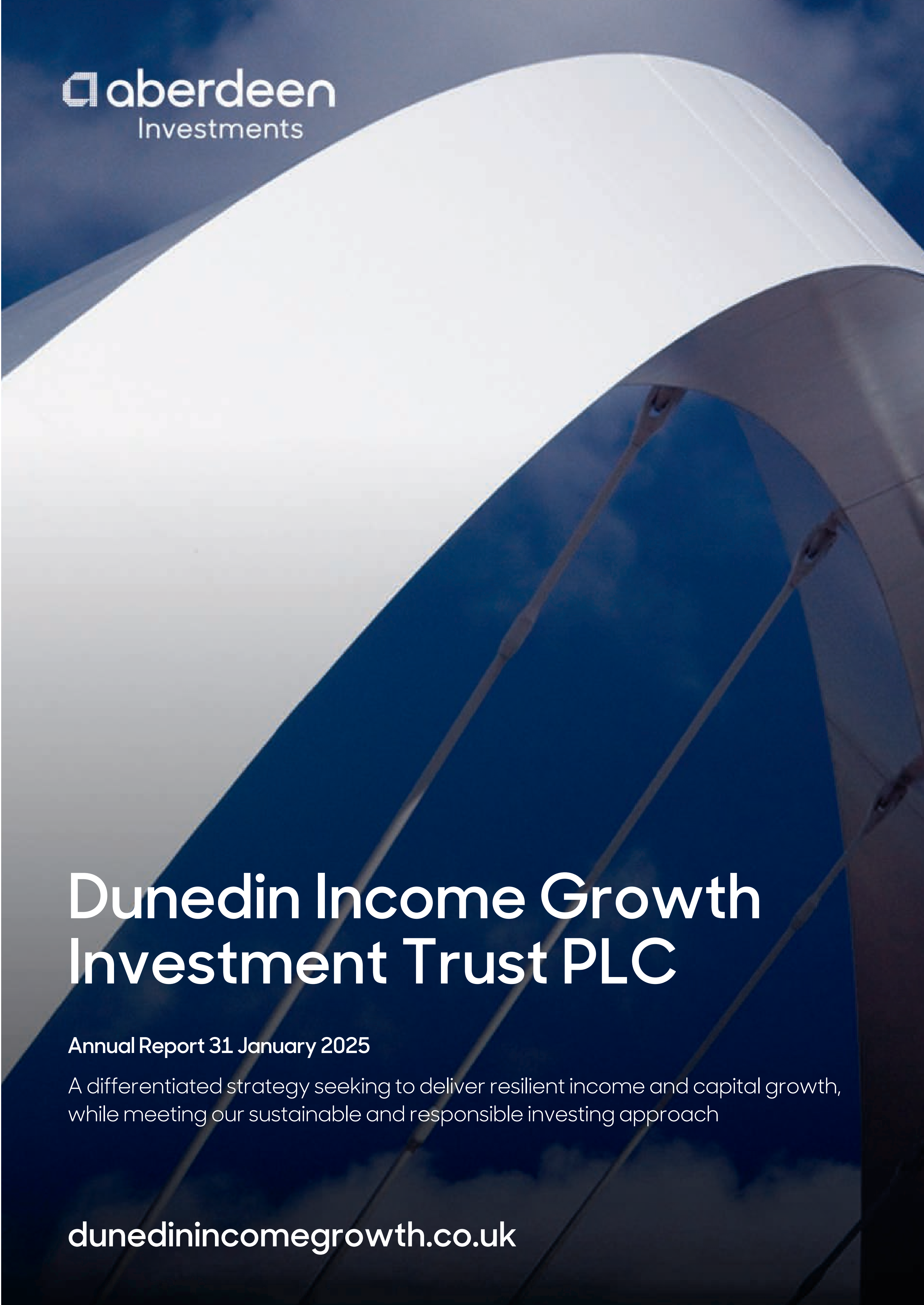


aberdeen Investments

Dunedin Income Growth Investment Trust PLC

Annual Report 31 January 2025

A differentiated strategy seeking to deliver resilient income and capital growth, while meeting our sustainable and responsible investing approach

dunedinincomegrowth.co.uk

"The Company's NAV total return was 9.0%, and the share price total return was 8.4%. The Board is pleased to declare an increase of 3.3% in the dividend for the year, to 14.20p per share, equating to a dividend yield of 5.0% based on the year end share price."

David Barron, Chairman

"The high conviction portfolio, with a strong focus on quality, is highly differentiated from other UK Equity Income investment trusts."

Ben Ritchie and Rebecca Maclean, Aberdeen

Contents

Scan the QR Code below to register for email alerts relating to the Company:

SCAN ME

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

Built to help your returns keep pace with the cost of living

Searching out the UK and overseas companies shaping a better future

Actively investing to bring together what we believe are the best opportunities

Long term growth

To capture long-term growth, the Investment Manager looks across the UK and overseas to find companies, from major multi-nationals to dynamic smaller companies, benefiting from major economic trends such as energy transition, digitisation, shifting demographics and changing consumer behaviour.

Targeting reliable quarterly income

To keep delivering a reliable and growing quarterly income, the team invests in well-managed, financially healthy companies with robust earnings potential.

A sustainable focus

By using a range of forward-looking tools to interrogate Environmental, Social and Governance ("ESG") practices, the Investment Manager looks to ensure that every company it invests in is leading on sustainability today or taking steps to lead the way tomorrow.

Robust financial returns

By applying these stringent criteria, the Company is dedicated to delivering robust financial returns for investors – and helping to shape a better future for everyone.

3.3% of the Company's total assets are invested in the Banks sub-sector (2024: 3.6%).

Performance Highlights

Net asset value total return per Ord share[AB]	
9.0%	
2024	6.7%

Share price total return per Ord share[A]	
8.4%	
2024	(1.6)%

Revenue return per Ord share	
13.8p	
2024	13.5p

Ongoing charges[A]	
0.56%	
2024	0.64%

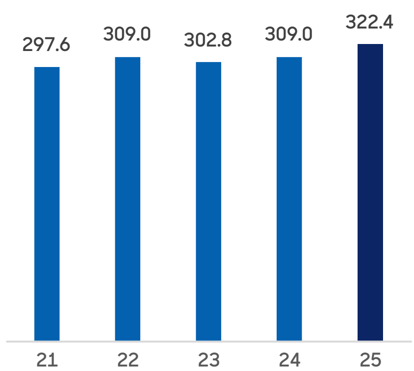
Discount to net asset value[AB]	
11.6%	
2024	10.7%

Dividends per Ordinary share	
14.20p	
2024	13.75p

[A] Alternative Performance Measure (see pages 121 and 122).
[B] With debt at fair value (see page 102).

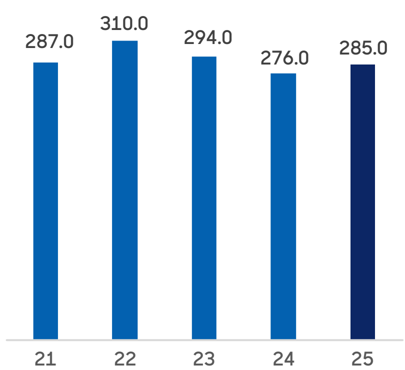
Net Asset Value per share – debt at fair value

At 31 January – pence



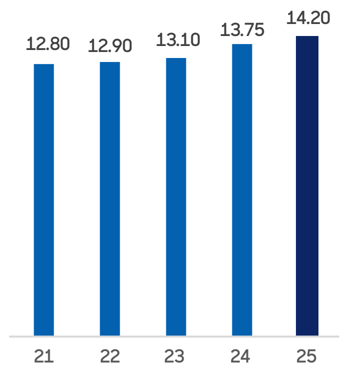
Share price

At 31 January – pence



Dividends per share

Year ended 31 January – pence



Financial Calendar

Calendar

Online shareholder presentation	**7 May 2025**
Annual General Meeting (Edinburgh)	**22 May 2025**
Expected payment dates of quarterly dividends	**30 May 2025** **29 August 2025** **28 November 2025** **27 February 2026**
Half year end	**31 July 2025**
Expected announcement of results for the six months ending 31 July 2025	**September 2025**
Financial year end	**31 January 2026**
Expected announcement of results for the year ending 31 January 2026	**April 2026**

Financial Highlights

	31 January 2025	31 January 2024	% change
Total assets (£'000) (see page 116 for definition)	**477,187**	488,867	–2.4
Equity shareholders' funds (£'000)	**428,528**	445,815	–3.9
Market capitalisation (£'000)	**384,605**	403,437	–4.7
Net asset value per Ordinary share	**317.55p**	304.99p	4.1
Net asset value per Ordinary share with debt at fair value[A]	**322.47p**	308.98p	4.4
Share price (mid)	**285.00p**	276.00p	3.3
FTSE All-Share Index	**4,710.58**	4,173.06	12.9
Discount (difference between share price and net asset value)			
Discount where borrowings are deducted at fair value[A]	**11.6%**	10.7%	
Gearing (see page 115 for definition)			
Net gearing[A]	**10.9%**	6.8%	
Dividends and earnings			
Total return per share	**23.90p**	15.45p	
Revenue return per share	**13.82p**	13.54p	2.1
Total dividend per share for the year	**14.20p**	13.75p	3.3
Dividend cover[A]	**0.97**	0.99	
Revenue reserves			
Prior to payment of third and final dividends[B]	**17.65p**	16.34p	
After payment of third and final dividends[BC]	**9.85p**	8.99p	
Operating costs			
Ongoing charges[AD]	**0.56%**	0.64%	

[A] Considered to be an Alternative Performance Measure as defined on pages 121 and 122.
[B] Calculated by dividing the revenue reserve per the Statement of Financial Position on page 88 by the number of shares in issue at the reporting date per note 16 on page 101.
[C] Third interim dividend for the year ended 31 January 2025 of 3.2p per share (2024 – 3.2p). Final dividend for the year ended 31 January 2025 of 4.6p per share (2024 – final dividend of 4.15p). See note 16 on page 101 for further details.
[D] Calculated in accordance with the latest AIC guidance issued in October 2020 to increase the scope of reporting the look-through costs of holdings in investment companies where applicable.

Strategic Report

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.

9.3% of the Company's total assets are invested in the Pharmaceuticals and Biotechnology sub-sector (2024: 9.9%).

Chairman's Statement

The UK equity market performed strongly during the year ended 31 January 2025. The Company's net asset value total return was 9.0%, and the share price total return was 8.4%. The Board is pleased to declare an increase of 3.3% in the dividend for the year, to 14.20p per share, equating to a dividend yield of 5.0% based on the year end share price.

Performance

Notwithstanding the positive NAV return for the year, it is disappointing to report underperformance against the benchmark, the FTSE All-Share Index, which produced a total return of 17.1%.

This was a year where relative performance was characterised by challenging market conditions for the Investment Manager's strategy, with relatively concentrated returns and strong performance from a number of sectors to which the Company has limited exposure. In addition, selective tilts towards European exposure, UK mid-caps and companies with quality characteristics have historically been sources of opportunity, but in this period proved a headwind. It is important to note that, while there were some stocks whose performance lagged that expected by the Investment Manager, the Company has suffered primarily from the opportunity cost of missing out on strong returns, as opposed to significant issues affecting the holdings within the portfolio.

The period under review was one of surprisingly positive absolute equity returns against a backdrop of significant elections at home and abroad and general economic, technological and political volatility. The UK stock market was one of the global leaders with its 17% total return, despite a domestic economy that began to stall following the general election in July, and the impact of the new government's revenue raising measures in the October budget. During this time, the large-cap FTSE 100 Index comfortably outperformed the mid-cap FTSE 250 Index and Smaller Companies Index. Inflation remained elevated across most developed economies with UK CPI ending the year at 3.0%, still above the Bank of England's ("BoE") target rate. Despite persistently higher than desired price growth, central banks began the process of easing monetary policy with the BoE cutting interest rates twice in 2024 to bring the base rate to 4.75%. There has been a further reduction to 4.5% since the year end and markets are pricing in a further modest reduction over the remainder of 2025.

Frustratingly, the discount at which the Company's shares are trading to NAV widened over the year by 0.9% to stand at 11.6%. Reducing the discount remains a key objective of the Board and we have continued to buy back substantial numbers of shares over the period. The three main elements needed to reduce the Company's discount are improving benchmark relative performance, demonstrating a compelling income proposition and delivering a high quality and targeted investor relations programme, and these elements continue to be the Board's key areas of focus.

"This was a year where relative performance was characterised by challenging market conditions for the Investment Manager's strategy, with relatively concentrated returns and strong performance from a number of sectors to which the Company has limited exposure."

Reflecting on this year's performance, it is worth considering what makes a successful investment trust. For the shares of an investment trust to consistently trade at a narrow discount or at a premium, the investment trust needs to offer an investment strategy that shareholders consider worth investing in, the investment mandate needs to be well-executed and the company needs to have a cost-effective marketing and shareholder relations strategy. These need to be delivered by teams that have experience in all aspects of investment trust management. The Company has all these elements in place. While near-term investment performance has been below our expectations, since the Board repositioned the investment strategy in January 2016, the Company has delivered a NAV total return of 101.3% compared to the benchmark return of 96.2%, and over the same period ranks 6th out of 18 in the AIC UK Equity Income sector by NAV total return, with an annualised NAV total return of 8.1%. This demonstrates that, over this longer period, the Company's returns have been competitive within the sector.

In the past year, the strategy has faced headwinds. In any active strategy, not all investment decisions will be rewarded. In a concentrated portfolio, the effects of poor stock selection are magnified. This is anything but an index-like portfolio, a feature we believe shareholders value and, as we have stated before, there will be years when we perform very differently from the benchmark and many of our peers. This is demonstrated over the past two years: for the year just past, the Company delivered a relatively strong absolute NAV total return of 9.0%, but underperformed the benchmark index; and in the previous year, ended 31 January 2024, the Company delivered a NAV total return of 6.7%, outperforming the benchmark by nearly 5% and was the best performing investment trust in the UK Equity Income sector for that year.

Active management requires the patience to absorb the vicissitudes of markets. The strategy has delivered significant outperformance in the past and the Board believes that it will do so again when the Investment Manager's style returns to favour.

We remain committed to the sustainability ambitions of the Company and believe it is a sensible approach when investing for the long term and to deliver resilient and growing dividends. We expect that investors will return their focus towards this segment of the market as environmental and social risks rise and asset owners turn their attention to the impact of their holdings. This is about both avoiding risks and taking advantage of opportunities, such as investing behind the powerful demand trends stemming from the climate transition.

Earnings

The Board recognises the importance of the revenue return to shareholders and we are pleased to report that the portfolio has seen revenue earnings per share grow by 2.1%, reaching another record high of 13.82p per share, aided by a combination of solid dividend distributions from portfolio companies, a healthy level of option writing income and a reduction in the number of shares outstanding through our ongoing programme of share buybacks. This level of revenue growth per share is in line with the growth of dividend distributions from the FTSE All-Share Index over 2024.

Dividend

Having paid three quarterly dividends of 3.20p per share, we are proposing a final dividend of 4.60p per share, payable on 30 May 2025 to shareholders on the register on 2 May 2025. This will make a total dividend of 14.20p per share for the year, an increase of 3.3% on last year and ahead of the rate of inflation. This will be the 41st year out of the past 45 years that the Company has grown its dividend, with the distribution maintained in the other four years.

In addition, having increased the dividend in every year since 2011, the Company is pleased to be classified under the 'Next Generation of Dividend Heroes' banner by the Association of Investment Companies, being one of the 30 investment trusts that have raised their dividend for between 10 and 19 consecutive years.

It is also worth noting that, since January 2016, the Company's dividend per share has increased by 24.6%, outpacing the 18% growth in dividend distributions from the FTSE All Share Index and doing so in a much more resilient fashion, noting the UK market's 42% cut to dividend payments experienced during the pandemic in 2020. The ability to smooth dividends using revenue reserves or indeed pay from realised capital reserves to maintain shareholder distributions is one of the key benefits of the investment trust structure.

"The total dividend of 14.20p per share for the year is an increase of 3.3% on last year and ahead of the rate of inflation."

Following payment of the final dividend, the Company will have utilised 0.38p per share of its revenue reserves, leaving nearly 10p per share available to support future distributions. This represents approximately 69% of the current annual dividend cost.

The Company has drawn 3.22p per share from revenue reserves since January 2019, both through the transition away from higher yielding, lower growth companies and, particularly in 2020/21, when 1.9p per share was utilised from revenue reserves following the impact of the Covid pandemic on the portfolio. The Company does have the ability to pay dividends out of realised capital reserves and, given its very long history, is in the very favourable position of having capital reserves that form a significant part of equity shareholders' funds.

The Investment Manager is focussed on enhancing the Company's longer-term potential for both faster dividend growth and better capital performance. The dividend yield was 5.0% based on the share price of 285p at the end of the year, a 35% premium compared to a notional yield of 3.7% from the FTSE All-Share Index and a premium of 11% to the Bank of England's base rate of 4.5%, while offering the prospect of real growth.

