effect of exchange rate fluctuations on cash held		(12)	(82)
Increase/(decrease) in cash as above		2,460	(10,457)
<b>Closing balance</b>		<b>4,777</b>	<b>2,329</b>

The accompanying notes are an integral part of the financial statements. A reconciliation of the changes in net debt can be found in note 18 on page 93.

# Notes to the Financial Statements

For the year ended 31 January 2026

## 1. Principal activity

The Company is a closed-end investment company, registered in Scotland No. SC000881, with its Ordinary shares being listed on the London Stock Exchange.

## 2. Accounting policies

(a) **Basis of preparation and going concern.** The financial statements have been prepared under the historical cost convention, except for the revaluation of financial instruments held at fair value through profit or loss. The financial statements have been prepared in accordance with Financial Reporting Standard 102, the requirements of the Companies Act 2006 and with the AIC ("Association of Investment Companies") Statement of Recommended Practice 'Financial Statements of Investment Trust Companies and Venture Capital Trusts' issued in July 2022. The financial statements are prepared in sterling which is the functional currency of the Company and rounded to the nearest £'000. They have also been prepared on the assumption that approval as an investment trust will continue to be granted.

The Company's assets consist mainly of equity shares in companies listed on the London Stock Exchange and in most circumstances are considered to be realisable within a short timescale. The Board has set limits for borrowing and derivative contract positions and regularly reviews actual exposures, cash flow projections and compliance with loan covenants. The Directors have considered the fact that Company's investments comprise readily realisable securities which can be sold to meet funding requirements if necessary. The Directors have also performed stress testing on the portfolio and the loan financial covenants.

Having taken these matters into account, the Directors believe that the Company has adequate financial resources to continue in operational existence for the foreseeable future and for at least twelve months from the date of this Report. Accordingly, they continue to adopt the going concern basis of accounting in preparing the financial statements.

Critical accounting judgements and key sources of estimation uncertainty. The preparation of financial statements requires the use of certain significant accounting judgements, estimates and assumptions which requires management to exercise its judgement in the process of applying the accounting policies which are continually evaluated. The Board considers that there are no accounting judgements, estimates and assumptions which would significantly impact the financial statements.

(b) **Revenue, expenses and interest payable.** Income from equity investments (other than special dividends), including taxes deducted at source, is included in revenue by reference to the date on which the investment is quoted ex-dividend. Special dividends are credited to revenue or capital according to the circumstances. Foreign income is converted at the exchange rate applicable at the time of receipt. Interest receivable on short term deposits and expenses are accounted for on an accruals basis. Income from underwriting commission is recognised as earned. Interest payable is calculated on an effective yield basis. Stock lending income is recognised on an accruals basis.

Underwriting commission is taken to revenue, unless any shares underwritten are required to be taken up, in which case the proportionate commission received is deducted from the cost of the investment.

Expenses are charged to capital when they are incurred in connection with the maintenance or enhancement of the value of investments. In this respect, the investment management fee and relevant finance costs, including the amortisation of expenses, are allocated between revenue and capital in line with the Board's expectation of returns from the Company's investments over the long-term of 40% to revenue and 60% to capital.

# Notes to the Financial Statements

## Continued

(c) **Investments.** Investments have been designated upon initial recognition as fair value through profit or loss. Investments are recognised and de-recognised at trade date where a purchase or sale is under a contract whose terms require delivery within the timeframe established by the market concerned, and are measured initially at fair value. Subsequent to initial recognition, investments are recognised at fair value through profit or loss. For listed investments, this is deemed to be bid market prices or closing prices for SETS stocks sourced from the London Stock Exchange. SETS is the London Stock Exchange electronic trading service covering most of the market including all FTSE All-Share and the most liquid AIM constituents. Gains or losses arising from changes in fair value are included in net profit or loss for the period as a capital item in the Statement of Comprehensive Income.

(d) **Dividends payable.** Final dividends payable to equity shareholders are recognised in the financial statements when they have been approved by Shareholders and become a liability of the Company. Interim dividends are recognised in the financial statements in the period in which they are paid.

(e) **Nature and purpose of reserves**

Called-up share capital. The Ordinary share capital on the Statement of Financial Position relates to the number of shares in issue and in treasury. Only when the shares are cancelled, either from treasury or directly, is a transfer made to the capital redemption reserve.

Share premium account. The balance classified as share premium includes the premium above the nominal value from the proceeds on issue of any equity share capital comprising Ordinary shares of 25p.

Capital redemption reserve. The capital redemption reserve is used to record the amount equivalent to the nominal value of any of the Company's own shares purchased and cancelled in order to maintain the Company's capital.

Capital reserve. Gains or losses on the disposal of investments and changes in the fair values of investments are transferred to the capital reserve. The capital element of the management fee and relevant finance costs are charged to this reserve. Any associated tax relief is also credited to this reserve. Certain other items including gains or losses on foreign currency and special dividends are also allocated to this reserve as appropriate. The part of this reserve represented by realised capital gains is available for distribution by way of dividend.

The costs of share buybacks to be held in treasury are also deducted from this reserve.

Revenue reserve. Income and expenses which are recognised in the revenue column of the Statement of Comprehensive Income are transferred to the revenue reserve. The revenue reserve is available for distribution by way of dividend.

(f) **Taxation.** The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Owing to the Company's status as an investment trust, and the intention to continue meeting the conditions required to obtain approval in the foreseeable future, the Company has not provided deferred tax on any capital gains and losses arising on the revaluation or disposal of investments.

(g) **Foreign currency.** Monetary assets and liabilities and non-monetary assets held at fair value denominated in foreign currencies are converted into sterling at the rate of exchange ruling at the reporting date. Transactions during the year involving foreign currencies are converted at the rate of exchange ruling at the transaction date. Gains or losses arising from a change in exchange rates subsequent to the date of a transaction are included as a currency gain or loss in revenue or capital in the Statement of Comprehensive Income, depending on whether the gain or loss is of a revenue or capital nature. The Company receives a proportion of its investment income in foreign currency. These amounts are translated at the rate ruling on the date of receipt.

(h) **Traded options.** The Company may enter into certain derivative contracts (e.g. options). Option contracts are accounted for as separate derivative contracts and are therefore shown in other assets or other liabilities at their fair value. The initial fair value is based on the initial premium, which is recognised upfront. The premium received and fair value changes in the open position which occur due to the movement in underlying securities are recognised in the revenue column, losses realised on the exercise of the contracts are recorded in the capital column of the Statement of Comprehensive Income.

In addition, the Company may enter into derivative contracts to manage market risk and gains or losses arising on such contracts are recorded in the capital column of the Statement of Comprehensive Income.

(i) **Borrowings.** Borrowings are measured initially at the fair value of the consideration received, net of any issue expenses, and subsequently at amortised cost using the effective interest method. The finance costs of such borrowings are accounted for on an accruals basis using the effective interest rate method and are charged 40% to revenue and 60% to capital in the Statement of Comprehensive Income to reflect the Company's investment policy and prospective income and capital growth.

(j) **Treasury shares.** When the Company purchases the Company's equity share capital to be held as treasury shares, the amount of the consideration paid, which includes directly attributable costs, is net of any tax effects, and is recognised as a deduction from the capital reserve. When these shares are sold subsequently, the amount received is recognised as an increase in equity, and any resulting surplus on the transaction is transferred to the share premium account and any resulting deficit is transferred from the capital reserve.

### 3. Income

	2026 £'000	2025 £'000
<b>Income from investments</b>		
UK dividend income	12,731	13,458
Overseas dividends	5,505	6,623
	<b>18,236</b>	<b>20,081</b>
<b>Other income</b>		
Income on derivatives	1,736	2,390
Deposit Interest	4	36
Other Income	37	43
	<b>1,777</b>	<b>2,469</b>
<b>Total income</b>	<b>20,013</b>	<b>22,550</b>

During the year, the Company earned premiums totalling £1,736,000 (2025 – £2,390,000) in exchange for entering into derivative transactions. The Company had no open positions in derivative contracts at 31 January 2026 (2025 – no open positions). Losses realised on the exercise of derivative transactions are disclosed in note 10.

# Notes to the Financial Statements

## Continued

### 4. Management fee

	2026			2025		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Management fee	641	961	1,602	691	1,036	1,727

The Company has an agreement with abrdn Fund Managers Limited ("aFML") for the provision of investment management, risk management, accounting, administrative and secretarial services. The management fee is calculated and charged, on a monthly basis, at 0.45% per annum on the first £225 million, 0.35% per annum on the next £200 million and 0.25% per annum on amounts over £425 million of the net assets of the Company, with debt at par and excluding commonly managed funds. The balance due at the year end was £261,000 (2025 – £274,000). The management fee is allocated 40% to revenue and 60% to capital. There were no commonly managed funds held in the portfolio during the year to 31 January 2026 (2025 – none).

The management agreement may be terminated by either party on six months' written notice.

### 5. Administrative expenses

	2026 £'000	2025 £'000
Directors' fees	162	170
Auditor's remuneration (excluding VAT):		
– fees payable to the Company's Auditor for the audit of the Company's annual accounts	43	39
Irrecoverable VAT	36	58
Promotional activities	226	200
Registrar's fees	57	53
Other expenses	201	378
	<b>725</b>	<b>898</b>

Expenses of £226,000 (2025 – £200,000) were paid to aFML in respect of the promotional activities of the Company. The balance outstanding at the year end was £75,000 (2025 – £17,000).

