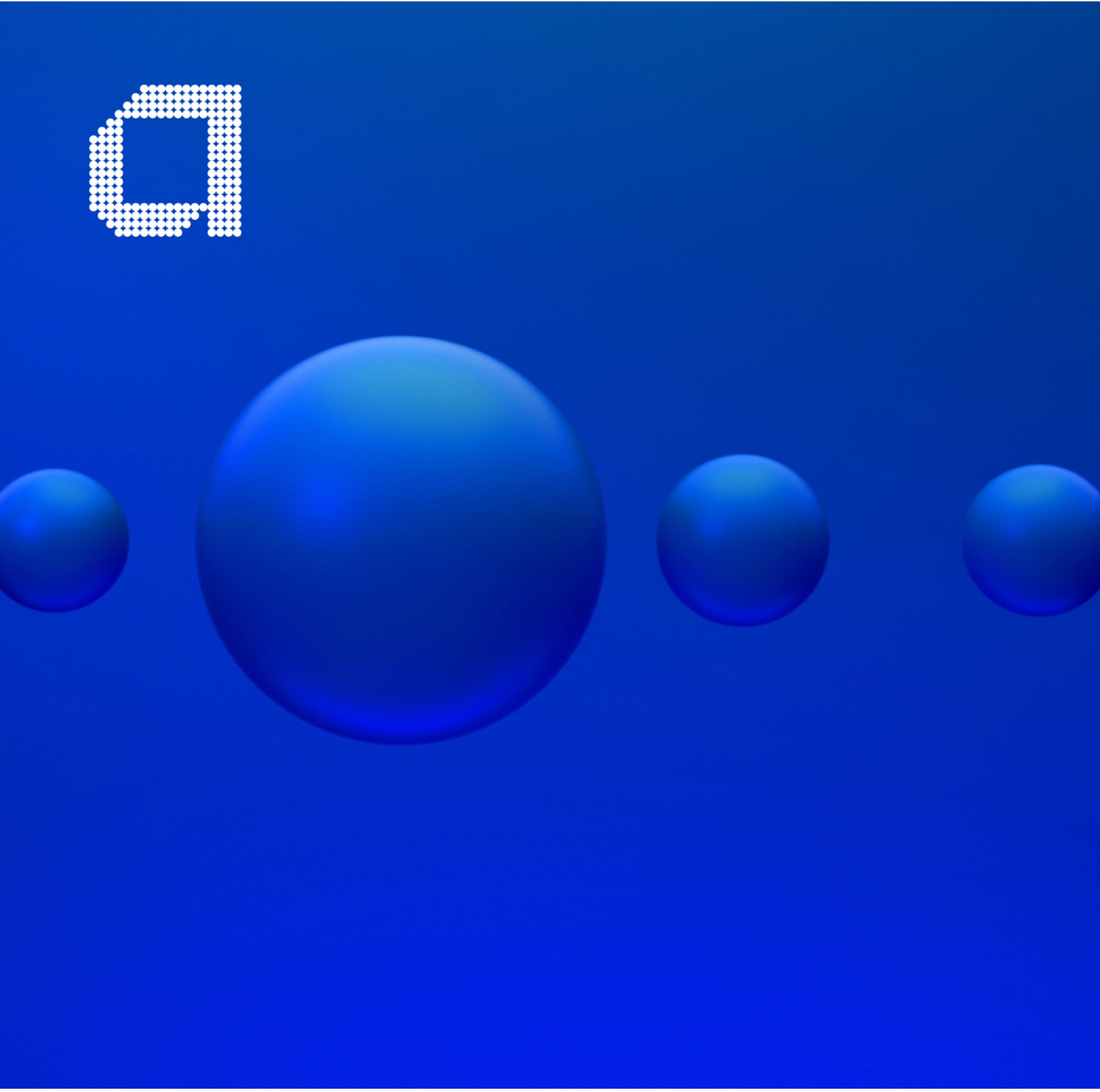

Aberdeen New India Investment Trust PLC

Corporate Governance Statement for the year ended 31 March 2022

30 June 2022

abrdn.com

Aberdeen New India Investment Trust PLC

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 July 2018 (the "UK Code"), which is available on the Financial Reporting Council's (the "FRC") website: frc.org.uk.

