The North American Income Trust plc

Harness the power of the US market

Annual Report 31 January 2025

MANAGED BY Janus Henderson INVESTORS

Contents

https://www.janushenderson.com/en-gb/uk-investment-trusts/trust/the-north-american-income-trust-plc/

More information

Register for updates, insights and factsheets about the Company:

Register here to watch this year's Annual General Meeting by webinar:

The Board also welcomes you in person to the AGM. Please see more details about the AGM, attending in person or by webinar, in the Chair's Statement.

Please send your general enquiries about the Company to the Company Secretary at: itsecretariat@janushenderson.com.

The Company aims to provide investors with above average dividend income and long term capital growth through active management of a portfolio consisting predominantly of S&P 500 US equities.

About us

We harness the power of the world's biggest market to generate differentiated income.

The fund managers seek out companies that either have the cash flows to pay income today, to invest in their own growth for tomorrow or both. Their approach is deliberately flexible and selective, generally producing a portfolio of around 45–55 stocks that they believe are the most compelling blend available.

Using the deep expertise of on-the-ground analysts, we aim to capture the growing income opportunity in North America.

Purpose

The Company's purpose is to provide investors with above average dividend income and long-term capital growth through active management of a portfolio consisting predominantly of S&P 500 US equities.

p.20 Business model

Income & Growth

"Companies in the US market are driving some of the most impressive technological advancements and productivity enhancements out of any region in the world. We scour the US market for companies that consistently pay dividends to shareholders and can grow their profits by actively engaging in new economic growth opportunities."

Jeremiah Buckley
Co-Fund Manager

p.11 Fund Managers' Report

Left: Fran Radano
Right: Jeremiah Buckley
Co-Fund Managers

What we do

North American Income Trust plc

Investment Objective

The Company seeks above average dividend income and long-term capital growth, by investing in a portfolio of predominantly S&P 500 US companies.

Portfolio holdings

49

p.14 Portfolio structure

Investment focus

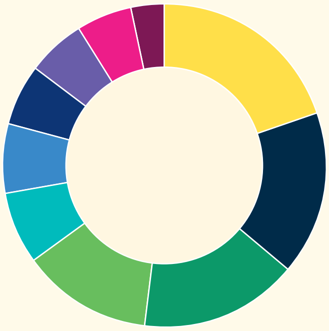
Income & Growth

Regional focus

North American

Today's income-payers and tomorrow's income growers

Harnessing the income potential of a market better known for its investment growth.



Health Care	19.8%
Financials	16.5%
Information Technology	15.9%
Industrials	13.0%
Consumer Discretionary	7.2%
Energy	6.9%
Utilities	6.2%
Consumer Staples	5.8%
Real Estate	5.4%
Communication Services	3.3%

p.22 Key performance measures

Ongoing charges KPI

0.77%

As at 31 January 2025

Net Assets

£468M

As at 31 January 2025

Yield

3.5%

As at 31 January 2025

MANAGED BY Janus Henderson INVESTORS

The land of income opportunity

1. Big in America

US large caps have far greater scale overall than their competitors in other markets. The benefits of scale include brand recognition, pricing power and stock liquidity. At the same time, the US market benefits from recognisable and consistent accounting standards, a flexible labour force and a policy focus on productivity.

p.11 Fund Managers' Report

2. Income today and tomorrow

While the US is not generally known for its income, it has enjoyed the fastest growing dividends of the world's major markets for several years. This is fuelled in part by a corporate culture that encourages companies to focus on investing in their own organic growth, alongside paying shareholders, meaning that we expect US dividends to grow for some time to come.

3. Leading the charge

The US market is renowned for leading global innovation. Much attention is paid to the technology sector, but the US is also driving developments in pharmaceuticals, biotechnology and automobiles. It can be challenging for investors to gain exposure to these sectors and some subsectors outside of the US. These sectors are also associated with strong growth, fuelling earnings into the future and, crucially, indicating future income for shareholders.

4. Size matters

While yields are lower on average in the US, the market contributes over a third of the world's dividends. By not considering the US as part of an income allocation, investors could be leaving some of this cash on the table.

5. A (very) different US investment

A common conundrum for investors in the US is that the market is heavily skewed towards its largest companies, particularly the 'Magnificent 7'. In the pursuit of yield for now and in the future, the fund managers of The North American Income Trust scour the whole of the market. This results in a portfolio that is differentiated from a typical S&P 500 tracker or US large-cap focused fund.

North American income in numbers

Dividends[1]

93%

of US companies raised or held their dividends steady in 2024

YoY dividend growth[1]

+8.7%

in 2024

Five year GDP growth[2]

12.2%

US GDP has grown at more than double the average of the rest of the G7 since 2019

1 Janus Henderson Global Dividend Index, Edition 45, March 2025.
2 Organisation for Economic Cooperation and Development ('OECD').

Maintaining focus in a land of opportunity

Flexibility

The Company's portfolio is not bound by any index and we look across the S&P 500 – and beyond – for ideas. Our focus is on earnings quality and long-term capital growth rather than simply current yield – meaning that we can invest in companies with future income potential.

We do not favour particular sectors, themes or styles. Instead, our focus is on generating income today and tomorrow through a diversified portfolio of best ideas. As such, we aim to top up or reduce positions as needed to maintain balance.

Selectivity

The Company's typical holding range is between 45–55 holdings (although the Fund Managers are not constrained to this number), representing the very best ideas drawn from the whole of the market.

This level of concentration requires research rigour and results in a portfolio that is naturally differentiated from an index. We seek businesses with balance sheets healthy enough to support ongoing dividend payments, investment in buybacks or external opportunities and that provide a cushion in periods of volatility or challenge.

Expertise

The fund management team of the Company represents decades of experience in the market. Emphasis is placed on knowing potential and current portfolio companies, including meeting management, competitors and other stakeholders.

The Company is supported by a large analyst team based out of Denver, CO – more information about Janus Henderson can be found here https://www.janushenderson.com/en-gb/.

The JHI management team also has experience with investment trusts, meaning that we are comfortable using the trust's structure, such as gearing, with the aim of enhancing returns.

Janus Henderson Investors

The North American Income Trust is managed by Janus Henderson Investors, which was appointed manager on 1 August 2024.

Janus Henderson is a global asset manager with over 340 investment professionals and 25 offices globally, employing over 2,000 people and managing £302.4bn of client assets. Janus Henderson has a long history of managing investment trusts and currently manages 10 investment trusts.

A unique view of the US

Janus Henderson Investors has a long legacy of investing in North American equity. Janus Capital Group was a US-focused and headquartered investment house prior to its merger with Henderson Global Investors in 2017.

The company now has a large base in Denver, Colorado, alongside its headquarters in London. JHI manages around $182bn in American equities. It has 37 analysts dedicated to US equities, split into 7 sector specialisms.

The team breaks its process into three parts:

1. Sourcing unique company insights, from frequent interactions with management and a company's products or services.
2. Understanding industry trends by connecting with independent industry experts and third-party data sources. The team also takes advantage of the insights of JHI's analyst teams around the world where relevant.
3. Detailed financial modelling with valuations based on five-year forecasts for earnings and cashflows.

Investment trusts, understood

Janus Henderson has been involved in investment trusts since its foundation in 1934. It remains one of the largest investment trust asset managers in the UK. As a result, The North American Income Trust benefits from the support of a dedicated investment trust team, including specialised legal, accounting, marketing and sales support.

janushenderson.com

Janus Henderson
INVESTORS

Client assets managed

£302.4bn

As at 31 December 2024

Employees

+2,000

As at 31 December 2024

Offices globally

25

As at 31 December 2024

Investment professionals

340

As at 31 December 2024

Performance highlights

Year to 31 January 2025

Performance

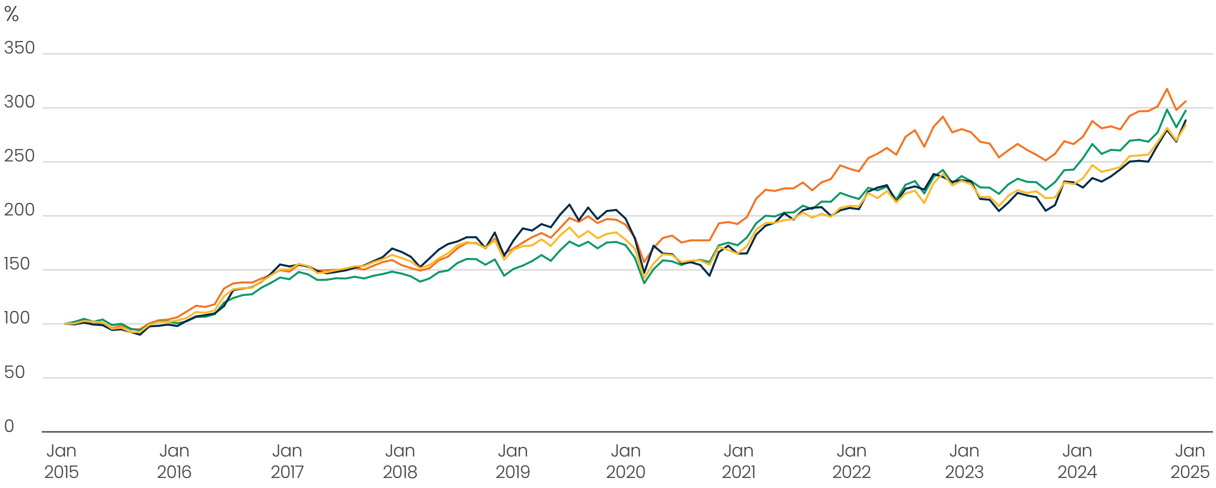
NAV per share total return[1] KPI	Share price total return[2] KPI	NAV per share at year end[3]	Share price at year end	Discount (debt at par) KPI
23.8%	24.9%	379.2p	347.0p	8.5%
2025	**2025**	**2025**	**2025**	**2025**
(2024) -1.6%	(2024) -0.9%	(2024) 317.8p	(2024) 289.0p	(2024) 9.1%

Total return performance

Total return performance to 31 January 2025

	1 year %	3 years %	5 years %	10 years %
NAV per share[1]	23.8	35.7	59.5	184.0
Share price[2]	24.9	39.1	46.0	188.4
Russell 1000 Value Index	22.5	36.3	72.0	197.5
S&P High Yield Dividend Aristocrats Index	14.9	25.7	59.5	206.1

Total return performance for 10 years to 31 January 2025



Sources: Morningstar Direct and LSEG Datastream

KPI This indicates a key performance indicator (KPI). KPIs are used to measure the success of your Company in meeting its objective and by the directors to evaluate the performance of the manager.

1 NAV per ordinary share with dividends reinvested and excluding reinvestment costs
2 Share price using mid-market closing prices
3 NAV is calculated with debt at par value

Performance highlights continued

Dividend performance

Dividend total[1]
Per share for the year

12.2p

(2024) 11.70p

Dividend yield KPI
At the end of the year

3.5%

(2024) 4.0%

Revenue reserves[2]
Per share

18.4p

(2024) 16.1p

Dividend growth KPI
For the year

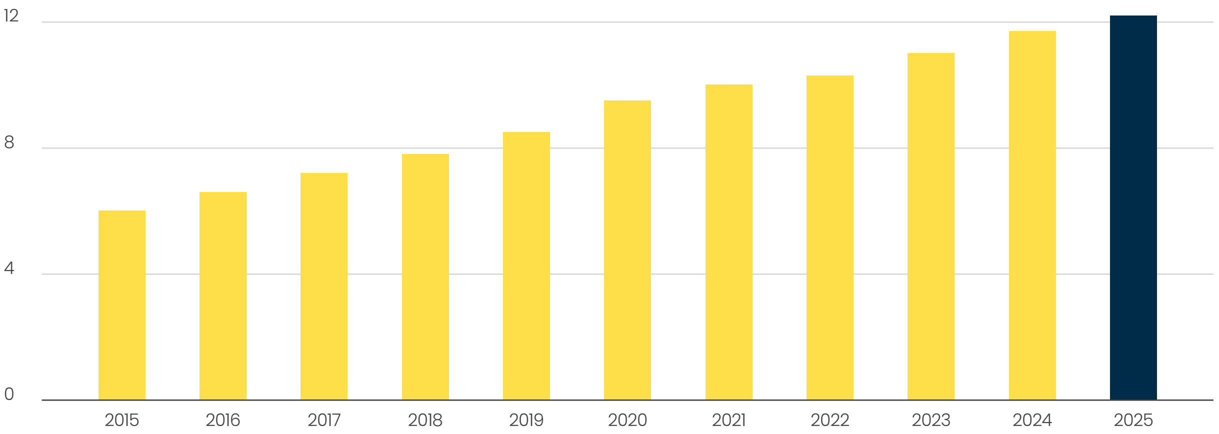
4.3%

(2024) 6.4%

Years of consecutive growth

14

Dividend growth to 31 January 2025
Pence per share



1 Based on the dividends paid or recommended for the year and the share price at the year end, including the fourth interim dividend of 4.1 pence per share.
2 Before payment of the fourth interim dividend

Chairman's statement

We are confident the new managers and their extensive resources will help NAIT through this difficult and volatile time."

Charles Park,
Chairman

Highlights of the year

Net asset value per share
2025
379.2p

Dividend for the year
2025
12.2p

Dividend yield
2025
3.5%

Dear Shareholder,

Whilst this has been a widely publicised difficult year for the investment trust sector as a whole, it has been a positive one for the management of your Company.

Some of the steps to strengthen governance and to be responsive to shareholders' needs that the Board have taken include:

- A change of manager from Aberdeen Group to Janus Henderson Investors to benefit from the significant resources available to the Janus Henderson North American equities team;
- A reduction in management fee;
- A more pro-active buy back programme, and;
- The introduction of a conditional tender mechanism.

Regarding the change of manager, I am pleased to write that, as noted in our half year report, on 1 August 2024, the transfer of the Company's management to Janus Henderson Investors ('JHI') was completed successfully. At that point Jeremiah Buckley, an experienced portfolio manager at Janus Henderson became the manager of the Company and was joined in November 2024 by Fran Radano, the previous portfolio manager at Aberdeen Group. They now manage the portfolio together with the assistance of 37 research analysts at Janus Henderson. JHI brings significant expertise, resources and depth in the North American equity market, and in marketing and shareholder relations.

As a result of the transition, a new, lower, tiered management fee is payable by the Company to Janus Henderson. This lower fee is paid at 0.55% on NAV up to £500 million, and 0.45% on NAV over £500 million.

Chairman's statement continued

In common with the wider investment trust sector, the Company's shares traded at a significantly wider discount to their NAV during the year, in response to which the Board introduced a more active buyback programme. During the year, 13,990,660 shares were bought back, or roughly 10% of the share count from the start of the previous year, a noticeable step up from prior years. The buyback added 4.5p to the NAV/share and the shares were cancelled/allotted to treasury at an average price of 305.7 pence. Since 31 January 2025, the Company has bought back an additional 2,051,851 shares.

As announced to shareholders on 14 June 2024, the Board have agreed to implement a conditional tender, which will permit up to 15% of the Company's shares to be repurchased should certain conditions be met in September 2027. Please see page 32 for further details.

Indices

In last year's annual report we noted that the Board reviews the Company's performance against the Russell 1000 Value Index, the peer group and the S&P 500, all in sterling terms and on a total return basis. The Russell 1000 Value Index was at that time considered to be a more relevant reference index than the S&P 500 because its higher dividend yield was more consistent with the Company's own investment objective. However, the Russell 1000 Value Index is also an imperfect comparator as its dividend yield, whilst higher than that of the S&P 500, is still significantly lower than that on the Company's shares. Consequently, when we were considering the tender proposal, we wanted to find a recognised index that delivered a more comparable dividend yield and this is why we chose the S&P High Yield Dividend Aristocrat Index Total return.

The Board will continue to review the performance against the Russell 1000 Value Index and the peer group but the reference index for the purposes of the conditional tender will be the S&P High Yield Dividend Aristocrat Index.

Your Company offers a considerably higher yield than is generally available from the North American, and particularly US, market, however, even against higher yield indices, NAIT is actively managed. This differentiated approach has delivered both income and capital growth with an annualised return of 11% over the past ten years.

Performance

The investment trust structure allows the manager to focus on the long term without sudden, large redemptions and also the ability to retain revenues to smooth the dividend path should the need arise.

While the Board feels that paying a relatively high yield is an important differentiating factor, we are also aware that paying out too high a level may have an adverse impact on future growth in both earnings and capital. Following careful discussion with the fund managers the portfolio yield has been marginally reduced resulting in a portfolio that is more balanced across both growth and income and which we expect will result in better total returns going forward.

The performance for the year reflects six months of management under Aberdeen Group, while the second half reflects the refreshed approach under Janus Henderson Investors. While it has only been six months since the transition, the improvement in relative terms is encouraging albeit early days.

During the year the US economy remained strong, with GDP growing by 2.8%. As the financial year progressed, investors embraced the likelihood of a soft landing for the economy, as opposed to a recession. However, macroeconomic uncertainty was also a feature during the election cycle and following the ultimate election of President Trump for a second term. Volatility in the S&P 500 notably increased in the second half of the year, fuelled by this uncertainty and renewed disquiet over valuations in the technology sector.

Concurrent with this backdrop, the US Federal Reserve finally began to relax monetary policy during the year with a series of three rate cuts totalling 100 basis points, from a 5.25%-5.50% target range to 4.25%-4.50%, as inflation began to normalise. Inflation, however, is still above the Federal Reserve's 2% target, as persistent price rises in the service economy have made inflation stickier.

The major US Indices were again driven by technology shares and the expectation of future profits from Artificial Intelligence ('AI'). In particular, Nvidia, the provider of AI chips to data centres was over 20% of the total performance of the S&P 500, which itself was up about 25%. Concentration within that Index for the largest tech stocks continues to be historically high at over 30%.

Over the year to 31 January 2025, the Company's NAV total return per share was 23.8%, against a 22.5% return from the Russell 1000 value index and a 14.9% return from the S&P High Yield Dividend Aristocrats Index. The majority of the outperformance versus the Russell 1000 was captured in the second half of the year under the new management agreement.

The Company's share price total return was 24.9% over the year, of which 15.3% was in the second half of the year.