## 6. Finance costs

	2026			2025		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Bank loan	258	387	645	343	516	859
Loan Notes - repayable after more than five years	479	718	1,197	480	720	1,200
Amortised Loan Notes issue expenses	3	5	8	3	4	7
Bank overdraft	-	-	-	1	-	1
	<b>740</b>	<b>1,110</b>	<b>1,850</b>	<b>827</b>	<b>1,240</b>	<b>2,067</b>

Finance costs (excluding bank overdraft interest) are allocated 40% to revenue and 60% to capital.

## 7. Taxation

	2026			2025		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
<b>(a) Analysis of charge for the year</b>						
Overseas tax suffered	967	-	967	2,277	-	2,277
Overseas tax reclaimable	(282)	-	(282)	(1,767)	-	(1,767)
<b>Total tax charge for the year</b>	<b>685</b>	<b>-</b>	<b>685</b>	<b>510</b>	<b>-</b>	<b>510</b>

# Notes to the Financial Statements

## Continued

- (b) **Factors affecting the tax charge for the year.** The UK corporation tax rate is 25% (2025 – 25%). The tax assessed for the year is lower than the rate of corporation tax. The differences are explained below:

	2026			2025		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
<b>Return before taxation</b>	<b>17,907</b>	<b>10,552</b>	<b>28,459</b>	20,134	14,304	34,438
Corporation tax at 25% (2025 – 25%)	4,477	2,638	7,115	5,034	3,576	8,610
Effects of:						-
Non-taxable UK dividend income	(3,070)	-	(3,070)	(3,342)	-	(3,342)
Capital gains on investments not taxable	-	(3,330)	(3,330)	-	(4,102)	(4,102)
Expenses not deductible for tax purposes	4	-	4	-	-	-
Currency gains not taxable	-	174	174	-	(43)	(43)
Overseas taxes	685	-	685	510	-	510
Non-taxable overseas dividends	(1,208)	-	(1,208)	(1,493)	-	(1,493)
Excess management expenses	(203)	518	315	(199)	569	370
<b>Total tax charge</b>	<b>685</b>	<b>-</b>	<b>685</b>	510	-	510

- (c) **Factors that may affect future tax charges.** At the year end, the Company has, for taxation purposes only, accumulated unrelieved management expenses and loan relationship deficits of £138,415,000 (2025 – £137,155,000). A deferred tax asset in respect of this has not been recognised and these unrelieved expenses will only be utilised if the Company has profits chargeable to corporation tax in the future.

## 8. Ordinary dividends on equity shares

	2026 £'000	2025 £'000
<b>Amounts recognised as distributions paid during the year:</b>		
Third interim dividend for 2025 – 3.20p (2024 – 3.20p)	4,309	4,678
Final dividend for 2025 – 4.60p (2024 – 4.15p)	5,944	5,996
First interim dividend for 2026 – 3.20p (2025 – 3.20p)	4,057	4,569
Second interim dividend for 2026 – 4.25p (2025 – 3.20p)	5,182	4,467
Return of unclaimed dividends <sup>A</sup>	(16)	(20)
	<b>19,476</b>	19,690

<sup>A</sup> Unclaimed dividends returned to the Company during the year ended 31 January 2026 have been donated to charity (see note 22).

A third interim dividend of 4.25p per Ordinary share was declared on 11 December 2025, payable on 27 February 2026 to shareholders on the register on 6 February 2026 and has not been included as a liability in these financial statements. The final dividend of 7.4p per Ordinary share was approved by the Board on 8 April 2026, payable on 29 May 2026 to shareholders on the register on 8 May 2026 and has not been included as a liability in the financial statements.

The table below sets out the total dividends paid and proposed in respect of the financial year, which is the basis upon which the requirements of Sections 1158-1159 of the Corporation Tax Act 2010 are considered. The net revenue available for distribution by way of dividend for the year is £17,222,000 (2025 – £19,624,000).

	2026 £'000	2025 £'000
First interim dividend for 2026 – 3.20p (2025 – 3.20p)	4,057	4,569
Second interim dividend for 2026 – 4.25p (2025 – 3.20p)	5,182	4,467
Third interim dividend for 2026 – 4.25p (2025 – 3.20p)	5,104	4,309
Final dividend for 2026 – 7.40p (2025 – 4.60p)	8,781	5,944
	<b>23,124</b>	19,289

The final dividend is based on the latest share capital of 118,665,838 Ordinary shares excluding those held in treasury.

## 9. Basic and diluted return per Ordinary share

	2026		2025	
	£'000	p	£'000	p
Revenue return	17,222	13.64	19,624	13.82
Capital return	10,552	8.36	14,304	10.08
<b>Total return</b>	<b>27,774</b>	<b>22.00</b>	33,928	23.90
<b>Weighted average number of Ordinary shares in issue</b>	<b>126,250,861</b>		141,967,627	

# Notes to the Financial Statements

## Continued

### 10. Investments at fair value through profit or loss

	2026 £'000	2025 £'000
Opening book cost	397,456	409,443
Investment holdings gains	75,196	64,644
Opening fair value	472,652	474,087
<b>Analysis of transactions made during the year</b>		
Purchases	135,747	115,323
Sales - proceeds	(186,570)	(133,163)
Gains on investments	13,321	16,405
<b>Closing fair value</b>	<b>435,150</b>	<b>472,652</b>
<hr/>		
Closing book cost	376,937	397,456
Closing investment holdings gains	58,213	75,196
<b>Closing fair value</b>	<b>435,150</b>	<b>472,652</b>

The Company received £186,570,000 (2025 - £133,163,000) from investments sold in the year. The book cost of these investments when they were purchased was £156,266,000 (2025 - £127,311,000). These investments have been revalued over time and until they were sold any unrealised gains/losses were included in the fair value of the investments.

The realised gains figure above includes losses realised on the exercise of traded options of £1,338,000 (2025 - £563,000). Premiums received of £1,736,000 (2025 - £2,390,000) are included within income per note 3.

**Transaction costs.** During the year expenses were incurred in acquiring or disposing of investments classified as fair value through profit or loss. These have been expensed through capital and are included within gains on investments in the Statement of Comprehensive Income. The total costs were as follows:

	2026 £'000	2025 £'000
Purchases	599	463
Sales	84	82
	<b>683</b>	<b>545</b>

The above transaction costs are calculated in line with the AIC SORP. The transaction costs in the Company's Key Information Document are calculated on a different basis and in line with the PRIIPs regulations.

## 11. Debtors: amounts falling due within one year

	2026	2025
	£'000	£'000
Net dividends and interest receivable	443	454
Tax recoverable	3,137	2,799
Other loans and receivables	25	39
	<b>3,605</b>	<b>3,292</b>

## 12. Creditors: amounts falling due within one year

	2026	2025
	£'000	£'000
<b>(a) Bank loan</b>		
EUR 22,600,000 – 13 February 2025	-	18,907
EUR 22,600,000 – 23 February 2026	<b>19,593</b>	-
	<b>19,593</b>	<b>18,907</b>

The Company has a £30 million multi-currency revolving credit facility ("RCF") with The Bank of America N.A., London Branch committed until 8 August 2027. Under the terms of the facility, subject to the lender's credit approval, the Company has the option to increase the level of the facility from £30 million to £40 million at any time, should further investment opportunities be identified. The RCF is secured by a floating charge over the whole of the assets of the Company. As at 31 January 2026 €22,600,000 had been drawn down at a rate of 3.03% (2025 – €22,600,000 at a rate of 3.93%), which matured on 23 February 2026. At the date this Report was approved €22,600,000 had been drawn down at a rate of 2.97%, maturing on 23 April 2026. The terms of the loan facility contain covenants that total net borrowings shall not exceed 33% of the net asset value and that the minimum net assets of the Company are £200 million.

	2026	2025
	£'000	£'000
<b>(b) Other creditors</b>		
Loan Notes and bank loan interest	197	220
Amount due to brokers	-	368
Sundry creditors	<b>456</b>	<b>498</b>
	<b>653</b>	<b>1,086</b>

# Notes to the Financial Statements

## Continued

### 13. Creditors: amounts falling due after more than one year

	2026 £'000	2025 £'000
3.99% Loan Notes 2045	30,000	30,000
Unamortised Loan Note issue expenses	(240)	(248)
	<b>29,760</b>	<b>29,752</b>

The 3.99% Loan Notes were issued in December 2015 and are due to be redeemed at par on 8 December 2045. Interest is payable in half-yearly instalments in June and December. The Loan Notes are secured by a floating charge over the whole of the assets of the Company. The Company has complied with the Loan Note Trust Deed covenant that total net borrowings (ie. after the deduction of cash balances) should not exceed 33% of the Company's net asset value and that the Company's net asset value should not be less than £200 million.

The fair value of the Loan Notes as at 31 January 2026 was £23,175,000 (2025 - £23,114,000), the valuation methodology is disclosed in note 19. The effect on the net asset value of deducting the Loan Notes at fair value rather than at par is disclosed in note 17.

### 14. Called-up share capital

	2026 £'000	2025 £'000
<b>Allotted, called up and fully paid:</b>		
120,197,609 (2025 - 134,949,033) Ordinary shares of 25p each - equity	<b>30,049</b>	33,737
<b>Treasury shares:</b>		
33,480,326 (2025 - 18,728,902) Ordinary shares of 25p each - equity	<b>8,370</b>	4,682
	<b>38,419</b>	<b>38,419</b>

The Ordinary share capital on the Statement of Financial Position relates to the number of shares in issue and in treasury. Only when the shares are cancelled, either from treasury or directly, is a transfer made to the capital redemption reserve.