The Board has also considered the principles and provisions of the AIC Code of Corporate Governance as published in February 2019 (the "AIC Code"). The AIC Code addresses the principles and provisions set out in the UK Code, as well as setting out additional provisions on issues that are of specific relevance to the Company. The AIC Code is available on the AIC's website: theaic.co.uk.

The Board considers that reporting against the principles and provisions of the AIC Code, which has been endorsed by the 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 need for an internal audit function (provision 26);
- the role and responsibility of the chief executive (provisions 9 and 14);
- previous experience of the chairman of a remuneration committee (provision 32); and
- executive directors' remuneration (provisions 33 and 36 to 40).

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

AIC Code Provision		How the Provisions are Applied All page references are to the published Annual Report and financial statements for the year ended 31 March 2022
BOARD LEADERSHIP AND PURPOSE		
1	The board should assess the basis on which the company generates and preserves value over the long-term. It should describe in the annual report how opportunities and risks to the future success of the business have been considered and addressed, the sustainability of the company's business model and how its governance contributes to the delivery of its strategy. For an investment company, the annual report should also include the company's investment objective	Refer to Overview of Strategy on pages 15 to 20.

	and investment policy.	
2	The board should assess and monitor its own culture, including its policies, practices and behaviour to ensure it is aligned with the company's purpose, values and strategy.	Refer to Promoting the Success of the Company on pages 21 and 22.
3	In addition to formal general meetings, the chair should seek regular engagement with major shareholders in order to understand their views on governance and performance against the company's investment objective and investment policy. Committee chairs should seek engagement with shareholders on significant matters related to their areas of responsibility. The chair should ensure that the board as a whole has a clear understanding of the views of shareholders.	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 and the Manager's information service. 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 the Manager meet, separately, with major shareholders on at least an annual basis in order to gauge their views. In addition, 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. All shareholders are encouraged to attend the Annual General Meeting where they receive a presentation from the Investment Manager and have the opportunity to put questions to the Board and Manager.
4	When 20 per cent or more of votes have been cast against the board recommendation for a resolution, the company should explain, when announcing voting results, what actions it intends to take to consult shareholders in order to understand the reasons behind the result. An update on the views received from shareholders and actions taken should be published no later than six months after the shareholder meeting. The board should then provide a final summary in the annual report and, if applicable, in the explanatory notes to resolutions at the next shareholder meeting, on what impact the feedback has had on the decisions the board has taken and any actions or resolutions now proposed.	The Board confirms that this course of action would be followed.
5	The board should understand the views of the company's other key stakeholders and describe in the annual report how their interests and the matters set out in section 172 of the Companies Act 2006 have been considered in board discussions and decision-making. The board should keep engagement mechanisms under review so that they remain effective.	Refer to Promoting the Success of the Company on pages 21 and 22.
6	The board should take action to identify and manage conflicts of interest, including those	Refer to Management of Conflicts of Interest on page

	resulting from significant shareholdings, and ensure that the influence of third parties does not compromise or override independent judgement.	47.
7	Where directors have concerns about the operation of the board or the company that cannot be resolved, their concerns should be recorded in the board minutes. On resignation, a non-executive director should provide a written statement to the chair, for circulation to the board, if they have any such concerns.	The Board confirms that this course of action would be followed.
DIVISION OF RESPONSIBILITIES		
8	The responsibilities of the chair, senior independent director, board and committees should be clear, set out in writing, agreed by the board and made publicly available. The annual report should set out the number of meetings of the board and its committees, and the individual attendance by directors.	Refer to the Directors section on page 46.
9	When making new appointments, the board should take into account other demands on directors' time. Prior to appointment, significant commitments should be disclosed with an indication of the time involved. Additional external appointments should not be undertaken without prior approval of the board, with the reasons for permitting significant appointments explained in the annual report.	Prior to accepting an appointment, a new Director is required to confirm that, taking into account all of their other commitments, they are able to allocate sufficient time to the Company to discharge their responsibilities effectively. Directors are required to obtain the agreement of the Board, acting via a Committee of at least two other Directors, before accepting additional commitments that might affect the time they are able to devote to their role as a Director of the Company.
10	At least half the board, excluding the chair, should be non-executive directors whom the board considers to be independent. The majority of the board should be independent of the manager. There should be a clear division of responsibilities between the board and the manager.	All Directors are considered by the Board to be independent and free of any material relationship with the Manager and of any material relationship which could interfere with the exercise of their independent judgement on issues of strategy, performance, resources and standards of conduct.
11	The chair should be independent on appointment when assessed against the circumstances set out in Provision 13.	Hasan Askari has served as a Director since 21 September 2012 and was appointed Chairman on 11 September 2014. On appointment as Chairman he was independent when assessed against the circumstances set out in Provision 13.
12	On appointment, and throughout the chair's tenure, the chair should have no relationships that may create a conflict of interest between the chair's interest and those of shareholders, including: • being an employee of the manager or an ex-employee who has left the employment of the manager within the last five years; • being a professional adviser who has provided services to the manager or the board within the last three years; or • serving on any other boards of an investment company managed by the same manager.	Since his appointment as Chairman, Hasan Askari has had no such relationship.