The Fund Managers go into details of the stock specific contributors to and detractors from performance in their report.

Chairman's statement continued

Earnings and dividends

The Company's earnings per share were 12.4 pence compared to last year's 12.0 pence. During the year the dollar strengthened against the pound by 2% which was a benefit to the revenue reserve, which continues to be more than one year's worth of dividends. Dividend and interest payment from investments contributed 78.5% of the Company's gross income, while options generated 21.5% of the Company's total gross income.

The Board has declared a fourth interim dividend of 4.1 pence per share, to be paid on 7 May 2025 to shareholders on the register on 22 April 2025. Total dividends for the year ended 31 January 2025 stand at 12.2 pence per share (2024 – 11.7p), an increase of 4.3% on the previous year. This marks the 14th consecutive year of dividend growth for the Company.

The Board

As previously mentioned at the half year, the Board undertook a great deal of work in the early part of the year to review the Company's management arrangements, which resulted in the change of Investment Manager on 1 August 2024. I would like to thank my colleagues for the extensive work undertaken.

In January 2025, three members of the Board were pleased to travel to North America and meet with analysts and portfolio managers at Janus Henderson Investors in Denver. We were all impressed at the scale, depth, knowledge and team spirit that we saw there. We were also pleased to see Fran Radano settling into his new environment.

At the Company's AGM on 21 June 2024, Dame Susan Rice retired as both Chair and a Director of the Company and I was privileged to take up the position of Chair after seven years' service on the Company's board. The Board would like to reiterate its thanks to Dame Susan for all her contributions to the Company. In light of Dame Susan's retirement, the Board has agreed to appoint Bulbul Barrett as a non-executive director of the Company following an external recruitment process. Bulbul will be appointed on 1 May 2025.

AGM

The Company's Annual General Meeting is due to be held at 12.30 p.m. on 3 June 2025 at the offices of our Investment Manager, Janus Henderson, 201 Bishopsgate, London, EC2M 3AE. Shareholders who are unable to travel to the meeting can join via zoom, using the QR code at the front of this report. The Notice of Meeting is included in this annual report.

I encourage all shareholders to attend the meeting and vote their shares if they are able to do so. If you cannot attend the meeting in person, please ensure you vote your shares using the proxy form provided. If you hold your shares via a share dealing platform, please instruct your platform to vote your shares on your behalf. Our investment manager has a guide on voting available here https://www.janushenderson.com/en-gb/uk-investment-trusts/how-to-vote/.

The Company's managers, Fran Radano and Jeremiah Buckley, will both be in attendance at the AGM and will be providing an update on the Company's portfolio. They look forward to seeing shareholders there and, along with the Company's directors, will be available to answer any questions you may have.

Outlook

The trade tariffs announced by President Trump have created significant volatility and distress in the markets. We are yet to see the full extent of the retaliation (or not) of the countries involved and we do not yet know the extent of the earnings damage to US companies from higher costs and reduced demand. Trade tariffs harm all participants and other markets have also had setbacks. In the near term, it is likely that earnings estimates in the US will be reduced and conference calls this calendar quarter will be subdued. The unpredictability of the pronouncements has also had an effect on the bond market and the US currency. As Warren Buffett, in his latest Berkshire Hathaway annual report put it, 'never forget that we need you (Uncle Sam) to maintain a stable currency and that result requires both wisdom and vigilance on your part'. We can but hope that wisdom will prevail. Ultimately the administration wants to bring down the deficit, reduce taxes and grow the economy and this would benefit the US market assuming this can be achieved.

While the political backdrop is causing turmoil in the near term, your Company holds a diverse portfolio of high quality stocks that, in general, have historically shown the ability to adapt to new conditions. The Board has taken a number of steps to improve the relative performance and we are confident the new managers and their extensive resources will help NAIT through this difficult and volatile time.

Charles Park
Chairman

17 April 2025

Fund Managers' report

We believe the portfolio companies in the Company are well positioned to manage through a period of volatility. We also feel comfortable with the current valuations of these companies, which in aggregate are at a discount to market multiples. The high-quality nature of these holdings should help insulate them against some of the macroeconomic forces at play. From a revenue perspective, the predictable cash generation and robust balance sheets should lead to continued dividend growth prospects for 2025. We continue to seek resilient companies, where macroeconomic tailwinds are not needed for growth and that have the cash and ability to invest in themselves for the future".

Fran Radano
Jeremiah Buckley
Co-Fund Managers

On 1 August 2024, Janus Henderson Investors was appointed the AIFM of The North American Income Trust. As such, while this report considers full-year performance and outcomes for shareholders, it goes into greater depth in terms of investment performance, attribution and themes for the latter half of the Company's financial year. Detailed commentary from the Company's previous manager, Aberdeen Group, on performance for the first half of the year can be found in the Company's half-year report.

Market review

The year to 31 January 2025 was another formidable period for US share prices, with the S&P 500 growing over 29% in local currency terms. GDP rose 2.8% in the US over the course of the year, whilst, in the middle of the period, inflation moderated down to 3%. While this remained above the Federal Reserve's 2% target, it was sufficient to prompt the central bank to begin unwinding interest rate tightening. Over the latter half of the period, rate cuts amounted to 100bps, bringing the target range to 4.25-4.50%. At the close of the period, inflation remained at 3% while unemployment hovered near generational lows.

The return of volatility was a notable factor in the second half of the period. Having returned to relatively benign levels over the second half of 2023 and in early 2024, the Vix index (an index which tracks market volatility) saw an upward trend in the second half. This was marked by a series of individual spikes in the index, reflecting short-lived bouts of tumult. Most impacted were Artificial Intelligence ('AI')-associated stocks, notably many of the 'Magnificent Seven'.

In the second half of the financial year, the Financials, Information Technology, Consumer Staples and Industrials sectors were the strongest market performers, while the Materials, Healthcare and Energy sectors were the primary market laggards for the period.

Performance

The Company had a total return of 23.8% per share on a Net Asset Value basis in sterling terms for the year ended 31 January 2025. This was a positive performance against both the Company's reference indices (Russell 1000 Value Index: 22.5%; S&P High Yield Dividend Aristocrats Index; 14.9%).

At a sector level, our stock selection in the Healthcare sector was a significant contributor to performance in the second half of the year, driven by strong returns in Bristol Myers Squibb, Medtronic and Gilead Sciences all of which have seen improving long-term outlooks due to advances in their innovation pipelines. Elsewhere, our overweight to Information Technology stocks, and our stock selection in the sector driven by strong returns in AI exposed names such as Broadcom, IBM, and Oracle, also aided performance in the second half.

The largest detractor from the Company's performance in the second half was the Industrials sector, due primarily to stock selection where our positions in United Parcel Service and Booz Allen Hamilton declined. The second-largest detractor was the Real Estate sector, due to our overweight position which was impacted by interest rates remaining relatively high and some stock selection within that as our position in Prologis underperformed due to concerns around retail warehousing and industrial demand in the US.

At a specific stock level, the largest contribution came from semiconductor supplier Broadcom. The company has seen accelerating demand for its Application-specific Integrated Circuits ('ASICs') and networking products from hyperscalers in the US and has a leadership position in partnering with almost all of the major players driving the significant buildout of AI infrastructure. They have also executed very well on the VMWare acquisition, realising meaningful synergies, and the analogue semiconductor segment is finally showing signs of cyclical recovery. Broadcom recently raised their dividend by 12%.

Elsewhere, our overweight to investment bank Morgan Stanley was also a contributor. In the back half of the year, Morgan Stanley saw an acceleration in revenue growth in their capital markets businesses – both trading and investment banking. Investment banking is recovering from a cyclical bottom and the outlook has been boosted by the improving outlook for interest rates, private market monetisations and less regulation in the US. Revenue growth was also strong in its wealth management business as the pressure on net interest income from deposits flowing to higher earnings asset classes abated and market gains translated into fee growth. Morgan Stanley increased the dividend nearly 9% during the period.

In terms of second half specific stock detractors, pharmaceutical company Amgen underperformed as they were caught in a difficult market environment for pharma and biotech stocks as defensive sectors underperformed during the period, and there was concern around what the new cabinet would mean for the industry. Amgen also released important data on their anti-obesity therapy that didn't quite meet lofty expectations causing the stock to underperform. We still believe the therapy will contribute to long-term growth for the company and the rest of their portfolio continues to do well.

Another detractor that impacted our performance within the Industrial sector was United Parcel Service. The company has been challenged to gain back market share that they lost during their last round of labour negotiations which has impacted markets. The overall freight market has also been hampered by inventory adjustments in the retail and industrial end markets. Finally, they decided to adjust their relationship with Amazon which will end up reducing revenues but improving margins over time. We believe the freight cycle is poised to recover as inventory levels normalise and that UPS will eventually get through these headwinds.

Portfolio activity

Following Janus Henderson's appointment as Investment Manager on 1 August 2024, substantial changes were made to the overall portfolio. The strategy has been to increase the yield we are getting in the old economy sectors of the market so that we can make room for lower yielding but faster growth companies in the new economy sectors of the market, while maintaining the overall income of the portfolio. We increased the yield in sectors like Financials, Industrials, and Healthcare so that we could afford to add more exposure in sectors like Technology and Communications. The net effect of these changes has slightly reduced the overall portfolio yield but the long-term growth prospects should be improved.

Sector-wise, we have materially increased exposure to Information Technology with additions to companies that we believe will benefit from increased spending on AI. This includes companies providing the infrastructure for Generative AI as well as companies that are leading in providing applications that leverage this new technology.

We have also added to our investments in the Healthcare sector. As mentioned above, the sector was one of the weaker performers during the period and has seen multiple compression over the last couple of years. We believe strong innovation pipelines will support earnings and dividend growth for years to come and with the multiple compression we have seen, dividend yields look very attractive relative to other sectors. We like both the offensive as well as defensive aspects of the sector.

On the other side of the transition, we reduced exposure in Materials, Financials and Consumer Staples where the combination of earnings growth and dividend yield were less than what we believe we can achieve in the overall portfolio. We have sold our corporate bond positions given extremely tight spreads in the corporate bond market. This approach has led to a modest increase in the total number of positions in the portfolio, but we are confident that it continues to represent a 'best ideas' concentrated portfolio.

A sector analysis chart of the portfolio can be found on page 14.

Dividend growth

Over the course of the year, the Company had earnings of over 12.4p per share, an uplift on the 12.0p received in the previous year. The revenue reserve stood at £22.66m before the fourth interim dividend was paid, which continues to be over a year of dividend payments.

We were pleased with the overall dividend growth of the companies within the portfolio during the year. We have only two positions that didn't increase the dividend during the period while the rest of the portfolio saw year over year increases and we think the run rate for the overall portfolio remains in the mid- to high- single digit range. The two positions that didn't raise the dividend are priced at a very attractive absolute yield and we are confident they will raise the dividend in the future. We saw very strong dividend growth in our holdings in the technology sector where several companies raised the dividend by more than 10% during the period. Our holdings in Financials were also standouts in dividend increases during the period with several holdings in that sector raising the payouts by a high-single digit percentage.

Alongside regular dividend income, two holdings in the portfolio announced special dividend payments to shareholders during the year. Derivatives exchange operator CME Group declared an annual variable dividend of US$5.80 per share in December 2024. The company uses this approach to facilitate paying out all cash it generates over the year beyond a minimum threshold. Outdoor advertising company REIT Lamar Advertising declared a special earnings and profits cash dividend of US$0.25 per share.

Outlook

Year to date, there have been economic concerns due to changes in policy around tariffs, trade and government spending from the new administration in the US. As this new administration attempts to recalibrate global trade rules and regulations there has been a slow down in economic activity until visibility on this new framework can be properly evaluated. This pause in corporate activity has the ability to mute economic growth and thus earnings in the near-term. As a result of this transition in policy, we expect to see continued volatility as trade negotiations begin in earnest. Conversely, benefits of deregulation should improve the operating environment for companies across multiple sectors.

The consumer backdrop remains positive due to a strong labour market, but the reduction in corporate activity and a volatile stock market impacting consumer net worth has the potential to reduce spending despite strong equity market performance in recent years and higher interest earnings on cash which has supported the consumer. Debt service below long-term norms does provide a reduction in risk especially when compared to prior periods of consumer weakness.

In addition, labour productivity trends remain positive, supporting wage growth and corporate profitability. AI integration across sectors is enhancing efficiency and reducing costs, and we have recently seen practical examples in healthcare, e-commerce, finance, and energy. While AI adoption is still early, its potential for having a significant impact on productivity and revenue growth is clear.

We continue to be excited about the innovation and productivity gains that large US companies continue to drive through capital and R&D spending. The investments required to stay relevant and prosper in the new digital economy are significant and hence favour the largest companies that lead their industries. Having large amounts of data that can inform strategy and execution has become critical. We have populated the portfolio with companies that have the scale to make these investments which should drive growth in earnings and dividends for years to come.

We believe the portfolio companies in the Company are well positioned to manage through a period of volatility. We also feel comfortable with the current valuations of these companies, which in aggregate are at a discount to market multiples. The high-quality nature of these holdings should help insulate them against some of the macroeconomic forces at play. From a revenue perspective, the predictable cash generation and robust balance sheets should lead to continued dividend growth prospects for 2025. We continue to seek resilient companies, where macroeconomic tailwinds are not needed for growth and that have the cash and ability to invest in themselves for the future.

Fran Radano
Jeremiah Buckley
Co-Fund Managers

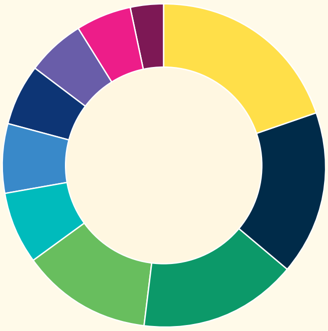
17 April 2025

A snapshot of our portfolio

Classification of investments and portfolio weighting as at 31 January 2025

Sector breakdown

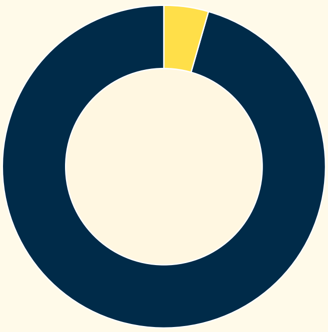
Sector exposure at 31 January
As a percentage of the investment portfolio excluding cash



	2025 %
Health Care	**19.8**
Financials	**16.5**
Information Technology	**15.9**
Industrials	**13.0**
Consumer Discretionary	**7.2**
Energy	**6.9**
Utilities	**6.2**
Consumer Staples	**5.8**
Real Estate	**5.4**
Communication Services	**3.3**

Regional breakdown

Geographic exposure at 31 January
As a percentage of the investment portfolio excluding cash



	2025			2024		
	Equity %	Fixed interest %	Total %	Equity %	Fixed interest %	Total %
Canada	**4.5**	**–**	**4.5**	6.1	–	6.1
USA	**95.5**	**–**	**95.5**	92.0	1.9	93.9
	100.0	**–**	**100.0**	98.1	1.9	100.0

Sources: Janus Henderson and Factset

A snapshot of our portfolio continued

Investment portfolio as at 31 January 2025

Company	Industry classification	Valuation 2025 £'000	% of portfolio
Johnson & Johnson	Pharmaceuticals and Biotechnology	19,596	3.9
Medtronic	Health Care Equipment & Supplies	18,265	3.6
Chevron	Oil, Gas & Consumable Fuels	16,812	3.3
Philip Morris	Tobacco	16,767	3.3
Bristol-Myers Squibb	Pharmaceuticals	16,599	3.3
IBM	Software and Computer Services	16,461	3.2
Morgan Stanley	Investment Banking and Brokerage Services	15,589	3.1
Gaming & Leisure Properties	Specialised REITs	15,571	3.1
PNC Financial Services	Banks	15,559	3.0
Broadcom	Semiconductors & Semiconductor Equipment	14,237	2.8
Ten largest investments		**165,456**	**32.6**
CVS Health	Health Care Providers & Services	13,639	2.7
Enbridge	Oil, Gas & Consumable Fuels	13,047	2.6
CME Group	Capital Markets	12,365	2.4
CMS Energy	Multi-Utilities	12,219	2.4
AbbVie	Biotechnology	11,840	2.3
Lamar Advertising	Real Estate Investment Trusts	11,687	2.3
Citigroup	Banks	11,464	2.3
Verizon Communications	Telecommunications Service Providers	11,371	2.2
U.S. Bancorp	Banks	10,961	2.2
UnitedHealth	Health Care Providers & Services	10,917	2.1
Twenty largest investments		**284,966**	**56.1**
Xcel Energy	Electricity	10,813	2.1
UPS	Industrial Transportation	10,571	2.1
RTX	Aerospace and Defence	10,378	2.1
Goldman Sachs	Investment Banking and Brokerage Services	10,299	2.0
Restaurant Brands International	Hotels, Restaurants & Leisure	9,901	1.9
Lam Research	Technology Hardware and Equipment	9,637	1.9
Dell Technologies	Technology Hardware and Equipment	9,591	1.9
Home Depot	Retailers	9,451	1.9
Accenture	Industrial Support Services	9,290	1.8
Amgen	Pharmaceuticals and Biotechnology	9,188	1.8
Thirty largest investments		**384,085**	**75.6**
American Express	Industrial Support Services	8,572	1.7
Sempra	Gas Water and Multi-utilities	8,341	1.7
Alphabet	Software and Computer Services	8,271	1.6
Eaton	General Industrials	7,878	1.6
Honeywell	Industrial Conglomerates	7,200	1.4
OneMain	Consumer Finance	7,148	1.4
Booz Allen Hamilton	Industrial Support Services	6,749	1.3
Texas Instruments	Semiconductors & Semiconductor Equipment	6,681	1.3
Microsoft	Software and Computer Services	6,679	1.3
Coca-Cola	Beverages	6,383	1.3
Forty largest investments		**457,987**	**90.2**
Nike	Personal Goods	6,186	1.2
Sysco	Personal Care Drug and Grocery Stores	5,868	1.1
Las Vegas Sands	Travel and Leisure	5,532	1.1
Comcast	Media	5,415	1.1
Marriott International	Travel and Leisure	5,390	1.1
Union Pacific	Road and Rail	4,987	1.0
Oracle	Software and Computer Services	4,789	0.9
Phillips 66	Oil, Gas & Consumable Fuels	4,739	0.9
Amphenol	Technology Hardware and Equipment	3,701	0.7
Total investments		**504,594**	**99.3**
Net current assets		**3,425**	**0.7**
Total assets		**508,019**	**100.0**

Case studies

Broadcom

Technological Innovation and Growth

Country of listing

USA

Proportion of portfolio

2.8%

What do they do?