During the year the Company repurchased 14,751,424 (2025 - 11,223,856) ordinary shares at a cost of £43,300,000, including expenses (2025 - £31,525,000, including expenses). All of the shares were placed in treasury. Subsequent to the year end the company repurchased a further 1,531,771 Ordinary shares at a total cost of £4,546,000.

## 15. Analysis of changes in financing during the year

	2026		2025	
	Equity share capital (including premium) £'000	Loan Notes £'000	Equity share capital (including premium) £'000	Loan Notes £'000
Opening balance at 31 January 2025	43,327	29,752	43,327	29,745
Movement in unamortised Loan Notes issue expenses	-	8	-	7
<b>Closing balance at 31 January 2026</b>	<b>43,327</b>	<b>29,760</b>	<b>43,327</b>	<b>29,752</b>

## 16. Revenue reserve per share

The following information is presented supplemental to the financial statements to show the Companies Act position at the year end.

	2026	2025
<b>Revenue reserve (£'000)</b>	<b>21,566</b>	<b>23,820</b>
<b>Number of Ordinary shares in issue at year end</b>	<b>120,197,609</b>	<b>134,949,033</b>
Revenue reserve per Ordinary share (p)	17.94	17.65
Less: - third interim dividend (p)	(4.25)	(3.20)
- final dividend (p)	(7.40)	(4.60)
<b>Revenue reserve per Ordinary share (p) as per the Companies Act</b>	<b>6.29</b>	<b>9.85</b>

# Notes to the Financial Statements

## Continued

### 17. Net asset value per share

Equity shareholders' funds have been calculated in accordance with the provisions of FRS 102. The analysis of equity shareholders' funds on the face of the Statement of Financial Position does not reflect the rights under the Articles of Association of the Ordinary shareholders on a return of assets. These rights are reflected in the net asset value and the net asset value per share attributable to Ordinary shareholders at the year end, adjusted to reflect the deduction of the Loan Notes at par. A reconciliation between the two sets of figures is as follows:

	2026	2025
Net assets attributable (£'000)	393,526	428,528
Number of Ordinary shares in issue at year end <sup>A</sup>	120,197,609	134,949,033
Net asset value per Ordinary share	327.40p	317.55p

<sup>A</sup> Excluding shares held in treasury.

Adjusted net assets	2026	2025
Net assets attributable (£'000) as above	393,526	428,528
Unamortised Loan Note issue expenses (note 13)	(240)	(248)
<b>Adjusted net assets attributable (£'000)</b>	<b>393,286</b>	<b>428,280</b>
<b>Number of Ordinary shares in issue at year end<sup>A</sup></b>	<b>120,197,609</b>	<b>134,949,033</b>
<b>Adjusted net asset value per Ordinary share</b>	<b>327.20p</b>	<b>317.36p</b>

<sup>A</sup> Excluding shares held in treasury.

Net assets - debt at fair value	£'000	£'000
Net assets attributable	393,526	428,528
Amortised cost Loan Notes	29,760	29,752
Market value Loan Notes	(23,175)	(23,114)
<b>Net assets attributable</b>	<b>400,111</b>	<b>435,166</b>
<b>Number of Ordinary shares in issue at the period end<sup>A</sup></b>	<b>120,197,609</b>	<b>134,949,033</b>
<b>Net asset value per Ordinary share (debt at fair value)</b>	<b>332.88p</b>	<b>322.47p</b>

<sup>A</sup> Excluding shares held in treasury.

## 18. Analysis of changes in net debt

	At 31 January 2025 £'000	Currency differences £'000	Cash flows £'000	Non-cash movements £'000	At 31 January 2026 £'000
Cash and cash equivalents	2,329	(12)	2,460	-	4,777
Debt due within one year	(18,907)	(686)	-	-	(19,593)
Debt due after more than one year	(29,752)	-	-	(8)	(29,760)
	(46,330)	(698)	2,460	(8)	(44,576)

	At 31 January 2024 £'000	Currency differences £'000	Cash flows £'000	Non-cash movements £'000	At 31 January 2025 £'000
Cash and cash equivalents	12,868	(82)	(10,457)	-	2,329
Debt due within one year	(13,307)	256	(5,856)	-	(18,907)
Debt due after more than one year	(29,745)	-	-	(7)	(29,752)
	(30,184)	174	(16,313)	(7)	(46,330)

A statement reconciling the movement in net funds to the net cash flow has not been presented as there are no differences from the above analysis.

## 19. Financial instruments and risk management

The Company's investment activities expose it to various types of financial risk associated with the financial instruments and markets in which it invests. The Company's financial instruments comprise securities and other investments, cash balances, loans and debtors and creditors that arise directly from its operations; for example, in respect of sales and purchases awaiting settlement, and debtors for accrued income. The Company also has the ability to enter into derivative transactions in the form of option contracts for the purpose of generating income and futures/options for hedging market exposures.

During the year, the Company entered into certain options contracts for the purpose of generating income. Positions closed during the year realised a loss of £1,338,000 (2025 – £563,000). As disclosed in note 3, the premium received and fair value changes in respect of options written in the year was £1,736,000 (2025 – £2,390,000). The largest position in derivative contracts held during the year at any given time was £872,000 (2025 – £1,028,000). The Company had no open positions in derivative contracts at 31 January 2026 (2025 – none).

The Board relies on abrdn Fund Managers Limited ("aFML" or the "Manager") for the provision of risk management activities under the terms of its management agreement with aFML (further details of which are included under note 4). The Board regularly reviews and agrees policies for managing each of the key financial risks identified with the Manager. The types of risk and the Manager's approach to the management of each type of risk, are summarised below. Such approach has been applied throughout the year and has not changed since the previous accounting period. The numerical disclosures exclude short-term debtors and creditors on the grounds that they are not considered to be material.

# Notes to the Financial Statements

## Continued

The Company's Manager has an independent Investment Risk department for reviewing the investment risk parameters of all core equity, fixed income and alternative asset classes on a regular basis. The department reports to the Manager's Performance Review Committee which is chaired by the Manager's Chief Investment Officer. The department's responsibility is to review and monitor ex-ante (predicted) portfolio risk and style characteristics using best practice, industry standard multi-factor models.

**Risk management framework.** The directors of aFML collectively assume responsibility for aFML's obligations under the AIFMD including reviewing investment performance and monitoring the Company's risk profile during the year.

aFML is a fully integrated member of the Aberdeen Group (the "Group") which provides a variety of services and support to aFML in the conduct of its business activities, including in the oversight of the risk management framework for the Company. aFML has delegated the day to day administration of the investment policy to abrdrn Investments Limited, which is responsible for ensuring that the Company is managed within the terms of its investment guidelines and the limits set out in its pre-investment disclosures to investors (details of which can be found on the Company's website). aFML has retained responsibility for monitoring and oversight of investment performance, product risk and regulatory and operational risk for the Company.

The Manager conducts its risk oversight function through the operation of the Group's risk management processes and systems which are embedded within the Group's operations. The Group's Risk Division supports management in the identification and mitigation of risks and provides independent monitoring of the business. The Division includes Compliance, Business Risk, Market Risk, Risk Management and Legal. The team is headed up by the Group's Chief Risk Officer, who reports to the Chief Executive Officers of the Group. The Risk Division achieves its objective through embedding the Risk Management Framework throughout the organisation using the Group's operational risk management system ("SHIELD").

The Group's Internal Audit Department is independent of the Risk Division and reports directly to the Group's Chief Executive Officers and to the Audit Committee of the Group's Board of Directors. The Internal Audit Department is responsible for providing an independent assessment of the Group's control environment.

The Group's corporate governance structure is supported by several committees to assist the board of directors of Aberdeen, its subsidiaries and the Company to fulfil their roles and responsibilities. The Group's Risk Division is represented on all committees, with the exception of those committees that deal with investment recommendations. The specific goals and guidelines on the functioning of those committees are described on the committees' terms of reference.

**Risk Management.** The main risks the Company faces from its financial instruments are (i) market risk (comprising interest rate risk, currency risk and other price risk), (ii) liquidity risk and (iii) credit risk.

The Board regularly reviews and agrees policies for managing each of these risks. The Group's policies for managing these risks are summarised below and have been applied throughout the year. The numerical disclosures exclude short-term debtors and creditors, other than for currency disclosures.

(i) **Market risk.** Market risk comprises three elements – interest rate risk, currency risk and price risk.

(a) **Interest rate risk.** Interest rate movements may affect:

- the fair value of the investments in fixed interest rate securities;
- the level of income receivable on cash deposits; and
- interest payable on the Company's variable rate borrowings.

**Management of the risk.** The possible effects on fair value and cash flows that could arise as a result of changes in interest rates are taken into account when making investment and borrowing decisions.

The Board imposes borrowing limits to ensure gearing levels are appropriate to market conditions and reviews these on a regular basis. Borrowings comprise fixed rate, revolving, and uncommitted facilities. Details of borrowings at 31 January 2026 are shown in notes 12 and 13.