13	The board should identify in the annual report each non-executive director it considers to be independent. Circumstances which are likely to impair, or could appear to impair, a non-executive director's independence include, but are not limited to, whether a director: • has, or has had within the last three years, a material business relationship with the company or the manager, either directly or as a partner, shareholder, director or senior employee of a body that has such a relationship with the company or the manager; • has received or receives additional remuneration from the company apart from a directors' fee; • has close family ties with any of the company's advisers, directors or the manager; • holds cross-directorships or has significant links with other directors through involvement in other companies or bodies. Directors who sit on the boards of more than one company managed by the same manager are entitled to serve as directors; however, they will not be regarded as independent for the purposes of fulfilling the requirement that there must be an independent majority; • represents a significant shareholder; or • has served on the board for more than nine years from the date of their first appointment. Where any of these or other relevant circumstances apply, and the board nonetheless considers that the non-executive director is independent, a clear explanation should be provided.	The biographies of each of the Directors are shown on pages 42 to 44, setting out their range of skills and experience as well as length of service. All Directors are considered by the Board to be independent and free of any material relationship with the Manager and of any material relationship which could interfere with the exercise of their independent judgement on issues of strategy, performance, resources and standards of conduct.
14	The board should appoint one of the independent non-executive directors to be the senior independent director to provide a sounding board for the chair and serve as an intermediary for the other directors and shareholders. Led by the senior independent director, the non-executive directors should meet without the chair present at least annually to appraise the chair's performance, and on other occasions as necessary.	The Senior Independent Director is Michael Hughes. The Senior Independent Director meets with the other Directors, in the absence of the Chairman, to evaluate the Chairman's performance.
15	The primary focus at regular board meetings should be a review of investment performance and associated matters such as gearing, asset allocation, attribution analysis, marketing/investor relations, peer group information and industry issues.	The Chairman is responsible for leading the Board, ensuring its effectiveness on all aspects of its role and is responsible for ensuring that all Directors receive accurate, timely and clear information. The Board sets the investment parameters within which the Investment Manager operates. Investment performance and associated matters, such as gearing, asset allocation, investor relations, peer group information and industry issues are agenda items at each Board meeting. The Manager ensures that the Board receives all relevant management and financial information in a timely manner.

		Representatives of the Manager attend Board meetings where performance against the Company's investment objectives, portfolio risk and attribution analysis is reviewed. Directors are provided with a comprehensive set of papers giving detailed information on the Company's transactions and financial position prior to each meeting and all Directors have timely access to all relevant management, financial and regulatory information.
16	The board should explain in the annual report the areas of decision making reserved for the board and those over which the manager has discretion. Disclosure should include: • a discussion of the manager's overall performance, for example, investment performance, portfolio risk, operational issues such as compliance etc; • the manager's remit regarding stewardship, for example voting and shareholder engagement, and environmental, social and corporate governance issues in respect of holdings in the company's portfolio. The board should also agree policies with the manager covering key operational issues.	Refer to the Management Engagement Committee on page 48. Refer to pages 33 to 37 The Board has formally adopted a schedule of matters reserved to it for decision including strategy, Company structure, risk, borrowings, treasury, dividends and corporate governance policy. Full and timely information is provided to the Board to enable it to function effectively and to allow the Directors to discharge their responsibilities. The Board also reviews the financial statements, performance and revenue budgets. The Management Agreement includes investment guidelines and sets policies to cover key operational issues. The Board discusses operational matters regularly with the Manager, including corporate governance and voting in respect of portfolio holdings, and performance reporting terminology.
17	Non-executive directors should review at least annually the contractual relationships with, and scrutinise and hold to account the performance of, the manager. Either the whole board or a management engagement committee consisting solely of directors independent of the manager (or executives) should perform this review at least annually with its decisions and rationale described in the annual report. If the whole board carries out this review, it should explain in the annual report why it has done so rather than establish a separate management engagement committee. The company chair may be a member of, and may chair, the management engagement committee,	The Management Engagement Committee consists of all the Directors and is chaired by Michael Hughes. 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 abrdn Group under review, together with its commitment to the Company and its investment trust business. The outcome of the review of the Manager is set out on page 48. The Chairman of the Board is a member of the Management Engagement Committee as he is