Broadcom Inc is at the forefront of designing, developing, and supplying a range of semiconductor and infrastructure software solutions. The company's products, including storage adapters, networking processors, and optical sensors, are integral to modernizing and securing complex computing environments.

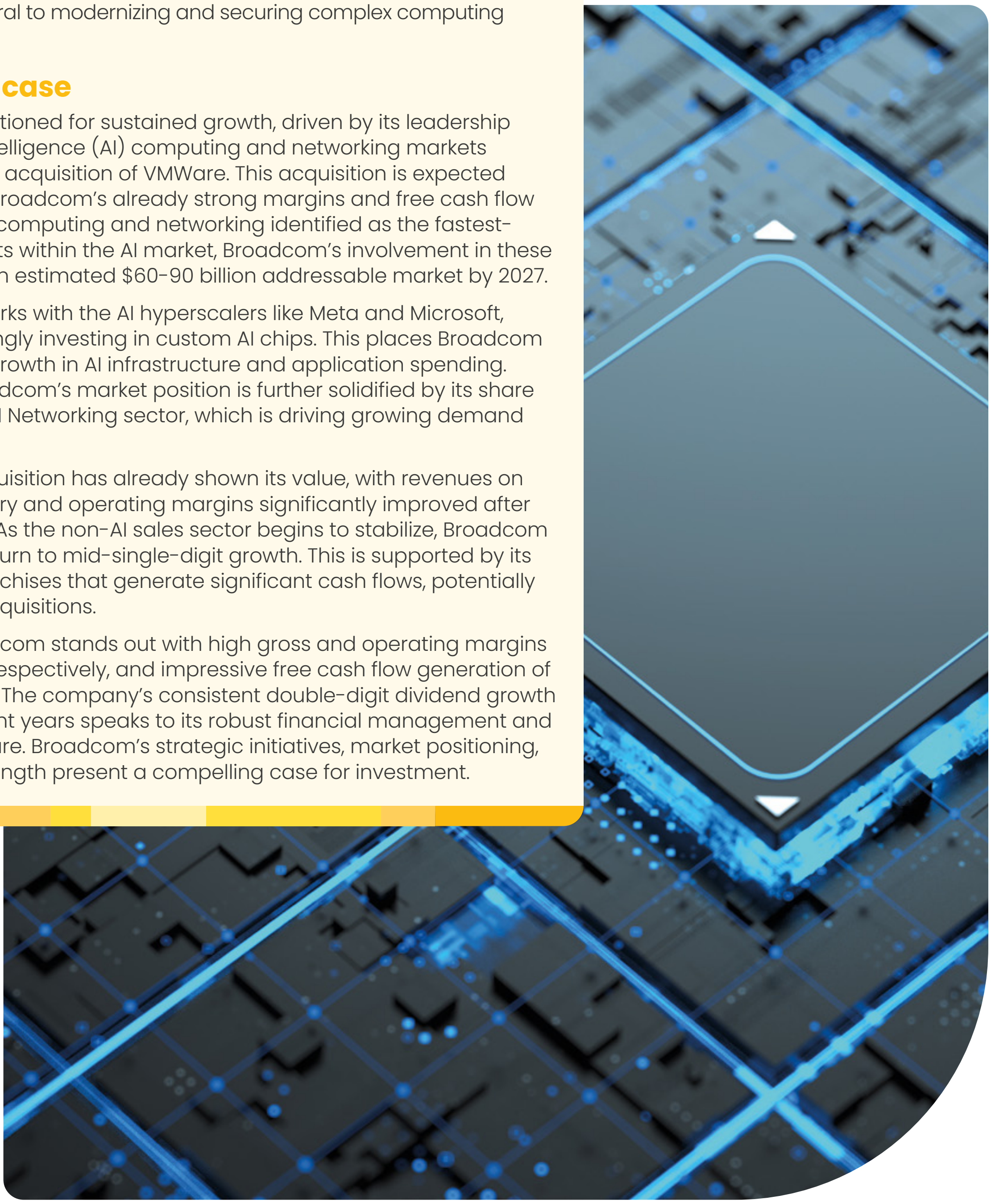
Investment case

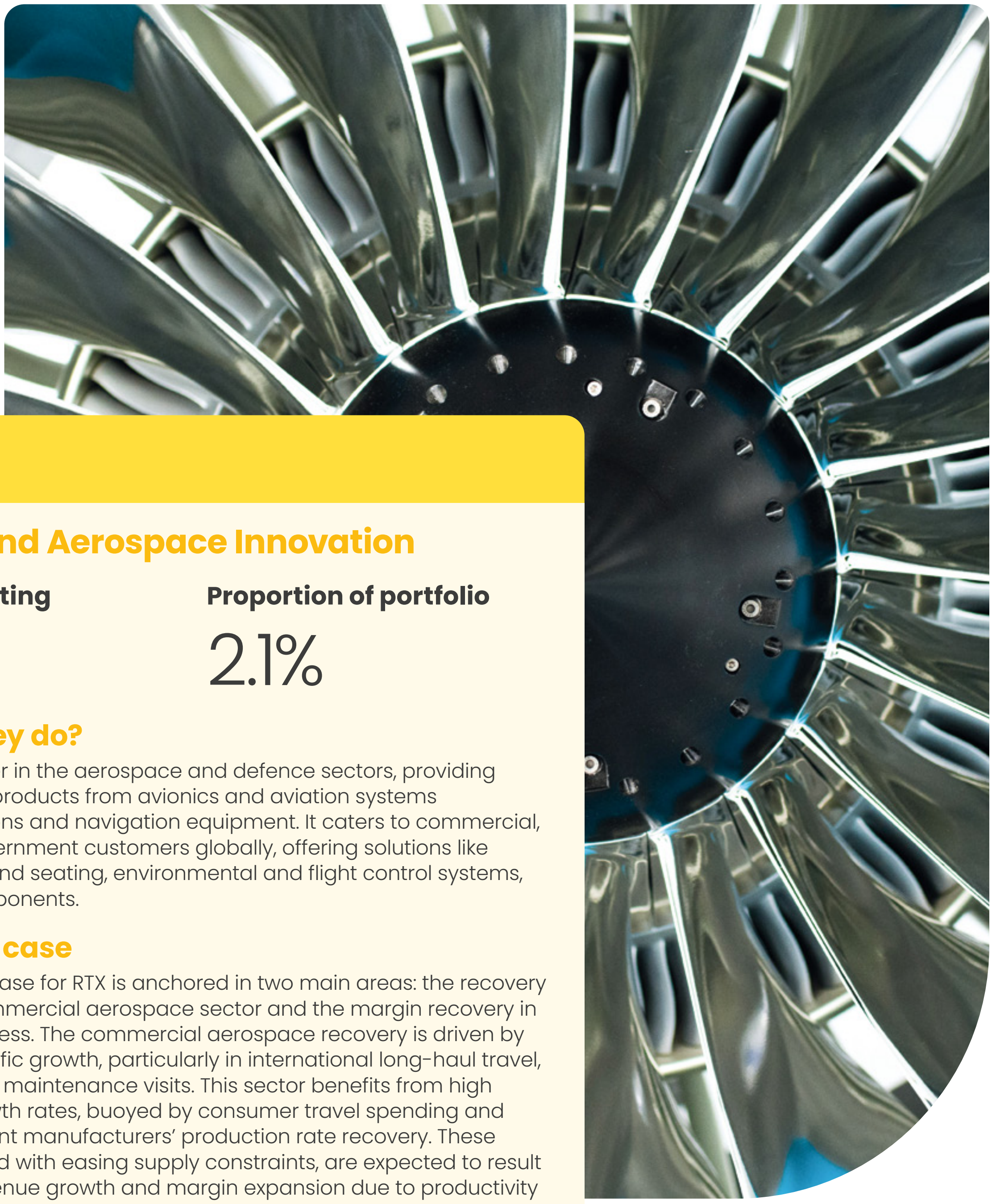
Broadcom is positioned for sustained growth, driven by its leadership in the Artificial Intelligence (AI) computing and networking markets and the strategic acquisition of VMWare. This acquisition is expected to complement Broadcom's already strong margins and free cash flow generation. With computing and networking identified as the fastest-growing segments within the AI market, Broadcom's involvement in these areas taps into an estimated $60-90 billion addressable market by 2027.

The company works with the AI hyperscalers like Meta and Microsoft, who are increasingly investing in custom AI chips. This places Broadcom at the centre of growth in AI infrastructure and application spending. Additionally, Broadcom's market position is further solidified by its share in the booming AI Networking sector, which is driving growing demand for bandwidth.

The VMWare acquisition has already shown its value, with revenues on a growth trajectory and operating margins significantly improved after less than a year. As the non-AI sales sector begins to stabilize, Broadcom is expected to return to mid-single-digit growth. This is supported by its high-margin franchises that generate significant cash flows, potentially funding future acquisitions.

Financially, Broadcom stands out with high gross and operating margins of 77% and 60%, respectively, and impressive free cash flow generation of over $30bn/year. The company's consistent double-digit dividend growth over the past eight years speaks to its robust financial management and shareholder culture. Broadcom's strategic initiatives, market positioning, and financial strength present a compelling case for investment.





RTX

Defence and Aerospace Innovation

Country of listing	Proportion of portfolio
USA	2.1%

What do they do?

RTX is a key player in the aerospace and defence sectors, providing a wide range of products from avionics and aviation systems to communications and navigation equipment. It caters to commercial, military, and government customers globally, offering solutions like aircraft lighting and seating, environmental and flight control systems, and engine components.

Investment case

The investment case for RTX is anchored in two main areas: the recovery of the global commercial aerospace sector and the margin recovery in its defence business. The commercial aerospace recovery is driven by strong global traffic growth, particularly in international long-haul travel, and a backlog of maintenance visits. This sector benefits from high aftermarket growth rates, buoyed by consumer travel spending and original equipment manufacturers' production rate recovery. These factors, combined with easing supply constraints, are expected to result in significant revenue growth and margin expansion due to productivity gains, factory efficiencies, and operating leverage.

On the defence side, RTX's margin recovery is beginning to gain traction. After a challenging period of fixed-price contracts and rising inflation, the company is seeing a positive shift in program accounting adjustments. Additionally, an increased international focus on missile and missile defence systems, spurred by current global conflicts and heightened European/NATO defence spending, is expected to further enhance margins.

Considering RTX's promising outlook for revenue and profit growth, its current valuation presents an attractive investment opportunity relative to the market and its peers. Moreover, RTX's commitment to returning value to shareholders through a growing dividend and share buybacks reinforces its appeal as a solid investment choice in the aerospace and defence sectors.

Environmental, Social and Governance matters

Defining ESG

Environment

Environmental factors include climate change, energy efficiency, resource depletion, water and waste management.

Social

Social factors include employee and community relations, diversity, quality of life, enhancements in knowledge and advances in supportive technology for improved sustainability.

Governance

Governance factors include mitigating risks such as bribery and corruption, monitoring board diversity, executive pay, accounting standards, shareholder rights, and positively influencing corporate behaviour.

Company engagement

The Janus Henderson North American Equities team's experience in the North American market has created a deep knowledge base. Management analysis is further supplemented by a body of increasingly sophisticated data related to environmental, social and governance ("ESG") factors, brokers' research and company meetings.

The North American Equities team takes into account research and guidance from the in-house Responsible Investment and Governance Team to screen portfolios for ESG issues and to identify broader themes for discussion in making and holding investments.

The Fund Managers believe that if they were to invest in companies they judged to be systemically low scoring or failing businesses from an ESG perspective, this would detract from investment performance.

The Fund Managers' approach is built upon fundamental stockpicking blended with sector themes. This allows them to isolate investment decisions from market noise; however, the resulting approach can be contrarian, and can lead to investing in change. ESG factors can play a role in identifying these trends in corporate change and sector development.

It is during the in-depth research stage of the investment process where the Fund Managers will make an assessment on ESG considerations for each stock or sector, where material. Their analysis tends to focus on the rate of change rather than existing scores. They want to gain a good understanding of what procedures and initiatives the company is putting in place to improve its ESG practices. This research is often far ranging, including topics such as board composition and staff remuneration as well as carbon targets.

Whilst headline ratings from external providers can be a useful starting point, the Fund Managers caution investors from giving them too much significance. They are often backward looking and external providers face huge difficulties in aligning subjective topics contained within the ESG arena with a scoring system used to compare stocks. This has resulted in a high level of dispersion in ratings depending on the agency.

These are just a few of the reasons why the Fund Managers choose to focus on the delta as well as the absolute when it comes to ESG integration in stock selection. The Company integrates ESG but does not pursue a sustainable investment strategy or have a sustainable investment objective or otherwise take ESG factors into account in a binding manner. ESG integration is the practice of incorporating material environmental, social and governance information or insights in a non-binding manner alongside traditional measures into the investment decision process to improve long-term financial outcomes of portfolios. ESG-related research is one of many factors considered within the investment process and in this report we seek to show why it is financially relevant.

Voting

The Board believes that voting at general meetings is an integral part of exercising responsible corporate stewardship and provides an effective means of signalling shareholder views on board policy, practices and performance. Voting responsibility has been delegated to the Manager for the rights attached to the shares held in the Company's portfolio. The Manager votes actively at shareholder meetings and engages with companies as part of the voting process.

The decision on how to vote is guided by the best interests of investors and based on an in-depth understanding of the respective companies' operations. Voting decisions are made in keeping with the provisions of the Manager's Responsible Investment Policy which is publicly available at www.janushenderson.com. To retain oversight of the process, the directors receive reporting at least annually at a board meeting on how the Manager has voted the shares held in the Company's portfolio. The directors review the Manager's Responsible Investment Policy, Proxy Voting Policy and Procedures at least annually.

The Fund Managers have a strong focus on good governance practice and an active approach to voting. To influence decision making at board level where appropriate, the Fund Managers participate in consultations with our portfolio companies ahead of or after contentious AGM resolutions. Where appropriate, the Manager will vote against resolutions at general meetings. In total, the Company voted at 6 shareholder meetings during the six months during which JHI was the investment manager, being 100% of portfolio companies' general meetings. At 3 of these meetings (50%), the Company placed a vote against management.

The Company voted against 8 resolutions in total, being 8.7% of all resolutions voted on during the period.

Environmental, Social and Governance matters continued

Voting record

Meetings with one or more votes against management	8.7%
Meetings where all resolutions were voted in favour	87.0%
Meetings where vote withheld	4.3%

In terms of resolutions not supported in the year to 31 January 2025, the key issues which the Fund Managers voted the Company's shares against concerned director elections and shareholder proposals on additional risk reporting.

Director elections	33.3%
Shareholder proposals for additional risk reporting	66.7%

Source: Janus Henderson using Institutional Shareholder Services ("ISS") categories
Note: Some meetings had more than one vote against management.

Stewardship

Stewardship is an integral and natural part of JHI's long-term, active approach to investment management. Strong ownership practices, such as management engagement and proxy voting, can help protect and enhance long-term shareholder value. JHI supports stewardship codes and broader initiatives around the world, including being a founder signatory of the UN Principles for Responsible Investment, and is a signatory of the UK Stewardship Code. The intensive research by fund managers and analysts involves conducting thousands of interviews with senior executives and chairs of companies throughout the world each year.

The fund management teams develop long-term relationships with the management of firms in which they invest. Should concerns arise over a firm's practices or performance, they seek to leverage these constructive relationships by engaging with company management or expressing their views through voting on management or shareholder proposals. Escalation of the engagement activities depends on a company's individual circumstances.

The environment

The North American Equities team which supports the Fund Managers with fundamental analysis and engages with portfolio companies on environmental matters where relevant. As an investment trust, the Company's own direct environmental impact is minimal. 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. The Company's indirect impact occurs through its investments and the Fund Managers monitor the carbon footprint of the portfolio as a measure of its carbon intensity. For these reasons, the Board considers that the Company is a low-energy user under the Streamlined Energy & Carbon Reporting regulations ("SECR") and is not required to disclose energy and carbon information.

The Manager recognises the importance of managing its operational activities in a sustainable way and minimising any adverse impact on the environment. In 2021, JHI reached its three-year target to reduce its carbon footprint by 15% per full-time employee ("FTE") from 2018 levels. In 2022, using guidance from the Science-Based Target Initiative, JHI set ambitious new five-year reduction targets versus a 2019 baseline and per FTE:

- reduction target of 29.4% in Scope 1 (fuel) and Scope 2 (electricity) emissions;
- reduction target of 17.5% in Scope 3 (business travel, freight, paper, water, waste) emissions; and
- reduction target of 17.

In addition to this, JHI has maintained a CarbonNetural® certification since 2007 and offsets all its operational Scope 1, Scope 2 and Scope 3 operational emissions each year. Through this process, JHI has invested in a variety of offset projects around the world, delivering financial support to essential renewable energy, forestry and resource conservation projects that support reductions in greenhouse gas emissions. All projects JHI supports have been classified as 'additional' by an independent third party, meaning they would not happen without the sale of carbon credits.

JHI discloses its carbon emissions annually through regulatory and voluntary reporting frameworks, including the Carbon Disclosure Project ("CDP"), as well as in its 2023 Responsibility Report, which provides more information.

JHI produces product-level Task Force on Climate-Related Financial Disclosures ("TCFD") reports. These reports include an overview of the climate-related governance, strategy, risk management, metrics and targets of JHI and its portfolios. Product-level metrics include absolute carbon emissions, carbon footprint, weighted average carbon intensity, implied temperature rise and climate scenario analysis (Climate Value at Risk). JHI's TCFD Report specific to the Company is available at www.northamericanincome.com.