**Interest risk profile.** The interest rate risk profile of the portfolio of financial assets and liabilities at the Statement of Financial Position date was as follows:

	Weighted average period for which rate is fixed Years	Weighted average interest rate %	Fixed rate £'000	Floating rate £'000
<b>At 31 January 2026</b>				
<b>Assets</b>				
Sterling	-	-	-	4,777
<b>Total assets</b>	-	-	-	4,777
<b>Liabilities</b>				
Bank loans	0.09	3.03	(19,593)	-
Loan Notes	19.87	3.99	(29,760)	-
<b>Total liabilities</b>	-	-	(49,353)	-

	Weighted average period for which rate is fixed Years	Weighted average interest rate %	Fixed rate £'000	Floating rate £'000
<b>At 31 January 2025</b>				
<b>Assets</b>				
Sterling	-	-	-	2,329
<b>Total assets</b>	-	-	-	2,329
<b>Liabilities</b>				
Bank loans	0.08	3.93	(18,907)	-
Loan Notes	20.87	3.99	(29,752)	-
<b>Total liabilities</b>	-	-	(48,659)	-

# Notes to the Financial Statements

## Continued

The weighted average interest rate is based on the current yield of each asset, weighted by its market value. The weighted average interest rate on bank loans is based on the interest rate payable, weighted by the total value of the loans. The maturity dates of the Company's borrowings are shown in notes 12 and 13 to the financial statements.

The floating rate assets consist of cash deposits all earning interest at prevailing market rates.

The Company's equity portfolio and short-term debtors and creditors (excluding bank loans) have been excluded from the above tables. All financial liabilities are measured at amortised cost.

**Interest rate sensitivity.** Movements in interest rates would not significantly affect net assets attributable to the Company's shareholders and total profit.

**(b) Foreign currency risk.** A proportion of the Company's investment portfolio is invested in overseas securities whose values are subject to fluctuation due to changes in exchange rates. In addition, the impact of changes in foreign exchange rates upon the profits of investee companies can result, indirectly, in changes in their valuations. Consequently the Statement of Financial Position can be affected by movements in exchange rates.

Management of the risk. It is not the Company's policy to hedge this risk on a continuing basis but the Company may, from time to time, match specific overseas investment with foreign currency borrowings. A proportion of the Company's borrowings, as detailed in note 12, is in foreign currency as at 31 January 2026. The revenue account is subject to currency fluctuations arising on dividends received in foreign currencies and, indirectly, due to the impact of foreign exchange rates upon the profits of investee companies. The Company does not hedge this currency risk.

### Foreign currency risk exposure by currency of denomination:

	31 January 2026			31 January 2025		
	Investments £'000	Net monetary assets £'000	Total currency exposure £'000	Investments £'000	Net monetary assets £'000	Total currency exposure £'000
Euro	63,652	(16,551)	47,101	90,674	(16,222)	74,452
Danish Krone	-	68	68	9,126	72	9,198
Norwegian Krone	-	12	12	-	11	11
Swedish Krona	8,073	-	8,073	11,375	-	11,375
Sterling	363,425	(25,153)	338,272	361,477	(27,985)	333,492
<b>Total</b>	<b>435,150</b>	<b>(41,624)</b>	<b>393,526</b>	<b>472,652</b>	<b>(44,124)</b>	<b>428,528</b>

The asset allocation between specific markets can vary from time to time based on the Manager's opinion of the attractiveness of the individual stocks in these markets.

**Foreign currency sensitivity.** There is no sensitivity analysis included as the Board believes the amount exposed to foreign currency denominated monetary assets to be immaterial. Where the Company's equity investments (which are non-monetary items) are priced in a foreign currency, they have been included within the other price risk sensitivity analysis so as to show the overall level of exposure.

**(c) Price risk.** Price risks (i.e. changes in market prices other than those arising from interest rate or currency risk) may affect the value of the quoted investments and traded options.

**Management of the risk.** It is the Board's policy to hold an appropriate spread of investments in the portfolio in order to reduce the risk arising from factors specific to a particular company or sector. Both the allocation of assets and the stock selection process, as detailed on page 30 to 34, act to reduce market risk. The Manager actively monitors market prices throughout the year and reports to the Board, which meets regularly in order to review investment strategy. The investments held by the Company are listed on various stock exchanges in the UK and Europe.

**Price risk sensitivity.** If market prices at the Statement of Financial Position date had been 10% higher while all other variables remained constant, the return attributable to Ordinary shareholders for the year ended 31 January 2026 would have increased by £43,515,000 (2025 - increase of £47,265,000) and equity reserves would have increased by the same amount. Had market prices been 10% lower the converse would apply.

- (ii) **Liquidity risk.** This is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities as they fall due in line with the maturity profile analysed below.

	Within 1 year £'000	Within 1-2 years £'000	Within 2-3 years £'000	Within 3-4 years £'000	Within 4-5 years £'000	More than 5 years £'000	Total £'000
<b>At 31 January 2026</b>							
Bank loans	19,593	-	-	-	-	-	19,593
Loan Notes	-	-	-	-	-	30,000	30,000
Interest cash flows on bank loans and loan notes	1,248	1,197	1,197	1,197	1,197	17,955	23,991
Cash flows on other creditors	456	-	-	-	-	-	456
	21,297	1,197	1,197	1,197	1,197	47,955	74,040

	Within 1 year £'000	Within 1-2 years £'000	Within 2-3 years £'000	Within 3-4 years £'000	Within 4-5 years £'000	More than 5 years £'000	Total £'000
<b>At 31 January 2025</b>							
Bank loans	18,907	-	-	-	-	-	18,907
Loan Notes	-	-	-	-	-	30,000	30,000
Interest cash flows on bank loans and loan notes	1,259	1,197	1,197	1,197	1,197	19,152	25,199
Cash flows on other creditors	866	-	-	-	-	-	866
	21,032	1,197	1,197	1,197	1,197	49,152	74,972

**Management of the risk.** The Board imposes borrowing limits to ensure gearing levels are appropriate to market conditions and reviews these on a regular basis. Borrowings comprise Loan Notes and a revolving facility. The Loan Notes provide secure long-term funding while short term flexibility is achieved through the borrowing facility. It is the Board's policy to maintain a gearing level, measured on the most stringent basis of calculation after netting off cash equivalents, of less than 30% at all times. Details of borrowings at 31 January 2026 are shown in notes 12 and 13.

# Notes to the Financial Statements

## Continued

Liquidity risk is not considered to be significant as the Company's assets comprise mainly cash and listed securities, which can be sold to meet funding commitments if necessary. Short-term flexibility is achieved through the use of loan and overdraft facilities, details of which can be found in note 12. Under the terms of the loan facility, the Manager provides the lender with loan covenant reports on a monthly basis, to provide the lender with assurance that the terms of the facility are not being breached. The Manager will also review the credit rating of a lender on a regular basis. Details of the Board's policy on gearing are shown in the interest rate risk section of this note.

**Liquidity risk exposure.** At 31 January 2026 and 31 January 2025 the amortised cost of the Company's Loan Notes was £29,760,000 and £29,752,000 respectively. At 31 January 2026 and 31 January 2025 the Company's bank loans amounted to £19,593,000 and £18,907,000 respectively. The facility is committed until 8 August 2027.

- (iii) **Credit risk.** This is failure of the counterparty to a transaction to discharge its obligations under that transaction that could result in the Company suffering a loss.

**Management of the risk.** Investment transactions are carried out with a large number of brokers, whose credit standing is reviewed periodically by the Manager, and limits are set on the amount that may be due from any one broker;

– the risk of counterparty exposure due to failed trades causing a loss to the Company is mitigated by the review of failed trade reports on a daily basis. In addition, both stock and cash reconciliations to the Custodians' records are performed on a daily basis to ensure discrepancies are investigated on a timely basis. The Group's Compliance department carries out periodic reviews of the custodian's operations and reports its finding to the Aberdeen Group's Risk Management Committee. This review will also include checks on the maintenance and security of investments held;

– cash is held only with reputable banks whose credit ratings are monitored on a regular basis.

There are internal exposure limits to cash balances placed with counterparties. The credit worthiness of counterparties is also reviewed on a regular basis.

None of the Company's financial assets are secured by collateral or other credit enhancements.

**Credit risk exposure.** In summary, compared to the amounts in the Statement of Financial Position, the maximum exposure to credit risk at 31 January was as follows:

	2026		2025	
	Balance Sheet £'000	Maximum exposure £'000	Balance Sheet £'000	Maximum exposure £'000
<b>Non-current assets</b>				
Investments at fair value through profit or loss	435,150	-	472,652	-
<b>Current assets</b>				
Cash and short term deposits	4,777	4,777	2,329	2,329
	439,927	4,777	474,981	2,329

None of the Company's financial assets is past due or impaired.

**Fair values of financial assets and financial liabilities.** The fair value of borrowings has been calculated at £42,768,000 as at 31 January 2026 (2025 – £42,021,000) compared to an accounts value in the financial statements of £49,353,000 (2025 – £48,659,000) (notes 12 and 13). The fair value of each loan is determined by aggregating the expected future cash flows for that loan discounted at a rate comprising the borrower’s margin plus an average of market rates applicable to loans of a similar period of time and currency. All other assets and liabilities of the Company are included in the Statement of Financial Position at fair value.

## 20. Fair value hierarchy

FRS 102 requires an entity to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following classifications:

**Level 1:** unadjusted quoted prices in an active market for identical assets or liabilities that the entity can access at the measurement date.

**Level 2:** inputs other than quoted prices included within Level 1 that are observable (ie developed using market data) for the asset or liability, either directly or indirectly.