	provided that they are independent of the manager.	considered to be independent of the Manager.
18	The board should monitor and evaluate other service providers (such as the company secretary, custodian, depositary, registrar and broker). The board should establish procedures by which other service providers, should report back and the methods by which these providers are monitored and evaluated.	The Management Engagement Committee conducts an annual review of the performance, terms and conditions of the Company's main third party suppliers, including the level and structure of fees payable and the length of notice periods, to ensure that they remain competitive and in the best interests of shareholders. In addition, the Manager reports regularly to the Board on its evaluation and monitoring of third party service providers.
19	All directors should have access to the advice of the company secretary, who is responsible for advising the board on all governance matters. Both the appointment and removal of the company secretary should be a matter for the whole board.	The Directors have access to the advice of the Company Secretary, Aberdeen Asset Management PLC. A representative of the Company Secretary attends each Board meeting as well as certain committee meetings and the Board maintains regular contact with the Company Secretary between meetings. Both the appointment and removal of the Company Secretaries is a matter for the whole board.
20	The directors should have access to independent professional advice at the company's expense where they judge it necessary to discharge their responsibilities properly.	There is a procedure for Directors to take independent professional advice, if necessary, at the Company's expense.
21	Where a new company has been created by the manager, sponsor or other third party, the chair and the board should be selected and bought into the process of structuring a new launch at an early stage.	Not applicable. The Company was founded in 1994.
COMPOSITION, SUCCESSION AND EVALUATION		
22	The board should establish a nomination committee to lead the process for appointments, ensure plans are in place for orderly succession to the board and oversee the development of a diverse pipeline for succession. A majority of members of the committee should be independent non-executive directors. If the board has decided that the entire board should fulfil the role of the nomination committee, it will need to explain why it has done so in the annual report. The chair of the board should not chair the committee when it is dealing with the appointment of their successor.	The Nomination Committee consists of all the Directors and is chaired by the Chairman of the Board. The Committee reviews the effectiveness of the Board, succession planning, Board appointments, appraisals and training.
23	All directors should be subject to annual re-election. The board should set out in the papers accompanying the resolutions to elect each director the specific reasons why their contribution is, and continues to be, important to the company's long-term sustainable success.	All Directors are subject to annual re-election. The contribution made by each of the Directors seeking election or re-election is set out within the biographies of the Directors on pages 42 to 44.
24	Each board should determine and disclose a policy on the tenure of the chair. A clear rationale for the expected tenure should be provided, and the policy should explain how this is consistent with the need for regular refreshment and diversity.	The Board believes that recommendation for election or 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 regular refreshment and diversity. The Board has adopted a policy that all Directors,

		including the Chairman, shall not serve for more than nine years from the date of their initial date of appointment as a Director of the Company unless in relation to exceptional circumstances. The other Directors, led by Michael Hughes as Senior Independent Director, determined in June 2021, that it was in the best interests of shareholders that Hasan Askari continue as Chairman until the AGM on 28 September 2022, in order to oversee the recruitment of two replacement Directors by mid-2022. Hasan Askari and Stephen White are retiring as Directors at the AGM.
25	Open advertising and/or an external search consultancy should generally be used for the appointment of the chair and non-executive directors. If an external search consultancy is engaged it should be identified in the annual report alongside a statement about any other connection it has with the company or individual directors.	The Board engaged an external search consultant, Trust Associates, which does not have any other connections with either the Company or individual Directors, in relation to the search and subsequent appointment of David Simpson and Andrew Robson.
26	There should be a formal and rigorous annual evaluation of the performance of the board, its committees, the chair and individual directors. The chair should consider having a regular externally facilitated board evaluation. In FTSE 350 companies this should happen at least every three years. The external evaluator should be identified in the annual report and a statement made about any other connection it has with the company or individual directors.	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. Following this 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.
27	The chair should act on the results of the evaluation by recognising the strengths and addressing any weaknesses of the board. Each director should engage with the process and take appropriate action when development needs have been identified.	The results of the evaluation process were discussed by the Board following the its completion, with appropriate action points made.
28	The annual report should describe the work of the nomination committee, (including where the whole board is acting as the nomination committee) including: • the process used in relation to appointments, its approach to succession planning and how both support developing a diverse pipeline; • how the board evaluation has been conducted, the nature and extent of an external evaluator's contact with the board and individual directors, the outcomes and actions taken, and how it has or will influence board composition; and • the policy on diversity and inclusion, its objectives and linkage to company strategy, how it has been implemented and progress on achieving the objectives.	Refer to the Nomination Committee on page 48.
AUDIT, RISK AND INTERNAL CONTROL		