Business ethics

As the Company's operations are delegated to third-party service providers, the Board seeks assurances from its service providers, at least annually, that they comply with the provisions of the UK Modern Slavery Act 2015 and maintain adequate safeguards in keeping with the provisions of the Bribery Act 2010, Criminal Finances Act 2017, and the sanctions element of the Economic Crime (Transparency and Enforcement) Act 2022. The Company has received assurances from its main suppliers that they maintain a zero-tolerance policy towards the provision of illegal services.

Business model

Investment Objective

Income & Growth

The Company aims to provide investors with above average dividend income and long term capital growth through active management of a portfolio consisting predominantly of S&P 500 US equities.

Investment policy and purpose

The Company invests in a portfolio predominantly comprised of S&P 500 constituents. The Company may also invest in Canadian stocks and US mid and small capitalisation companies to provide for diversified sources of income. The Company may invest up to 20% of its gross assets in fixed income investments, which may include non-investment grade debt. The Company's investment policy is flexible, enabling it to invest in all types of securities, including (but not limited to) equities, preference shares, debt, convertible securities, warrants, depositary receipts and other equity-related securities.

The maximum single investment will not exceed 10% of gross assets at the time of investment and it is expected that the portfolio will contain between 35 and 70 holdings at the time of investment (including fixed income investments), with an absolute minimum of 35 holdings. The composition of the Company's portfolio is not restricted by minimum or maximum market capitalisation or country weightings.

The Company may borrow up to an amount equal to 20% of its net assets.

Subject to the prior approval of the Board, the Company may also use derivative instruments for efficient portfolio management, hedging and investment purposes. The Company's aggregate exposure to such instruments for investment purposes (excluding collateral held in respect of any such derivatives) will not exceed 20% of the Company's net assets at the time of the relevant acquisition, trade or borrowing.

The Company does not generally hedge its exposure to foreign currency. The Company will not acquire securities that are unlisted or unquoted at the time of investment (with the exception of securities which are about to be listed or traded on a stock exchange). However, the Company may continue to hold securities that cease to be listed or quoted, if appropriate.

The Company may participate in the underwriting or sub-underwriting of investments where appropriate to do so.

The Company may invest in open-ended collective investment schemes and closed-ended funds that invest in the North American region. However, the Company will not invest more than 10%, in aggregate, of the value of its gross assets in other listed investment companies (including listed investment trusts), provided that this restriction does not apply to investments in any such investment companies which themselves 55 have stated investment policies to invest no more than 15% of their gross assets in other listed investment companies.

The Company will normally be substantially fully invested in accordance with its investment objective but, during periods in which changes in economic conditions or other factors so warrant, the Company may reduce its exposure to securities and increase its position in cash and money market instruments.

Structure

The Company fulfils its purpose by doing business as an investment company under s833 Companies Act 2006, and as a closed-ended investment vehicle, approved by HMRC as an investment trust under s1158/59 Corporation Tax Act 2010. The Company is also a public limited company listed on the main market of the London Stock Exchange, and as such is subject to the UK Listing Rules, Prospectus Regulation Rules, Disclosure Guidance and Transparency Rules of the Financial Conduct Authority ("FCA") and the provisions of the City Code on Takeovers and Mergers. A board of independent non-executive directors governs the Company, delegates management of the Company's investments to the Manager, and controls costs. The Company's day-to-day functions, including administrative, financial and share registration services, are carried out by reputable third-party service providers with established track records to deliver the necessary services to the Company.

The framework of delegation provides the Company with a cost-effective mechanism for delivering operations whilst allowing the Company to benefit from the capital gains treatment afforded to investment trusts. The closed-ended nature of the Company permits the Fund Managers to hold a longer-term view on investments and remain fully invested while taking advantage of any illiquidity in normal and volatile market conditions, as redemptions do not arise in the way they would for an open-ended vehicle. A significant advantage over other investment fund structures is the ability to use leverage to potentially increase returns for shareholders.

The Board is accountable to the Company's shareholders and directors are independent of the Manager.

Shareholders vote annually on the re-election of directors.

Business model continued

Stock selection

The Fund Managers use rigorous research to identify attractive investment opportunities by focusing on the quality of the business, valuations, balance sheet strength and cash flow potential. Free cash flow yields are an important valuation metric, rather than simply price/earnings ratios or other performance measures. The Company does not have a benchmark, but uses reference indices against which it analyses performance. These are the S&P High Yield Dividend Aristocrat Index and the Russell 1000 Value Index.

Values and culture

The board of directors follows high standards of governance, with a culture based on openness and integrity, combined with constructive challenge, informed enquiry and a strong focus on shareholder interests. The Board seeks to act in the best interests of shareholders, making the most effective use possible of the diversity of skills and experience of its members, with consideration of the wider stakeholders' interests. This culture of openness and constructive challenge extends to the Board's interaction with the Manager, being the Company's most important service provider. The Board expects the Manager and all other service providers to hold values which align with the high standards promoted by the Board.

The Company has policies and procedures in place to maintain a culture of good governance, including regular scheduled board meetings using wide-ranging agendas, committee meetings on specific areas such as audit and risk, and directorial activities such as conflicts of interest, dealings in the Company's shares, bribery and tax evasion.

At the date of this report, the Board comprises four directors, two of whom are male and two are female. All directors seek to properly discharge their responsibilities and meet shareholder expectations in a transparent manner with commitment of time and effort as required.

Apart from focusing on experience and collective competence to task, the Board welcomes diversity of views and experiences. The Board considers the culture of the Manager and other service providers through regular reporting and presentations to ensure constructive engagement and challenge. The Board recognises that the Manager fosters and maintains an environment that values the talents and contributions of individuals, and strives to cultivate and practise inclusiveness for the long-term success of the business and for the benefit of its employees, investors and stakeholders more generally.

Management

The Company is an alternative investment fund in accordance with the Alternative Investment Fund Managers Directive ("AIFMD"). The Board has appointed Janus Henderson Fund Management UK Limited ("JHFM") to act as its alternative investment fund manager ("AIFM"). JHFM delegates investment management services to Janus Henderson Investors UK Limited ("JHUK") in accordance with an agreement effective from 1 August 2024. The management agreement with JHFM is reviewed annually and can be terminated on six months' notice.

During the year to 31 January 2025, the Board undertook a strategic review of the Company's management which resulted in a decision to transition the management of the Company from Aberdeen Group to Janus Henderson. As part of this review, the fees payable by the Company have been reduced.

JHFM and JHUK are authorised and regulated by the FCA and are part of the Janus Henderson Investors group of companies. References to 'Janus Henderson', 'JHI' or the 'Manager' refer to the services provided to the Company by the Janus Henderson Investors' group of companies.

The Fund Managers are Jeremiah Buckley and Fran Radano, who draw on the resources of a wider North American equities team at JHI.

The current management agreement provides for the payment of a composite management fee. From 1 August 2024, the fees payable are 0.55% per annum of net assets up to £500 million, and 0.45% of net assets above £500 million.

Any holdings in funds managed by Janus Henderson, of which there were none in the year, are excluded from calculation of the management fee.

There are no performance fees and no separate administration charges payable to Janus Henderson.

Under the Company's former arrangements with Aberdeen Group, the management fee was 0.75% on assets up to £250 million, 0.6% on assets between £250 million and £500 million, and 0.5% on assets over £500 million.

Ongoing charges

The Board believes that the ongoing charge ratio of 0.77% (2024: 0.89%) represents a competitive cost for shareholders. As an alternative performance measure, the calculation of the ongoing charge is explained on page 89. The expected decrease from the change of Manager is only partially reflected in the year ended 31 January 2025.

Borrowings

The Company has borrowings of US$50 million through privately placed loan notes.

The Company may use leverage to increase returns for shareholders, which provides a significant advantage over other investment fund structures. The Company may also 'de-gear' its investment exposure by investing part of the portfolio in cash or cash equivalents, if it is thought appropriate to do so given the market circumstances at the time.

Key performance indicators

to 31 January 2025

To measure the success of the Company in meeting its objective and to evaluate the performance of the Manager, the directors consider the following key performance indicators ("KPIs").

KPI	Action
Net asset value and share price performance against the reference indices	The Board reviews the Company's NAV and share price total return performance against the Russell 1000 Value Index (in sterling terms) and the S&P High Yield Dividend Aristocrats Index. Performance graphs and tables are provided on page 6. The Board also reviews the performance of the Company against its peer group of investment trusts with similar investment objectives.

NAV
Total return performance over the year

23.8%

(2024) -1.6%

Share price
Total return performance over the year

24.9%

(2024) -0.9%

Reference indices
Russell 1000 Value

22.5%

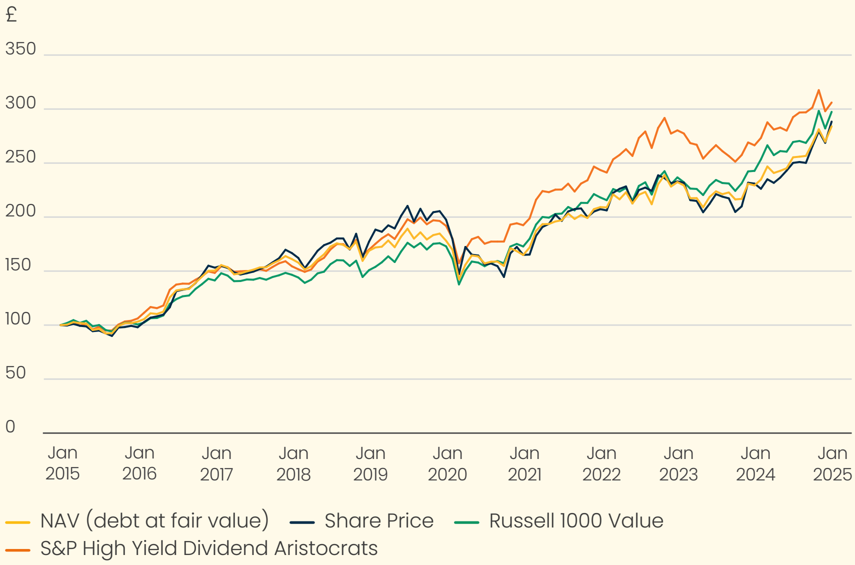
(2024) 2.6%

S&P High Yield Dividend Aristocrats

14.9%

(2024) -4.9%

NAV and share price performance against reference indices[1]



Source: Morningstar Direct, LSEG Datastream, S&P

1 All shown on total return basis, rebased to 100.

KPIs continued

KPI	Action
Revenue return and dividend yield	The Board monitors the Company's net revenue return and dividend yield through the receipt of detailed income forecasts. A graph showing the dividends and revenue returns over the last ten years is shown below..

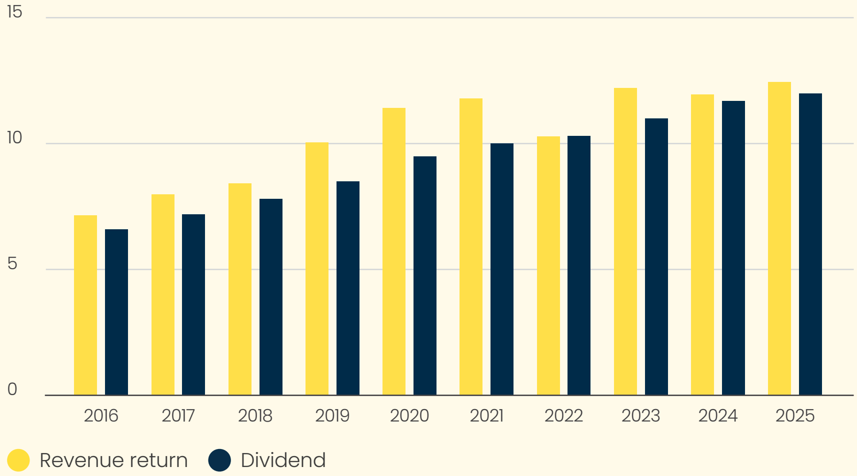
Dividend yield

3.5%

(2024) 4.0%

Revenue and dividend

Pence per share



Source: Morningstar Direct

KPI	Action
Share price discount/ premium to net asset value −8.5% (2024) -9.1%	The Board works with the Manager to promote the Company's benefits as widely as possible and to provide liquidity to the market through the use of share buybacks. Over the course of the year, the Company's shares traded at discounts ranging between 6.3% and 16.0%. During the year, 13,990,660 shares were bought back and cancelled at an average price of 305.7 pence and an average discount of 11.4%. The total cost was £43.7 million. Since 31 January 2025, the Company has bought back an additional 2,051,851 Ordinary shares at a cost of £6.9 million.
Ongoing charge 0.77% (2024) 0.89%	The Board reviews the Company's operating costs carefully against its peer group of investment trusts with similar investment objectives. The Company's OCR is provided on page 89.

Managing risks

The Board, with the assistance of the Manager, has carried out a robust assessment of the principal risks facing the Company, including those which would threaten its business model, future performance, solvency, liquidity in its shares and reputation. The assessment includes consideration of economic and political risks, most of which are outside the Board's direct control. The Board has drawn up a detailed matrix of risks facing the Company, which it has distilled into six categories of principal risks, as shown on the following pages. To assist in mitigating the decision-taking risks as far as practicable, the Board has also put in place a schedule of investment limits and restrictions, appropriate to the Company's investment objective and policy, which it reviews at each board meeting.

Emerging risks

The Board considers changes to the risk profile of the Company, arising from both internal and external triggers, and examines emerging risks as part of its regular review of the Company's risk profile. The Board defines emerging risks as potential trends, sudden events or changing risks which are characterised by a high degree of uncertainty in terms of occurrence probability and possible effects on the Company. Once the emerging risks become sufficiently clear, they may be treated as specific risks and enter the Company's matrix of risks.

The decision during the year to change the Company's management arrangements was a potential risk, and was closely monitored by the Board, with the Audit Chair in regular communication with teams at both Janus Henderson and Aberdeen Group, and weekly Board steering committee meetings.

The Board receives regular reporting on specific and emerging risks from the Manager and other service providers. In addition, the Board receives ad hoc reports on specialist topics from professional advisers, including lawyers and tax agents, when necessary. These reports, as well as the directors' own experience, enable effective monitoring of the risk landscape and changes to it.

The Board has concluded that the portfolio, investment approach and operational requirements of the Company have, to date, proven resilient and the investment approach remains unchanged. The impacts of geopolitical tensions affect the investment landscape, as do borrowing levels in economies, relatively low growth in developed economies and the threat of inflation, all of which are factored into investment decisions. There are specific risks in the UK environment that might impact on investors and demand for the Company's shares which are also taken into consideration in managing the Company's share price rating, where possible.

The Company's principal risks and mitigating steps are as follows:

Risk	Controls and mitigation
Market The Company's absolute performance in terms of NAV total return and share price total return is dependent on the performance of the investee companies and markets in which the Company invests. Performance is also impacted by currency and interest rate movements, as well as by political and economic events, including changes to the fiscal environment for UK investors. Any debt securities that may be held by the Company will be affected by general changes in interest rates that will in turn result in increases or decreases in the market value of those instruments.	Stock specific investment risk is spread by holding a diversified portfolio of investee companies, typically with strong balance sheets and good growth prospects. The Company does not currently undertake any currency hedging strategies, though it has the ability to do so. The Company's investment strategy is reviewed formally by the Board at least annually, and takes into account shareholder views, developments in the marketplace and how the structure of the Company is positioned to meet them. Details on financial risks, including market price volatility, inflation, interest rates, liquidity and foreign currency risks and the controls in place to manage these risks are provided in note 18 to the financial statements.
Investment performance The relative performance of the Company against its reference indices and AIC peer group depends principally on asset allocation and stock selection, which, in turn, require investment skills. In exercising these skills, the Manager is responsible for adhering to the investment policy and investment guideline restrictions set by the Board and amended from time to time.	The Board is responsible for ensuring that the investment policy is met. The day-to-day management of the Company's assets is delegated to the Manager under investment guidelines, with close monitoring of the guidelines. The Board meets the Manager on a regular basis and keeps investment performance, in terms of both capital and income returns, under close review. The Management Engagement Committee reviews the Manager's performance annually. Although the Company is not invested against any income criteria, the net income of the Company and the revenue reserves are monitored against dividend pay-outs and anticipated future net income.

Managing risks continued

Risk	Controls and mitigation
Investment performance continued	Investment performance is monitored over the short, medium and longer term against the Company's reference indices and against the Company's AIC peer group (North America). The Fund Managers keep the global political and economic picture under review as part of the investment process and members of the wider Janus Henderson team are available should the Board want additional information on sector or market specific issues. Climate risk is assessed within the individual stock selection process. The Board monitors the Company's ordinary share price relative to NAV per share and reviews changes in shareholdings in the Company to understand short or longer-term trends in supply of and demand for the shares.
Major market event or geopolitical risk The Company is exposed to stock market volatility or illiquidity that could result from major market shocks due to a national or global crisis such as a pandemic, war, natural disaster, geopolitical developments or similar. There could also be a resultant impact of disruption on the operations of the Company and its service providers temporarily or for prolonged duration.	The Board is cognisant of the heightened risks arising from geopolitical developments including stock market instability and economic effects or the potential impact on the operations of the third-party suppliers, including the Manager. The Manager maintains close oversight of the Company's portfolio and the performance of investee companies. The Board monitors volatility and holds a regular dialogue with the Fund Managers to understand the impact on the Company's portfolio. The Manager has disaster recovery and business continuity arrangements in place to ensure that it is able to continue to service its clients, including investment trusts. The Board monitors third party risk management arrangements through updates from the Manager.
Income and Dividend Risk The ability of the Company to pay dividends and any future dividend growth will depend primarily on the timing and level of income received from its investments (which may be affected by currency movements, exchange controls or withholding taxes imposed by jurisdictions in which the Company invests). Accordingly, there is no guarantee that the Company's dividend income objective will continue to be met and the amount of the dividends paid to Ordinary shareholders may go down as well as up.	The Board monitors this risk through the regular review of detailed revenue forecasts and considers the current and forecast level of income at each meeting. The Company has built up its revenue reserves over recent years which provides flexibility in future years, should the dividend environment become challenging. The Company has revenue reserves of £22.66m before payment of the fourth interim dividend.
Gearing The Fund Managers have authority to use gearing in line with the Company's investment policy. Gearing is used to leverage the Company's portfolio in order to enhance returns. In the event of a significant or prolonged fall in equity markets, gearing can have the effect of exacerbating market falls on the Company's NAV and, consequently, its share price. Gearing would have the opposite effect in the event of a significant or prolonged rise in equity markets in which the Company is invested.	The Company's investment policy sets a limit on borrowing of 20% of net assets at the time the borrowing is assumed, and the Board monitors the Company's level of gearing at each meeting, and its compliance with loan covenants. As at 31 January 2025 the Company had £40.2 million of borrowings and net gearing was 7.8% at the year end. More details are provided in note 14 on page 73 of this report.
Discount volatility Investment company shares can trade at a discount to their underlying net asset values (NAV), although they can also trade at a premium.	The Company's share price, NAV and discount are monitored daily by the Manager. When there is a significant discount and it is deemed to be in the best interest of shareholders, the Manager will exercise discretion to undertake share buybacks, within authorities set by the Board. The Board monitors the discount level of the Company's shares and monitors the level of share buybacks, within shareholder authorities. During the year, 13,990,660 shares were bought back.