**Level 3:** inputs are unobservable (ie for which market data is unavailable) for the asset or liability.

The financial assets and liabilities measured at fair value in the Statement of Financial Position are grouped into the fair value hierarchy at the reporting date as follows:

As at 31 January 2026	Note	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Financial assets at fair value through profit or loss					
Quoted equities	a)	435,150	-	-	435,150
<b>Total</b>		<b>435,150</b>	<b>-</b>	<b>-</b>	<b>435,150</b>

As at 31 January 2025		Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Financial assets at fair value through profit or loss					
Quoted equities	a)	472,652	-	-	472,652
<b>Total</b>		<b>472,652</b>	<b>-</b>	<b>-</b>	<b>472,652</b>

a) **Quoted equities.** The fair value of the Company’s investments in quoted equities has been determined by reference to their quoted bid prices at the reporting date. Quoted equities included in Fair Value Level 1 are actively traded on recognised stock exchanges.

# Notes to the Financial Statements

## Continued

### 21. Capital management policies and procedures

The Company's capital management objectives are:

- to ensure that the Company will be able to continue as a going concern; and
- to maximise the return to its equity shareholders through an appropriate balance of equity capital and debt.

The capital of the Company consists of equity, comprising issued capital, reserves and retained earnings.

The Board monitors and reviews the broad structure of the Company's capital. This review includes the nature and planned level of gearing, which takes account of the Manager's views on future expected returns and the extent to which revenue in excess of that which is required to be distributed should be retained. The Company is not subject to any externally imposed capital requirements.

### 22. Related party transactions and transactions with the Manager

**Directors' fees and interests.** Fees payable during the year to the Directors and their interests in the shares of the Company are disclosed within the Directors' Remuneration Report on pages 61 and 62.

**Transactions with the Manager.** The Company has an agreement with the Aberdeen Group for the provision of management, secretarial, accounting and administration services and also for the provision of promotional activities. Details of transactions during the year and balances outstanding at the year end are disclosed in notes 4 and 5.

During the year, the Company received £16,000 in respect of returned, unclaimed dividends accumulated over a number of years. The Board took the decision to donate these monies to the Aberdeen Group Charitable Trust. The Aberdeen Group Charitable Trust is a registered charity. Its board of directors includes independent representation from the Aberdeen Group and provides oversight and guidance for its charitable giving activities.

# Other Information

Investors can buy and sell shares in the Company directly through a stockbroker or other professional adviser. Alternatively, for private investors, there are a number of online dealing platforms that offer share dealing, ISAs and other means to invest in the Company.

# Investor Information

## Alternative Investment Fund Managers Directive ("AIFMD") and Pre-Investment Disclosure Document ("PIDD")

The Company has appointed abrdn Fund Managers Limited as its Alternative Investment Fund Manager ("AIFM") and The Bank of New York Mellon (International) Limited as its depositary under the AIFMD.

The AIFMD requires abrdn Fund Managers Limited, as the Company's AIFM, to make available to investors certain information prior to such investors' investment in the Company. Details of the leverage and risk policies which the Company is required to have in place under the AIFMD are published in the Company's PIDD which can be found on its website: [dunedinincomegrowth.co.uk](http://dunedinincomegrowth.co.uk). The periodic disclosures required to be made by the AIFM under the AIFMD are set out on page 107.

## Investor Warning: Be alert to share fraud and scams

Aberdeen has been contacted by investors informing it that it has received telephone calls and emails from people who have offered to buy their investment company shares, purporting to work for Aberdeen or for third party firms. Aberdeen has also been notified of emails claiming that certain investment companies under its management have issued claims in the courts against individuals. These may be scams which attempt to gain your personal information with which to commit identity fraud or could be 'boiler room' scams where a payment from you is required to release the supposed payment for your shares. These callers/senders do not work for Aberdeen and any third party making such offers/claims has no link with Aberdeen.

Aberdeen does not 'cold-call' investors in this way. If you have any doubt over the veracity of a caller, do not offer any personal information and end the call.

The Financial Conduct Authority provides advice with respect to share fraud and boiler room scams at: [fca.org.uk/consumers/scams](http://fca.org.uk/consumers/scams)

## Shareholder Enquiries

For queries regarding shareholdings, lost certificates, dividend payments, registered details and related matters, shareholders holding their shares directly in the Company are advised to contact the Registrar (see Company Information and Contacts). Changes of address must be notified to the Registrar in writing.

Any general queries about the Company should be directed to the Company Secretary in writing (see Company Information and Contacts) or by email to: [dunedin.income@aberdeenplc.com](mailto:dunedin.income@aberdeenplc.com)

## How to Invest

Investors can buy and sell shares in the Company directly through a stockbroker or indirectly through a lawyer, accountant or other professional adviser. Alternatively, for private investors, there are a number of online dealing platforms that offer share dealing, ISAs and other means to invest in the Company. Real-time execution-only stockbroking services allow you to trade online, manage your portfolio and buy UK listed shares. These sites do not give advice. Some comparison websites also look at dealing rates and terms.

Investors can, using certain platforms, arrange to have dividends reinvested or establish regular savings to invest in the shares of the Company. This can also be done under the auspices of an ISA which (under current tax rules and depending on individual circumstances) provides tax efficiencies for private investors in the treatment of income and capital gains.

## Discretionary Private Client Stockbrokers

If you have a large sum to invest, you may wish to contact a discretionary private client stockbroker. They can manage your entire portfolio of shares and will advise you on your investments. To find a private client stockbroker visit The Personal Investment Management and Financial Advice Association at: [pimfa.co.uk](http://pimfa.co.uk)

## Financial Advisers

To find an adviser who recommends on investment trusts, visit: [unbiased.co.uk](http://unbiased.co.uk)

## Regulation of Stockbrokers

Before approaching a stockbroker, always check that they are regulated by the Financial Conduct Authority at: [fca.org.uk/firms/financial-services-register](http://fca.org.uk/firms/financial-services-register)

## How to Attend and Vote at Company Meetings

Investors who hold their shares through a platform or share plan provider (for example Hargreaves Lansdown, Interactive Investor or AJ Bell) and would like to attend and vote at Company meetings (including AGMs) should contact their platform or share plan provider directly to make arrangements.

Investors who hold their shares through platforms and have their shares held through platform nominees, may not necessarily receive notification of general meetings and are advised to keep themselves informed of Company business by referring to the Company's website. Where voting is required, and the Board encourages shareholders to vote at all general meetings of the Company, shareholders with their holdings in nominees will need to instruct the nominee to vote on their behalf and should do so in good time before the meetings.

For investors who hold their shares on a platform via a nominee, the Association of Investment Companies has provided helpful information on how to attend an AGM and how to vote investment company shares held on some of the major platforms. This information can be found at: [theaic.co.uk/how-to-vote-your-shares](https://theaic.co.uk/how-to-vote-your-shares)

## Keeping You Informed

Information about the Company can be found on its website: [dunedinincomegrowth.co.uk](https://dunedinincomegrowth.co.uk), including share price and performance data as well as London Stock Exchange announcements, current and historic Annual and Half-Yearly Reports, and the latest monthly factsheet on the Company issued by the Manager. **Investors can receive updates via email by registering on the home page of the Company's website.**

The Company's Ordinary share price appears under the heading 'Investment Companies' in the Financial Times.

Details are also available at: [invtrusts.co.uk](https://invtrusts.co.uk)



aberdeen Investment Trusts



@aberdeenTrusts



aberdeen Investment Trusts



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## Suitable for Retail/NMPI Status

The Company's shares are intended for investors, primarily in the UK, including retail investors, professionally-advised private clients and institutional investors who are seeking growth of income and capital from a high quality portfolio invested mainly in companies listed or quoted in the United Kingdom, and who understand and are willing to accept the risks of exposure to equities.

Investors should consider consulting a financial adviser who specialises in advising on the acquisition of shares and other securities before acquiring shares. Investors should be capable of evaluating the risks and merits of such an investment and should have sufficient resources to bear any loss that may result.

The Company currently conducts its affairs so that its securities can be recommended by a financial adviser to ordinary retail investors in accordance with the Financial Conduct Authority's rules in relation to non-mainstream pooled investments ("NMPIs") and intends to continue to do so for the foreseeable future. The Company's securities are excluded from the Financial Conduct Authority's restrictions which apply to NMPIs because they are securities issued by an investment trust.

# Glossary of Terms

## **Aberdeen or Aberdeen Group**

Aberdeen Group plc and its group of companies.

## **AIC**

The Association of Investment Companies.

## **AIFMD**

The UK version of the Alternative Investment Fund Managers Directive and all implementing and delegating legislation thereunder, as it forms part of UK law following the UK's departure from the EU. The AIFMD was originally European legislation which created a European-wide framework for regulating managers of 'alternative investment funds' ("AIFs"). It is designed to regulate any fund which is not a UCITS fund and which is managed and/or marketed in the EU (and, now separately, the UK). The Company has been designated as an AIF.

## **Benchmark**

This is a measure against which an Investment Trust's performance is compared. The Company's benchmark is the FTSE All-Share Index. The index averages the performance of a defined selection of listed companies over specific time periods.

## **Call Option**

An option contract which gives the buyer the right, but not the obligation, to purchase a specified amount of an asset at the strike price by a future specified date.

## **Closed-End Fund**

A collective investment scheme which has a fixed number of shares which are not redeemable from the fund itself. Unlike open-ended funds, new shares/units are not created by managers to meet demand from investors; instead, shares are purchased (or sold) only in the market. Closed-end funds are normally listed on a recognised stock exchange, such as the London Stock Exchange, and shares can be bought and sold on that exchange.

## **Discount**

The amount by which the market price per share of an Investment Trust is lower than the Net Asset Value per share. The discount is normally expressed as a percentage of the Net Asset Value per share. Refer to Alternative Performance Measures on page 109.