Income return through dividends has been a significant proportion of the return to shareholders from their investment in the Company, and the Board is aware of its importance to shareholders. Historic wisdom and practice is that dividends have and can be largely generated from revenue returns, that is dividends paid by companies we invest in, supplemented in the Company's case by the strategic use of option writing. Looking back over the past ten years, as I retire from the Board, it is interesting to note that the UK market has increasingly moved towards buybacks as a flexible form of capital management and distribution. This trend is seemingly structural with buybacks representing approximately 50% of the value of total distributions in 2024. Furthermore, the Sterling amount of dividends being paid by the UK market last year is not much higher than the total in 2014. This shifting landscape presents questions for boards and shareholders both as to dividend policy - what is paid out in any year, and what is a desirable rate of growth to aim for - and investment policy, how your capital is invested to generate this return. Whilst raising questions, in the Board's view these structural changes also present the Company with real potential opportunities, through being able to use the structural advantages of an investment trust to address these shifting market dynamics.

Our progressive distribution policy remains, seeking to grow the dividend faster than inflation over the medium term. With the Company's robust revenue and capital reserves and the healthy underlying earnings growth of the companies within the portfolio, we believe that an overall policy delivering both reliable income and capital growth remains very well supported.

Gearing

The Board believes that the sensible use of modest financial gearing, whilst amplifying market movements in the short term, will enhance returns of both capital and income to shareholders over the long term. We also recognise the benefit that having a reasonable proportion of long-term fixed rate funding provides to managing the Revenue Account, through greater certainty over financing costs.

The Company currently employs 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 which was put in place in 2024 and negotiated on attractive terms with The Bank of America. This facility replaced the expiring £30 million loan with The Bank of Nova Scotia. A Sterling equivalent of £18.9 million was drawn down from the facility at the year end.

With debt valued at par, the Company's net gearing increased from 6.8% to 10.9% during the year. This was due to the Investment Manager drawing down an additional £5 million of borrowings during the year to deploy into favoured investment opportunities, a lower level of cash balances and the reduction in net assets as a result of the ongoing share buybacks. The Board believes this remains a relatively conservative level of gearing and the undrawn part of the revolving credit facility provides the Company with financial flexibility should opportunities to deploy additional capital arise.

Discount

The share price total return for the year of 8.4% modestly underperformed the NAV total return, reflecting a move in the discount from 10.7% at the end of last year to 11.6% as at 31 January 2025 (on a cum-income basis with borrowings stated at fair value). Reflecting this widening during the year, 11.2 million shares were bought back at an average discount to NAV of 11.0%, providing an estimated enhancement of 1.0% to the NAV per share.

The widening of the Company's discount has been a cause of significant frustration to the Board. The reduction in net demand for the Company's shares has a number of causes, some Company specific and some relating to broader sectoral issues. Specific issues include the transfer of the Aberdeen Savings Schemes at the end of 2023 to the Interactive Investor platform, leading to increased selling during and after the transfer process. The Board has engaged with Aberdeen to understand how the attractive terms of savings schemes and the sense of connection between investors and the Company can be replicated on the Interactive Investor platform. In addition, recent capital performance of the portfolio has not attracted new investors. The current negativity around sustainable investing is also unhelpful. More broadly, UK equities have been out of favour, with the wider reduction in equity exposure to the UK market being well-documented.

The Board believes a consistent rating of the Company's shares close to the underlying asset value is of significant benefit to shareholders and strives to achieve this. The Board also believes that the successful implementation by the Investment Manager of the investment strategy and delivery of both dividend growth and attractive total return performance is key to ensuring this. As in previous years, we will seek shareholders' permission at the AGM to buy back shares and issue new shares. We have actively increased the level of buybacks in recent months and will continue to look at different approaches to reduce the discount, including enhancing

Chairman's Statement

Continued

the attractiveness of the Company to potential investors, whilst preserving the integrity of the closed ended structure which we believe is a benefit to our portfolio managers and therefore our shareholders. At the time of writing the share price discount to NAV has narrowed to around 8%.

Annual General Meeting and Online Shareholder Presentation

AGM

The AGM will be held at 12 noon on Thursday 22 May 2025 at InterContinental Edinburgh, The George, 19-21 George Street, Edinburgh EH2 2PB. 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: **theaic.co.uk/how-to-vote-your-shares**

The Notice of the AGM is contained on pages 124 to 129.

"The AGM will be held at 12 noon on Thursday 22 May 2025 at InterContinental Edinburgh, The George, 19-21 George Street, Edinburgh EH2 2PB."

Online Shareholder Presentation

To encourage as much interaction as possible with our shareholders, especially those who are unable to attend the AGM, we will again also be hosting an Online Shareholder Presentation, which will be held at 11.00 am on Wednesday 7 May 2025. 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. The online presentation is being held ahead of the AGM to allow shareholders to submit their proxy votes subsequently.

Full details on how to register for the online event can be found at: **bit.ly/abrdn-Dunedin-Income-2025**

Details are also available on the Company's website.

Board Succession

We were pleased to announce the appointment of Arun Kumar Sarwal as an independent non-executive Director of the Company with effect from 1 February 2025.

Arun is a Chartered Accountant and has broad experience of global equities and fund management over some 35 years in the UK, Europe, and Asia. He is a Board Advisor to Tumelo and a director and Chairman of the Audit Committee of JPMorgan European Discovery Trust plc. Arun's biographical details are contained on page 60. He will stand for election at the AGM.

It is the Company's stated policy that Directors should stand down after nine years on the Board. Jasper Judd, who is Chairman of the Audit Committee, and I, both joined the Board in February 2016. As previously stated, we will both stand down from the Board at the AGM. It is the Board's intention that Arun will be appointed as Chairman of the Audit Committee in place of Jasper at that time. I would like to thank Jasper for his diligent and highly effective chairing of the Company's Audit Committee and his contribution to Board deliberations.

Howard Williams, who has been a Director since April 2018, will succeed me as Chair of the Company and it is the Board's intention to recruit a further Director later in 2025 to bring the number of Directors back to five.

It has been a great pleasure to be a Director of the Company for the past nine years. I have enjoyed working with my Board colleagues past and present. We have planned for the succession and the Board of Directors taking the Company forward is highly experienced in all aspects of investment trust management. Our Manager, Aberdeen, has undergone significant change over the past nine years but the team managing Dunedin Income Growth has been remarkably consistent with Ben Ritchie involved in managing the portfolio since 2012 and the lead manager since 2016. The individuals working with the Board have been committed and diligent in managing your company and I would like to thank them for their support.

Outlook

The past year has been a difficult period for the Company, notwithstanding the clear focus on generating both total return and dividend growth. The focus of our approach on high quality companies, with the ability to invest down the market cap spectrum and overseas should give the portfolio both flexibility and resilience. The Board believes that this is a sound strategy to deliver capital outperformance and dividend growth over the longer term. We believe that there are reasons to expect the Company's relative performance to significantly improve and to return to outperformance of both peers and the benchmark. In aggregate, the portfolio valuation is at the narrowest premium to the wider market in three years, despite far stronger levels of profitability, returns and balance sheets. At the stock level, the Investment Manager sees compelling prospective returns from a significant number of the companies in the portfolio, businesses that are trading at prices well below their potential value.

"The Board is confident that the Company is well positioned to return to deliver relative total return outperformance over the medium and long term."

As we have stated in past years, we also believe that the income growth of the Company relies more on structural rather than cyclical growth and that gives the Investment Manager a higher degree of confidence on the likely path of income generation. The sustainability overlay enhances this approach. Our approach should help to underpin earnings delivery, even in an environment where economic growth remains modest. The balanced nature of the portfolio means it is well set to navigate volatile markets and demonstrate resilience in a range of different market environments.

There are of course risks to be aware of. At home in the UK, businesses now have to navigate the substantially increased costs that will come through from the Autumn budget. The economy remains stagnant and the confidence of consumers and companies is subdued. Global politics have become more volatile and the path and impact of US economic policy more difficult to ascertain. President Trump's trade agenda has caused markets a great deal of discomfort since the year end, particularly since his tariff announcement on 2 April.

Alongside this, there are already signs of an economic slowdown emerging as businesses grapple with the daily torrent of policy announcements.

While inflationary pressures in the UK have eased, they are still at elevated levels compared to central bank targets. Likewise, geopolitical tensions continue to persist across the Middle East, as does Russia's conflict with Ukraine. Meanwhile, China's economy remains subdued, unlikely to be aided by the current trade dispute with the United States. If there is a potential silver lining of this backdrop, it is that UK inflation may ease faster than expected - energy prices have fallen sharply and this may give the Bank of England greater scope to ease monetary policy, an essential boost to what remains a consumption led domestic economy. As a result, we think it is important to maintain a relatively well-balanced portfolio and the Investment Manager's focus on investing in companies with pricing power, strong balance sheets and with greater exposure to structural, rather than cyclical, growth should offer greater resilience in both capital and income generation, while retaining upside optionality.

The Board is confident that the Company is well positioned to return to deliver relative total return outperformance over the medium and long term. This, combined with continuing to deliver a progressive distribution policy together with a targeted and effective investor relations programme should help to move the Company's shares to trade closer to NAV.

David Barron
Chairman
14 April 2025

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 and Responsible Investment Equity Approach details of which are included on pages 36 to 40.

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 and Responsible Investment Equity Approach section on pages 36 to 40).

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 FCA.

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.

Investment Process

The Investment Process adopted by the Investment Manager is contained on pages 34 to 35.

Benchmark

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

Promoting the Success of the Company

The Board's statement on pages 22 to 25 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 and comparable investment trusts	The Board measures the Company's NAV total return performance against the total return of the benchmark index – the FTSE All-Share Index. The figures for this year and for the past three and five years, and a graph showing performance against the benchmark index over the past five years are shown on page 26. The Board also monitors performance relative to a peer group of investment trusts which have similar objectives, policies and yield characteristics.
Revenue return per Ordinary share	The Board monitors the Company's net revenue return. The revenue returns per Ordinary share for each of the past 10 years are set out on page 28.
Dividend per Ordinary share	The Board monitors the Company's annual dividends per Ordinary share. The dividends per share for each of the past 10 years are set out on page 28.
Share price performance	The Board monitors the performance of the Company's share price on a total return basis. The returns for this year and for the past three and five years, and a graph showing the share price total return performance against the benchmark index over the past five years are shown on page 26.
Premium/discount to NAV	The premium/discount of the share price relative to the NAV per share is monitored by the Board. The discount at the year end and at the end of the previous year are disclosed on page 7.
Ongoing charges	The Board monitors the Company's operating costs carefully. Ongoing charges for the year and the previous year are disclosed on page 7.

Overview of Strategy

Continued

Principal Risks and Uncertainties

The Board carries out a regular review of the risk environment in which the Company operates, 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 those principal risks and uncertainties, the Board considers that the development of Artificial Intelligence ("AI") presents potential risks 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.

There are a number of other risks which, if realised, could have a material adverse effect on the Company and its financial condition, performance and prospects. These include a number of existing geo-political risks, including the impact on global financial markets of US tariffs announced since the year end. The Board is also conscious of the effect of higher inflation on financial markets and the resultant implications for interest rates.

The principal risks associated with an investment in the Company's shares are published monthly in the Company's factsheet and they can be found in the pre-investment disclosure document ("PIDD") published by the Manager, both of which are available on the Company's website.

Risk	Trend	Mitigating Action
Investment objectives – 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.	⇔	**Board review**. The Board formally reviews the Company's objectives and strategies for achieving them on an annual basis, or more regularly if appropriate. **Shareholder communication.** 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 the opportunity for an interactive question and answer session. The Board reviews shareholder correspondence and investor relations reports and also receives feedback from the Company's Stockbroker. **Discount monitoring.** 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.
Investment strategies – the Company adopts inappropriate investment strategies in pursuit of its objectives which could result in investors avoiding the Company's shares, leading to a widening of the discount and poor investment performance.	⇔	**Adherence to investment guidelines.** 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.

Risk	Trend	Mitigating Action
		Diversification. 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: · No more than 10% of gross assets to be invested in any single stock; and · The top five holdings should not account for more than 40% of gross assets.
Investment performance – the appointment or continuing appointment of an investment manager with inadequate resources, skills or expertise or which makes poor investment decisions. This could result in poor investment performance, a loss of value for shareholders and a widening discount.	↔	**Monitoring of performance**. The Board meets the Investment Manager on a regular basis and keeps under close review (inter alia) its resources and adherence to investment processes. The Board also keeps under review the adequacy of risk controls and investment performance. **Management Engagement Committee.** A detailed formal appraisal of the Manager is carried out annually by the Management Engagement Committee.
Sustainable and responsible investing criteria – 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.	↔	**Adherence to restrictions.** 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. **Awareness of regulations.** Through the regulatory risk controls stated below, the Board is also aware of the relevant ESG regulations impacting the Company.
Income/dividends – 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.	↔	**Revenue forecasting and monitoring.** 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. **Use of reserves.** The Company has built up revenue reserves which are available to smooth dividend distributions to shareholders should there be a shortfall in revenue returns. The Company also has the ability to fund dividend distributions from realised capital reserves.
Financial/market – 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.	↔	**Management controls.** 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. **Foreign currency hedging**. 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. **Board review.** 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.

Overview of Strategy

Continued

Risk	Trend	Mitigating Action
		Further details of the Company's financial instruments and risk management are included in note 19 to the financial statements.
Gearing – 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.	⇔	**Gearing restrictions.** The Board sets gearing limits within which the Manager can operate. **Monitoring.** 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. **Scrutiny of loan agreements.** 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. **Limits on derivative exposure**. The Board has set limits on derivative exposures and positions are monitored at regular Board meetings.
Regulatory – changes to, or failure to comply with, relevant regulations (including the Companies Act, The Financial Services and Markets Act, The Alternative Investment Fund Managers Directive, accounting standards, investment trust regulations, the Packaged Retail and Insurance-based Investment Product Regulations, the Listing Rules, Disclosure Guidance and Transparency Rules and Prospectus Rules) could result in fines, loss of reputation, reduced demand for the Company's shares and potentially loss of an advantageous tax regime.	⇔	**Board awareness**. 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 are encouraged to attend relevant training courses. **Management controls.** 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.

Operational (including cyber-crime) - 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.	⇔	**Agreements.** Written agreements are in place defining the roles and responsibilities of all third party service providers. **Internal control systems of the Manager**. 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. **Safekeeping of assets**. 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. **Monitoring of other third party service providers**. 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.
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.

⇔ no change to risk rating during the year

⇧ increased risk rating

Geo-political risk is considered to have increased materially during the year as a result of heightened global tensions and political uncertainties. The trend of other principal risks has not changed during the year.

Overview of Strategy

Continued

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 make-up of that 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.

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 39 to 40.

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 carbon intensity of the portfolio is shown on page 44.

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 16 to 19 and the steps taken to mitigate these risks.
- The relevance of the Company's investment objective.
- The Company is invested in readily-realisable 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 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 whilst the Investment Manager's views on the outlook for the portfolio are included on page 33.

On behalf of the Board
David Barron
Chairman
14 April 2025

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 five 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
Shareholders	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. 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. 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. 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.
Manager (and Investment Manager)	The Investment Manager's Review on pages 30 to 33 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. 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. 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. The Board, through the Management Engagement Committee, formally reviews the performance of the Manager at least annually. More details are provided on page 65.
Service Providers	The Board seeks to maintain constructive relationships with the Company's suppliers either directly or through the Manager, with regular communications and meetings. 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.
Investee Companies	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. 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. 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 39 and 40. The Manager reports regularly to the Board on investment and engagement activity.
Debt Providers	On behalf of the Board, the Manager maintains a positive working relationship with 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. The Manager also provides regular covenant compliance certificates to the holders of the Company's £30 million Loan Notes.
Environment and Community	The Board and Manager are committed to investing in a sustainable and responsible manner. Further details are provided in the Investment Policy on page 14.

Promoting the Success of the Company

Continued

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 2025. 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.

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.

Sustainable Disclosure Requirements ("SDR")

During the year, the Board considered the UK's Sustainable Disclosure Requirements, including the Naming and Marketing rules that come into force on 2 December 2024. No changes were made to the Company's investment strategy or the investment process as a result of the new rules.

The Company adopted a sustainable investment overlay to its investment objective in 2021. The move reflected an evolution of the investment process and formalised the Investment Manager's approach to quality investing, which incorporates an assessment of long term environmental, social and governance risks and opportunities.

In November 2023, as part of its improvements to the regulation of sustainable products domiciled in the UK, the FCA confirmed that it would be possible for investment companies which met certain qualifying criteria to apply one of four sustainable investment labels as well as a fifth category of unlabelled but with sustainability characteristics under its new naming and labelling regime.

During the year, the Manager advised the Board that, although the Company's investment objective explicitly referenced sustainable and responsible investing criteria, the objective itself did not constitute a sustainability objective. Therefore, in its current form, the Company's investment policy and the broader investment process would be unlikely to satisfy the FCA's requirements for a label without making some changes. As a result, the Board decided that the Company would not seek to apply a sustainability label under UK SDR for the time being but instead would adopt the category 'unlabelled but with sustainability characteristics'.

Further details of the Company's sustainable and responsible investing criteria are included in the Sustainable and Responsible Investment Equity Approach on pages 36 to 40.

Dividend

Following the payment of the final dividend for the year, of 4.60p per Ordinary share, total dividends for the year will amount to 14.20p per Ordinary share. This represents an increase of 3.3% compared to the previous year. This will be the 41st year out of the past 45 that the Company has grown its dividend, with the distribution maintained in the other four years, and is in accordance with its policy to grow total annual dividends in real terms over the medium term.

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.

Renewal of Bank Loan

During the year, the Board announced the renewal of the Company's £30 million multi-currency revolving credit facility with Bank of America, N.A., London Branch. The facility replaced the expiring £30 million multi-currency revolving credit facility and will expire in August 2027.