Managing risks continued

Risk	Controls and mitigation
Derivatives The Company uses derivatives primarily to enhance the income generation of the Company. Derivatives are difficult to value and exposed to counterparty risk.	The risks associated with derivatives contracts are managed within guidelines and limits set by the Board.
Operational The Company is reliant on third-party service providers for all its operational activities, including reliance on Janus Henderson (and Aberdeen Group for the first six months of the year) as investment manager, corporate secretary and administrator to the Company. The Company depends on the diligence, skill and judgement of the Manager's investment team. Continuity of service of the team and individuals in the team could impact the future success of the Company. Failure of third parties' operational or internal control systems could prevent the accurate reporting or monitoring of the Company's financial position. Janus Henderson subcontracts some of the operational functions (principally those relating to trade processing, investment administration and accounting) to BNP Paribas. Failure of controls could also impact the Company meeting its regulatory obligations.	The Management Engagement Committee reviews each service provider at least annually, and, in conjunction with the Audit Committee, considers reports on internal controls, including any reported breaches, throughout the year, from all the service providers. This reporting covers such matters as business resilience and cyber security risk as well as matters that are subject to review as part of the annual audit of the Company. Janus Henderson has a strong North American Equities team, which supports the Fund Managers in the management of the Company's portfolio. Constructive challenge, succession and continuity planning are key elements of the management of the team. The Board reviews the internal control structure and reporting for the Company from all agents and meets with their representatives as appropriate to make enquiry on the systems and controls.
Regulatory and reporting The Company operates in a highly regulated environment which could inter alia affect the listing of the Company's shares and the Company's tax status, as well as how the Company conducts its affairs in the market more generally. The Company has strict reporting requirements that need to be adhered to both internally and externally to the market.	The Board is apprised regularly of impending regulatory and reporting changes and monitors closely, through its Manager and various professional advisors the Company's adherence to existing requirements, including maintaining investment trust and listed company status. The Board is also kept aware of fiscal and other developments that might affect shareholders' interests. The Board is kept informed of corporate governance developments and, as far as practicable, adheres to corporate governance guidelines that are applicable to an investment company.

Details of how the Board monitors the services provided by Janus Henderson and its other suppliers, and the key elements designed to provide effective internal control, are explained further on pages 40-45. Note 18 contains further details on the Company's exposure to market risk (including market price risk, currency risk and interest rate risk), liquidity risk, credit risk and how they are managed.

The Company's Viability

The AIC Code of Corporate Governance includes a requirement for the Board to assess future prospects for the Company, and to report on that assessment within the Annual Report. The Board considers that certain characteristics of the Company's business model and strategy are relevant to this assessment:

- the Board aims for the Company to deliver long-term performance;
- the Company's investment objective, strategy and policy, which are subject to regular Board monitoring, mean that the Company is invested mainly in readily realisable, listed securities and that the level of borrowings is restricted; and
- the Company is a closed-ended investment company and therefore does not suffer from liquidity issues arising from unexpected redemptions.

Also relevant are a number of aspects of the Company's operational agreements:

- the Company retains title to all assets held by the custodian under the terms of formal agreements with the custodian and depositary;
- revenue and expenditure forecasts are reviewed by the directors at each board meeting; and
- cash is held with approved banks.

In addition, the directors have carried out a robust assessment of the principal risks and uncertainties which could threaten the Company's business model, including future performance, liquidity and solvency, and climate change, and considered emerging risks that could have a future impact on the Company. The Board takes into account the liquidity of the portfolio, short-term and structural gearing, the income stream from the portfolio, and the Company's ability to meet its liabilities as they fall due. This includes consideration of how the forecast income stream, expenditure and levels of reserves could impact the Company's ability to pay dividends to shareholders. Detailed income and expense forecasts are made over a shorter time frame. The nature of the Company's business means that such forecasts are equally valid to be considered over the longer three-year period as a means of assessing whether the Company can continue in operation.

The directors assess viability over three-year rolling periods, which aligns with its continuation vote, taking account of foreseeable severe but plausible scenarios. This includes consideration of the duration of the Company's loan notes facility and how a breach of any covenants could impact the Company's NAV and share price. The Board has assessed the risks associated with geopolitical, economic and health crises in recent years, including the conflicts in the Middle East and Ukraine, as well as the recent trade tariffs imposed by the US (and related reciprocal arrangements), and has concluded that these events have not affected the long-term viability of the Company, and its ability to continue in operation, notwithstanding any short-term uncertainty and volatility they have caused in the markets.

The directors believe that a rolling three-year period best balances the Company's long-term objective, its financial flexibility, commitment to holding continuation votes every three years and scope with the difficulty in forecasting economic conditions affecting the Company and its shareholders.

The directors also recognise that the next continuation vote will take place within the three-year assessment period and the conditional tender offer could take place in 2027 should certain conditions apply. The directors do not currently expect either of these to threaten the long-term viability of the Company.

Based on their assessment, and in the context of the Company's business model, strategy and operational arrangements above, the directors have a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due over the three-year period to January 2028.

The directors have also concluded that the Company has adequate resources to continue in operational existence for at least 12 months from the date of approval of these financial statements being 30 April 2026, and it is therefore appropriate to prepare these financial statements on a going concern basis.

The Strategic report has been approved by the Board of directors.

Charles Park
Chairman

17 April 2025

Engaging with our stakeholders

Section 172 statement

The directors must have the success of the Company for the benefit of members as a whole foremost in mind when making decisions. Decisions are taken with the aim of achieving the Company's investment objective and are based on information provided by a range of sources. The impact on stakeholders is assessed as part of the deliberations, and different stakeholders may be affected differently by each decision.

The table below sets out the primary ways in which the Board has engaged with the Company's key stakeholders during the year under review, in line with directors' duties under s172 Companies Act 2006.

Stakeholder	Engagement	Outcome
Shareholders	The Board communicates with shareholders through the annual and half-yearly reports, factsheets and monthly commentary, press releases, videos recorded by the Fund Managers and articles, all made available on the Company's website. The Company also publishes regulatory announcements which are linked through its website. The directors meet with shareholders at the AGM, which provides a forum for face-to-face debate with the Board and Fund Managers as well as online access to view the AGM. The Board addresses shareholder correspondence and reviews voting patterns at general meetings. The Chair and other directors are always happy to meet with shareholders, and welcome conversations. The Fund Managers discuss the Company's results and performance during the year in a video available at www.northamericanincome.com. The Fund Managers also have a programme of investor (and potential investor) meetings with institutions and wealth managers throughout the year as well as being available on certain retail investor forums. The Chair invites shareholders and other stakeholders to make contact directly. Shareholders can write to the Chair at the registered office (see page 92), or by email to itsecretariat@janushenderson.com with any feedback, queries or concerns. The Board reviews all shareholder correspondence addressed to it. The Board is pleased to invite shareholders to attend the AGM and Fund Managers' presentation for the year ended 31 January 2025. More details are on page 10, and in the Notice of AGM on pages 82-83.	Clear communication of strategy and the Company's performance against its objective helps shareholders make informed decisions about their investments, based on information on short, medium and longer-term aspects of the Company and its performance. This should also help support a consistent rating in the secondary market for the Company's shares. Close interaction with shareholders enables the Board to align the Company with shareholders' interests as a whole and for the Company's long-term success. During the year there was discussion amongst directors and advisers on the review of the Company's management arrangements, the proposals from candidates who wished to be considered for the investment management mandate and the details of the proposals received. This included the potential value offered to shareholders, the ongoing cost ratio, and a review of investment policy and style, all designed to give the Company improved performance going forward. In response to shareholder feedback, the Board agreed to introduce a conditional tender offer in 2027, should certain conditions apply.

Engaging with our stakeholders continued

Stakeholder	Engagement	Outcome
Fund management group Aberdeen Group (to 31 July 2024)/Janus Henderson Investors (from 1 August 2024), providing: • investment management • accounting administration • professional sales and retail marketing • corporate secretarial services	The Board regularly reviews performance against the investment objective, policy and guidelines, and receives presentations from the Fund Managers and other representatives of the respective Manager at each board meeting to exercise effective oversight of the portfolio, performance and strategic objectives. The Manager's performance in all respects is reviewed formally by the Management Engagement Committee ("MEC") each year. The directors work closely with JHI (and formerly Aberdeen Group) outside scheduled board meetings on matters relating to portfolio management, administration and governance oversight, including relationships with third parties and engagement with other stakeholders. They meet to develop strategy, including a sales and marketing plan to promote the Company with the aim of raising its profile which in turn helps raise its rating. There was considerable activity during the year with JHI to agree new management arrangements, and to manage the transition of management arrangements from Aberdeen Group.	The Company is managed well and receives appropriate and timely advice and guidance for a competitive cost, which was reduced during the year as a result of the transition to JHI. The directors monitor succession planning within JHI for all key positions supporting the Company. As part of the transition of management arrangements, the directors assessed the Manager's performance and service offering, as well as how fund management responsibilities would be managed when Fran Radano joined JHI in November 2024. The Board will formally review JHI performance annually at its Management Engagement Committee meeting going forward. The Board is pleased with the joint fund management provided by Jeremiah Buckley and Fran Radano, supported by JHI's North American Equities team, following completion of the transition on 1 August 2024. After thorough consideration and review of the new management arrangements of the Company, the directors were satisfied with the resource being applied to a successful investment process. The Manager's portfolio activities and the impact of the Fund Managers' decisions are set out in the Fund Managers' Report on pages 11-13.
Other service providers, including: • BNP Paribas as accountant and administrator (outsourced by the Manager) • BNP Paribas as custodian and depositary • Computershare Investor Services Limited as registrar • Winterflood Securities Limited as broker	Representatives of all the main service provider functions present regularly to the Board. The Company contracts directly with certain service providers for custodian, depositary and registrar services, and indirectly with BNP Paribas for fund administration and accounting services. The Manager maintains the day-to-day relationship with all service providers. Winterflood Securities acts as the Company's broker, and provides corporate advisory and professional investor support to the Company. The Board and Manager work with the broker, including their research and sales teams, to provide access to the market and liquidity in the Company's shares. The Board invites representatives of the broker, and the Manager's marketing and sales teams, to provide regular updates on shareholders and is provided with analyses of shareholder movements. All service providers are subject to an annual performance review at the MEC.	The Company presents as a well-supported investment company with a good performance record. Experienced and capable third parties provide the services required to be a well-functioning Company. There were no changes to the Company's directly appointed service providers as a result of the change of Manager.

Engaging with our stakeholders continued

Stakeholder	Engagement	Outcome
Investee companies	The Board sets the investment objective, with shareholder approval, and discusses stock selection, asset allocation, performance and prospects pertaining to investee companies, as necessary, with the Fund Managers at each board meeting. The Manager has a dedicated Responsible Investment and Governance Team, which supports the Fund Managers in the investment process and engages with investee companies on behalf of the Company to exercise good stewardship practices on matters including stewardship and voting at company meetings.	The Fund Managers have conducted meetings with portfolio companies' management teams since the appointment of JHI as investment manager to enable them to interrogate current trading and prospects for their businesses and engage over any issues. In this way the Company is a responsible and engaged investor. The Company votes its holdings in most circumstances when a shareholder vote arises.
Lenders • Loan noteholder	The Company maintains borrowings at low rates through the use of privately placed loan notes. The Company confirms compliance with the covenants and restrictions of its gearing facilities each month. JHI (and previously Aberdeen Group) provides the Board with regular financial covenant compliance validation and financial reports. The Company maintains a good relationship with its lenders.	The Board monitors borrowing, and through its financial reporting to stakeholders, provides validation of compliance with lending limits. The Company has issued loan notes at a blended rate of 2.83%, as the directors believe this financing provides very attractively priced, long-term capital for the benefit of shareholders (see page 21 for more details).
Communities and the environment	The Board mandates the Manager, supported by its governance function, to engage with investee companies, when and where appropriate on ESG matters in line with good stewardship practices, and with an approach agreed with the Board. The Board is also conscious of the importance of providing an investment product which meets the need of its investors, including retail investors.	The Board is conscious of the need to take appropriate account of broader stewardship concerns and for the Company to act as a good corporate citizen. An investment approach that meets the needs of investors provides a service valuable to the communities in which the Company operates. See the company engagement section on page 16 for more details.
Legislators, regulators, stock exchanges, Association of Investment Companies ("AIC")	Where required, the Board, or its agents on behalf of the Company, consult or seek clearance from the appropriate regulatory authority. The Company is a member of the AIC, as representative body for investment companies. The AIC supports members by providing guidance on issues specific to investment companies, including on accounting and company law matters, and running events for directors and company secretaries of its member companies. The Company also participates in AIC consultations on key industry topics that may affect the Company and AIC work programmes.	The Company conducts its business as a good and active corporate citizen meeting its regulatory obligations as well as voluntary governance guidance. The AIC's support to members assists the Board in its discussions and decision making, and helps disseminate information about the Company more widely, e.g. forthcoming investment company AGMs: www.theaic.co.uk/upcoming-meetings The change of investment manager required appropriate scrutiny from, and approval by, the UK Listing Authority.

Engaging with our stakeholders continued

Board decision making

The Board aims to act in the best interests of shareholders as a whole and to have regard to other factors which have a broader impact on stakeholders and the wider community. The Board takes into consideration the Company's purpose, investment objective and investment policy as well as the interests of the Company's stakeholders when discussing matters and making decisions. In addition to regular, detailed discussions about the Company's investment portfolio, strategy and market performance. The following are examples of the key discussions held and decisions made by the Board during the financial year ended 31 January 2025:

Change of investment manager

On 9 May 2024, the Company announced that it had agreed terms with JHI for its appointment as investment manager of the Company. The transition to JHI from Aberdeen Group completed on 31 July 2024, and JHI commenced management on 1 August 2024.

The Board undertook a full review of its management arrangements, and received various expressions of interest in the mandate, a number of which were carefully reviewed, culminating in the selection of Janus Henderson Investors. The revised arrangements include lower management fees, a lower ongoing charges ratio, and enhanced US-based infrastructure support for the portfolio managers.

In its discussions and negotiations with the Manager, the Board focused on optimal financial terms to ensure they were in the best interests of shareholders. In particular, the directors arranged for a substantial contribution to the transaction costs to be paid by the Manager.

Discount management and share buyback

The Board's aim is to have the Company's share price subject to reduced volatility and to encourage an orderly and liquid market in the Company's shares, both for those wishing to buy and for those wishing to sell. The Board keeps the level of discount and make up of ownership under regular review. The Company's discount, that of its immediate competitors in the AIC North America sector and the discount of the investment trust sector as a whole are considered at each meeting.

Recent discussions and advice have resulted in the repurchase of 13.99 million shares during the year under review. The discount narrowed from 9.1% at the start of the financial year to 8.5% at the end of it. The buyback of shares has continued post year end, as explained in the Directors' Report on page 52.

Marketing and promotion

The Board approved an increase in the Company's marketing budget to promote the Company to a wider audience, primarily through targeted digital advertising. The Board also negotiated a significant additional contribution from JHI to paid advertising over the coming year. With a clear messaging framework initiated after the transition to JHI, a new website and annual report template, the marketing activities are intended to increase understanding of the Company among its stakeholders as well as endeavouring to reach new investors.

Board succession planning

As a result of the planned retirement of Dame Susan Rice at the AGM in June 2024, the Board undertook a detailed review of its composition and strengths. As a result of this, Charles Park succeeded to the Chair following Dame Susan's retirement, Patrick Edwardson assumed the role of Senior Independent Director, and the Board undertook a thorough recruitment search through a consultant independent of the Company for a new director. As a result, Bulbul Barrett will be appointed to the Board in the near future.

Engaging with our stakeholders continued

Dividends paid to shareholders

The amount of interim dividends to be paid are an important part of Board decision taking, both for the current year and looking ahead, with revenue reserves to provide for sustainability of dividends paid. The directors assessed the quantum of the dividends proposed at the first three interim stages with a view to smoothing the income over the year, and based on the Company's income generation based on net income forecasting. Earnings per share were 12.4p in the year under review (2024: 12.0p).

Further considerations around the total dividend are set out in the Chair's Statement on page 8.

Conditional tender offer

As explained in an announcement released to the Stock Exchange on 14 June 2024, the Board has established a three-year conditional tender mechanism covering the period to 30 September 2027 under which a tender offer for up to 15% of the shares in issue (excluding treasury shares) will be implemented provided that one of the following conditions has been met:

i. over the three-year period up to and including the Calculation Date, the NAV total return of the Company has not exceeded the total return of the S&P High Yield Dividend Aristocrats Index; or

ii. over the six-month period prior to the Calculation Date the average discount to the cum-income NAV at which the Company's ordinary shares have traded is greater than 7%.

Any tender implemented as a result of these proposals will be executed at a tender price reflecting a 2% discount to the Company's cum-income NAV (less tender offer costs). These measures are designed to give shareholders confidence on liquidity for those who want to sell their shares and also to provide those who want to buy shares some confidence on share price volatility not being too extreme.