## **Dividend Cover**

Revenue return per share divided by the dividend per share, expressed as a ratio. Refer to Alternative Performance Measures on page 108.

## **Dividend Yield**

The annual dividend expressed as a percentage of the share price.

## **FCA**

Financial Conduct Authority.

## **Gearing**

Net gearing is calculated by dividing total borrowings less cash and cash equivalents by shareholders' funds, expressed as a percentage. Refer to Alternative Performance Measures on page 108.

## **Investment Manager**

abrdn Investments Limited is a wholly owned subsidiary of Aberdeen Group plc and acts as the Company's investment manager. It is authorised and regulated by the FCA.

## **Investment Trust**

A type of Closed-End Fund which invests in other securities, allowing shareholders to share the risks, and returns, of collective investment.

## **Leverage**

For the purposes of the AIFMD, leverage is any method which increases the Company's exposure, including the borrowing of cash and the use of derivatives. It is expressed as a ratio between the Company's exposure and its Net Asset Value and can be calculated on a gross and a commitment method. Under the gross method, exposure represents the sum of the Company's positions after the deduction of Sterling cash balances, without taking into account any hedging and netting arrangements. Under the commitment method, exposure is calculated without the deduction of Sterling cash balances and after certain hedging and netting positions are offset against each other.

## **Manager, AIFM or aFML**

abrdn Fund Managers Limited is a wholly owned subsidiary of Aberdeen Group plc and acts as the Company's Alternative Investment Fund Manager. It is authorised and regulated by the FCA.

## Net Asset Value or NAV

The value of total assets less liabilities. Liabilities for this purpose include current and long-term liabilities. The Net Asset Value divided by the number of shares in issue produces the Net Asset Value per Ordinary share.

## NAV with debt at fair value

The Net Asset Value with debt valued divided by the number of shares in issue where the Company's borrowings are valued using the discounted cash flow basis.

## Ongoing Charges

Ratio of expenses as a percentage of average daily shareholders' funds calculated as per the AIC's industry standard method. Refer to Alternative Performance Measures on page 109.

## Pre-Investment Disclosure Document ("PIDD")

The AIFM and the Company are required to make certain disclosures available to investors in accordance with the AIFMD. Those disclosures that are required to be made pre-investment are included within a PIDD, which can be found on the Company's website.

## Premium

The amount by which the market price per share of an Investment Trust exceeds the Net Asset Value per share. The premium is normally expressed as a percentage of the Net Asset Value per share.

## Price/Earnings Ratio

This is calculated by dividing the market price per share by the earnings per share. The calculation assumes no change in earnings but in practice the multiple reflects the stock market's view of a company's prospects and profit growth potential.

## Prior Charges

The name given to all borrowings including debentures, loans and overdrafts that are to be used for investment purposes, reciprocal foreign currency loans, currency facilities to the extent that they are drawn down, index-linked securities, and all types of preference or preferred capital, irrespective of the time until repayment.

## Sustainability Disclosure Requirements or SDR

The sustainability disclosure requirements and investment labels regime as published by the Financial Conduct Authority in November 2023.

## Total Assets

Total assets less current liabilities (before deducting Prior Charge as defined above), as per the Statement of Financial Position.

## Total Return

Total Return involves reinvesting the net dividend in the month that the share price goes ex-dividend. The NAV Total Return involves investing the same net dividend in the NAV of the Company on the date to which that dividend was earned. Refer to Alternative Performance Measures on page 110.

## UN Global Compact

A global corporate sustainability initiative, calling on companies, investors and other participants to align their strategies and operations with universal principles on human rights, labour, the environment and anti-corruption.

## UN Sustainable Development Goals

The Sustainable Development Goals ("SDGs") or Global Goals are a collection of 17 interlinked global goals designed to be a "blueprint to achieve a better and more sustainable future for all". The SDGs were set in 2015 by the United Nations General Assembly and are intended to be achieved by 2030.

## Weighted Average Carbon Intensity

Average carbon intensity of the portfolio weighted by the weight of the company in the portfolio.

# Share Capital History

## Issued Share Capital at 31 January 2026

120,197,609	Ordinary shares of 25p (153,677,935 including treasury shares)
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## Treasury Shares at 31 January 2026

33,480,326	Ordinary shares
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## Name Change

April 1990	Company name changed from "The First Scottish American Trust PLC" to Dunedin Income Growth Investment Trust PLC
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## Share Capital History

April 1997	Capitalisation issue of four Ordinary shares of 25p issued for each existing Ordinary share
April 1999	Reduction of share capital by way of repayment of £840,000 of 3 ½% Preference stock
Year ended 31 January 2004	50,000 Ordinary shares purchased for cancellation
Year ended 31 January 2005	1,950,000 Ordinary shares purchased for cancellation
Year ended 31 January 2006	450,000 Ordinary shares purchased for cancellation and 450,000 Ordinary shares purchased to hold in treasury
Year ended 31 January 2007	3,231,101 Ordinary shares purchased to hold in treasury
Year ended 31 January 2008	2,237,440 Ordinary shares purchased to hold in treasury, 1,972,800 treasury shares cancelled
Year ended 31 January 2009	1,026,007 Ordinary shares purchased to hold in treasury, 2,000,000 treasury shares cancelled
Year ended 31 January 2014	300,000 Ordinary shares sold from treasury
Year ended 31 January 2017	493,500 Ordinary shares purchased to hold in treasury
Year ended 31 January 2018	833,000 Ordinary shares purchased to hold in treasury
Year ended 31 January 2019	1,387,018 Ordinary shares purchased to hold in treasury
Year ended 31 January 2020	105,550 Ordinary shares purchased to hold in treasury
Year ended 31 January 2021	22,449 Ordinary shares purchased to hold in treasury
Year ended 31 January 2023	100,000 Ordinary shares sold from treasury
Year ended 31 January 2024	2,091,781 Ordinary shares purchased to hold in treasury
Year ended 31 January 2025	11,223,856 Ordinary shares purchased to hold in treasury
Year ended 31 January 2026	14,751,424 Ordinary shares purchased to hold in treasury

# AIFMD Disclosures (Unaudited)

The AIFM and the Company are required to make certain disclosures available to investors in accordance with the Alternative Investment Fund Managers Directive ("AIFMD"). Those disclosures that are required to be made pre-investment are included within a pre-investment disclosure document ("PIDD") which can be found on the Company's website.

There have been no material changes to the disclosures contained within the PIDD since its most recent update in April 2025.

The periodic disclosures as required under the AIFMD to investors are made below:

- information on the investment strategy, geographic and sector investment focus and principal stock exposures is included in the Strategic Report;
- none of the Company's assets are subject to special arrangements arising from their illiquid nature;
- the Strategic Report, note 19 to the financial statements and the PIDD together set out the risk profile and risk management systems in place. There have been no changes to the risk management systems in place in the period under review and no breaches of any of the risk limits set, with no breach expected;
- there are no new arrangements for managing the liquidity of the Company or any material changes to the liquidity management systems and procedures employed by aFML; and
- all authorised Alternative Investment Fund Managers are required to comply with the AIFMD Remuneration Code. In accordance with the Remuneration Code, the AIFM's remuneration policy is available from the Company Secretary on request, and the remuneration disclosures in respect of the AIFM's reporting period for the year ended 31 December 2025 are available on the Company's website.

## Leverage

The table below sets out the current maximum permitted limit and actual level of leverage for the Company:

	Gross Method	Commitment Method
Maximum level of leverage	2.50	2.00
Actual level at 31 January 2026	1.23	1.24

There have been no breaches of the maximum level during the period and no changes to the maximum level of leverage employed by the Company. There have been no changes to the circumstances in which the Company may be required to post assets as collateral and no guarantees granted under the leveraging arrangement. Changes to the information contained either within this Annual Report or the PIDD in relation to any special arrangements in place, the maximum level of leverage which aFML may employ on behalf of the Company, the right of use of collateral or any guarantee granted under any leveraging arrangement, or any change to the position in relation to any discharge of liability by the Depositary will be notified via a regulatory news service without undue delay in accordance with the AIFMD.

*The information on this page has been approved for the purposes of Section 21 of the Financial Services and Markets Act 2000 (as amended by the Financial Services Act 2012) by abrdn Fund Managers Limited which is authorised and regulated by the Financial Conduct Authority in the United Kingdom.*

# Alternative Performance Measures

Alternative performance measures are numerical measures of the Company's current, historical or future performance, financial position or cash flows, other than financial measures defined or specified in the applicable financial framework. The Company's applicable financial framework includes FRS 102 and the AIC SORP. The Directors assess the Company's performance against a range of criteria which are viewed as particularly relevant for closed-end investment companies.

## Dividend cover

Dividend cover measures the revenue return per share divided by total dividends per share, expressed as a ratio.

		2026	2025
Revenue return per share	a	13.64p	13.80p
Dividends per share	b	19.10p	14.20p
Dividend cover	a/b	0.71	0.97

## Dividend yield

The annual dividend per Ordinary share divided by the share price at the year end, expressed as a percentage.

		2026	2025
Dividends per share (p)	a	19.1	14.2
Share price (p)	b	308.0	285.0
Dividend yield	a/b	6.2%	5.0%

## Net gearing

Net gearing measures total borrowings less cash and cash equivalents divided by shareholders' funds, expressed as a percentage. Under AIC reporting guidance cash and cash equivalents includes net amounts due to and from brokers at the period end as well as cash and short term deposits.