Under the terms of the facility, the Company has the option to increase the level of the commitment from £30 million to £40 million at any time, subject to the lender's consent.

The Board continues to believe that borrowings, in the form of the Company's Loan Notes 2045 and the multi-currency revolving credit facility, are beneficial to long term net asset value returns and is one of the benefits of the closed ended investment trust structure.

Share Buy Backs

During the year, the Company bought back 11,223,856 Ordinary shares to be held in treasury, at a cost of £31.5 million, providing a small accretion 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 London. The AGM will be held in Edinburgh 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 Wednesday 7 May 2025. 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. The online presentation is being held ahead of the Annual General Meeting to allow shareholders to submit their proxy votes prior to the meeting. Details of how to register for the event can be found in the Chairman's Statement on page 12.

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

As explained in the Chairman's Statement on page 12 and the Directors' Report on page 62, as part of the Board's succession planning, and following a search process that began during the financial year, Arun Kumar Sarwal was appointed as an independent non-executive Director on 1 February 2025.

David Barron and Jasper Judd joined the Board in February 2016 and will both retire as Directors at the AGM. Howard Williams will succeed David Barron as Chairman of the Board and Arun Kumar Sarwal will be appointed as Chairman of the Audit Committee in place of Jasper Judd.

It is the Board's intention to recruit a further Director later in 2025 to bring the number of Directors back to five.

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
David Barron
Chairman
14 April 2025

Performance

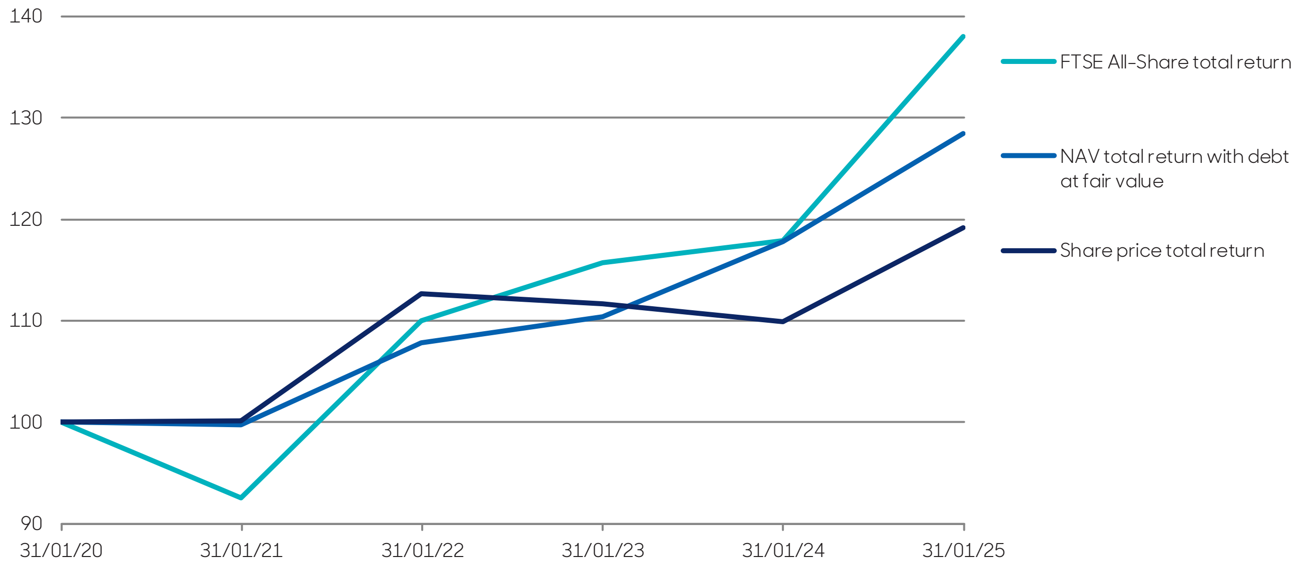
Performance (total return)

	1 year % return	3 year % return	5 year % return
Total return (Capital return plus net dividends reinvested)			
Net asset value[AB]	9.0	19.1	28.4
Share price[B]	8.4	5.8	19.1
FTSE All-Share Index	17.1	25.5	37.9
Capital return			
Net asset value[A]	4.4	4.3	3.3
Share price	3.3	(8.1)	(5.3)
FTSE All-Share Index	12.9	12.4	16.1

[A] Cum-income NAV with debt at fair value.
[B] Considered to be an Alternative Performance Measure (see page 122)
Source: Aberdeen, Factset & Morningstar

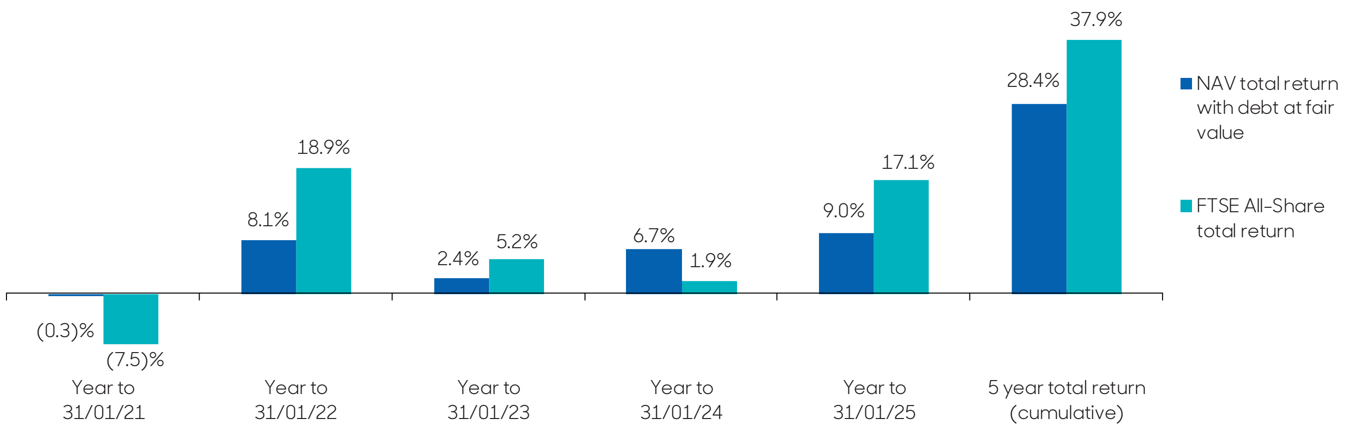
Comparison of NAV and Share Price Total Return Performance to FTSE All-Share Index (figures rebased to 100)

Five years to 31 January 2025



Source: Aberdeen & Morningstar

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



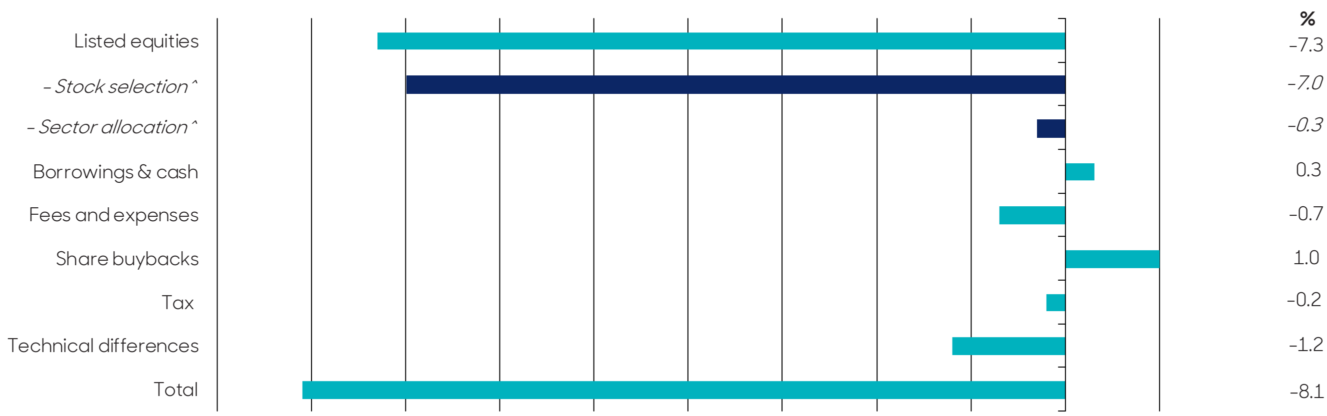
Source: Aberdeen & Morningstar

Analysis of Total Return Performance for the year ended 31 January 2025

	%
Gross assets total return	**8.3**
Total NAV return per share[A]	9.0
Total return on FTSE All-Share Index	17.1
Relative performance	**-8.1**

[A] With debt at fair value.

Analysis of Performance for the year Relative to the FTSE All-Share Index



^ Further analysis of performance attributable to listed equities

Performance

Continued

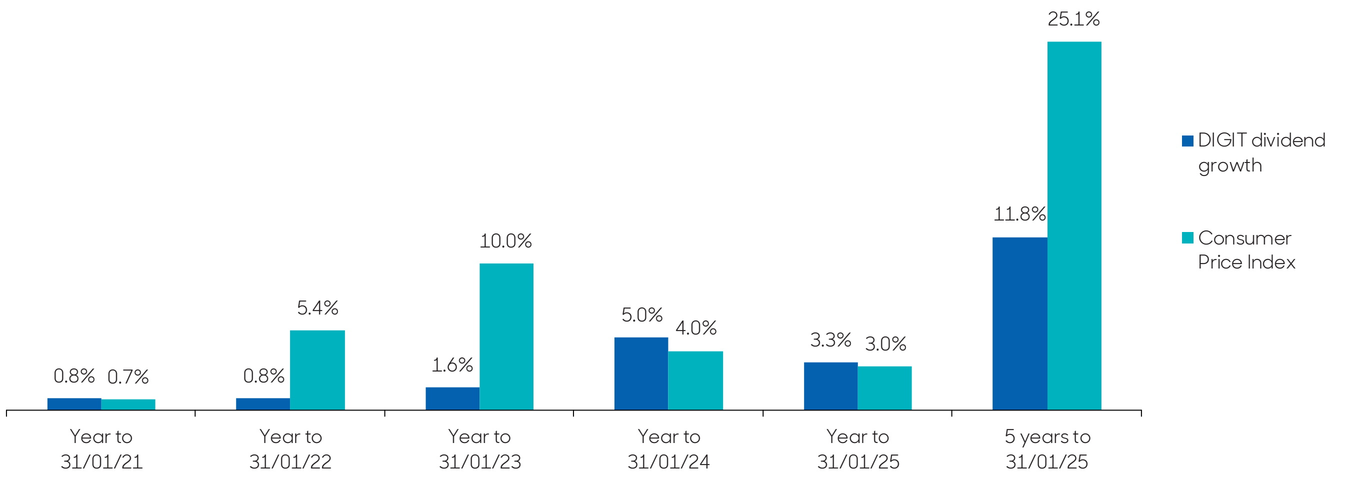
Ten Year Financial Record

Year ended 31 January	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Total revenue (£'000)	20,359	21,963	22,317	22,263	20,518	18,346	21,518	21,950	22,949	**22,550**
Per share (p)										
Revenue return	12.11	12.55	12.64	12.68	12.08	10.90	12.87	13.02	13.54	**13.82**
Dividends paid/proposed	11.40	11.70	12.10	12.45	12.70	12.80	12.90	13.10	13.75	**14.20**
Revenue reserve[A]	9.63	10.51	11.16	11.54	10.94	9.07	9.05	8.97	8.99	**9.85**
Net asset value[B]	237.48	270.34	290.57	266.83	312.22	297.64	309.03	302.80	308.98	**322.47**
Total return[C]	(28.94)	43.83	30.83	(11.95)	58.57	(1.81)	23.78	1.92	15.45	**23.90**
Shareholders' funds (£'000)	368,041	415,810	442,384	401,731	469,806	448,293	464,579	448,605	445,815	**428,528**

[A] After payment of third interim and final dividends (see note 16 on page 101 for further details).
[B] With debt at fair value.
[C] Per Statement of Comprehensive Income.

Comparison of Dividend Growth to Inflation

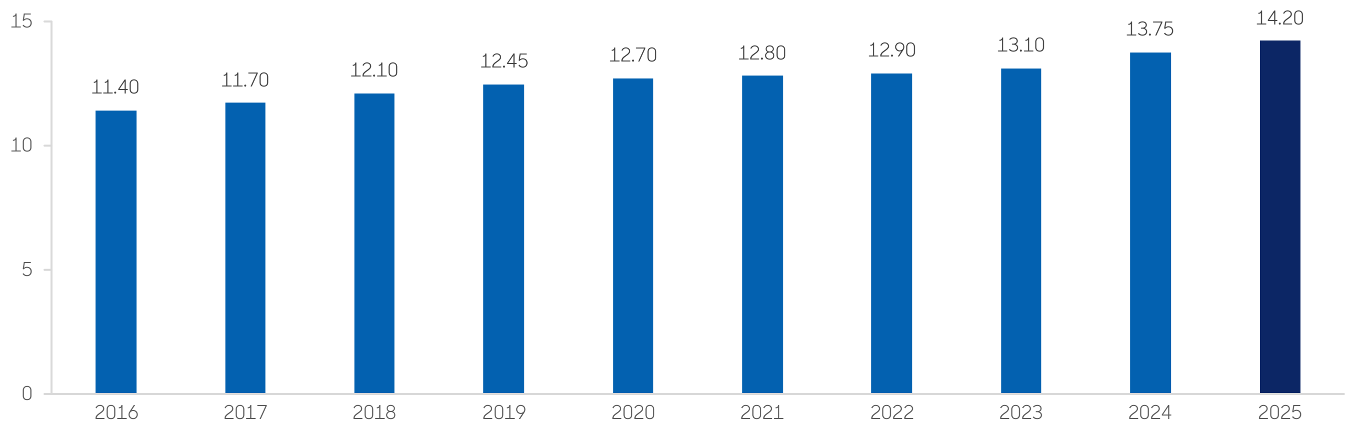
Five years ended 31 January 2025



Source: Aberdeen, ONS & Factset

Dividends per Share – Pence

Year to 31 January



Dividends per Share

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**
Total dividend 2025	**14.20p**			

Dividend per share	Rate	xd date	Record date	Payment date
Final dividend 2024	4.15p	2 May 2024	3 May 2024	31 May 2024
Third interim dividend 2024	3.20p	1 February 2024	2 February 2024	29 February 2024
Second interim dividend 2024	3.20p	2 November 2023	3 November 2023	24 November 2023
First interim dividend 2024	3.20p	3 August 2023	4 August 2023	25 August 2023
Total dividend 2024	13.75p			

Investment Manager's Review

Introduction

The UK market rose strongly in the year to 31 January 2025. The Company's net asset value ("NAV") total return for the year of 9.0% compared to a total return of 17.1% from the benchmark, the FTSE All-Share Index. The UK equity market ended the year at an all-time high, driven by performance of the largest UK companies in the market. The market was supported by declining inflation and the Bank of England's ("BoE") first interest rate cuts in four years. Concurrently, global markets advanced, bolstered by favourable economic trends, the resilience of the US economy, an artificial intelligence ("AI") investment cycle, and monetary policy easing by central banks. The UK economy is anticipated to have achieved modest GDP growth in 2024, and the Office for Budget Responsibility revised down its growth forecasts for 2025. At the same time, rises in tax and spending announced in the new Labour government's autumn Budget damaged investor and business confidence, and threatened to lead to a slower pace of interest rate cuts in 2025.

"The UK market rose strongly in the year to 31 January 2025. The Company's NAV total return for the year was 9.0%."

Although it is disappointing that the Company's performance did not keep pace with the strong market performance, this outcome is consistent with our defensive and quality-focused investment strategy. Our emphasis on high-quality companies and investments that can deliver both income and capital growth, while adhering to the Company's sustainable and responsible investing principles, remains unchanged.

The Company offers a distinctive approach within the UK Equity Income Investment Trust sector, designed to generate superior long-term returns. The high conviction portfolio, at the year end comprising 33 holdings with a strong focus on quality, is highly differentiated from other UK Equity Income investment trusts. The Company maintains a differentiated positioning relative to its peers and benchmark, with an overweight allocation to the UK mid and small cap companies (at 21% of NAV) and an allocation to European companies (at 22%). Notably, the Company remains the only equity income investment trust with a formal sustainability approach. This year, the Company updated its policy and consumer facing documentation to meet the UK Sustainable Disclosure Regulations, recognising the sustainability characteristics of the portfolio.

Performance

While the absolute NAV total return of the Company in the year was a robust 9.0% , this represented an underperformance of 8.1% against the benchmark index. There were three main drivers of this. First, our positioning in the Financials sector to which around half of the underperformance can be attributed. Secondly the Company's stylistic focus on high-quality companies and its overweight exposure to more domestically orientated mid and small caps. Thirdly, a small number of companies that experienced more challenging trading conditions during the year.

With regards to the Financials sector, the Company has historically run a large underweight position in the banking sector, given our focus on high quality businesses and that sector's significant economic sensitivity, exposure to political and regulatory oversight, earnings heavily linked to the unpredictable interest rate cycle, and variability in shareholder distributions, with a poor long-term track record of maintaining and growing dividends. Over the past few years, we have seen a more supportive environment for banks with a recovery from Covid lows, rising interest rates supporting net interest income growth, low levels of provisions and a more settled regulatory environment which, alongside modest valuations, has driven strong share price returns. Choosing not to own the likes of HSBC, Standard Chartered, Lloyds, Barclays and, for much of the year, **NatWest** has proven to be a missed opportunity and accounted for most of the headwind from the sector.