Governance

In this section

Board of directors and fund managers

Directors

The directors appointed to the board at the date of this report are:

Charles Park

N M

Position: **Chairman**

Date of appointment: **13 June 2017 (appointed Chair 21 June 2024)**

Skills and experience

Over 30 years of investment management experience. He was co-founder of Findlay Park Investment Management, a US boutique asset management house established in 1997, and deputy chief investment officer with joint responsibility for managing a US equities fund until his retirement from the firm in 2016. Prior to co-founding Findlay Park, Charles worked as an investment manager at Hill Samuel Asset Management and an analyst at Framlington Investment Management.

External appointments

Charles is a non-executive director of Polar Capital Technology Trust plc.

Karyn Lamont

A N M

Position: **Chair of the Audit Committee**

Date of appointment: **18 September 2018**

Skills and experience

A chartered accountant and former audit partner at PricewaterhouseCoopers until December 2016. She has over 25 years' experience and provided audit and other services to a range of clients, including a number of investment trusts, across the UK's financial services sector, including outsourcing providers.

External appointments

Karyn is currently a non-executive director and the audit chair of Scottish Building Society, iomart Group plc and The Scottish American Investment Company plc.

Patrick Edwardson

A N M

Position: **Senior Independent Director**

Date of appointment: **1 July 2022**

Skills and experience

An investment and financial services professional with over 30 years of experience. He joined Baillie Gifford in 1993 and became a partner in 2005. In a wide-ranging investment career, he managed bond, equity and multi-asset portfolios, was manager of the Scottish American Investment Company plc between 2004 and 2014 and led Baillie Gifford's multi-asset team until his retirement in 2020.

External appointments

Patrick is a non-executive director on the board of Edinburgh Investment Trust plc. He also holds a number of positions as a director or trustee of various private companies and charities.

All the directors are non-executive and considered independent of Janus Henderson.
All directors are members of the Audit (except the Chairman, who attends meetings by invitation), Management Engagement and Nominations Committees

Board of directors and fund managers continued

Chair of committee
A Audit committee
N Nominations committee
M Management engagement committee

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Susannah Nicklin

A N M

Position: **Independent Non-Executive Director**

Date of appointment: **18 September 2018**

Skills and experience

An investment professional with over 25 years of experience in investment banking, equity research and wealth management at Goldman Sachs and Alliance Bernstein in the US, Australia and the UK. She has also worked in the private equity sector as former Senior Independent Director at Pantheon International plc and with Bridges Ventures, the Global Impact Investing Network and Impact Ventures UK.

External appointments

Susannah is independent chair of Schroders BSC Social Impact Trust plc, and a senior independent director of Ecofin Global Utilities and Infrastructure Trust plc. She is a CFA® charterholder.

Fund managers

The fund managers at the date of this report are:

Jeremiah Buckley

Position: **Co-Fund Manager**

Skills and experience

Jeremiah Buckley is a Portfolio Manager at Janus Henderson Investors. Jeremiah joined Janus in 1998 as a research analyst covering the consumer, industrials, financials, media, software, and telecommunications sectors. He was Janus' consumer sector lead for 10 years before transitioning to full-time portfolio management.

Jeremiah earned his Bachelor of Arts degree in economics from Dartmouth College, graduating Phi Beta Kappa. While there, he received the Class of '39 scholarship for academic and athletic achievement and the Class of '48 male scholar-athlete of the year award. He was also selected for the 1998 Academic All-Ivy Hockey Team and served as the men's hockey captain from 1997 to 1998. Jeremiah holds the Chartered Financial Analyst designation and has 27 years of financial industry experience.

p.11 Fund Manager's Report

Fran Radano

Position: **Co-Fund Manager**

Skills and experience

Fran Radano is a Portfolio Manager at Janus Henderson Investors, a position he has held since 2024. Prior to joining the firm, he was a senior portfolio manager, North American equities within the Aberdeen Group from 2007. Before that, he was a senior research analyst at Gartmore Global Investments from 1999. Earlier, Fran was vice president, research analyst at Salomon Smith Barney Consulting Group for two years. He began his career as an associate trader at SEI in 1993.

Fran received a bachelor's degree in economics with a minor in political science from Dickinson College and an MBA in finance from Villanova University. He holds the Chartered Financial Analyst designation and has 32 years of financial industry experience.

p.11 Fund Manager's Report

Corporate governance report

Corporate governance structure

The Board is accountable to shareholders for the governance of the Company's day-to-day affairs and is pleased to report to shareholders on the Company's governance arrangements and how the Company has applied the principles of the Code of Corporate Governance published by the Association of Investment Companies.

Board of directors

Comprises independent non-executive directors

Chair: Charles Park

Senior Independent Director: Patrick Edwardson

Audit Committee

Chair: Karyn Lamont

Purpose: Ensures the integrity of financial reporting, evaluates the effectiveness of systems of internal control and risk management, and oversees the relationship with external auditors

Management Engagement Committee

Chair: Charles Park

Purpose: Ensures that the performance of the Manager and other service providers meets expectations and their terms of engagement remain appropriate

Nominations Committee[1]

Chair: Charles Park

Purpose: Ensures the Board has a balance of skills, experience and diversity, oversees effectiveness reviews of the Board and its committees, reviews directors' fees and maintains an effective framework for succession planning, with a formal approach to the appointment of directors

Third-party service providers appointed by the Board

Janus Henderson Investors

Fund Management: North American Equities team with Jeremiah Buckley and Fran Radano as the Company's appointed Fund Managers

Sales, Marketing, Administration

Corporate Secretary: Janus Henderson Secretarial Services UK Limited

Alternative Investment Fund Manager: Janus Henderson Fund Management UK Limited

BNP Paribas
Custodian and depositary

Computershare Investor Services Limited
Registrar

Winterflood Securities Limited
Corporate broker

PricewaterhouseCoopers LLP have been appointed as the Company's statutory auditors.

1 Established December 2024.

Corporate governance codes

As a Company listed on the London Stock Exchange, the Board is required to report on how the principles of the 2018 UK Corporate Governance Code ("UK Code") have been applied.

Being an investment company, certain provisions of the UK Code are not applicable as the Company has no executive directors or internal operations and all day-to-day activities are outsourced to external service providers. The Board has therefore considered the principles and recommendations of the Code of Corporate Governance published by the Association of Investment Companies in February 2019 ("AIC Code"). The AIC Code addresses the principles set out in the UK Code as well as additional principles and recommendations on issues that are of specific relevance to investment companies. The Financial Reporting Council ("FRC") has endorsed the AIC Code and confirmed that, by following it, the boards of investment companies should fully meet their obligations in relation to the UK Code and UK Listing Rule 6.6.6. The Board considers that reporting against the principles and provisions of the AIC Code provides more relevant information to shareholders about its governance arrangements.

The AIC Code and the UK Code can be found on the respective organisations' websites: www.theaic.co.uk and www.frc.org.uk. The AIC Code includes an explanation of how it adapts the principles and provisions set out in the UK Code to make them relevant for investment companies.

A new UK Code was published in January 2024, with an updated AIC Code published in August 2024. The new Codes will be applicable to financial years beginning on or after 1 January 2025.

Statement of compliance

The Board confirms that the Company has applied the principles and adhered to the provisions of the AIC Code throughout the year under review and to the date of this report, except as set out below.

The Company has no chief executive or other executive directors and therefore does not consider executive remuneration. As a fully managed investment company, the Company has no internal operations so does not maintain an internal audit function, although the Audit Committee regularly considers the need for it (see page 45).

A separate remuneration committee has not been established as the Company has no employees and has a small Board of solely non-executive directors. The Board has recently established a Nominations Committee to include review of remuneration which was previously carried out by the full Board (see the report on pages 47-48). The Board Chair will not act as Chair of the Nominations Committee when it considers matters relating to the performance, succession or remuneration of the Chair and similarly, did not participate in Board discussion on the same matters.

The AIC Code includes two deviations from the UK Code permitting the Chair of the Board to be a member of the Audit Committee and for his or her tenure to exceed nine years. The Company has not taken advantage of these provisions and continues to comply with the provisions of the UK Code in this respect.

Leadership and division of responsibilities

The Board has overall responsibility for the Company's affairs and for promoting the long-term success of the Company. The Board is collectively responsible for providing leadership, setting the investment objective and policy, appointing the Company's third-party service providers, establishing a robust internal control and risk management system and monitoring the performance delivered by service providers within the established control framework. It is also responsible for setting the Company's standards and values and for ensuring that its obligations to its shareholders and other stakeholders are understood and met. Information on the Company's purpose and values can be found on page 1 and on the Board's engagement with stakeholders on pages 37-38.

Role	Primary responsibilities
Shareholders/ investors	• Approving material changes to the Company's investment policy • Making decisions regarding changes to the Company's constitution • Electing and re-electing directors to the Board, or removing them from office if deemed appropriate • Approving Board remuneration policy • Approving significant transactions or changes to the Company, where shareholder approval is required • Communicating directly with the Board, or through the Manager, on issues which affect shareholders and where they want to express their views or concerns

Corporate governance report continued

Role	Primary responsibilities
Board	• Responsible for providing leadership of the Company's affairs • Setting the Company's investment objective, policy and strategy • Establishing a robust internal control framework enabling effective risk management • Appointing and monitoring the performance of service providers within the parameters of the control framework • Setting the Company's culture and values • Providing constructive challenge to how the Company and its agents operate • Ensuring that obligations to shareholders and other stakeholders are understood and met
Chair	• Leading and managing Board business and ensuring the timely flow of information from service providers to the Board • Providing effective leadership of the Board, including setting its agenda and determining its governance framework, culture and values, with the support of other directors, particularly the Senior Independent Director and the Corporate Secretary • Leading the Board's relationship and engagement with shareholders and other stakeholders • Managing the relationship with the Manager and other service providers • As Chair, Charles Park was independent on appointment in accordance with the AIC Code criteria and has no relationships that may create a conflict between his interests and those of shareholders
Committee Chairs	• The leadership and governance of each committee • Maintaining the relationships with specialist service providers delivering services within the remit of each committee • Reporting on the activities of each committee to the Board • Seeking approval from the Board for the responsibilities set out in the respective committee's terms of reference
Senior Independent Director	• Fulfilling the role of sounding board and support for the Chair and intermediary for the other directors as necessary • Leading the effectiveness review of the Chair • Acting as a channel of communication for shareholders if contact through the Chair is deemed inappropriate
Independent non-executive directors	• Providing constructive and effective challenge, especially to the decisions of the Manager • Scrutinising and holding to account the performance of: – the Fund Managers in meeting the investment objective and policy – Janus Henderson in the promotion of the Company and day-to-day operations of the Company's business, including administration, secretarial and financial reporting • Providing strategic guidance and offering specialist advice based on their career experiences
Manager (AIFM)	• Promoting the Company's investment proposition to professional and retail investors • Making the necessary reporting to the FCA regarding the Company's status as an AIF • Providing accounting, company secretarial and administrative services to the Company ensuring compliance with the applicable statutory, regulatory and governance provisions • Coordinating the delivery of services provided by the Company's other third-party service providers
Fund Managers	• Selecting the stocks held within the portfolio, and changes thereto • Diversification and risk management through stock selection, size of investment and regional or industry concentrations • Determining the volume and timing of acquisitions and disposals • Determining the frequency and level of gearing and cash management within the overall limits set by the Board

Operation of the Board

The Board meets formally at least four times a year, with additional board or committee meetings arranged when required. The directors have regular interaction with the Fund Managers, representatives of the corporate secretary and other employees of the Manager between formal meetings. The Board has a formal schedule of matters specifically reserved for its decision, which includes setting strategy and providing oversight of performance against agreed measures. All matters that are not delegated to the Manager under the management agreement are reserved for the Board's decision. The Board approves any changes to the structure and capital arrangements for the Company, including any corporate events, has oversight of financial reporting and assesses the effectiveness of the internal control framework. The Board approves annual and half-year results, communications with shareholders, the appointment of new directors, oversees corporate governance matters and is responsible for determining the remuneration of directors.

The Board keeps its schedule of matters reserved and terms of reference for each committee under regular review, and these are available at www.northamericanincome.com. Reports on the activities undertaken by each committee and the Board during the reporting period are set out on pages 41–48.

Each board meeting follows a formal agenda, which includes a review of the Company's investment performance, financial position, compliance with the investment parameters, a review of shareholder movements along with any sales and marketing activities undertaken and any other relevant business matters to ensure that control is maintained over the Company's affairs. Employees of the Manager attend relevant sections of board meetings enabling the directors to discuss the affairs of the Company and to probe further on any matters of concern. The Board receives and considers regular reports from the Manager and ad hoc reports and information from other parties as required.

The Board has engaged third-party service providers to deliver the operations of the Company. Janus Henderson has been appointed to manage the investment portfolio, and provides the day-to-day accounting, company secretarial, administrative, sales and marketing activities. The Company has appointed a depositary, BNP Paribas, which in turn appoints the custodian for the safe custody of the Company's assets. The Company has appointed a registrar, Computershare Investor Services Limited, to maintain the register of members and assist shareholders with queries about their holdings. Each of these principal contracts was entered into after full and proper consideration by the Board of the quality and cost of the services offered, including the control systems in operation in so far as they relate to the affairs of the Company. The Board and its committees maintain oversight of the third-party service providers through regular and ad hoc reporting. The Board meets periodically with representatives of service providers to discuss amongst other matters performance, service levels, their value for money, information security and business resilience. The Manager ensures that all directors receive, in a timely manner, relevant management, regulatory and financial information, to allow them to discharge their responsibilities and enable smooth functioning of the Board and its committees.

The Board has direct access to the advice and services of the nominated chartered secretary who represents the Corporate Secretary, Janus Henderson Secretarial Services UK Limited, a subsidiary of Janus Henderson. There are processes and controls in place to ensure that there is a clear distinction between the two entities, particularly when dealing with any conflicts or issues between the Company and Janus Henderson. The Corporate Secretary is responsible to the Board for ensuring compliance with Board and committee procedures and applicable rules and regulations.

The proceedings at all board and committee meetings are minuted, with any director's concerns recorded in the minutes. The Board has the power to appoint or remove the Secretary in accordance with the terms of the management agreement.

Any correspondence from shareholders addressed to the Chair or to the Company received by Janus Henderson, or by Aberdeen Group as previous manager, is forwarded to the Chair in line with the established procedures in place and is submitted to the next board meeting or earlier, as appropriate. The Board, the Fund Managers and the Corporate Secretary operate in a supportive, cooperative and open environment.

Arrangements with directors

Appointment, tenure and retirement

The Board may appoint directors at any time. Any director so appointed stands for election by shareholders at the next annual general meeting in accordance with the provisions of the Company's articles of association (the "Articles").

The Board considers a potential candidate's other commitments on appointment and then annually through the performance evaluation process to ensure that directors have sufficient time to commit to the Company. A schedule of directors' other commitments is reviewed at each board meeting and directors are required to seek the Chair's approval prior to accepting further appointments. The Chair seeks the Senior Independent Director's approval before accepting further appointments.

The directors, including the Chair of the Board, are generally expected to serve for no more than nine years, other than in exceptional circumstances, subject to a satisfactory Board effectiveness review. This ensures the regular refreshment of the Board and its committees and forms an integral part of the Board's succession planning. All directors stand for re-election by shareholders annually in keeping with the provisions of the AIC Code.

The Articles permit shareholders to remove a director before the end of their term by passing an ordinary resolution at a general meeting. An appointment may be terminated by either party giving written notice without compensation payable.

Independence

The Board reviews the independence of each director annually by reference to the AIC Code. Each director's external commitments are considered, as well as tenure of service and any connections to the Manager. The Board ensures that no directors are linked via any other directorships. Following completion of the annual Board effectiveness review and assessment, the Board has concluded that all directors continue to be independent in character and judgement.

Induction and ongoing training

Newly appointed directors are offered an induction programme bespoke to their role which covers the legal and regulatory framework for investment companies and the operations of the Manager, including the portfolio management, compliance and risk management frameworks, accounting, sales and marketing, and other administrative services.

Directors are provided with the Company's policies, regulatory and statutory requirements affecting the Company, as well as changes to the directors' responsibilities as they arise. Directors are encouraged to attend bespoke training provided by the Manager, as well as external training and industry seminars.

Relevant external training may be undertaken at the expense of the Company.

The Chair attends meetings of all the chairs of the investment trust companies managed by Janus Henderson which provide a forum to discuss industry matters.

The Company has a procedure for directors to take independent professional advice in the furtherance of their duties at the expense of the Company, if required.

Directors' insurance and indemnification

Directors' and officers' liability insurance cover is in place which indemnifies the directors against certain liabilities when carrying out their duties. The Company's Articles provide for an indemnity in respect of costs which directors may incur for the defence of any proceedings brought against them arising from their position as directors, where they are acquitted or judgment is given in their favour. The Company has granted an indemnity to each director to the extent permitted by law regarding their potential liabilities as directors of the Company.

Directors' conflicts of interest

The Articles permit the Board to consider and, if it sees fit, to authorise situations where a director has an interest that conflicts, or may conflict, with the interests of the Company ("situational conflicts"). Directors are required to declare situational conflicts for authorisation by those directors who have no interest in the matter being considered. In deciding whether to authorise a situational conflict, the non-conflicted directors must act honestly and in good faith with a view to the best interests of the Company. The directors may impose limits or conditions when giving the authorisation, or subsequently, if they think this is appropriate. Any conflicts are recorded in the minutes and reviewed at each board meeting.

Attendance at meetings

The table below sets out the number of scheduled board and committee meetings held during the year under review and attended by each director. Each director attended every board and committee meeting to which they were entitled to attend throughout the year.

	Board	Audit Committee	Management Engagement Committee
Charles Park[1]	4	2	1
Patrick Edwardson	4	2	1
Karyn Lamont	4	2	1
Susannah Nicklin	4	2	1
Dame Susan Rice[2]	2	1	–

1 Charles Park attended each of the meetings of the Audit Committee during the year by invitation.

2 Retired 21 June 2024. Attended Audit Committee meeting by invitation.

All directors attended the Annual General Meeting. Outside the formal meetings identified above, the Board or its committees had regular interaction over the year on various corporate activities. The Board and its committees held an additional number of ad hoc meetings to undertake business relating to the change of investment manager and approval of the Company's results and dividends.