		2026	2025
Borrowings (£'000)	a	49,353	48,659
Cash (£'000)	b	4,777	2,329
Amounts due to brokers (£'000)	c	-	368
Amounts due from brokers (£'000)	d	-	-
Shareholders' funds (£'000)	e	393,526	428,528
<b>Net gearing</b>	(a-b+c-d)/e	<b>11.33%</b>	10.90%

## Discount to net asset value per share with debt at fair value

The discount is the amount by which the share price is lower than the net asset value per share with debt at fair value, expressed as a percentage of the net asset value with debt at fair value.

		2026	2025
NAV per Ordinary share (p) (see note 17)	a	332.88p	322.47p
Share price (p)	b	308.00p	285.00p
Discount	(a-b)/b	7.47%	11.62%

## Ongoing charges

The ongoing charges ratio has been calculated in accordance with guidance issued by the AIC as the total of investment management fees and administrative expenses less non-recurring charges, expressed as a percentage of the average net asset values with debt at fair value throughout the year.

	2026	2025
Investment management fees (£'000)	1,602	1,727
Administrative expenses (£'000)	725	898
Less: non-recurring charges (£'000)	(30)	(104)
<b>Ongoing charges (£'000)</b>	<b>2,297</b>	<b>2,521</b>
<b>Average net assets (£'000)</b>	<b>406,263</b>	<b>446,732</b>
<b>Ongoing charges ratio</b>	<b>0.57%</b>	<b>0.56%</b>

# Alternative Performance Measures

## Continued

### Total return

NAV and share price total returns show how the NAV and share price has performed over a period of time in percentage terms, taking into account both capital returns and dividends paid to shareholders. Share price and NAV total returns are monitored against open-ended and closed-ended competitors, and the Reference Index, respectively.

<b>Year ended 31 January 2026</b>		<b>NAV</b>	<b>Share Price</b>
Opening at 1 February 2025	a	322.5p	285.0p
Closing at 31 January 2026	b	332.9p	308.0p
Price movements	$c=(b/a)-1$	3.2%	8.1%
Dividend reinvestment <sup>A</sup>	d	5.0%	5.7%
<b>Total return</b>	c+d	<b>+8.2%</b>	<b>+13.8%</b>

<b>Year ended 31 January 2025</b>		<b>NAV</b>	<b>Share Price</b>
Opening at 1 February 2024	a	309.0p	276.0p
Closing at 31 January 2025	b	322.5p	285.0p
Price movements	$c=(b/a)-1$	4.4%	3.3%
Dividend reinvestment <sup>A</sup>	d	4.6%	5.1%
<b>Total return</b>	c+d	<b>+9.0%</b>	<b>+8.4%</b>

<sup>A</sup> NAV total return involves investing the net dividend in the NAV of the Company with debt at fair value on the date on which that dividend goes ex-dividend. Share price total return involves reinvesting the net dividend in the share price of the Company on the date on which that dividend goes ex-dividend.

# General

A large industrial factory floor with multiple yellow robotic arms working on a production line. The scene is filled with complex machinery, pipes, and structural beams, all illuminated by bright overhead lights. The perspective is from a low angle, looking down the length of the factory, creating a sense of depth and scale.

The Annual General Meeting will be held at 18 Bishops Square, London E1 6EG at 12 noon on Thursday 21 May 2026.

The Company will also be hosting an online shareholder presentation, which will be held at 11.00am on Friday 8 May 2026. Full details on how to register for the event can be found on the Company's website.

3.0% of the Company's total assets are invested in the Industrial Engineering sub-sector (2025: 2.1%).

# Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Dunedin Income Growth Investment Trust PLC (the "Company") will be held at 18 Bishops Square, London E1 6EG at 12 noon on Thursday 21 May 2026 for the following purposes:

## Ordinary Business

To consider and, if thought fit, pass resolutions 1 to 12 (inclusive) as ordinary resolutions:

1. To receive and adopt the audited financial statements of the Company for the financial year ended 31 January 2026 and the reports of the Directors and the Auditor on those financial statements.
2. To receive, adopt and approve the Directors' Remuneration Report (excluding the Directors' Remuneration Policy) for the financial year ended 31 January 2026 which appears on pages 60 to 62 of the Annual Report and Accounts.
3. To approve the Directors' Remuneration Policy which appears on page 60 of the Annual Report and Accounts.
4. To approve a final dividend of 7.40p per Ordinary share in respect of the financial year ended 31 January 2026.
5. To elect Ms Katrina Hart as a Director of the Company.
6. To re-elect Mr Arun Kumar Sarwal as a Director of the Company.
7. To re-elect Mr Howard Williams as a Director of the Company.
8. To re-elect Ms Christine Montgomery as a Director of the Company.
9. To re-elect Ms Gay Collins as a Director of the Company.
10. To re-appoint Deloitte LLP as Auditor of the Company, to hold office from the conclusion of the Annual General Meeting until the conclusion of the next Annual General Meeting of the Company.
11. To authorise the Directors to determine the remuneration of the Company's Auditor.
12. That, in substitution for any existing authority under Section 551 of the Companies Act 2006 (the "Act"), but without prejudice to the exercise of any such authority prior to the passing of this resolution, the directors of the Company (the "Directors") be and are hereby generally and unconditionally authorised, pursuant to and in accordance with Section 551 of the Act, to exercise all the powers of the Company to allot shares in the Company ("Shares") and to grant rights to subscribe for or to convert any security into Shares in the Company ("Rights") up to an aggregate nominal amount of £9,887,830 or, if less, the number representing 33.33% of the issued Ordinary share capital of the Company (excluding treasury shares) as at the date of the passing of this resolution on such terms as the Directors may determine, provided that such authorisation expires (unless previously renewed, varied or revoked by the Company in general meeting) at the conclusion of the next Annual General Meeting of the Company held after the passing of this resolution or on 31 July 2027 (whichever is earlier) save that the Company may, at any time prior to the expiry of such authority, make offers or enter into agreements which would or might require Shares to be allotted or Rights to be granted after such expiry and the Directors may allot Shares or grant Rights in pursuance of any such offers or agreements as if the authority conferred by this resolution had not expired.

To consider and, if thought fit, pass resolutions 13 and 14 as special resolutions:

13. That in substitution for any existing power under Sections 570 and 573 of the Companies Act 2006 (the "Act") (but without prejudice to the exercise of any such authority prior to the passing of this resolution), and subject to the passing of Resolution 12 set out in the notice of the 2026 Annual General Meeting ("Resolution 12"), the directors of the Company (the "Directors") be and are hereby generally empowered, pursuant to Sections 570 and 573 of the Act, to allot or make offers or agreements to allot equity securities (as defined in Section 560 of the Act) for cash pursuant to the authority conferred by Resolution 12 and/or by way of a sale of treasury shares for cash (within the meaning of Section 560(3) of the Act), as if Section 561(1) of the Act did not apply to any such allotment or sale provided that this power shall be limited to:

- i. the allotment of equity securities and the sale of treasury shares (otherwise than pursuant to sub-paragraph (ii) below) up to an aggregate nominal amount of £2,966,645 or, if less, the number representing 10% of the issued Ordinary share capital of the Company (excluding treasury shares) as at the date of the passing of this resolution, at a price of not less than the net asset value per share of the existing Ordinary shares at allotment or sale, as determined by the Directors; and
- ii. the allotment of equity securities by way of rights issue, open offer or other pre-emptive offer in favour of all holders of Ordinary shares where the equity securities respectively attributable to the interests of all such holders are either proportionate (as nearly as may be) to the respective number of Ordinary shares held by them on a record date fixed by the Directors (subject to such exclusions, limitations, restrictions or other arrangements as the Directors consider necessary or appropriate to deal with treasury shares, fractional entitlements, record dates, legal, regulatory or practical problems in or under the laws of, or requirements of, any regulatory body or any stock exchange in any territory or otherwise howsoever);

and shall expire (unless previously renewed, varied or revoked by the Company in general meeting) at the conclusion of the next Annual General Meeting of the Company held after the passing of this resolution or on 31 July 2027 (whichever is earlier), save that the Company may, at any time prior to the expiry of such authority, make offers or enter into agreements which would or might require equity securities to be allotted or treasury shares to be sold after such expiry and the Directors may allot equity securities or sell treasury shares in pursuance of such offers or agreements as if the power conferred by this resolution had not expired.

14. That, in substitution for any existing authority under Section 701 of the Companies Act 2006 (the "Act"), but without prejudice to the exercise of any such authority prior to the passing of this resolution, the Company be and is hereby generally and unconditionally authorised, for the purposes of Section 701 of the Act, to make one or more market purchases (within the meaning of Section 693(4) of the Act) of fully paid Ordinary shares of 25p each in the capital of the Company ("Ordinary shares") on such terms and in such manner as the directors of the Company may from time to time determine (either for cancellation or for retention as treasury shares for future re-issue, resale, transfer or cancellation) provided that:
- i. the maximum aggregate number of Ordinary shares hereby authorised to be purchased is 17,788,009 Ordinary shares or, if less, the number representing 14.99% of the issued Ordinary share capital of the Company (excluding treasury shares) immediately prior to the passing of this resolution;
  - ii. the minimum price (exclusive of expenses) which may be paid for an Ordinary share purchased pursuant to this authority shall be 25p (being the nominal value of an Ordinary share);
  - iii. the maximum price (exclusive of expenses) which may be paid for an Ordinary share purchased pursuant to this authority shall be the higher of:
    - a. 5% above the average of the middle market quotations of the Ordinary shares (as derived from the Daily Official List of the London Stock Exchange) for the five business days immediately preceding the date of purchase; and
    - b. the higher of the price of the last independent trade in Ordinary shares and the highest current independent bid for Ordinary shares on the London Stock Exchange at the time the purchase is carried out; and

# Notice of Annual General Meeting

## Continued

- iv. unless previously varied, revoked or renewed by the Company in a general meeting, the authority hereby conferred shall expire at the conclusion of the next Annual General Meeting of the Company held after the passing of this resolution or on 31 July 2027 (whichever is the earlier) save that the Company may at any time prior to such expiry, enter into a contract or arrangement to purchase Ordinary shares under this authority which will or may be completed or executed wholly or partly after the expiration of this authority and may make a purchase of shares pursuant to any such contract or arrangement.