29	The board should establish an audit committee of independent non-executive directors, with a minimum membership of three, or in the case of smaller companies two. The chair of the board should not chair the committee but can be a member if they were independent on appointment. If the chair of the board is a member of the audit committee, the board should explain in the annual report why it believes this is appropriate. The board should satisfy itself that at least one member has recent and relevant financial experience. The committee as a whole shall have competence relevant to the sector in which the company operates.	Throughout the year the Audit Committee consisted of all the Directors. The Committee is chaired by Stephen White who is a Chartered Accountant and has recent and relevant financial experience. The other Directors consider that it is appropriate for the Chairman of the Board to be a member of, but not chair, the Audit Committee, due to the Board's small size, the lack of any perceived conflict of interest, and because the other Directors believe that Hasan Askari continues to be independent. The Board is satisfied that the Committee as a whole has competence relevant to the investment trust sector.
30	The main roles and responsibilities of the audit committee should include: • monitoring the integrity of the financial statements of the company and any formal announcements relating to the company's financial performance, and reviewing significant financial reporting judgements contained in them; • providing advice (where requested by the board) on whether the annual report and accounts, taken as a whole, is fair, balanced and understandable, and provides the information necessary for shareholders to assess the company's position and performance, business model and strategy; • reviewing the company's internal financial controls and internal control and risk management systems, unless expressly addressed by a separate board risk committee composed of independent non-executive directors, or by the board itself; • conducting the tender process and making recommendations to the board, about the appointment, reappointment and removal of the external auditor, and approving the remuneration and terms of engagement of the external auditor; • reviewing and monitoring the external auditor's independence and objectivity; • reviewing the effectiveness of the external audit process, taking into consideration relevant UK professional and regulatory requirements; • developing and implementing policy on the engagement of the external auditor to supply non-audit services, ensuring there is prior approval of non-audit services, considering the impact this may have on independence, taking into account the relevant regulations and ethical guidance in this regard, and reporting to the board on any improvement or action	The main roles and responsibilities of the Audit Committee are set out on page 52.

	required; and • reporting to the board on how it has discharged its responsibilities.	
31	The annual report should describe the work of the audit committee including: • the significant issues that the audit committee considered relating to the financial statements, and how these issues were addressed; • an explanation of how it has assessed the independence and effectiveness of the external audit process and the approach taken to the appointment or reappointment of the external auditor, information on the length of tenure of the current audit firm, when a tender was last conducted and advance notice of any retendering plans; • in the case of a board not accepting the audit committee's recommendation on the external auditor appointment, reappointment or removal, a statement from the audit committee explaining its recommendation and the reasons why the board has taken a different position (this should also be supplied in any papers recommending appointment or reappointment); and • an explanation of how auditor independence and objectivity are safeguarded, if the external auditor provides non-audit services.	The work of the Audit Committee is set out on page 52.
32	The directors should explain in the annual report their responsibility for preparing the annual report and accounts, and state that they consider the annual report and accounts, taken as a whole, is fair, balanced and understandable, and provides the information necessary for shareholders to assess the company's position, performance, business model and strategy.	Refer to the Statement of Directors' Responsibilities contained on page 58.
33	The board should carry out a robust assessment of the company's emerging and principal risks. The board should confirm in the annual report that it has completed this assessment, including a description of its principal risks, what procedures are in place to identify emerging risks, and an explanation of how these are being managed or mitigated.	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 faced by the Company are reviewed by the Audit Committee in the form of a risk matrix and the Committee also gives consideration to the emerging risks facing the Company. The assessment of risks and their mitigation continues to be an area of significant focus for the Audit Committee. 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 on pages 16 to 18 of the Annual Report.
34	The board should monitor the company's risk management and internal control systems and, at	Refer to Internal Controls and Risk Management on page 53.