Audit, risk and internal control

The Board has overall responsibility for the Company's system of internal control and for reviewing its effectiveness, as set out in the chart on page 44. The Board has reviewed the effectiveness of the Company's system of internal controls for the year ended 31 January, and did not identify and was not advised of any significant failings or weaknesses. This included reporting from Aberdeen Group for the period 1 February 2024 to 31 July 2024. The Audit Committee supports the Board in the continuous monitoring of the internal controls and risk management framework. Its considerations in this respect, including why the Company does not have its own internal audit function, are set out on page 45.

The depositary has confirmed that in all material respects, the Company has been managed in accordance with the FCA's Investment Funds Sourcebook, the Company's articles of association and as required by the Alternative Investment Fund Managers Directive.

Audit Committee report

The Chair of the Audit Committee (the "Committee"), Karyn Lamont, reports to shareholders on the year to 31 January 2025.

Membership

The members of the Committee are Karyn Lamont, Patrick Edwardson and Susannah Nicklin. Charles Park as Chair of the Board attends the Committee's meetings by invitation only, in accordance with the AIC Code.

The Committee is chaired by Karyn Lamont, who is a chartered accountant by profession, as well as an experienced audit committee chair.

The Committee as a whole has competence relevant to the environment in which the Company operates including the sector and market in which the Company operates as an investment trust.

Meetings

The Committee met formally twice during the year under review: in advance of publication of the annual and of the half-year results, and to focus on its broader risk and internal control responsibilities. The Company's auditor is invited to attend meetings as appropriate. Representatives of the Manager attend at least on an annual basis, including the Financial Reporting Senior Manager and representatives of the Operational Risk and Internal Audit functions.

The Committee Chair also meets with the Company's auditors as part of the audit planning process and during the audit, and to keep the audit firm up to date with corporate developments, as well as being informed of any accounting or reporting changes envisaged.

The Committee Chair was closely engaged in the transition from Aberdeen Group to Janus Henderson Investors, with particular emphasis on the commercial and financial dynamics of the transaction and how it was accounted for and reported.

Roles and responsibilities

The Committee is responsible for ensuring the integrity of the Company's financial reporting, the appropriateness of service providers' systems of internal control and risk management, and the effectiveness and objectivity of the external auditor. The Committee oversees the relationship with the external auditor, recommending the terms of their appointment or their removal.

The Committee Chair formally reports to the Board after each audit committee meeting and makes recommendations for approval where relevant. The Committee's responsibilities are set out in formal terms of reference, available on the Company's website, which are formally reviewed annually.

Committee effectiveness review

The activities of the Committee were considered as part of the Board effectiveness review, with the conclusion that the Committee continues to be effective in its operation.

Activities during the year

In discharging its duties over the course of the year, the Committee considered:

Annual and half-year reports

- accounting policies and the quality and effectiveness of the accounting records and management information maintained on behalf of the Company;
- half-year and annual results and the Annual Report;
- appropriate level of dividends to be paid by the Company, including sufficiency of revenue reserves, for recommendation to the Board;
- appropriateness of the allocation of the management fee and finance costs between revenue and capital;
- the independence and effectiveness of the statutory auditor in conducting the year-end audit;

Internal controls and risk management

- internal controls and the resilience of operations at JHI, Aberdeen Group, BNP Paribas, and Computershare;
- Aberdeen Group and JHI's policies and activities regarding information security and business resilience, meeting with representatives of both Aberdeen Group and JHI's Internal Audit and Operational Risk functions;
- the risk register, risk management systems and the Company's strategic risk register as modified to reflect changes to the risk environment and any emerging risks;
- the Company's Anti-Bribery Policy, approach to tax evasion, and confirmations from service providers that they have appropriate procedures in these respects;
- any need for an internal audit function;
- the Manager's and other key service providers' whistleblowing policies for staff to raise concerns about possible improprieties, in confidence; and
- the depositary's confirmation that the Company has been managed in accordance with the Investment Funds Sourcebook, the Company's Articles and the AIFMD.

Taxation and management fees

- the Company's taxation affairs, including a statutory claim in respect of the recovery of corporation tax on non-UK income;
- management fee calculations, including changes to the basis of management fees and contribution granted as part of the change of investment manager;

Audit appointment and tender

Regulations require the Company to rotate audit firms after a period of ten years, which may be extended where audit tenders are carried out or where more than one audit firm is appointed to carry out the audit. The Committee last carried out a formal audit tender process in 2019 and appointed PricewaterhouseCoopers LLP ('PwC') as external auditor.

The auditor is required to rotate partners every five years, and the year under review is the fifth year audit partner Shujaat Khan has been in office. The audit firm did not provide any advice or services to the Company in connection with the change of investment manager.

Auditors' independence

The Committee monitors the auditors' independence through three aspects of its work:

- approval of a policy regulating the non-audit services that may be provided by the auditor to the Company;
- assessing the appropriateness of the fees paid to the auditor for their work; and
- reviewing the information and assurances provided by the auditor on their compliance with the relevant ethical standards.

For the year ended 31 January 2025, PwC confirmed that all its partners and staff involved with the audit were independent of any links to the Company, and that these individuals complied with their ethics and independence policies and procedures, which are fully consistent with the FRC's ethical standards. Having considered these assurances and PwC's performance and behaviour during the audit process, the Committee is satisfied that auditor independence and objectivity are safeguarded.

Audit fees

The fees payable to PwC for audit services during the year (excluding VAT) were £57,750 (2024: £55,000) and a one-off fee of £6,500 for the auditors' additional work in reviewing and auditing the impact of the change of investment manager for this Annual Report.

Policy on non-audit services

The Committee regularly reviews its policy for the provision of non-audit services by the auditor. The policy sets out that the Company's auditor will only be considered for non-audit work where permitted by current regulations and where it would not affect the auditors' independence and objectivity.

The provision of any non-audit services by the auditor is not permitted to exceed 70% of the average annual statutory audit fee for the three consecutive financial years preceding the financial year to which the cap applies. Such services require approval in advance by the Committee, or Committee Chair, following due consideration of the proposed services. No non-audit services were provided in the year under review or in the previous year.

Audit for the year ended 31 January 2025

In respect of the Annual Report for the year ended 31 January 2025, the following significant issues were considered by the Committee:

Significant issue	How the issue was addressed
Valuation and ownership of the Company's investments	There is a risk that assets are incorrectly valued or ownership of assets is not secured. Actively traded investments are valued using stock exchange prices provided by third-party pricing providers and the portfolio valuation is reviewed at each meeting of the Board. Ownership of listed investments is verified by BNP Paribas via reconciliation to the custodian's records and the Board receives quarterly reports from the depositary.
Recognition of income	Income received is accounted for in line with the Company's accounting policies (as set out on page 66). The Board regularly reviews the Company's income position, included income received, including revenue forecasts, dividend comparisons, and option income.
Compliance with s1158 Corporation Tax Act 2010	The Committee reviews the Manager's procedures for ensuring compliance with relevant regulations so the Company maintains its investment trust status, and regularly seeks confirmation of compliance with the relevant regulations.
Maintaining internal controls	The Committee carries out the annual assessment of the effectiveness of the Company's internal control and risk management systems by reviewing the framework and summary of the reporting received from its service providers throughout the financial year. Only one of these assurance reports was qualified by their service auditors; this qualification was not deemed to be a material risk to the Company's business.
Viability and going concern	The Committee scrutinised assumptions around the viability and going concern statements respectively, as set out on page 27, to satisfy itself of the Company's resilience over the three-year timeframe.

In the year under review, PwC challenged both the Manager's and the Board's judgements and exercised professional scepticism in its enquiries. The audit team required detailed evidence of all metrics, numbers and disclosures made in the Financial Statements to support a robust assessment and evaluation of its financial information.

As an investment trust investing in listed equities, management has limited areas of judgement. Areas where the Committee challenged the Manager included review of the revenue forecast to support the dividend payment policy, and the assumptions included in making the viability statement. Other than the financial impact and reporting of the combination, the Committee did not consider it necessary to request the auditors to look at any specific areas in relation to the audit for the year ended 31 January 2025.

The Committee is satisfied that the Annual Report for the year ended 31 January 2025, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's position and performance, business model and strategy.

Effectiveness of the external audit

The Committee's process for evaluating the effectiveness of the external audit comprises two components: scrutiny of the FRC's latest Audit Quality Inspection Report and a post-audit assessment led by the Committee Chair.

The auditor attended two meetings of the Committee in the year to present their audit plan and present the findings from their annual audit. The Committee Chair also had the opportunity to meet with the audit partner to review the audit results prior to these being presented to the Committee. The auditor presented and discussed the findings of the latest Audit Quality Inspection Report to the Committee and reported on the progress made by the firm in addressing the areas identified for improvement in the prior year's report.

The Committee Chair invited views from the directors, Fund Managers and other members of the Manager's staff to support the Committee's assessment of the robustness of the audit, level of challenge offered by the audit team, quality of the audit team, timeliness of delivering the tasks required for the audit and reporting to the Committee. The Committee Chair also met privately with the audit partner to discuss how the audit operated from his perspective.

Overall, the Committee considers that the audit quality for the year ended 31 January 2025 has been high and that the Manager and PwC have worked together effectively. The Committee remained satisfied with the effectiveness of the audit provided by PwC.

Internal controls and risk management

The Board has overall responsibility for the Company's system of internal control and for reviewing its effectiveness. The Committee supports the Board in the continuous monitoring of the internal control and risk management framework.

System of internal controls

Board of directors
Comprises independent non-executive directors

Janus Henderson

Investment management, company secretarial, sales, marketing, PR and administration

Reporting

- Investment performance update (at each meeting)
- Compliance with investment limits and restrictions (monthly)
- Internal controls report (quarterly)
- Effectiveness of control environment (annually)

BNP Paribas

Custodian and depositary

Reporting

- Depositary report (quarterly)
- Presentation from the depositary and custodian (annually)
- Effectiveness of control environment (annually)

BNP Paribas

Administration and accounting services engaged by the Manager

Reporting

- Balance sheet
- Revenue forecasts
- Portfolio valuation
- Portfolio transactions
- Effectiveness of control environment (annually)

Computershare Investor Services

Registrar

Reporting

- Voting and scrutineer reports pre- and post-shareholder meetings
- Shareholder correspondence
- Operational service updates
- Effectiveness of control environment (annually)

How the system of internal controls operates

The Board delegates contractually to third-party service providers for all the Company's operational requirements. It maintains oversight of these providers throughout the year by receiving regular reporting on their activities. All are considered key stakeholders.

The Management Engagement Committee formally evaluates the performance and service delivery of all service providers annually.

The Audit Committee evaluates the performance of the auditor on completion of each audit cycle, and monitors the effectiveness of the control environment of the Manager, Computershare and BNP Paribas on an annual basis through review of their annual assurance reports, supplemented by the view of the Manager's Operational Risk function.

The Board has established an ongoing process for identifying, evaluating and managing the principal and new or emerging risks faced by the Company, as set out on pages 24-26. The process accords with the FRC's guidance on Risk Management, Internal Control and Related Business and Financial Reporting published in September 2014. The system was in operation throughout the year and up to the date of this report and is designed to mitigate the specific risks faced by the Company, taking account of the nature of the Company's reliance on its service providers and their internal controls. The system therefore manages rather than eliminates the risk of failure to achieve the Company's business objectives and provides reasonable, but not absolute assurance against material misstatement or loss.

The key components of the internal control framework include:

- clearly defined investment criteria which specify levels of authority and exposure limits. The Board reviews reports on compliance with the criteria on a monthly basis;
- regular reporting which allows the Board to assess the Company's financial position. The management accounts and forecasts are reviewed by the Board at each meeting;
- contractual agreements with the Manager and prior manager and other service providers. The Management Engagement Committee reviews performance levels and adherence to relevant provisions of the agreements on a regular basis through reports received and conducts a formal evaluation of the overall level of service provided at least annually;
- review of controls at the Manager and prior manager and other third-party service providers, complementing the review of their performance and contracts by the Management Engagement Committee, as set out on page 46.

  The Board receives quarterly reporting from the Manager and prior manager and depositary and reviews annual assurance reports on the effectiveness of the control environments at the Company's key service providers; and
- review of additional reporting provided by:
  - the Manager's Operational Risk function on the control environment in operation at the Manager and their view of the control environments in place at the third-party service providers used by the Company;
  - the Manager's Internal Audit function on areas of operation which are relevant to the Company, and;
  - the prior manager's risk, internal audit and compliance functions on areas of operation relevant to the Company.

The Committee has reviewed the Company's system of internal controls for the year ended 31 January 2025. Following its review, it determined and reported to the Board that it had not identified any failings or weaknesses relating to the Company that were determined as significant.

Internal audit function

Systems are in operation to safeguard the Company's assets and shareholders' investments, to maintain proper accounting records and to ensure that financial information used within the business, or published, is reliable. Being an investment company with no employees, all executive activities are delegated to service providers, principally among them, the Manager, Janus Henderson. The Board places reliance on the Company's framework of internal control and the Committee's view on reporting received from specific second and third line of defence teams at the Manager.

The Manager's Operational Risk team supports the Committee in considering the independently audited reports on the effectiveness of internal controls in place at the Company's service providers. The Manager's Internal Audit department provides regular reporting to the Board on operations at the Manager and presents at least annually to the Committee. The prior manager's operational risk and internal audit functions also provided regular reports to the Board. The Board has therefore concluded that it is not necessary at the present time for the Company to have its own internal audit function.

Karyn Lamont
Chair of the Audit Committee

17 April 2025

Management Engagement Committee report

The Chair of the Management Engagement Committee ("MEC"), Charles Park, reports to shareholders on the year to 31 January 2025.

Membership

All directors are members of the MEC, which is chaired by the Chair of the Board.

Meetings

The MEC met formally once during the year.

Roles and responsibilities

The MEC reviews the management agreement and monitors the performance of the Manager in respect of its investment, company secretarial, financial reporting, administration, sales, marketing and support services and how those impact the performance of the Company. The MEC is also responsible for evaluating the overall performance of the Company's third-party service providers.

The MEC's purpose is to ensure the services and fees paid to the Manager and other service providers are consistent with the successful delivery of the Company's long-term strategy and that each service provider's continuing appointment is in the best interests of the Company.

The MEC reports to the Board and its responsibilities are set out in formal terms of reference which are reviewed at least annually and amended as appropriate.

MEC effectiveness review

The activities of the MEC were considered as part of the Board effectiveness review, with the conclusion that the MEC continues to be effective in its operation.

Activities during the year

In discharging its duties over the course of the year, the MEC considered:

- the Company's investment performance over the short, medium and longer term, taking account of the performance of competitors in the AIC peer groups, the Company's share price total return, NAV total return, dividend growth, dividend yield and discount;
- the performance of all advisors engaged in the transition to a new Manager;
- the quality of the company secretarial service and independence of the corporate secretary from the Manager and prior manager, noting the processes and procedures in place to separate functions within the Manager;
- the quality of other services provided by the Manager and prior manager, including shareholder relations, promotional activities and fund accounting;
- the quality and experience of the teams involved in managing all aspects of the Company's business, including sub-contracted administration, reporting services and internal controls;
- total fees and costs incurred by the Company in comparison with the fee structures of its competitors in the AIC peer group, and other JHI investment companies;
- the key clauses of the management agreement, how the prior manager had fulfilled these, and changes to be made to the management agreement under a new Manager. The MEC's review of the terms of the new agreement covered the services rendered, level and structure of fees payable, length of notice period and general best practice provisions; and
- the performance and fees of the Company's other third-party service providers, including the broker, depositary, custodian, registrar, lawyers, and any instructions for ad hoc work from external professional agents.

The Committee discussed the new partnership of Jeremiah Buckley and Fran Radano as joint portfolio managers, once Fran joined JHI, and their support from the JHI North American Equities team. The purpose was to provide confidence and assurance of the strength of the new investment process and the sustainability of combined investment performance delivered by the new portfolio management team. The third party providers in place under the prior manager were the same as those currently in place. The Depositary agreement is a tripartite agreement between the Depositary, Company and Manager, so a new agreement was entered into as a result of the transition, but on the same terms as those previously applying. All other service provider agreements remained in place as they were under the prior manager.

Continued appointment of the Manager and other service providers

The Board considers the arrangements for the provision of investment management and other services to the Company on an ongoing basis. Following completion of the annual review and on the MEC's recommendation, it is the Board's opinion that the continuing appointment of the Manager and other service providers on the existing terms is in the interests of the Company and its shareholders as a whole.

Charles Park
Chair of the Management Engagement Committee

17 April 2025

Other governance undertaken

The Board decided during the year to form a Nominations Committee ('NC'), to be chaired by Charles Park, which will report separately to shareholders in future.

Membership

The NC is chaired by the Chair of the Board, except when the Chair's effectiveness, successor or fees are being considered. All directors are members of the NC.

Meetings

The NC will meet at least annually, with further meetings scheduled when required. In the year under review the NC held one meeting.

Roles and responsibilities

The NC is responsible for reviewing Board succession planning, diversity and tenure policy, ensuring annual effectiveness reviews are carried out, discussing the outcomes from those reviews and making recommendations to the Board accordingly, advising the Board on the proposed election and re-election of directors ahead of AGMs, reviewing Board composition and leading the search for candidates to fill roles, taking into consideration the balance of skills, knowledge, experience and diversity of the Board.

The NC is also responsible for reviewing Board remuneration, which includes the costs and expenses associated with the Board, reporting of Board remuneration and policy and future directors' fees.

The below activities, which will be undertaken by the NC in future, were considered by the full Board for the year ended 31 January 2025.

Activities during the year

In discharging its duties over the course of the year, the Board considered and approved:

- composition of the Board and each of its committees, taking account of the contribution of the skills, experience and knowledge of each director to the success of the Company, and using the Board's skills matrix as a guide to collective competencies and experiences on the Board;
- directors' and the Chair's tenure policy, giving consideration as to whether the Board retained a sufficient balance of tenure and rotation without losing the collective experience of the Company and its activities;
- independence of the directors, taking account of the directors' other commitments, in line with the guidelines established by the AIC Code;
- time commitment required of the directors, in the context of their other business commitments and appointments, and whether this had been sufficient over the course of the year to meet the time commitments required of the Company;
- reviewing the directors' remuneration policy to be included in the directors' remuneration report;
- reviewing directors' fees for the financial year ahead and considering the directors' expenses policy and how expenses should be recovered;
- succession planning for appointments to the Board which in the year was concerned with the appointment of a new director, following the retirement of Dame Susan Rice culminating with the decision to appoint Bulbul Barrett with effect from 1 May 2025;
- the criteria for future Board appointments and the methods of recruitment, selection and appointment;
- review of the diversity policy; and
- the effectiveness and contribution of the directors standing for election and re-election at the forthcoming AGM.