Within financials we have tended to focus instead on high yielding stocks where we have greater confidence in the maintenance and growth of dividends or on lower yielding businesses where we see long-term structural growth opportunities. That has led us to hold **M&G** and **Chesnara** where we have high confidence in the maintenance of very generous yields and steady longer-term growth. While both companies have their complexities, their business models are subject to significantly less variability than traditional banks and this is evidenced by neither company having cut its dividend during its life as a listed business. Alongside this, we hold positions in lower yielding but faster growing companies such as **Intermediate Capital**, **Hiscox** and **London Stock Exchange** where we see very attractive return potential for private markets, specialist insurance and financial data and services respectively. Over the long-term, those companies have performed very well and demonstrated the ability to grow shareholder distributions at attractive rates of return.

Alongside the lack of exposure to banks, one other holding that has proven more challenging within the Financials sector has been Asian-focussed life assurer and asset manager **Prudential**. A combination of regulatory changes in a number of its end markets, weaker economic performance and some internal missteps have seen its rate of growth decline. It has also suffered from association with large exposures to Hong Kong and China where it has been treated as a proxy for those expressing caution on those end markets. Prudential, however, remains exposed to end markets with very low levels of insurance penetration, large unmet need for personal provision in the absence of state support, strong market share positions and helpful demographic trends. While timing is never certain, we do see substantial potential upside for those prepared to be patient.

"Although it is disappointing that the Company's performance did not keep pace with the strong market performance, this outcome is consistent with our defensive and quality-focused investment strategy."

The second element that held back performance during the year was our stylistic focus on high-quality companies and overweighting the mid-cap part of the market. This was very much a year where companies with low starting valuations were in vogue, materially outperforming those with strong quality characteristics. The Company's overweight position to UK mid and small cap companies detracted, with the FTSE 100 Index outperforming the mid cap focused FTSE 250 Index by 5.2% over the year, with domestically exposed companies particularly overlooked in the second half of the year as concerns grew over the state of UK economy and capital focussed on the larger part of the market. We believe strongly that over, the long-term, an emphasis on high quality companies will deliver good returns for the Company with both greater resilience and faster rates of earnings and dividend growth. Likewise, we continue to see numerous compelling opportunities to invest in UK mid cap companies, where our research capabilities can give us an edge in what are often overlooked corners of the market - we consider that the portfolio has a number of stocks with substantial potential upside.

Finally, there were a small number of companies that detracted from performance in the year. **Edenred,** a global services and payments business, faced several headwinds, including regulatory changes in Italy, declining Eurozone interest rates and slower revenue growth as inflation benefits wane. However, despite this, Edenred delivered solid results in 2024, has successfully navigated similar regulatory pressures in other markets and continues to deliver strong profit and dividend growth, leveraging its valuable proposition and extensive portfolio reach. Now trading at a very modest valuation, we expect trading to steadily improve through the year and for the company to rebuild confidence with investors. As was the case to a degree last year, niche lender Close Brothers continued to struggle in the face of regulatory pressures on its car finance business and the potential costs of compensation and remediation. We had maintained the holding, looking for a potential recovery, but the prospects of a rapid resolution to the regulatory overhang receded and the negative impact on the underlying business continued to develop, leading us to exit the holding in the second half of the year. Not holding aerospace engineer Rolls Royce also proved to be a drag as the company delivered cash generation ahead of expectations driven by a robust civil aerospace cycle and recovered from a number of years of tough market conditions and self-inflicted challenges. Our primary rationale for not holding stems from a lack of dividend, with the company not having paid a distribution since 2020.

While our focus is quite rightly on what has been challenging during the year. It is important to emphasise that the headwinds to performance primarily stemmed from companies we didn't own, during a year where the market return of 17% was relatively high in a historic context. Encouragingly, we saw a number of the holdings deliver strong returns in the year. Notably **Morgan Sindall** published consistently excellent results, as customers looked to upgrade office space. This substantial profit growth and strong market position led to a significant increase in dividend payouts and consequently the share price. **Games Workshop**, a leading hobbyist retailer, demonstrated resilience in the face of cautious consumer spending, which has challenged many consumer facing businesses. The company's strategic partnership with Amazon, finalised in December, will adapt the Warhammer universe into films and television series, promising profitable growth opportunities in the coming years and, alongside the digitalisation of its brand, there remains a long runway of future growth potential. It has

Investment Manager’s Review

Continued

also significantly increased its dividend payments back to investors. As previously mentioned, **Intermediate Capital Group** benefitted from strong fund raising and continued appetite for private market assets, while **London Stock Exchange** continued to deliver solid growth and increasingly demonstrate the value it has been able to extract from the Refinitiv acquisition.

Revenue Account

We are pleased with the Company’s income progression in the year, with the final outcome of 13.82p representing a 2.1% year on year increase, in line with our expectations at the start of the year and broadly matching the level of dividends being distributed by the wider market which, according to Computershare, increased in 2024 by 2.3% on a headline basis and declined 0.4% on an underlying basis (adjusting for foreign exchange movements and special dividends).

“We are pleased with the Company’s income progression in the year, with the final outcome of 13.82p representing a 2.1% year on year increase.”

We benefitted from special distributions paid by **Volvo** and **Softcat**, and generally dividends were in line with or ahead of our expectations, reflecting the solid operational performance of the Company’s holdings during the period The one significant dividend cut came from **Close Brothers**, but this was already reflected in our expectations for the year. We continued to generate income from option writing, which represented 10.6% of total income for the year (2024: 9.0%).

While the actual level of investment income declined during the year (see note 3 to the financial statements on page 93), this needs to be seen in the context of funding the ongoing share buyback programme which reduced the share count by nearly 8%. Looking at resulting earnings per share performance takes into account both of these elements and we believe is the best way to judge overall income performance.

Portfolio Activity

We introduced several new companies to the portfolio over the year. This included **Genuit,** a leading manufacturer of piping solutions for water, climate, and ventilation management. Genuit's strong focus on sustainability positions it well for long-term structural growth and potential margin expansion, despite its cyclical nature. **Convatec,** specialises in advanced wound care, ostomy care, continence care, and infusion care. The company benefits from favourable demographic trends, including an aging population and an increasing incidence of chronic conditions. We believe it has the potential to accelerate revenues given its focus on product innovation, and enhance its operating margins – something that is not yet reflected in its valuation. We invested in **Azelis,** a Belgian-listed specialty chemical distributor with a significant presence in the life sciences sector. Azelis operates a capital-light business model and boasts a network of application laboratories that provide technical guidance on product development, supporting its long-term growth prospects. We also acquired a stake in **Gaztransport & Technigaz (GTT),** a French-listed industrial engineering design firm renowned for its membrane designs used in LNG carrier ships. GTT's product leadership allows for premium pricing and positions it for growth alongside the expanding global LNG fleet. The company has a net cash balance sheet, generates high cash conversion rates, and returns excess liquidity to investors, positioning it well to provide an attractive and growing dividend stream. Lastly, we introduced **NatWest,** the UK retail bank, to better balance our Financials exposure, having sold **Nordea** earlier in the year, and to help support the higher income element of the portfolio. NatWest is a relatively simple banking operation, generates robust returns, has an improving revenue outlook, and offers a well above-market dividend yield, supported by a strong balance sheet, which gives us greater confidence in its long-term sustainability.

In line with our strategy to focus on best ideas and maintain a concentrated portfolio, we exited several holdings. **Nordea** was sold following the payment of a special dividend, as we anticipated a weaker interest rate outlook in Europe. **Croda,** a specialty chemical business, was divested due to disappointing results that eroded our confidence in its competitive strengths. We also exited **Moonpig** and **Marshalls** after strong share price recoveries, as market confidence in their growth prospects rebounded post-Covid. **Pets at Home** was also sold as we focused the portfolio on higher quality companies, reflecting some of the inherent challenges faced by pure domestic retail franchises amidst substantial cost inflation and subdued consumer demand. Finally, we exited **Close Brothers** following a challenging year marked by uncertainty related to potential financial redress owning to regulatory investigation into historic discretionary commission payments in the motor finance loan book.

We took profits from stronger performers whose valuations approached fair value and reinvested in companies that had lagged but retained compelling investment cases. For example, we took profits in **Intermediate Capital Group, London Stock Exchange, Games Workshop** and **Morgan Sindall.** We took advantage of periods of share price weakness in the year to top up **Genus, Convatec, Mercedes Benz, National Grid, Edenred, Sirius Real Estate** and **Novo-Nordisk**.

Outlook

Sentiment towards UK and European equity markets has been influenced by a complex interplay of factors, from weaker Chinese growth, geopolitical tensions, inflation concerns, and the threat of tariffs from the United States. Meanwhile, the UK economy is experiencing anaemic growth, with the government seeking to stimulate activity within fiscal constraints. Despite robust household cash flows and record savings rates, UK consumer confidence remains low, echoing trends in business surveys. The outlook is uncertain, with risks stemming from trade tensions, moderating global growth, the efficiency of AI-related capital expenditures and valuations. However, this complex environment, combined with stabilising real interest rates, should present a favourable backdrop for stock pickers. We continue to believe that UK equity income offers attractive characteristics for shareholders, including potential for real growth in dividends and good rates of capital growth.

"We remain convinced that high-quality, sustainable businesses with resilient income streams give the Company the potential to perform over the long term."

Despite these challenges, the UK market performed strongly over the last year, driven by positive economic surprises, Sterling weakness, and low starting valuations. Despite recent performance, the UK and European markets, as well as the holdings in the portfolio, trade on valuations that reflect subdued expectations that could be exceeded again. Mergers and acquisitions remain a prominent feature, with numerous UK businesses being approached by private equity and strategic buyers, with health care real estate company **Assura** receiving an approach from private equity after the year end. The balance sheets of UK corporates are healthy, with many UK listed companies actively engaging in share buybacks and increasing dividends.

Since the year end, President Trump's implementation of sweeping tariffs, even though somewhat amended, has caused significant financial market turbulence. While acknowledging the risks, we maintain an optimistic outlook for the portfolio. Our investment style and positioning have faced headwinds this year, but we remain convinced that high-quality, sustainable businesses with resilient income streams give the Company the potential to perform over the long term, particularly so in a more challenging global economic environment. We continue to see compelling investment opportunities across all sizes of UK companies and are utilising gearing and overseas allocation to enhance portfolio diversification and return potential. Our focus remains on balancing protecting downside risks to capital while participating in opportunities for upside potential.

Ben Ritchie and Rebecca Maclean,
Aberdeen
14 April 2025

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 and Responsible Investment Equity Approach are included on pages 36 to 40.

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 Returns**
   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.

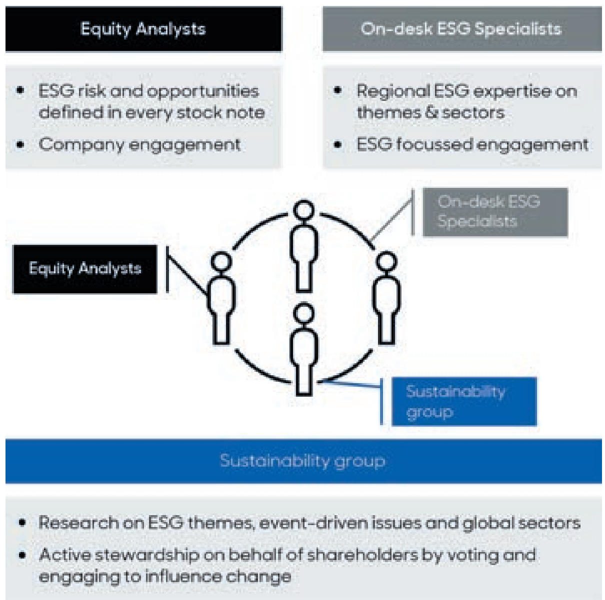
A Highly Selective Strategy

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 and Responsible Investment Equity Approach

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 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. To deliver this, the Sustainable and Responsible Investment Equity Approach utilises negative exclusions, qualitative analytical assessment, proprietary quantitative tools and ongoing corporate engagement and a voting policy.

Positive Allocation

The Investment Manager will classify the sustainability characteristics of investments as Sustainable Leaders, Solutions Providers and Transition companies:

(a) Leaders are companies with the best-in-class ESG credentials and demonstrate ESG leadership.

(b) Solutions Providers have products and services which address global environmental and societal challenges.

(c) Transition companies are typically companies with average standards of governance, ESG management practices and disclosure with potential for change over time.

The Investment Manager uses qualitative analytical assessment, proprietary quantitative tools and ongoing corporate engagement to assess the sustainability characteristics of companies.

ESG House Score

Using its proprietary ESG House Score, the Investment Manager seeks to focus investments in companies with good governance practices and sustainable operations.

The ESG House Score is an analytical tool developed by the Investment Manager's Investments Sustainability Group in collaboration with the Quantitative Investment Team. The score (1-100) is calculated by combining a variety of data inputs within a proprietary framework, combining its underlying Governance and Operational scores:

- The operational score assesses how well companies address their adverse environmental impacts and promote societal welfare.
- The governance score assesses the corporate governance structure and the quality and behaviour of an investee company's leadership and management.

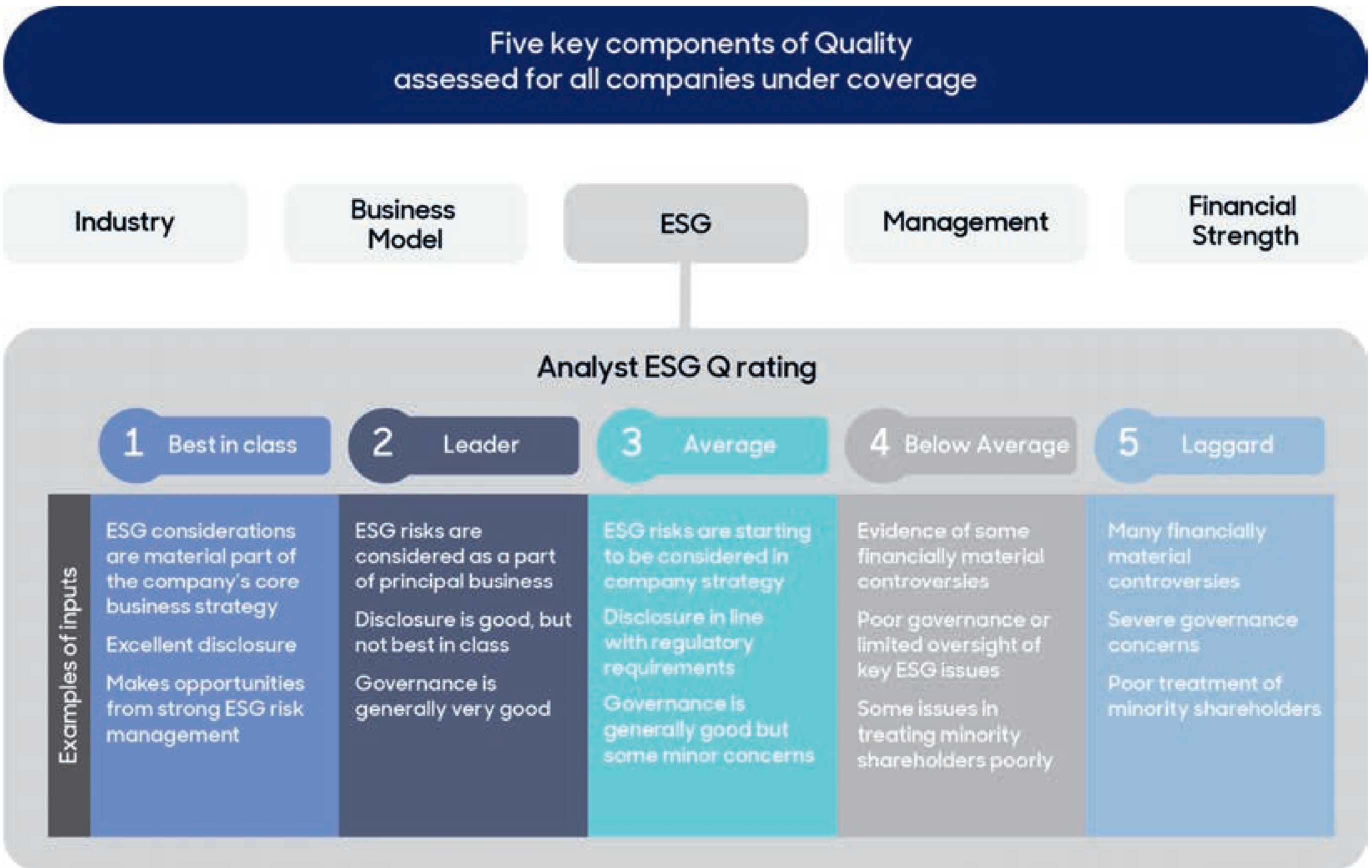
Sustainable and Responsible Investment Equity Approach

Continued

ESG Q Score

Within the Investment Manager's equity investment process, every company it invests in is given a proprietary overall Quality rating and a component of this is the ESG Quality rating. The Investment Manager analyses the foundations of each business to ensure proper context for its investments. This includes assessment of a company's business model, the industry it operates in and its financial strength. The Investment Manager will consider the quality of a company's management team and analyse ESG opportunities and risks impacting the business and appraise how well these are managed. The Investment Manager assigns a proprietary rating (1 indicates best in class and 5 indicates laggard) to articulate the quality attributes of each company. Inputs that inform the ESG Q Score include qualitative and quantitative assessment of the key ESG factors facing a company, the MSCI score, the Investment Manager's ESG House Score and ongoing engagement.