By order of the Board  
**abrdn Holdings Limited**  
Company Secretary  
8 April 2026

Registered Office:  
1 George Street  
Edinburgh EH2 2LL

## Notes

- i. A member entitled to attend and vote at the meeting may appoint a proxy or proxies to exercise all or any of his/her rights to attend, speak and vote on his/her behalf at the meeting. A proxy need not be a member of the Company. A member may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. A member may not appoint more than one proxy to exercise the rights attached to any one share. If you wish your proxy to speak on your behalf at the meeting you will need to appoint your own choice of proxy (not the Chairman of the meeting) and give your instructions directly to them. A proxy form which may be used to make such appointment and give proxy instructions accompanies this notice. If you do not have a proxy form and believe that you should have one, or if you require additional forms or would like to appoint more than one proxy, please contact the Company's Registrar, Equiniti Limited on +44 (0)371 384 2441. Charges for calling this number are determined by the caller's service provider. Lines open 8.30 a.m. to 5.30 p.m., Monday to Friday, excluding bank holidays in England and Wales. If calling from overseas, please ensure the country code is used. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's Register of Members in respect of the joint holding (the first-named being the most senior). A member present in person or by proxy shall have one vote on a show of hands and on a poll every member present in person or by proxy shall have one vote for every Ordinary share of which he/she is the holder.
- ii. A form of proxy is enclosed. To be valid, any proxy form or other instrument of proxy and any power of attorney or other authority, if any, under which they are signed or a notarially certified copy of that power of attorney or authority should be sent to the Company's Registrar, Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA so as to arrive not less than 48 hours (excluding non-working days) before the time fixed for the meeting.
- iii. The return of a completed proxy form or other such instrument of proxy will not prevent a member attending the Annual General Meeting and voting in person if he/she wishes to do so.
- iv. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the meeting and any adjournment(s) thereof by using the procedures described in the CREST Manual and by logging on to the website euroclear.com. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
- v. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & International Limited's specifications, and must contain the information required for such instruction, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the Company's Registrar (ID RA19) no later than 48 hours (excluding non-working days) before the time of the meeting or any adjournment. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Application Host) from which the Company's Registrar is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.
- vi. CREST members and, where applicable, their CREST sponsors, or voting service providers should note that Euroclear UK & International Limited does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting system providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

# Notice of Annual General Meeting

## Continued

- vii. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
- viii. If you are an institutional investor you may be able to appoint a proxy electronically via the Proxymity platform, a process which has been agreed by the Company and approved by the Registrar. For further information regarding Proxymity, please go to [www.proxymity.io](http://www.proxymity.io). Your proxy must be lodged by 12 noon on 19 May 2026 in order to be considered valid. Before you can appoint a proxy via this process you will need to have agreed to Proxymity's associated terms and conditions. It is important that you read these carefully as you will be bound by them and they will govern the electronic appointment of your proxy.
- ix. The "vote withheld" option on the proxy form is provided to enable a member to abstain on any particular resolution. It should be noted that an abstention is not a vote in law and will not be counted in the calculation of the proportion of votes "for" or "against" a particular resolution.
- x. The right to vote at the meeting is determined by reference to the Company's register of members as at 6.30 p.m. on 19 May 2026 or, if the meeting is adjourned, at 6.30 p.m. on the day which is two days (excluding non-working days) prior to the adjourned meeting. Changes to entries on that register after that time shall be disregarded in determining the rights of any member to attend and vote at the meeting.
- xi. As at 8 April 2026 (being the latest practicable date prior to the publication of this document) the Company's issued share capital comprised 118,665,838 Ordinary shares of 25p each and 35,012,097 treasury shares. Each Ordinary share carries the right to one vote at a general meeting of the Company and, therefore, the total number of voting rights in the Company as at 8 April 2026 was 118,665,838.
- xii. Any person holding 3% or more of the total voting rights of the Company who appoints a person other than the Chairman of the meeting as his/her proxy will need to ensure that both he/she and his/her proxy complies with their respective disclosure obligations under the UK Disclosure Guidance and Transparency Rules.
- xiii. A person to whom this notice is sent who is a person nominated under Section 146 of the Companies Act 2006 to enjoy information rights (a "Nominated Person") may, under an agreement between him/her and the shareholder by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights. The statements of the rights of members in relation to the appointment of proxies in notes (i) to (iii) above do not apply to a Nominated Person. The rights described in those notes can only be exercised by registered members of the Company.
- xiv. Biographical details of the Directors standing for election/re-election are set out on pages 48 to 50 of the Annual Report and financial statements of the Company for the financial year ended 31 January 2026.
- xv. Members who have general queries about the Annual General Meeting should contact the Company Secretary in writing. Members are advised that any telephone number, website or email address which may be set out in this notice of Annual General Meeting or in any related documents (including the proxy form) is not to be used for the purposes of serving information or documents on, or otherwise communicating with, the Company for any purposes other than those expressly stated.

- xvi. Members should note that, it is possible that, pursuant to requests made by members of the Company under Section 527 of the Companies Act 2006, the Company may be required to publish on a website a statement setting out any matter relating to the audit of the Company's accounts (including the Auditor's report and the conduct of the audit) that are to be laid before the meeting or any circumstances connected with an auditor of the Company ceasing to hold office since the previous meeting at which annual accounts and reports were laid in accordance with Section 437 of the Companies Act 2006. The Company may not require the members requesting any such website publication to pay its expenses in complying with Sections 527 or 528 of the Companies Act 2006. Where the Company is required to place a statement on a website under Section 527 of the Companies Act 2006, it must forward the statement to the Company's Auditor no later than the time when it makes the statement available on the website. The business which may be dealt with at the meeting includes any statement that the Company has been required under Section 527 of the Companies Act 2006 to publish on a website.
- xvii. No Director has a service contract with the Company. Copies of the Directors' letters of appointment are available for inspection on any day (except Saturdays, Sundays and public holidays in England and Wales) from the date of this notice until the date of the meeting during usual business hours at the Company's registered office and for 15 minutes prior to, and at, the meeting.
- xviii. Further information regarding the meeting which the Company is required by section 311A of the Companies Act 2006 to publish on a website in advance of the meeting (including this notice) is available from the Company's website: [dunedinincomegrowth.co.uk](http://dunedinincomegrowth.co.uk)
- xix. Members have a right under section 319A of the Companies Act 2006 to require the Company to answer any question raised by a member at the Annual General Meeting, which relates to the business being dealt with at the meeting, although no answer need be given: (a) if to do so would interfere unduly with the preparation of the meeting or involve disclosure of confidential information; (b) if the answer has already been given on the Company's website; or (c) it is undesirable in the best interests of the Company or the good order of the meeting.







# Company Information and Contacts

## Directors

Howard Williams (Chairman)  
Gay Collins  
Katrina Hart (appointed 1 March 2026)  
Christine Montgomery  
Arun Kumar Sarwal

## Registered Office & Company Secretary

abrdrn Holdings Limited  
1 George Street  
Edinburgh EH2 2LL

Email: [dunedin.income@aberdeenplc.com](mailto:dunedin.income@aberdeenplc.com)

## Alternative Investment Fund Manager

abrdrn Fund Managers Limited  
280 Bishopsgate  
London EC2M 4AG

## Investment Manager

abrdrn Investments Limited  
1 George Street  
Edinburgh EH2 2LL

## Company Registration Number

SC000881 (Scotland)

## Legal Entity Identifier ("LEI")

549300PPXLZPR5JTL763

## Website

[dunedinincomegrowth.co.uk](http://dunedinincomegrowth.co.uk)



aberdeen Investment Trusts



@aberdeenTrusts



aberdeen Investment Trusts



@aberdeenInvestmentTrusts

## Registrar

Equiniti Limited  
Highdown House  
Yeoman Way  
Worthing  
West Sussex BN99 3HH

Shareholder help can be found at [shareview.co.uk](http://shareview.co.uk).  
Alternatively, you can contact the Shareholder Helpline:  
**+44 (0)371 384 2441\***

(\*Lines open 8.30 a.m. to 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Charges for calling telephone numbers starting with '03' are determined by the caller's service provider.)

If calling from overseas, please ensure the country code is used.

## Depository

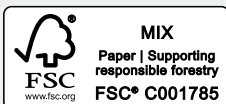
The Bank of New York Mellon (International) Limited  
160 Queen Victoria Street  
London EC4V 4LA

## Stockbroker

JPMorgan Cazenove  
25 Bank Street  
Canary Wharf  
London E14 5JP

## Auditor

Deloitte LLP  
110 Queen Street  
Glasgow G1 3BX





For more information visit [dunedinincomegrowth.co.uk](http://dunedinincomegrowth.co.uk)

[aberdeeninvestments.com](http://aberdeeninvestments.com)