	least annually, carry out a review of their effectiveness and report on that review in the annual report. The monitoring and review should cover all material controls, including financial, operational and compliance controls.	
35	In annual and half-yearly financial statements, the board should state whether it considers it appropriate to adopt the going concern basis of accounting in preparing them, and identify any material uncertainties to the company's ability to continue to do so over a period of at least twelve months from the date of approval of the financial statements.	Refer to the Going Concern section contained on pages 48 and 49.
36	Taking account of the company's current position and principal risks, the board should explain in the annual report how it has assessed the prospects of the company, over what period it has done so and why it considers that period to be appropriate. The board should state whether it has a reasonable expectation that the company will be able to continue in operation and meet its liabilities as they fall due over the period of their assessment, drawing attention to any qualifications or assumptions as necessary.	Refer to the Viability Statement on pages 19 and 20.
REMUNERATION		
37	The board should establish a remuneration committee of independent non-executive directors with a minimum membership of three, or in the case of smaller companies, two. In addition, the chair of the board can only be a member if they were independent on appointment and cannot chair the committee. Before appointment as chair of the remuneration committee, the board should satisfy itself that the appointee has relevant experience and understanding of the company. If the board has decided that the entire board should fulfil the role of the remuneration committee, it will need to explain why it has done so in the annual report.	As the Company has no employees and the Board is comprised wholly of non-executive Directors and, given the size and nature of the Company, the Board has not established a separate remuneration committee.
38	The remuneration committee should have delegated responsibility for determining the policy and setting the remuneration for the chair.	Directors' remuneration is determined by the Nomination Committee, which comprises of all the Directors and is chaired by the Chairman of the Board. The Chairman of the Board has relevant experience and understanding of the Company. The Committee also considers the need to appoint external remuneration consultants.
39	The remuneration of non-executive directors should be determined in accordance with the Articles of Association or, alternatively, by the board. Levels of remuneration for the chair and all non-executive directors should reflect the time commitment and responsibilities of the role. Remuneration for all non-executive directors should not include share options or other performance-related elements. Provision should be made for additional directors' fees where	Directors' 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 £200,000 per annum and may only be increased by shareholder resolution. 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,

	directors are involved in duties beyond those normally expected as part of the director's appointment. In such instances the board should provide details of the events, duties and responsibilities that gave rise to any additional directors' fees in the annual report.	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. Directors are not eligible for bonuses, pension benefits, share options, long term incentive schemes or other benefits.
40	Where a remuneration consultant is appointed, this should be the responsibility of the remuneration committee. The consultant should be identified in the annual report alongside a statement about any other connection it has with the company or individual directors. Independent judgement should be exercised when evaluating the advice of external third parties.	Not applicable during the year reviewed in the Annual Report.
41	The main role and responsibilities of the remuneration committee should include: • in conjunction with the chair, setting the directors' remuneration levels; and • considering the need to appoint external remuneration consultants.	Refer to Provision 38 above.
42	There should be a description of the work of the remuneration committee in the annual report.	Refer to the Directors' Remuneration Report on pages 55 to 57.

The following further information is disclosed in this statement in accordance with the Companies Act and DTR 7.2.6:

- The Company's capital structure and voting rights are summarised on page 45;
- Details of the substantial shareholders in the Company are listed on page 49;
- The rules concerning the appointment and replacement of Directors are contained in the Company's Articles of Association and are summarised on page 55;
- Amendment of the Company's Articles of Association and powers to issue or buy back the Company's shares requires a special resolution to be passed by shareholders in a general meeting;
- There are no restrictions concerning the transfer of securities in the Company; no special rights with regard to control attached to securities; no agreements between holders of securities regarding their transfer known to the Company; no agreements which the Company is party to that might affect its control following a takeover bid; and,
- There are no agreements between the Company and its Directors concerning compensation for loss of office.

By order of the Board

Hasan Askari
Chairman
Bow Bells House
1 Bread Street
London EC4M 9HH

30 June 2022