Companies eligible for inclusion in the Company's portfolio must have an ESG Quality rating of 3 or better.



Revenue Alignment

To identify Solution companies, the Investment Manager will assess the revenues or investments derived from a company's products or services that contribute to the UN Sustainable Development Goals ("SDGs").

Engagement

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. Transition companies typically have ESG potential that is being overlooked by the market and the Investment Manager supports these companies through active engagement. 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.

Negative Exclusions

The Company will not invest in companies with an ESG House Score in the bottom 10% of the investment universe.

The Company will not invest in companies that are deemed below average on the quality of their management of ESG risks, as measured by the Investment Managers' ESG Quality Score.

In addition, the Investment Manager applies the following exclusions to the portfolio and will not invest in:

- companies that have failed to uphold one or more principles of the UN Global Compact or that are state owned enterprises in countries subject to international sanctions that materially violate universal basic principles;
- companies that derive a revenue contribution of 10% or more from tobacco or are tobacco manufacturers;
- controversial weapons including cluster munitions, anti-personnel landmines, nuclear weapons, chemical and biological weapons, depleted uranium ammunition and blinding lasers;
- companies that have a revenue contribution of 10% or more from the manufacture or sale of conventional weapons or weapons support systems;
- companies that have any revenue contribution from thermal coal extraction;
- companies that have any revenue contribution of 10% or more from unconventional oil and gas or are investing in new unconventional extraction capacity in their own operations;
- companies that are primarily involved in conventional oil and gas extraction and do not have significant revenue contribution from natural gas or renewable alternatives;
- companies that have a revenue contribution of 10% or more from electricity generation with a carbon emissions intensity inconsistent with the Paris Agreement, 2 degrees scenario; and
- companies that are directly investing in new thermal coal or nuclear electricity generation capacity in their own operations.

Stewardship and Engagement

Engagement with investee companies on ESG risks and opportunities is a fundamental part of the Investment Manager's investment process and stewardship activities. The discussions cover a wide range of topics, including, but not limited to: strategic, operational, ESG issues and considering the long-term drivers of value. It is a process through which the Investment Manager can discuss how an investee company identifies, prioritises and mitigates its key risks and optimises outcomes from its most significant opportunities. It also provides the opportunity for the Investment Manager to discuss any areas of concern, share best practice and drive positive change within the business. The Investment Manager believes that effective engagement presents a significant opportunity to add shareholder value over time.

The engagement process is based on four types of engagements:

- Review: part of ongoing due diligence and frequent interactions led by the analyst responsible for oversight of the investment.
- Respond: reacting to an event that may impact a single investment or a selection of similar investments.
- Enhance: designed to seek change that, in the Investment Manager's view, would enhance the value of the investment.
- Thematic: resulting from focus on a particular ESG theme, such as climate change, diversity and inclusion or modern slavery.

Engagement efforts will be tracked in order to assess engagement progress against milestones. To do this the Investment Manager has defined the following 'lifecycle' steps for engagements:

- Identify: identify specific concerns or issues to be raised with those investee companies.
- Acknowledge: the concern is acknowledged by those investee companies.
- Plan: there is a credible plan to address our concerns.
- Execute: the plan is being executed to address concerns.
- Close: the plan has been successfully executed and concerns have been addressed.

Sustainable and Responsible Investment Equity Approach

Continued

Proxy Voting

Proxy voting is an integral part of an active stewardship approach, and the Investment Manager seeks to exercise voting rights in a manner in line with best interests of shareholders. The Investment Manager believes that voting is a vital mechanism for holding boards and management teams to account and is an important tool for escalation and shareholder action. Vote instructions are decided by analysts in regional and ESG investment teams. The Investment Manager subscribes to proxy research providers IVIS and ISS and uses their research to support proprietary analysis rather than automatically following recommendations of any third party. The Investment Manager's decisions will reflect its knowledge of companies, and insights gained through engagement. The involvement of portfolio managers in voting decisions allows the Investment Manager to ensure proxy voting remains an integral part of the investment process.

Divestment Approach

Divestment from companies is required if:

- they breach any of the negative screens;
- they have an Aberdeen ESG Quality rating of 4 or 5; or
- they have an Aberdeen ESG House Score in the bottom 10% of the investment universe.

Should the review of a security result in it being deemed non-compliant, the intention would be to exit as soon as is practicably possible, but generally never longer than three months, allowing for market conditions.

Portfolio Carbon Commitment

The Company also commits to having a carbon intensity (Scope 1 & 2) of less than 80% of the FTSE All-Share Index, which constrains investment in high carbon emitting companies.

Sustainable and Responsible Investing Outcomes

This section of the Annual Report highlights some of the sustainable and responsible investment outcomes within the portfolio.

Positive Allocation

The Investment Manager classifies the sustainability characteristics of investments as Sustainable Leaders, Solutions Providers and Transition companies:

(a) Leaders are companies with the best-in-class ESG credentials and demonstrate ESG leadership.

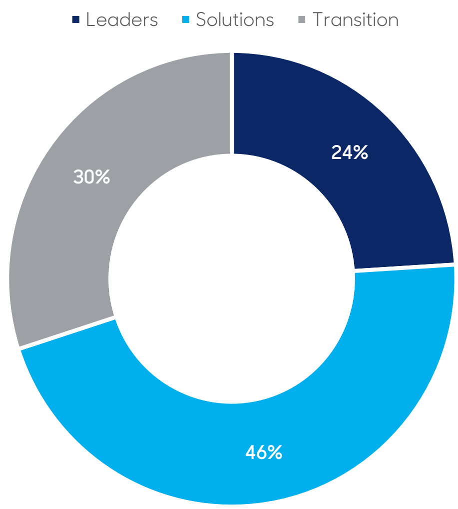
(b) Solutions Providers have products and services which address global environmental and societal challenges.

(c) Transition companies are typically companies with average standards of governance, ESG management practices and disclosure with potential for change over time.

The Investment Manager uses qualitative analytical assessment, proprietary quantitative tools and ongoing corporate engagement to assess the sustainability characteristics of companies.

The majority of the Company's portfolio is invested into Leaders and Solutions Providers.

Split of Sustainable Leaders, Solutions Providers and Transition Companies



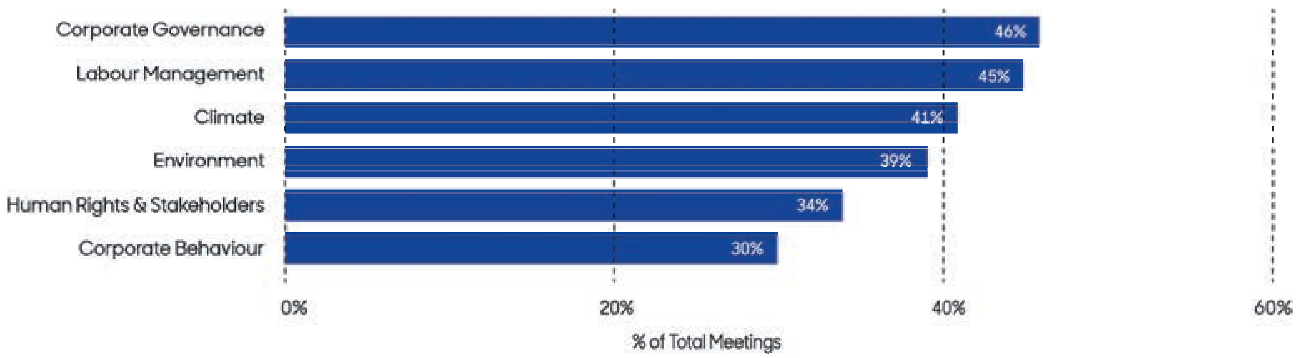
Sustainable and Responsible Investing Outcomes

Continued

Engagement

During the year ended 31 January 2025, the Investment Manager held 76 separate meetings with portfolio companies where ESG topics were raised. Seven of these were dedicated priority engagement meetings, addressing areas of material improvement. By topic, Corporate Governance and Labour Management were the areas most discussed.

% of Meetings where Topic Discussed



Engagement Case Studies

Unilever (Leader)

Unilever has faced significant sustainability challenges, including increased regulation on deforestation, human rights, and plastics usage, as well as disruptions to natural raw material sourcing due to climate change. This year, Unilever revised its sustainability targets, prompting both criticism and reflection on its sustainability leadership. The Investment Manager has engaged with Unilever alongside other UK Consumer Staples peers to better understand its approach to sustainability and the ESG risks and opportunities facing the sector.

Unilever's decision to scale back several ambitious targets was made to focus resources on the most impactful sustainability priorities. The company reduced its goal to reduce virgin plastics usage from 50% by 2025 to a 30% reduction by 2026. The company has also dropped pledges related to food sourcing, food waste and spending on diverse businesses. This strategic shift aims to accelerate delivery with greater impact by integrating sustainability into business performance.

Despite criticism, Unilever remains committed to ambitious climate goals, including a net-zero emissions target across its value chain by 2039. The company's updated Climate Transition Action Plan outlines specific strategies to reduce emissions, such as a 42% absolute reduction in Scope 3 energy and industrial greenhouse gas emissions by 2030. Unilever's efforts to enhance supply chain resilience and advocate for systemic change through policy engagement are crucial components of its sustainability leadership.

Overall, the Investment Manager's engagement with Unilever and its peers highlighted the potential financial costs associated with new regulatory and societal demands. The insights gained from these discussions underscore how companies in the sector are exposed to different critical inputs such as palm oil and water. Unilever, facing some of the greatest risks due to its high dependency on natural raw materials, remains an ambitious player from a sustainability perspective and is committed to its sustainability investments.

Convatec (Solutions)
Convatec, a global medical products and technologies company, specialises in solutions for managing chronic conditions. Its product portfolio which includes Advanced Wound Care, Ostomy Care, Continence Care, and Infusion Care, support quality healthcare for patients worldwide. Advanced Wound Care (accounting for 32% of sales) provides dressings for acute and chronic wounds; Ostomy Care (28% of sales) offers devices and services for patients with bowel and bladder cancer, as well as Crohn's disease; Continence Care (22% of sales) supports people with urinary continence issues; and Infusion Care (18% of sales), supplies infusion sets for diabetes and Parkinson's disease management.

The Investment Manager assessed Convatec's ESG progress and met with the company to discuss the key themes this year. Its engagement highlighted improvements in customer complaints, staff turnover, environmental metrics, and safety performance over recent years. These advancements reflect Convatec's commitment to enhancing operational and sustainability practices and align to its turnaround progress. The company acknowledges areas for improvement, particularly in product quality and R&D processes. Despite these challenges, Convatec remains committed to innovation and improving patient outcomes, as evidenced by its recent clinical study results for ConvaNiox for treating hard to heal wounds.

The company's products are designed to address the complex needs of chronic care patients, enhancing their quality of life. As Convatec continues to evolve, the Investment Manager will monitor its progress in addressing ESG challenges and maintaining its position as a leader in the medical technologies sector.

Proxy Voting
The table below provides a summary of poxy voting undertaken during the year by the Investment Manager in relation to the portfolio holdings.

Metric	Value
Number of meetings held	36
Number of meetings with at least one vote against management	8
Percentage of meetings with at least one vote against management	22.2%
Total number of voteable proposals	754
Number of votes against management	17
Votes against management as a percentage of voteable proposals	2.2%
Number of votes against ISS Policy	19
Votes against ISS Policy as a percentage of voteable proposals	2.5%
Number of votes against policy	13
Votes against policy as a percentage of voteable proposals	1.7%

The Investment Manager voted against management recommendations in 22.2% of the general meetings held by portfolio companies during the year, which it thinks is the most useful metric for measuring the level of its constructive engagement. It is important to bear in mind that the Investment Manager typically begins from a position of support for the select group of companies it invests in.

There is an extensive ongoing programme which allows the Investment Manager to actively engage with investee companies throughout the year beyond the voting season.

Sustainable and Responsible Investing Outcomes

Continued

Carbon Intensity

The Company commits to having a carbon intensity (Scope 1 & 2) of less than 80% of the FTSE All-Share Index, which constrains investment in high carbon emitting companies.

Carbon intensity reflects carbon emissions relative to a specific activity. For company carbon footprinting, the carbon intensity reflects the CO2e emissions divided by revenue in million US$. For countries, the standard intensity metric is the ratio of greenhouse gas emissions produced to gross domestic product. Carbon emissions is used as a generic term for the main greenhouse gas ("GHG") emissions (carbon dioxide, methane, nitrous oxide, F-gases).

Weighted Average Carbon Intensity (WACI)

In tonnes of CO2e / million USD revenue

	Scope 1 & 2	Scope 1	Scope 2	Scope 3 Upstream	Scope 3 Downstream
Portfolio	43.14	30.39	12.75	143.68	887.82
Benchmark	84.08	61.64	22.44	162.61	1,350.27
Relative carbon intensity %	51.31	49.30	56.82	88.36	65.75

Total Emissions

(In tonnes of CO2e)

	Scope 1 & 2	Scope 1	Scope 2	Scope 3 Upstream	Scope 3 Downstream
Portfolio	19,935	16,058	3,877	56,664	364,689
Benchmark	53,748	43,475	10,273	83,573	614,364
Relative carbon intensity %	37.09	36.94	37.74	67.80	59.36

Source: Trucost

The Company's portfolio therefore currently has a Carbon Intensity on Scope 1 and 2 emissions of 51% of the benchmark. On a total emissions basis, the portfolio sits at 37% of the benchmark on Scope 1 and 2 emissions.

Carbon Emissions – Scope 1

Greenhouse gas emissions generated from burning fossil fuels and production processes which are owned or controlled by a company.

Carbon Emissions – Scope 2

Greenhouse gas emissions generated from the consumption of purchased electricity, heat or steam by a company.

Carbon Emissions – Scope 3

Other upstream and downstream indirect greenhouse gas emissions such as the extraction and production of purchased materials and fuels, transport-related activities in vehicles not owned or controlled by a reporting entity, and electricity related activities (egT&D losses) not covered in Scope 2.

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 £511 billion as at 31 December 2024, managed for a range of clients including 14 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 certified 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.

Portfolio

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.

4.0% of the Company's total assets are invested in the Beverages sub-sector (2024: 4.6%).

Ten Largest Investments

As at 31 January 2025

Unilever (Leader)
Unilever is a global consumer goods company, with particularly strong market positions in emerging markets and operating in a number of product areas including Beauty, Personal Care, Home Care and Nutrition.

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

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

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.

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.

Diageo (Leader)
Diageo is a global leader in spirits and liquers with a portfolio of world-renowned brands.

Chesnara (Transition)
Chesnara is an owner and manager of primarily closed books of life assurance assets in the UK, Sweden and Holland.

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

Sage (Solutions)
Sage is UK-based company, providing cloud business management solutions, supporting small and medium sized businesses globally.

Portfolio

At 31 January 2025

Company	Sector	Valuation 2025 £'000	Total assets %	Valuation 2024 £'000
Unilever	Personal Care, Drug and Grocery Stores	32,470	6.8	28,205
TotalEnergies	Oil, Gas and Coal	29,564	6.2	26,125
National Grid	Gas, Water and Multi-utilities	28,807	6.0	17,956
RELX	Media	25,008	5.2	23,846
London Stock Exchange	Finance and Credit Services	22,874	4.8	23,696
AstraZeneca	Pharmaceuticals and Biotechnology	22,179	4.6	32,517
Diageo	Beverages	19,205	4.0	22,711
Chesnara	Life Insurance	15,599	3.3	15,510
NatWest	Banks	15,361	3.3	–
Sage	Software and Computer Services	14,624	3.1	12,769
Ten largest investments		**225,691**	**47.3**	
Genus	Pharmaceuticals and Biotechnology	13,180	2.8	6,865
Convatec	Medical Equipment and Services	13,086	2.7	–
Prudential	Life Insurance	13,060	2.7	13,015
Games Workshop	Leisure Goods	12,242	2.6	12,196
Assura	Real Estate Investment Trusts	11,880	2.5	10,061
Intermediate Capital	Investment Banking and Brokerage Services	11,595	2.4	16,018
M&G	Investment Banking and Brokerage Services	11,544	2.4	12,402
Volvo	Industrial Transportation	11,375	2.4	11,466
Sirius Real Estate	Real Estate Investment Trusts	11,334	2.4	11,433
Hiscox	Non-life Insurance	10,555	2.2	10,043
Twenty largest investments		**345,542**	**72.4**	
Telecom Plus	Telecommunications Service Providers	10,303	2.2	8,970
Weir Group	Industrial Engineering	10,166	2.1	10,471
Mercedes-Benz	Automobiles & Parts	10,154	2.1	9,893
Edenred	Industrial Support Services	10,136	2.1	10,040
Softcat	Software and Computer Services	9,994	2.1	7,269
Gaztransport & Technigaz	Oil, Gas and Coal	9,913	2.1	–
Genuit	Construction and Materials	9,889	2.1	–
Azelis	Industrial Support Services	9,788	2.1	–
ASML	Technology Hardware and Equipment	9,785	2.0	13,067
Taylor Wimpey	Household Goods and Home Construction	9,607	2.0	15,075
Thirty largest investments		**445,277**	**93.3**	

Portfolio

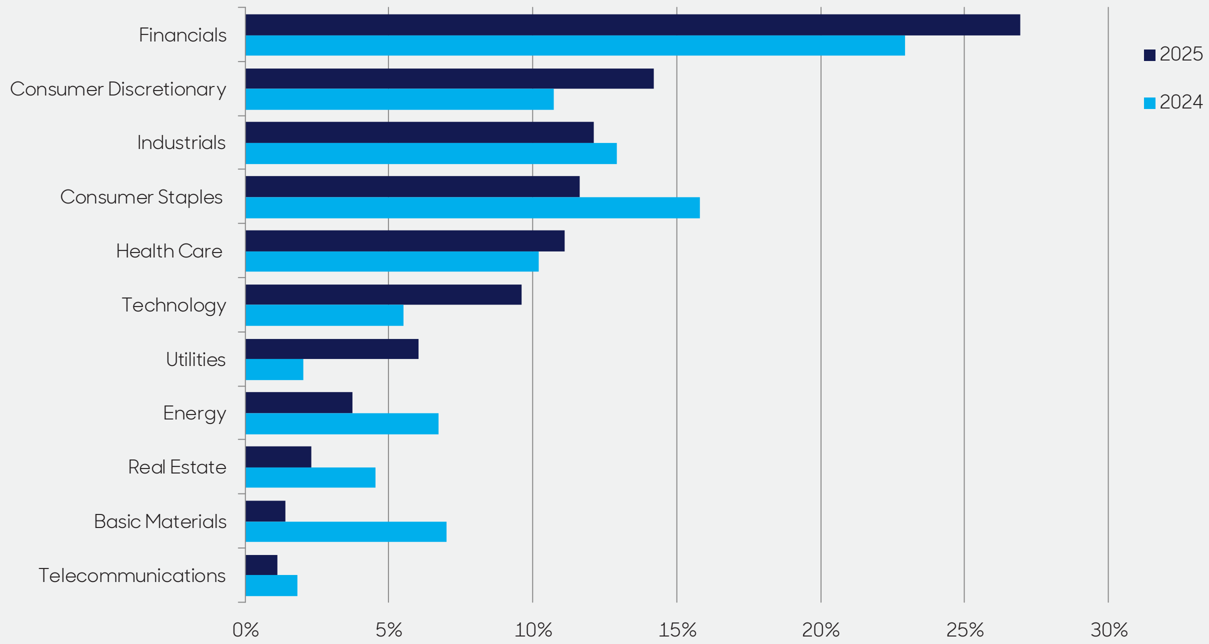
Continued

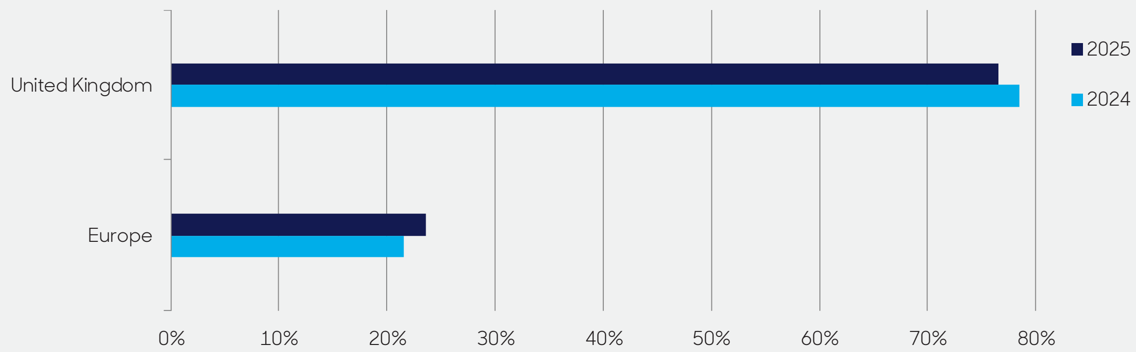
At 31 January 2025

Company	Sector	Valuation 2025 £'000	Total assets %	Valuation 2024 £'000
Morgan Sindall	Construction and Materials	9,541	2.0	11,166
Novo-Nordisk	Pharmaceuticals and Biotechnology	9,126	1.9	9,009
Oxford Instruments	Electronic and Electrical Equipment	8,708	1.9	9,228
Total investments		**472,652**	**99.1**	
Net current assets[A]		**4,535**	**0.9**	
Total assets less current liabilities[A]		**477,187**	**100.0**	

[A] Excluding bank loan falling due within one year of £18,907,000 (2024 – £13,307,000).

Sector and Geographical Breakdown





Sector Analysis

As at 31 January 2025

		FTSE All-Share Index weighting 2025 %	Portfolio weighting 2025 %	Portfolio weighting 2024 %
Energy	Oil, Gas and Coal	9.6	8.3	5.3
		9.6	**8.3**	**5.3**
Basic Materials	Chemicals	0.4	–	–
	Industrial Metals and Mining	5.4	–	1.9
	Precious Metals & Mining	0.2	–	–
		6.0	**–**	**1.9**
Industrials	Aerospace & Defence	4.1	–	–
	Construction and Materials	0.4	4.1	4.1
	Electronic and Electrical Equipment	1.1	1.8	1.9
	General Industrials	1.4		
	Industrial Engineering	0.6	2.1	2.1
	Industrial Support Services	3.3	4.2	2.1
	Industrial Transportation	1.2	2.4	2.3
		12.1	**14.6**	**12.5**
Consumer Discretionary	Automobiles & Parts	0.1	2.1	2.0
	Consumer Services	1.9	–	–
	Household Goods and Home Construction	1.0	2.0	3.1
	Leisure Goods	0.2	2.6	2.5
	Media	4.4	5.2	4.9
	Personal Goods	0.2	–	–
	Retailers	1.5	–	2.9
	Travel & Leisure	2.3	–	–
		11.6	**11.9**	**15.4**
Health Care	Medical Equipment and Services	0.5	2.7	–
	Pharmaceuticals and Biotechnology	10.6	9.3	9.9
		11.1	**12.0**	**9.9**

As at 31 January 2025

		FTSE All-Share Index weighting 2025 %	Portfolio weighting 2025 %	Portfolio weighting 2024 %
Consumer Staples	Beverages	2.4	4.0	4.6
	Food Producers	0.6	–	–
	Personal Care, Drug and Grocery Stores	7.7	6.8	5.8
	Tobacco	3.5	–	–
		14.2	10.8	10.4
Real Estate	Real Estate Investment Trusts	2.3	4.9	4.4
		2.3	**4.9**	**4.4**
Utilities	Electricity	0.9	–	2.8
	Gas, Water and Multi-utilities	2.8	6.0	3.7
		3.7	**6.0**	**6.5**
Financials	Banks	11.8	3.3	3.6
	Closed End Investments	6.0	–	–
	Finance and Credit Services	2.6	4.8	4.8
	Investment Banking and Brokerage Services	3.5	4.8	5.8
	Life Insurance	2.1	6.0	5.8
	Non-life Insurance	0.9	2.2	2.1
		26.9	**21.1**	**22.1**
Technology	Software and Computer Services	1.4	5.2	4.1
	Technology Hardware and Equipment	–	2.1	2.7
		1.4	**7.3**	**6.8**
Telecommunications	Telecommunications Service Providers	1.1	2.2	1.8
		1.1	**2.2**	**1.8**
Total investments		**100.0**	**99.1**	**97.0**
Net current assets before borrowings[A]		**–**	**0.9**	**3.0**
Total assets less current liabilities[A]			**100.0**	**100.0**

[A] Excluding bank loan falling due within one year of £18,907,000 (2024 – £13,307,000).

Investment Case Studies

RELX (Solutions)

RELX is a multinational information and analytics company that provides critical decision-making tools to professional and business customers across various sectors. The company's offerings include risk prediction and fraud detection solutions, scientific information supporting research, legal and regulatory insights for informed legal decisions, and market-leading events.

RELX has successfully transitioned from its print media heritage, with digital products now accounting for 83% of its sales. This shift has been driven by the company's strategic focus on high-growth analytics and AI-driven tools, such as Lexis+ AI, which automates tasks such as drafting and document analysis for legal professionals. The business model benefits from excellent earnings visibility due to subscription contracts and proprietary databases, creating a strong competitive moat. This has resulted in robust and accelerating revenue growth, driven by strong demand for its analytics and decision tools.

Through its Scientific, Technical and Medical segment, RELX plays a crucial role in facilitating scientific progress. Platforms such as ScienceDirect offer access to over 18 million documents, supporting primary research for scientists and researchers. Elsevier, a leading academic publisher within RELX, ensures rigorous peer review processes to maintain the quality of scientific publications. This commitment to academic excellence underscores RELX's position as a key enabler of scientific advancement.

NatWest (Transition)

NatWest is a major UK retail and commercial bank, serving over 19 million customers. The business is generating robust returns, including a 17.5% return on tangible equity in 2024, supported by higher interest rates and low impairment rates in the UK. The business has delivered growth across its three divisions of personal, commercial and private banking. The company is focused on simplification and investing in technology to support customer service and operational efficiency. The combination of an improving outlook, good visibility of returns and strong balance sheet supports an attractive above-market distribution yield.

NatWest has taken significant strides in recent years to enhance its sustainability credentials. These include growing its climate and sustainable funding and financing business, gradual improvements in gender and ethnic diversity in management, and major work on internal culture and investment in training for staff. The company reports detailed analysis of its financed and facilitated emissions, and has ambitious targets to decarbonise its lending portfolio. Furthermore, it is putting in place the foundations, such as sustainable-finance solutions, including green mortgages, to take advantage of opportunities from home energy efficiency investments in the UK, once the policy environment improves.

Editorial credit: Stefan_Sutka / Shutterstock.com

Games Workshop (Transition)

Games Workshop is a prominent designer, manufacturer, and distributor of fantasy miniatures, notably under the Warhammer brand. Despite a challenging consumer environment, the company has delivered resilient growth through its retail stores and online channels. Strong customer loyalty, premium pricing power and a vertically integrated supply chain, have enabled Games Workshop to sustain high gross margins.

The company has granted Amazon exclusive rights to adapt the Warhammer 40,000 universe into films and television series, creating a new and potentially lucrative licensing revenue stream. Games Workshop continues to return surplus cash to shareholders in the form of dividends while maintaining a strong balance sheet and investing organically in the business, offering a compelling and growing income stream.

The Investment Manager views Games Workshop as a transition business and has been monitoring its progress in key areas. For example, it is monitoring packaging and plastics volumes, efforts to enhance the strong human capital base through greater diversity, and levels of disclosures and transparency for investors. These initiatives are crucial for long-term sustainability and growth.

Governance

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

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

David Barron

Independent Non-Executive Chairman

Experience:

David Barron was Head of Investment Trusts at JP Morgan Asset Management until 2013, Chief Executive of Miton Group plc until 2019, and then a non-executive director of Premier Miton Group plc until July 2023. He was also a director of The Association of Investment Companies until 2014. He Chairman of Baillie Gifford European Growth Trust plc and a non-executive director of BlackRock American Income Trust plc and Fidelity Japan Trust plc.

Length of service:

9 years, appointed a Director on 1 February 2016 and Chairman on 23 May 2017

Last re-elected to the Board:

23 May 2024

Committee membership:

Management Engagement Committee and Nomination and Remuneration Committee

Contribution:

The Nomination and Remuneration Committee has reviewed the contribution of David Barron and has concluded that he has continued to Chair the Company expertly, 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 has continued to provide significant investment trust expertise to the Board. Having served as a Director for nine years, David Barron will retire from the Board at the AGM.

Gay Collins

Independent Non-Executive Director

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 is also a non-executive director of the Association of Investment Companies.

Length of service:

3 years, appointed a Director on 1 July 2021

Last re-elected to the Board:

23 May 2024

Committee membership:

Audit Committee, Management Engagement Committee and Nomination and Remuneration Committee

Contribution:

The Nomination and 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.

Jasper Judd

Independent Non-Executive Director and Chairman of the Audit Committee

Experience:

Jasper Judd worked for Brambles Limited, a listed Australian multi-national, where he held a number of senior executive roles including Global Head of Strategy. He is also a non-executive director of Brown Advisory US Smaller Companies plc and Schroder Asian Total Return Investment Company plc. He is a Chartered Accountant.

Length of service:

9 years, appointed a Director on 1 February 2016

Last re-elected to the Board:

23 May 2024

Committee membership:

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

Contribution:

The Nomination and Remuneration Committee has reviewed the contribution of Jasper Judd and has concluded that he has continued to chair the Audit Committee expertly through the year and provide financial and business insight to the Board and knowledge of the investment trust sector. Having served as a Director for nine years, Jasper Judd will retire from the Board at the AGM.

Christine Montgomery

Independent Non-Executive Director and Chairman of 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:

5 years, appointed a Director on 1 February 2020

Last re-elected to the Board:

23 May 2024

Committee membership:

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

Contribution:

The Nomination and 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

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 a Board Advisor to Tumelo and a director and Chairman of the Audit Committee of JPMorgan European Discovery Trust plc. 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:

Appointed a Director on 1 February 2025.

Last re-elected to the Board:

n/a – will stand for election at the AGM on 22 May 2025

Committee membership:

Audit Committee, Management Engagement Committee and Nomination and Remuneration Committee

Howard Williams

Senior Independent Non-Executive Director and Chairman of the Nomination and Remuneration Committee

Experience:

Howard Williams has over 35 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:

7 years, appointed a Director on 1 April 2018 and Senior Independent Director on 16 July 2020

Last re-elected to the Board:

23 May 2024

Committee membership:

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

Contribution:

The Nomination and Remuneration Committee has reviewed the contribution of Howard Williams in light of his proposed re-election at the AGM and has concluded that he continues to provide significant investment insight to the Board and knowledge of the investment management sector.

Directors' Report

The Directors present their report and the audited financial statements for the year ended 31 January 2025.

Results and Dividends

The financial statements for the year ended 31 January 2025 are contained on pages 87 to 111. First, second and third interim dividends, each of 3.20p per Ordinary share, were paid on 30 August 2024, 29 November 2024 and 28 February 2025 respectively. The Directors recommend a final dividend of 4.60p per Ordinary share, payable on 30 May 2025 to shareholders on the register on 2 May 2025. The ex-dividend date is 1 May 2025. 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 2025 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 £20,000 (2024: £19,000) to the abrdn Charitable Foundation, which directs funding to charities around the world.

The abrdn Charitable Foundation 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 2025 consisted of 134,949,033 Ordinary shares of 25p and 18,728,902 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.

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 2025.

Shareholder	Number of shares held	% held
Interactive Investor	33,310,409	24.7
Hargreaves Lansdown	16,767,409	12.4
AJ Bell	6,531,239	4.8
1607 Capital Partners	6,164,502	4.6
EFG Harris Allday	5,868,678	4.3
HSDL Stockbrokers	4,841,838	3.6
WM Thomson	4,747,208	3.5
Charles Stanley	4,582,393	3.4
Canaccord Genuity Wealth Management	4,180,790	3.1

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

Directors

Throughout the year, the Board comprised five non-executive Directors, each of whom is considered by the Board to be independent of the Company and the Manager. David Barron is the Chairman and Howard Williams is the Senior Independent Director.

Arun Kumar Sarwal was appointed as an independent non-executive Director on 1 February 2025 and will stand for election at the Annual General Meeting.

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, Howard Williams and Christine Montgomery will retire at the Annual General Meeting and, being eligible, offer themselves for re-election. Having served as Directors for nine years, David Barron and Jasper Judd will not seek re-election and will retire from the Board at the conclusion of the Annual General Meeting.

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 58 to 60, 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 2025 as follows (with their eligibility to attend the relevant meetings in brackets):

	Board Meetings	Audit Committee Meetings	Management Engagement Committee Meetings	Nomination and Remuneration Committee Meetings
David Barron	5 (5)	- (-)[A]	1 (1)	1 (1)
Gay Collins	5 (5)	2 (2)	1 (1)	1 (1)
Jasper Judd	5 (5)	2 (2)	1 (1)	1 (1)
Christine Montgomery	5 (5)	2 (2)	1 (1)	1 (1)
Howard Williams	5 (5)	2 (2)	1 (1)	1 (1)

[A] David Barron is not a member of the Audit Committee but attends by invitation. He attended all Audit Committee meetings during the year.

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 2025

	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	3	60%	n/a (note 3)	n/a (note 3)	n/a (note 3)
Women	2	40% (note 1)			
Not specified/prefer not to say	-	-			

Table for reporting on ethnic background as at 31 January 2025

	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)	5	100%	n/a (note 3)	n/a (note 3)	n/a (note 3)
Minority ethnic	-	- (note 2)			
Not specified/prefer not to say	-	-			

Notes:

1. Meets target that at least 40% of Directors are women as set out in LR 6.6.6R (9)(a)(i).
2. Does not meet target that at least one Director is from a minority ethnic background as set out in LR 6.6.6R (9)(a)(iii) (see paragraph below).
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 Company considers that the roles of Chairman of the Board, Senior Independent Director and Chairs of the Audit 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) .

As shown in the above table, as at 31 January 2025 the Company did not meet the target set out in LR 6.6.6R (9)(a)(iii) that at least one Director is from a minority ethnic background. Since the year end, Mr Arun Kumar Sarwal, who identifies as a minority ethnic individual (Asian/Asian British), has been appointed as a Director and this target has now been met.

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 and 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 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 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 40).

These provisions are not repeated in the AIC Code and the Board therefore 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 FRC's updates to the UK Corporate Governance Code, and the corresponding updates to the AIC Code, some of which will apply to the Company's financial year beginning on 1 February 2025. It is the Board's intention that the Company will comply with all relevant provisions of the new codes.

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 Committee

The Audit Committee's Report is contained on pages 73 to 75.

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.

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.

Directors' Report

Continued

Nomination and Remuneration Committee

The Nomination and Remuneration Committee consists of all the Directors. The Committee is chaired by Howard Williams 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 70 to 72.

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 and 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.

In relation to the appointment of Arun Kumar Sarwal as a Director on 1 February 2025, 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 78 and 83.

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 InterContinental Edinburgh, The George, 19-21 George Street, Edinburgh EH2 2PB at 12 noon on Thursday 22 May 2025.

The Notice of the Meeting is included on pages 124 to 129. Resolutions including the following business will be proposed:

Allotment of Shares

Resolution 10 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 £10,815,749 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 2026, 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 10 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 11 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 5% 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 £1,622,524 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 2026, 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 11 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 12 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 19.5 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 2026, 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 48,708 Ordinary shares, representing 0.04% 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
14 April 2025

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 79 to 86.

The Director's Remuneration Policy and level of Directors' remuneration are determined by the Nomination and Remuneration Committee, which is chaired by Howard Williams 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-imbursement 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.

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 2026.

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 2024.

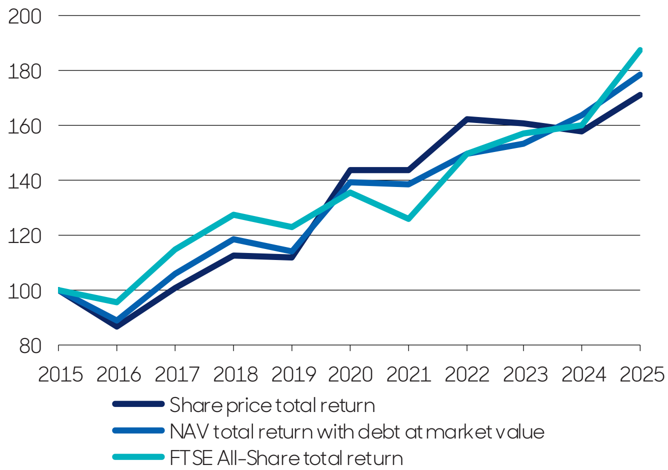
	31 January 2025 £	31 January 2024 £
Chairman	**44,000**	42,000
Chairman of Audit Committee	**35,500**	33,000
Director	**29,500**	28,000

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

The Nomination and 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 2025, fees should be increased to £45,000 for the Chairman, £36,250 for the Audit Committee Chairman and £30,000 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 2025 (rebased to 100 at 31 January 2015). 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	2025 £	2024 £
David Barron	**44,000**	42,000
Gay Collins	**29,500**	28,000
Jasper Judd	**35,500**	33,000
Christine Montgomery	**29,500**	28,000
Howard Williams	**31,500**	30,000
Total	**170,000**	161,000

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.

	Year ended 31 January:				
	2025	2024	2023	2022	2021
Director	%	%	%	%	%
David Barron	4.8	5.0	5.3	2.7	5.7
Gay Collins[A]	5.4	5.7	7.1	n/a	n/a
Jasper Judd	7.6	4.8	6.8	3.5	5.6
Christine Montgomery[B]	5.4	5.7	7.1	3.1	n/a
Howard Williams[C]	5.0	5.3	6.5	8.1	7.6

[A] Pro-rated from date of appointed on 1 July 2021
[B] Appointed on 1 February 2020
[C] Appointed Senior Independent Director on 16 July 2020

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 2025 and 31 January 2024 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 2025 Ordinary shares	31 January 2024 Ordinary shares
David Barron	**21,977**	21,977
Gay Collins	**3,032**	3,032
Jasper Judd	**5,000**	5,000
Christine Montgomery	**5,000**	5,000
Howard Williams	**13,556**	12,934

Since the year end Howard Williams has acquired an additional 143 Ordinary shares through a dividend re-investment plan. 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 23 May 2024, shareholders approved the Directors' Remuneration Report (excluding the Directors' Remuneration Policy) in respect of the year ended 31 January 2024. 99.1% of proxy votes were in favour of the resolution and 0.9% were against. There were abstentions in respect of 249,889 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 2025 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 2025:

- 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
David Barron
Chairman
14 April 2025

Audit Committee's Report

The Audit Committee presents its Report for the year ended 31 January 2025.

Committee Composition

Throughout the year the Audit Committee consisted of all the Directors except for the Chairman of the Board, David Barron. The Committee is chaired by Jasper Judd 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. Jasper Judd will retire as a Director at the forthcoming Annual General Meeting. It is the Board's intention that Arun Kumar Sarwal will succeed Jasper Judd as Chairman of the Audit Committee. Arun Kumar Sarwal is a Chartered Accountant and has recent and relevant financial experience.

Functions of the Audit Committee

The principal role of the Audit 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 internal control systems and risk management systems (including review of non-financial risks) 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 (2024: £nil). All non-audit services must be approved in advance by the Audit 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.

Activities During the Year

The Audit 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 2025 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 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 operational and compliance controls and risk management. The Board, through the Audit Committee, has prepared its own risk register which lists potential risks as set out in the Strategic Report on pages 16 to 19. 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 Assurances 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 2025, the Audit Committee carried out an annual assessment of internal controls for the year ended 31 January 2025 by considering documentation from the Aberdeen Group, including the internal audit and compliance functions and taking account of events since 31 January 2025.

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 2025, the Audit 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 Depositary (The Bank of New York Mellon (International) Limited) to hold the assets of the Company. The Depositary 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 Committee has reviewed the effectiveness of the Auditor, Deloitte LLP ("Deloitte"), including:

- Independence - the Auditor discusses with the Audit 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 present professional guidelines the audit partner is rotated after no more than five years and the year ended 31 January 2025 is the third year for which the present audit partner, Michael Caullay, has served.

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

The Audit Committee is satisfied that Deloitte is independent and therefore supports the recommendation to the Board that the re-appointment of Deloitte be put to shareholders for approval at the Annual General Meeting.

Jasper Judd
Chairman of the Audit Committee
14 April 2025

Financial Statements

The Company's net asset value ("NAV") increased by 9.0% on a total return basis. The share price total return was 8.4%.

14.6% of the Company's total assets are invested in the Industrials sector (2024: 12.5%).

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; and
- 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
David Barron
Chairman
14 April 2025

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 2025 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 23.

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

Key audit matters	The key audit matter that we identified in the current year was: • Valuation and existence of listed investments.
Materiality	The materiality that we used in the current year was £4.3 million (2024: £4.5 million) which was determined on the basis of 1% of net assets as at 31 January 2025.
Scoping	Audit work to respond to the risks of material misstatement was performed directly by the audit engagement team.
Significant changes in our approach	There were no significant changes in our approach in the current year.

Overview
Strategic Report
Portfolio
Governance
Financial Statements
Other Information
General

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 Matter

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

Key audit matter description	As an investment entity, the Company holds listed investments of £472.7 million as at 31 January 2025 (2024: £474.1 million). These represent the most quantitatively significant financial statement line on the Statement of Financial Position. 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. 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 investments has been included in the Audit Committee's Report 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; and • we confirmed the existence of 100% of investments at the year-end date by obtaining independent third-party confirmations directly from the Custodian.
Key observations	Based on the work performed, we concluded that the valuation and existence of listed investments was appropriate.

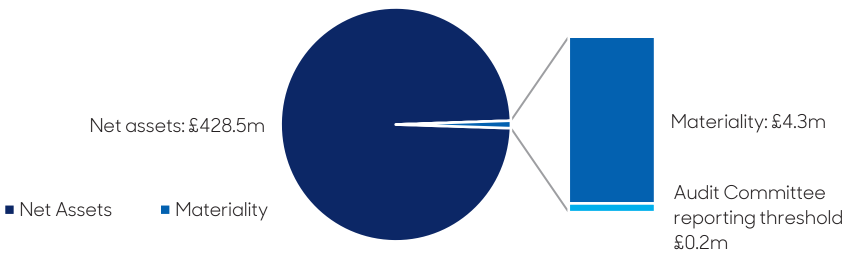
6. Our Application of Materiality

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:

Materiality	£4.3 million (2024: £4.5 million)
Basis for determining materiality	1% (2024: 1%) of net assets
Rationale for the benchmark applied	Net assets has been chosen as it 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 2025 audit (2024: 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) quality of the control environment and our ability to rely on controls over the valuation and existence of listed investments.

6.3 Error Reporting Threshold

We agreed with the Audit Committee that we would report to the Committee all audit differences in excess of £0.2 million (2024: £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 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 2023 to 30 September 2024. 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.

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 the 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 page 36 to 40. As a 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**. 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 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 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 66;
- 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 21;
- the Directors' statement is fair, balanced and understandable as set out on page 78;
- the Board's confirmation that it has carried out a robust assessment of the emerging and principal risks set out on page 16;
- the section of the Annual Report that describes the review of effectiveness of risk management and internal control systems set out on pages 73 to 74; and
- the section describing the work of the Audit Committee set out on pages 73 to 75.

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 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 seven years, covering the years ending 31 January 2018 to 31 January 2024. We were re-appointed as part of the Annual General Meeting on 23 May 2024.

15.2 Consistency of the Audit Report with the Additional Report to the Audit Committee

Our audit opinion is consistent with the additional report to the Audit 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
14 April 2025

Statement of Comprehensive Income

		Year ended 31 January 2025			Year ended 31 January 2024		
	Notes	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Gains on investments	10	–	**16,405**	**16,405**	–	4,712	4,712
Currency profit		–	**175**	**175**	–	267	267
Income	3	**22,550**	–	**22,550**	22,949	–	22,949
Investment management fee	4	**(691)**	**(1,036)**	**(1,727)**	(696)	(1,044)	(1,740)
Administrative expenses	5	**(898)**	–	**(898)**	(1,072)	–	(1,072)
Net return before finance costs and taxation		**20,961**	**15,544**	**36,505**	21,181	3,935	25,116
Finance costs	6	**(827)**	**(1,240)**	**(2,067)**	(757)	(1,116)	(1,873)
Return before taxation		**20,134**	**14,304**	**34,438**	20,424	2,819	23,243
Taxation	7	**(510)**	–	**(510)**	(410)	–	(410)
Return after taxation		**19,624**	**14,304**	**33,928**	20,014	2,819	22,833
Return per Ordinary share (pence)	9	**13.82**	**10.08**	**23.90**	13.54	1.91	15.45

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 2025 £'000	As at 31 January 2024 £'000
Non-current assets			
Investments at fair value through profit or loss	10	**472,652**	474,087
Current assets			
Debtors	11	**3,292**	2,925
Cash and cash equivalents		**2,329**	12,868
		5,621	15,793
Creditors: amounts falling due within one year			
Bank loan	12	**(18,907)**	(13,307)
Other creditors	12	**(1,086)**	(1,013)
		(19,993)	(14,320)
Net current (liabilities)/assets		**(14,372)**	1,473
Total assets less current liabilities		**458,280**	475,560
Creditors: amounts falling due after more than one year	13	**(29,752)**	(29,745)
Net assets		**428,528**	445,815
Capital and reserves			
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		**359,775**	376,996
Revenue reserve	16	**23,820**	23,886
Equity shareholders' funds		**428,528**	445,815
Net asset value per Ordinary share (pence)	17	**317.55**	304.99

The financial statements were approved and authorised for issue by the Board of Directors on 14 April 2025 and were signed on its behalf by:

David Barron
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 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)
Balance at 31 January 2025		38,419	4,908	1,606	359,775	23,820	428,528

For the year ended 31 January 2024

	Notes	Share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Capital reserve £'000	Revenue reserve £'000	Total £'000
Balance at 31 January 2023		38,419	4,908	1,606	379,839	23,833	448,605
Return after taxation		–	–	–	2,819	20,014	22,833
Repurchase of shares for Treasury		–		–	(5,662)	–	(5,662)
Dividends paid	8	–	–	–	–	(19,961)	(19,961)
Balance at 31 January 2024		38,419	4,908	1,606	376,996	23,886	445,815

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 2025 £'000	Year ended 31 January 2024 £'000
Operating activities			
Net return before finance costs and taxation		**36,505**	25,116
Adjustment for:			
Gains on investments		**(16,405)**	(4,712)
Currency gains		**(175)**	(267)
Decrease in accrued dividend income		**116**	196
(Increase)/decrease in other debtors excluding tax		**(20)**	15
(Decrease)/increase in other creditors		**(226)**	109
Overseas withholding tax		**(970)**	(1,093)
Net cash flow from operating activities		**18,825**	19,364
Investing activities			
Purchases of investments		**(115,323)**	(91,372)
Sales of investments		**133,163**	100,244
Net cash from investing activities		**17,840**	8,872
Financing activities			
Interest paid		**(2,007)**	(1,916)
Dividends paid	8	**(19,710)**	(19,961)
Buyback of Ordinary shares for treasury		**(31,261)**	(5,571)
Drawdown of Loan		**5,856**	–
Net cash used in financing activities		**(47,122)**	(27,448)
(Decrease)/increase in cash and cash equivalents		**(10,457)**	788
Analysis of changes in cash and cash equivalents during the year			
Opening balance		**12,868**	12,267
Effect of exchange rate fluctuations on cash held		**(82)**	(187)
(Decrease)/increase in cash as above		**(10,457)**	788
Closing balance		**2,329**	12,868

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 103.

Notes to the Financial Statements

For the year ended 31 January 2025

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 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

	2025 £'000	2024 £'000
Income from investments		
UK dividend income	**13,458**	14,970
Overseas dividends	**6,623**	5,843
	20,081	20,813
Other income		
Income on derivatives	**2,390**	2,060
Interest on tax reclaims	**–**	3
Deposit Interest	**36**	73
Other Income	**43**	–
	2,469	2,136
Total income	**22,550**	22,949

During the year, the Company earned premiums totalling £2,390,000 (2024 - £2,060,000) in exchange for entering into derivative transactions. The Company had no open positions in derivative contracts at 31 January 2025 (2024 - 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

	2025			2024		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Management fee	**691**	**1,036**	**1,727**	696	1,044	1,740

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 £274,000 (2024 – £289,000). 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 2025 (2024 – none).

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

5. Administrative expenses

	2025 £'000	2024 £'000
Directors' fees	**170**	161
Auditor's remuneration (excluding VAT):		
– fees payable to the Company's Auditor for the audit of the Company's annual accounts	**39**	34
Irrecoverable VAT	**58**	64
Promotional activities	**200**	246
Registrar's fees	**53**	46
Share plan fees	**–**	149
Other expenses	**378**	372
	898	1,072

Expenses of £200,000 (2024 – £246,000) were paid to aFML in respect of the promotional activities of the Company. The balance outstanding at the year end was £17,000 (2024 – £79,000).

6. Finance costs

	2025			2024		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Bank loan	**343**	**516**	**859**	263	394	657
Loan Notes – repayable after more than five years	**480**	**720**	**1,200**	479	718	1,197
Amortised Loan Notes issue expenses	**3**	**4**	**7**	3	4	7
Bank overdraft	**1**	**–**	**1**	12	–	12
	827	**1,240**	**2,067**	757	1,116	1,873

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

7. Taxation

		2025			2024		
		Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
(a)	**Analysis of charge for the year**						
	Overseas tax suffered	**2,277**	**–**	**2,277**	1,203	–	1,203
	Overseas tax reclaimable	**(1,767)**	**–**	**(1,767)**	(793)	–	(793)
	Total tax charge for the year	**510**	**–**	**510**	410	–	410

(b) **Factors affecting the tax charge for the year.** The UK corporation tax rate is 25% (2024 – 25%). The tax assessed for the year is lower than the rate of corporation tax. The differences are explained below:

	2025			2024		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Return before taxation	**20,134**	**14,304**	**34,438**	20,424	2,819	23,243
Corporation tax at 25% (2024 – effective rate of 24%)	**5,034**	**3,576**	**8,610**	4,902	677	5,579
Effects of:						–
Non-taxable UK dividend income	**(3,342)**	**–**	**(3,342)**	(3,406)	–	(3,406)
Capital gains on investments not taxable	**–**	**(4,102)**	**(4,102)**	–	(1,123)	(1,123)
Expenses not deductible for tax purposes	**–**	**–**	**–**	1	–	1
Currency gains not taxable	**–**	**(43)**	**(43)**	–	(73)	(73)
Overseas taxes	**510**	**–**	**510**	410	–	410
Non-taxable overseas dividends	**(1,493)**	**–**	**(1,493)**	(1,402)	–	(1,402)
Excess management expenses	**(199)**	**569**	**370**	(95)	519	424
Total tax charge	**510**	**–**	**510**	410	–	410

(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 £137,155,000 (2024 – £135,671,000). 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

	2025 £'000	2024 £'000
Amounts recognised as distributions paid during the year:		
Third interim dividend for 2024 – 3.20p (2023 – 3.00p)	**4,678**	4,448
Final dividend for 2024 – 4.15p (2023 – 4.10p)	**5,996**	6,079
First interim dividend for 2025 – 3.20p (2024 – 3.20p)	**4,569**	4,744
Second interim dividend for 2025 – 3.20p (2024 – 3.20p)	**4,467**	4,709
Return of unclaimed dividends[A]	**(20)**	(19)
	19,690	19,961

[A] Unclaimed dividends returned to the Company during the year ended 31 January 2025 have been donated to charity (see note 22).

A third interim dividend of 3.20p per Ordinary share was declared on 11 December 2024, payable on 28 February 2025 to shareholders on the register on 7 February 2025 and has not been included as a liability in these financial statements. The final dividend of 4.60p per Ordinary share was approved by the Board on 14 April 2025, payable on 30 May 2025 to shareholders on the register on 2 May 2025 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 £19,598,000 (2024 – £20,014,000).

	2025 £'000	2024 £'000
First interim dividend for 2025 – 3.20p (2024 – 3.20p)	**4,569**	4,744
Second interim dividend for 2025 – 3.20p (2024 – 3.20p)	**4,467**	4,709
Third interim dividend for 2025 – 3.20p (2024 – 3.20p)	**4,309**	4,678
Final dividend for 2025 – 4.60p (2024 – 4.15p)	**5,971**	6,019
	19,316	20,150

The final dividend is based on the latest share capital of 129,801,974 Ordinary shares excluding those held in treasury.

Notes to the Financial Statements

Continued

9. Return per Ordinary share

	2025		2024	
	£'000	p	£'000	p
Revenue return	**19,624**	**13.82**	20,014	13.54
Capital return	**14,304**	**10.08**	2,819	1.91
Total return	**33,928**	**23.90**	22,833	15.45

	2025	2024
Weighted average number of Ordinary shares in issue	**141,967,627**	147,764,075

10. Investments at fair value through profit or loss

	2025 £'000	2024 £'000
Opening book cost	**409,443**	424,815
Investment holdings gains	**64,644**	54,080
Opening fair value	**474,087**	478,895
Analysis of transactions made during the year		
Purchases	**115,323**	90,723
Sales - proceeds	**(133,163)**	(100,243)
Gains on investments	**16,405**	4,712
Closing fair value	**472,652**	474,087
Closing book cost	**397,456**	409,443
Closing investment holdings gains	**75,196**	64,644
Closing fair value	**472,652**	474,087

The Company received £133,163,000 (2024 - £100,243,000) from investments sold in the year. The book cost of these investments when they were purchased was £127,311,000 (2024 - £105,411,000). 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 £563,000 (2024 - £1,251,000). Premiums received of £2,390,000 (2024 - £2,060,000) 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/(losses) on investments in the Statement of Comprehensive Income. The total costs were as follows:

	2025 £'000	2024 £'000
Purchases	**463**	333
Sales	**82**	55
	545	388

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

	2025 £'000	2024 £'000
Net dividends and interest receivable	**454**	568
Tax recoverable	**2,799**	2,340
Other loans and receivables	**39**	17
	3,292	2,925

12. Creditors: amounts falling due within one year

(a) **Bank loan**	2025 £'000	2024 £'000
EUR 15,600,000 – 11 February 2024	**–**	13,307
EUR 22,600,000 – 13 February 2025	**18,907**	–
	18,907	13,307

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 2025 €22,600,000 had been drawn down at a rate of 3.93% (2024 – €15,600,000 at a rate of 5.13%), which matured on 13 February 2025. At the date this Report was approved €22,600,000 had been drawn down at a rate of 3.50%, maturing on 14 April 2025. 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.

(b) Other creditors	2025 £'000	2024 £'000
Loan Notes and bank loan interest	**220**	209
Amount due to brokers	**368**	92
Sundry creditors	**498**	712
	1,086	1,013

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

	2025 £'000	2024 £'000
3.99% Loan Notes 2045	**30,000**	30,000
Unamortised Loan Note issue expenses	**(248)**	(255)
	29,752	29,745

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 2025 was £23,114,000 (2024 – £23,916,000), 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

	2025 £'000	2024 £'000
Allotted, called up and fully paid:		
134,949,033 (2024 – 146,172,889) Ordinary shares of 25p each – equity	**33,737**	36,543
Treasury shares:		
18,728,902 (2024 – 7,505,046) Ordinary shares of 25p each – equity	**4,682**	1,876
	38,419	38,419

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 11,223,856 (2024 – 2,091,781) ordinary shares at a cost of £31,525,000, including expenses (2024 – £5,662,000, including expenses). All of the shares were placed in treasury. Subsequent to the year end the company repurchased a further 5,147,059 Ordinary shares at a total cost of £14,673,000.

15. Analysis of changes in financing during the year

	2025		2024	
	Equity share capital (including premium) £'000	Loan Notes £'000	Equity share capital (including premium) £'000	Loan Notes £'000
Opening balance at 31 January 2024	**43,327**	**29,745**	43,327	29,738
Movement in unamortised Loan Notes issue expenses	**–**	**7**	–	7
Closing balance at 31 January 2025	**43,327**	**29,752**	43,327	29,745

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.

		2025	2024
Revenue reserve (£'000)		**23,820**	23,886
Number of Ordinary shares in issue at year end		**134,949,033**	146,172,889
Revenue reserve per Ordinary share (p)		**17.65**	16.34
Less:	– third interim dividend (p)	**(3.20)**	(3.20)
	– final dividend (p)	**(4.60)**	(4.15)
Revenue reserve per Ordinary share (p) as per the Companies Act		**9.85**	8.99

Overview
Strategic Report
Portfolio
Governance
Financial Statements
Other Information
General

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:

	2025	2024
Net assets attributable (£'000)	**428,528**	445,815
Number of Ordinary shares in issue at year end[A]	**134,949,033**	146,172,889
Net asset value per Ordinary share	**317.55p**	304.99p

[A] Excluding shares held in treasury.

Adjusted net assets	2025	2024
Net assets attributable (£'000) as above	**428,528**	445,815
Unamortised Loan Note issue expenses (note 13)	**(248)**	(255)
Adjusted net assets attributable (£'000)	**428,280**	445,560
Number of Ordinary shares in issue at year end[A]	**134,949,033**	146,172,889
Adjusted net asset value per Ordinary share	**317.36p**	304.82p

[A] Excluding shares held in treasury.

Net assets – debt at fair value	£'000	£'000
Net assets attributable	**428,528**	445,815
Amortised cost Loan Notes	**29,752**	29,745
Market value Loan Notes	**(23,114)**	(23,916)
Net assets attributable	**435,166**	451,644
Number of Ordinary shares in issue at the period end[A]	**134,949,033**	146,172,889
Net asset value per Ordinary share (debt at fair value)	**322.47p**	308.98p

[A] Excluding shares held in treasury.

18. Analysis of changes in net debt

	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)**

	At 31 January 2023 £'000	Currency differences £'000	Cash flows £'000	Non-cash movements £'000	At 31 January 2024 £'000
Cash and cash equivalents	12,267	(187)	788	–	12,868
Debt due within one year	(13,762)	455	–	–	(13,307)
Debt due after more than one year	(29,738)	–	–	(7)	(29,745)
	(31,233)	268	788	(7)	(30,184)

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 £563,000 (2024 – £1,251,000). As disclosed in note 3, the premium received and fair value changes in respect of options written in the year was £2,390,000 (2024 – £2,060,000). The largest position in derivative contracts held during the year at any given time was £1,028,000 (2024 – £905,000). The Company had no open positions in derivative contracts at 31 January 2025 (2024 – 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.

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 abrdn 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 2025 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:

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

At 31 January 2024	Weighted average period for which rate is fixed Years	Weighted average interest rate %	Fixed rate £'000	Floating rate £'000
Assets				
Sterling	–	–	–	12,868
Total assets	–	–	–	12,868
Liabilities				
Bank loans	0.08	5.13	(13,307)	–
Loan Notes	21.87	3.99	(29,745)	–
Total liabilities	–	–	(43,052)	–

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 2025. 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 2025			31 January 2024		
	Investments £'000	Net monetary assets £'000	Total currency exposure £'000	Investments £'000	Net monetary assets £'000	Total currency exposure £'000
Euro	**90,674**	**(16,222)**	**74,452**	57,491	(11,208)	46,283
Swiss Francs	**–**	**–**	**–**	–	96	96
Danish Krone	**9,126**	**72**	**9,198**	9,009	109	9,118
Norwegian Krone	**–**	**11**	**11**	13,067	11	13,078
Swedish Krona	**11,375**	**–**	**11,375**	22,478	–	22,478
Sterling	**361,477**	**(27,985)**	**333,492**	372,042	(17,280)	354,762
Total	**472,652**	**(44,124)**	**428,528**	474,087	(28,272)	445,815

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 34 to 40, 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 2025 would have increased by £47,265,000 (2024 – increase of £47,409,000) 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.

At 31 January 2025	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
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**

At 31 January 2024	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
Bank loans	13,307	–	–	–	–	–	13,307
Loan Notes	–	–	–	–	–	30,000	30,000
Interest cash flows on bank loans and loan notes	1,254	1,197	1,197	1,197	1,197	20,349	26,391
Cash flows on other creditors	804	–	–	–	–	–	804
	15,365	1,197	1,197	1,197	1,197	50,349	70,502

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 2025 are shown in notes 12 and 13.

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 2025 and 31 January 2024 the amortised cost of the Company's Loan Notes was £29,752,000 and £29,745,000 respectively. At 31 January 2025 and 31 January 2024 the Company's bank loans amounted to £18,907,000 and £13,307,000 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:

	2025		2024	
	Balance Sheet £'000	Maximum exposure £'000	Balance Sheet £'000	Maximum exposure £'000
Non-current assets				
Investments at fair value through profit or loss	**472,652**	**–**	474,087	–
Current assets				
Cash and short term deposits	**2,329**	**2,329**	12,868	12,868
	474,981	**2,329**	486,955	12,868

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 £42,021,000 as at 31 January 2025 (2024 – £37,223,000) compared to an accounts value in the financial statements of £48,659,000 (2024 – £43,052,000) (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.

Notes to the Financial Statements

Continued

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 2025	Note	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**
Total		**472,652**	**–**	**–**	**472,652**

As at 31 January 2024		Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Financial assets at fair value through profit or loss					
Quoted equities	a)	474,087	–	–	474,087
Total		474,087	–	–	474,087

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.

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 page 71.

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 £20,000 in respect of returned, unclaimed dividends accumulated over a number of years. The Board took the decision to donate these monies to the abrdn Charitable Foundation. The abrdn Charitable Foundation 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.

23. Subsequent events

Subsequent to the year end, the Company's NAV has decreased in common with falls in equity markets globally. At the date of this Report the latest published NAV per share was 290.21p as at the close of business on 11 April 2025, a decline of 8.6% compared to the NAV per share of 317.55p at the year end.

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 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**. The periodic disclosures required to be made by the AIFM under the AIFMD are set out on page 120.

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**

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 Contact Addresses). 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 Contact Addresses) or by email to: **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 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**

Financial Advisers

To find an adviser who recommends on investment trusts, visit: **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**

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**

Keeping You Informed

Information about the Company can be found on its website: **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**

LinkedIn: aberdeen Investment Trusts

X: @aberdeenTrusts

Facebook: aberdeen Investment Trusts

YouTube: @aberdeenInvestmentTrusts

Key Information Document ("KID")

The KID relating to the Company and published by the Manager can be found on the Company's website.

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 121.

Dividend Cover
Revenue return per share divided by the dividend per share, expressed as a ratio. Refer to Alternative Performance Measures on page 121.

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 121.

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.

Key Information Document or KID
UK regulation previously required the Manager to make a KID available to retail investors prior to them making any investment decision. On 22 November 2024, new legislation came into force in the UK which meant that manufacturers, advisors and sellers of shares in a closed-ended investment company that is UK-listed are no longer required to produce the KID.

However, the Manager continues to publish a modified KID for the Company because a number of platforms/market participants still require prospective investors to confirm that they have read the KID prior to a buy order being placed. The modified KID is available via the Company's website. In addition to the KID, the Manager has developed a Statement of Operating Expenses which is incorporated into the Company's factsheet and can also be found on the Company's website.

Glossary of Terms

Continued

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 122.

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 122.

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.

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 150th anniversary and returned to Dundee for its AGM.

The book entitled "The History of Dunedin Income Growth Investment Trust PLC" is available on the Company's website.

Share Capital History

Issued Share Capital at 31 January 2025

134,949,033	Ordinary shares of 25p (153,677,935 including treasury shares)

Treasury Shares at 31 January 2025

18,728,902	Ordinary shares

Name Change

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

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

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 2024.

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 2024 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 2025	1.22	1.22

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.

		2025	2024
Revenue return per share	a	**13.80p**	13.54p
Dividends per share	b	**14.20p**	13.75p
Dividend cover	a/b	**0.97**	0.98

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.

		2025	2024
Borrowings (£'000)	a	**48,659**	43,052
Cash (£'000)	b	**2,329**	12,868
Amounts due to brokers (£'000)	c	**368**	92
Amounts due from brokers (£'000)	d	**–**	–
Shareholders' funds (£'000)	e	**428,528**	445,815
Net gearing	(a-b+c-d)/e	**10.90%**	6.79%

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.

		2025	2024
NAV per Ordinary share (p) (see note 17)	a	**322.47p**	308.98p
Share price (p)	b	**285.00p**	276.00p
Discount	(a-b)/b	**11.62%**	10.67%

Alternative Performance Measures

Continued

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.

	2025	2024
Investment management fees (£'000)	**1,727**	1,740
Administrative expenses (£'000)	**898**	1,073
Less: non-recurring charges (£'000)	**(104)**	(17)
Ongoing charges (£'000)	**2,521**	2,796
Average net assets (£'000)	**446,732**	448,512
Ongoing charges ratio (excluding look-through costs)	**0.56%**	0.62%
Look-through costs[A]	**–**	0.02%
Ongoing charges ratio (including look-through costs)	**0.56%**	0.64%

[A] 2024 is calculated in accordance with AIC guidance issued in October 2020 to include the Company's share of costs of holdings in investment companies on a look-through basis.

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.

Year ended 31 January 2025		**NAV**	**Share Price**
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[A]	d	**4.6%**	5.1%
Total return	c+d	**+9.0%**	+8.4%

Year ended 31 January 2024		**NAV**	**Share Price**
Opening at 1 February 2023	a	**302.8p**	294.0p
Closing at 31 January 2024	b	**309.0p**	276.0p
Price movements	c=(b/a)-1	**2.0%**	–6.1%
Dividend reinvestment[A]	d	**4.7%**	4.5%
Total return	c+d	**+6.7%**	–1.60%

[A] 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

The Annual General Meeting will be held at InterContinental Edinburgh, The George, 19-21 George Street, Edinburgh EH2 2PB at 12 noon on Thursday 22 May 2025.

The Company will also be hosting an online shareholder presentation, which will be held at 11.00am on Wednesday 7 May 2025. Full details on how to register for the event can be found at: bit.ly/abrdn-Dunedin-Income-2025

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 InterContinental Edinburgh, The George, 19-21 George Street, Edinburgh EH2 2PB at 12 noon on Thursday 22 May 2025 for the following purposes:

Ordinary Business

To consider and, if thought fit, pass resolutions 1 to 10 (inclusive) as ordinary resolutions:

1. To receive and adopt the audited financial statements of the Company for the financial year ended 31 January 2025 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 2025 which appears on pages 70 to 72 of the Annual Report and Accounts.
3. To approve a final dividend of 4.60p per Ordinary share in respect of the financial year ended 31 January 2025.
4. To elect Mr Arun Kumar Sarwal as a Director of the Company.
5. To re-elect Mr Howard Williams as a Director of the Company.
6. To re-elect Ms Christine Montgomery as a Director of the Company.
7. To re-elect Ms Gay Collins as a Director of the Company.
8. 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.
9. To authorise the Directors to determine the remuneration of the Company's Auditor.
10. 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 £10,815,749 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 2026 (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 11 and 12 as special resolutions:

11. 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 10 set out in the notice of the 2025 Annual General Meeting ("Resolution 10"), 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 10 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 £1,622,524 or, if less, the number representing 5% 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 2026 (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.

12. 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 19,457,315 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

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 2026 (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
14 April 2025

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.

Overview
Strategic Report
Portfolio
Governance
Financial Statements
Other Information
General

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. Your proxy must be lodged by 12 noon on 20 May 2025 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 20 May 2025 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 14 April 2025 (being the latest practicable date prior to the publication of this document) the Company's issued share capital comprised 129,801,974 Ordinary shares of 25p each and 23,875,961 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 14 April 2025 was 129,801,974.

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 re-election are set out on pages 58 to 60 of the Annual Report and financial statements of the Company for the financial year ended 31 January 2025.

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**

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.

Contact Addresses

Directors
David Barron (Chairman)
Gay Collins
Jasper Judd
Christine Montgomery
Arun Kumar Sarwal (appointed 1 February 2025)
Howard Williams

Registered Office & Company Secretary
abrdn Holdings Limited
1 George Street
Edinburgh EH2 2LL

Email: **dunedin.income@aberdeenplc.com**

Alternative Investment Fund Manager
abrdn Fund Managers Limited
280 Bishopsgate
London EC2M 4AG

Investment Manager
abrdn Investments Limited
1 George Street
Edinburgh EH2 2LL

Company Registration Number
SC000881 (Scotland)

Legal Entity Identifier ("LEI")
549300PPXLZPR5JTL763

Website
dunedinincomegrowth.co.uk

LinkedIn: aberdeen Investment Trusts

X: @aberdeenTrusts

Facebook: aberdeen Investment Trusts

YouTube: @aberdeenInvestmentTrusts

Registrar
Equiniti Limited
Aspect House
Spencer Road
Lancing
West Sussex BN99 6DA

Shareholder help can be found at **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.

Depositary
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

MIX
Paper | Supporting responsible forestry
FSC® C001785
FSC www.fsc.org

For more information visit **dunedinincomegrowth.co.uk**

aberdeeninvestments.com