Succession planning and diversity policy

When considering tenure policy and succession, the Board bears in mind the balance of skills, knowledge, experience and diversity of the Board. The aim is to achieve a non-executive board with the competence and engagement to oversee the Company's investment objective and operations, whilst aligning with various governance guidelines. Individual performance and the contribution of each director remain an integral element of the Company's approach.

The Board also reviews the directors seeking re-election. Re-election is not automatic and follows a process of evaluation of each director's performance and consideration of the director's independence, as well as the mix of skills and experience of the current Board members. As part of this process, the Board considers the time commitment of the directors, including other business commitments and appointments. Consideration is given to diversity of gender, social and ethnic backgrounds, cognitive and personal strengths and experience in the collective board make-up and in agreeing future appointments.

Board effectiveness review

The Chair led the annual performance review. The evaluation was conducted by way of a discussion between the Chair and each individual director on a variety of topics, and the outcomes were presented to the Board. The evaluation addressed board and committee meetings, board composition, board dynamics and culture, individual contribution, priorities for the future and relationship with key service providers. The Senior Independent Director undertook the review of the Chair and discussed the leadership and effectiveness of the Chair with each director.

The review concluded that all directors remain independent in character and judgement and there is a good balance of skills and experience on a Board that encourages diversity of thought and competencies. There is an orderly succession plan for appointments going forward to maintain an appropriate balance of skills and experience.

Other governance undertaken continued

External commitments

Each director's external interests and appointments were carefully considered in respect of the time available and their commitment to the Company, and no concerns were identified for any of the non-executive directors, including those with accentuated roles.

Board conclusions

The Board concluded that:

- each director provides a constructive contribution to the affairs of the Company and brings different qualities to the Board;
- the Board has an effective committee structure, which will be enhanced by the introduction of a Nominations Committee, and the committees continue to support the Board efficiently in fulfilling its duties;
- no director is 'overboarded' under the FRC's guidelines or in any practical way, and each director continues to dedicate the time required to fulfil their duties to the Company effectively, including for any non-standard activities such as the recent change of Manager which took up substantial additional time and effort;
- the Board's size and composition remain appropriate for the Company and the Board retains, and will retain, a good balance of skills and business experience, as set out on pages 34-35;
- the Board continues to operate effectively; and
- each director merits nomination for election or re-election by shareholders as appropriate and was duly recommended for shareholder election/ re-election at the forthcoming AGM.

Board diversity at 31 January 2025

The UK Listing Rules of the FCA now require companies to report on whether they have met the following targets on board diversity: that at least 40% of the individuals on the board are women, at least one of the senior positions on the board is held by a woman and at least one member of the board is from a minority ethnic background. As at 31 January 2025, the Company had met two of these requirements. Two of the four directors are women and one of the women holds a senior position, being the Audit Committee Chair.

In accordance with UK Listing Rule 6 Annex 1R(1) and (2), and using the AIC's definitions, the Board provides the following information about its diversity:

The Board will aim to ensure it comprises individuals with diverse and complementary thought, skills and experience to meet the Company's objectives. The directors confirm that, in all the activities of the Board and its committees, there will be no discrimination on the grounds of gender, race, ethnicity, religion, sexual orientation, age, physical ability or socioeconomic background.

Charles Park
Chair of the Management Engagement Committee

17 April 2025

Gender identity and sex

at 31 January 2025

	Number of directors	Percentage of the Board	Number of senior positions on the Board (CEO, CFO, SID and Chair)
Men	2	50%	
Women	2	50%	
Total	4	100%	Not applicable – see note[1]

Ethnic background

at 31 January 2025

	Number of directors	Percentage of the Board	Number of senior positions on the Board (CEO, CFO, SID and Chair)
White British or other White (including minority white groups)	4	100%	Not applicable
Total	4	100%	

Notes:

1 This column is not applicable as the Company is externally managed and does not have executive management functions, specifically the roles of CEO and CFO. The Board considers that chairing the Board, its permanent committees and the role of senior independent director are all senior positions in an investment company context. Accordingly, the Chair of the Board and of the Management Engagement Committee and the Senior Independent Director are men. The Audit Committee Chair is a woman. These positions are currently held by individuals who consider themselves 'White British or Other White (including minority white groups)'.

The information included in the above tables has been obtained through questionnaires completed by the individual directors. The categories for ethnic groups which are not represented on the Board are not included in the ethnic background table.

Directors' remuneration report

Remuneration policy

Directors are remunerated in the form of fees which are payable quarterly in arrears. No director is eligible to receive bonuses, pension benefits, share options or other benefits and no long-term incentive schemes are in place. The directors may be reimbursed for all reasonable and properly documented expenses incurred in the performance of their duties and may be eligible to receive additional remuneration, in specific circumstances, for services which go beyond the ordinary duties of a non-executive director. The level of remuneration paid to each director is reviewed annually, particularly in terms of whether the Policy supports the Company's long-term sustainable success, though such review will not necessarily result in a change to the rates. The review incorporates analysis of up-to-date information about remuneration in other companies of comparable scale and complexity, in order to avoid and manage conflicts of interest in determining fee levels and reflects the actual responsibilities and roles borne by directors.

Shareholders' views

Any feedback from shareholders on the fees paid to directors would be taken into account by the Board when reviewing remuneration policy and levels.

Letters of appointment

All directors are appointed under a letter of appointment, which is an engagement for services and not a contract for employment. The appointment may be terminated at any time by written notice, with no compensation payable. The Company has no executive directors or employees.

Recruitment principles

All directors, including any new appointments to the Board, are paid at the same rate. The Chair of the Board, Senior Independent Director and the Chair of the Audit Committee are paid a higher fee in recognition of their additional responsibilities. When the roles of Senior Independent Director and Chair of the Audit Committee are carried out by the same individual, remuneration is paid accordingly to reflect the duties of both roles.

The Chair of the Board, the Senior Independent Director and Audit Committee Chair do not participate in decisions to determine their own remuneration.

The Remuneration Policy (the "Policy") sets out the principles applied in the remuneration of the Company's directors. Shareholders last approved the Remuneration Policy at the June 2023 AGM and it will next be put to them at the AGM in June 2026. The Board may amend the level of remuneration paid to individual directors only within the parameters of the Policy. In determining the Remuneration Policy, the Board takes account of factors which it deems necessary including relevant legal and regulatory requirements, and the provisions and recommendations of the AIC Code of Corporate Governance.

The Board's approach is that fees payable to the directors should:

- reflect the time spent by them on the Company's affairs;
- reflect the responsibilities borne by them as directors;
- be sufficient to promote the long-term success of the Company and comparable to the remuneration paid by other investment trusts of a similar size with a similar capital structure and investment objective; and
- not exceed a current aggregate remuneration limit of £250,000 per annum.

Annual report on implementation

As the Company has no employees and the Board comprises entirely non-executive directors, the Board has not established a separate remuneration committee. Directors' remuneration is determined by the entire Board within the parameters of the Policy approved by shareholders. The Board reviews directors' fees and makes recommendations as to the appropriate level of fees. This review will be undertaken by the newly established Nominations Committee going forward.

During the year the directors reviewed the fees paid by other investment companies in the AIC North America sector (the Company's peer group), and those paid by other investment trusts managed by Janus Henderson. The directors also took into consideration the time commitment required of the role which has grown substantially in recent years, as a result of regulation, governance practice and level of corporate activity.

Following careful consideration, the Board agreed an increase in directors' fees as set out in the table below.

	Rate from 1 February 2025	Rate from 1 February 2024	% increase
Chair of the Board	45,000	42,000	7.1
Chair of Audit Committee ('AC') (separate role)	36,000	32,500	10.8
Senior Independent Director ('SID') (separate role)	34,000	32,000	6.3
Director	32,000	30,000	6.7

The Board believes that both the individual remuneration and the aggregate fee levels take account of the needs of an engaged non-executive board of experienced practitioners in the sector with broad, relevant experience for the Company. The fee payable to the Audit Chair has been increased at a higher rate due to the increased workload associated with the role and the fact that recent increases to the fees for that role have lagged those applied to other Board roles.

There have been no other major decisions on directors' remuneration or any other changes to the remuneration paid to each individual director in the year under review. There will be no significant change in the way that the remuneration policy will be implemented in the course of the new financial year.

Directors' remuneration report continued

Directors' interests in shares (audited)

The interests of the directors and persons closely associated with them in the shares of the Company at the beginning and end of the financial year are shown in the table. Directors are not required to hold shares of the Company by way of qualification.

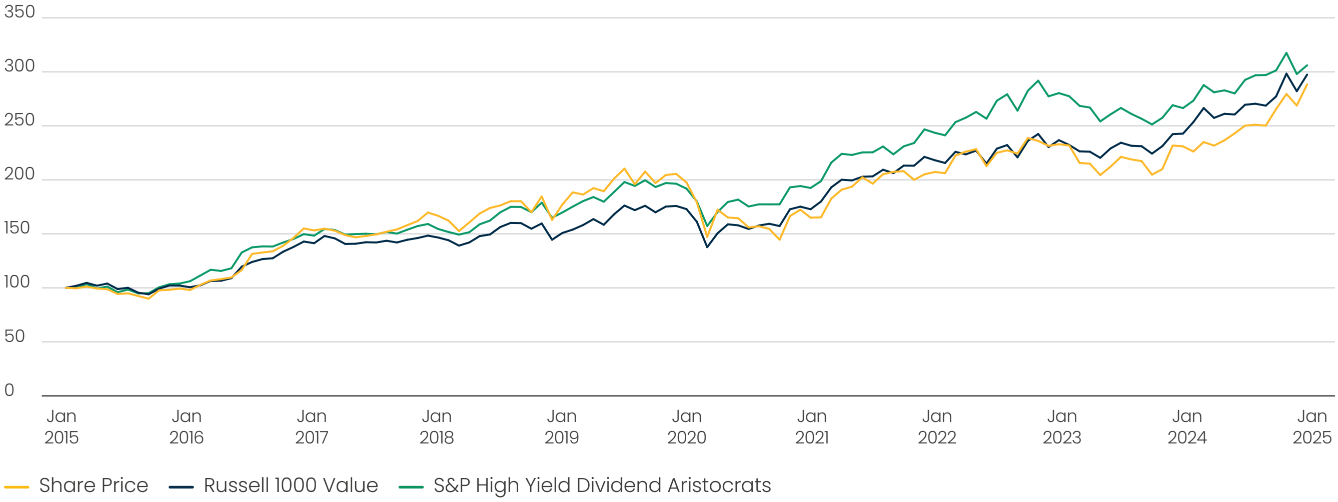
Since the year end, Charles Park has purchased an additional 23,000 shares in the Company.

	Ordinary shares of 5p each	
	31 January 2025	31 January 2024
Charles Park	517,500	11,000
Patrick Edwardson	480,000	30,000
Karyn Lamont	3,000	3,000
Susannah Nicklin	6,015	3,577

Performance of the Company

The graph below compares the share price total return of the Company's shares over the ten-year period ended 31 January 2025 with the return from the Russell 1000 Value and S&P High Yield Dividend Aristocrats Indices on the same basis in Sterling terms, assuming the investment of £100 on 31 January 2015 and reinvestment of all dividends and income (excluding dealing expenses).

Total return performance for 10 years to 31 January 2025



Sources: Morningstar Direct and LSEG Datastream

Directors' remuneration (audited)

The remuneration paid to the directors who served during the years ended 31 January 2025 and 31 January 2024 is as follows:

	Year ended 31 Jan 2025 Total fees £	Year ended 31 Jan 2024 Total fees £	Year ended 31 Jan 2025 Taxable benefits† £	Year ended 31 Jan 2024 Taxable benefits† £	Year ended 31 Jan 2025 Total fees and benefits £	Year ended 31 Jan 2024 Total fees and benefits £
Charles Park[1]	37,262	28,500	403	1,238	37,665	29,738
Patrick Edwardson[2]	31,187	28,500	1,430	667	32,617	29,167
Karyn Lamont[3]	32,470	31,000	2,298	367	34,768	31,367
Susannah Nicklin	29,973	28,500	638	5,531	30,611	34,031
Dame Susan Rice[4]	16,450	38,500	5,596	10,826	22,046	49,326
Total	**147,342**	**155,000**	**10,365**	**18,629**	**157,707**	**173,629**

Notes:

The table above omits other columns set out in the relevant regulations because no payments of other types such as performance related pay, vesting performance related pay and pension-related benefits were made.

1 Chair and highest paid director

2 SID

3 AC Chair

4 Retired from the Board on 21 June 2024

† Reimbursement of travel expenses to attend board business. The expenses are reimbursed through payroll and in certain circumstances are subject to personal taxation and national insurance which are 'grossed up'. No other remuneration or compensation was paid or payable by the Company during the year to any of the current or former directors or third parties specified by any of them.

Annual change in directors' remuneration

The table below sets out the annual percentage change[1] in fees over the previous five years for each Company director who has served for at least two complete financial years.

Director	Year to 31 Jan 2025 %	Year to 31 Jan 2024 %	Year to 31 Jan 2023 %	Year to 31 Jan 2022 %	Year to 31 Jan 2021 %
Charles Park[2]	9.1	9.6	8.3	6.7	–
Patrick Edwardson[3]	8.8	9.6	n/a	n/a	n/a
Karyn Lamont	4.8	8.8	7.5	6.0	–
Susannah Nicklin	7.1	9.6	8.3	6.7	–

1 Comparative percentages reflect changes to the salary which would have been payable for a full year.

2 The increase in Charles Park's fees in the year to 2025 reflect the percentage change in fees payable to the role of Chair for a full year, following his appointment to that role on 21 June 2024.

3 Appointed as a director on 1 July 2022. The increase in Patrick Edwardson's fees in the year to 2025 reflect the percentage change in fees payable to the role of Senior Independent Director for a full year, following his appointment to that role on 21 June 2024.

Relative importance of spend on pay

In order to show the relative importance of expenditure on pay, the table below sets out the total level of remuneration compared to the distributions to shareholders by way of dividends. A total of 13,990,660 shares were bought back during the year. There were no other significant distributions, payments or other uses of the Company's net return or cash flow deemed to assist in the understanding of the relative importance of spend on pay.

	2025 £	2024 £	2020 £	1 Year Change £	1 Year Change %	5 Year Change £	5 Year Change %
Total remuneration paid to directors[1]	147,342	155,000	123,500	(7,658)	-4.9	23,842	19.3
Ordinary dividends paid during the year	15,714,041	19,254,868	12,372,369	(3,540,827)	-18.4	3,341,672	27.0

1 Remuneration will fluctuate due to the number of directors in any one year.

Statement of voting at annual general meeting

A binding ordinary resolution adopting the directors' remuneration policy was approved at the AGM held in June 2023. The votes cast by proxy were as follows:

	% of votes cast
For	99.2
Against	0.5
Votes withheld	155,013

A non-binding ordinary resolution adopting the directors' remuneration report was approved at the AGM held in June 2024. The votes cast by proxy were as follows:

	% of votes cast
For	99.3
Against	0.5
Votes withheld	372,024

On behalf of the Board

Charles Park
Chair

17 April 2025

Directors' report

The directors present their report and the audited financial statements of the Company for the year ended 31 January 2025. The Company is a public limited company registered and domiciled in Scotland with company number SC005218. It was active throughout the year. The Snapshot of our Portfolio on pages 12-13, Corporate Governance Report and each committee's report on pages 36-48, Statement of Directors' Responsibilities on page 54 and the additional information on pages 81-92 form part of the Directors' Report.

Share capital

As at 31 January 2025 the Company's paid-up share capital comprised 126,923,569 ordinary shares of 5p each, of which 3,561,882 shares were held in treasury. Holders of the Company's shares are entitled to one vote for every share. Shares in treasury do not carry voting rights. The number of voting rights in the Company was therefore 123,361,687 as at 31 January 2025. At the start of the year under review, share capital comprised 137,352,347 ordinary shares with no shares held in treasury.

The directors seek annual authority from shareholders to allot new shares, to disapply pre-emption rights of existing shareholders and to buy back shares for cancellation or to be held in treasury. At the AGM held on 21 June 2024, shareholders authorised the directors to allot up to 13,267,731 ordinary shares (with a nominal value of £663,387 and representing 10% of issued share capital) for cash, and to repurchase up to 19,803,320 shares (with a nominal value of £990,166 and representing 14.99% of issued share capital) for cancellation or to be held in treasury, where the Company's shares trade at a discount to NAV. The authority to allot and repurchase shares expires at the earlier of 15 months from the date of the passing of the resolution and the next AGM in June 2025. No shares have been issued under this authority.

During the year to 31 January 2025, the Company repurchased 10,428,778 shares with a nominal value of £521,438 for cancellation and 3,561,882 shares with a nominal value of £178,094 to hold in treasury under such AGM authority at a total cost including expenses of £43,674,000, constituting 11.2% of issued share capital at the beginning of the year (excluding treasury shares). As at 14 April 2025, being the latest practicable date prior to publication of the Annual Report, a total of 11,467,480 shares have been bought back under this AGM authority, with a nominal value of £573,374.

Since the year end and as at 14 April 2025, 3,633,977 shares have been repurchased to be held in treasury, with a nominal value of £181,699. A total of 5,613,733 shares are held in treasury and total share capital remains at 126,923,569 ordinary shares.

There are no restrictions concerning the transfer of securities in the Company, no special rights with regard to control attached to securities, no restrictions on voting, no agreements between holders of securities regarding their transfer known to the Company and no agreement to which the Company is party that affects its control following a takeover bid. Where they exist, the revenue profits of the Company (including accumulated revenue reserves) are available for distribution by way of dividends to the holders of the shares. Upon a winding up, after meeting the liabilities of the Company, the surplus assets would be distributed to the shareholders pro rata to their holding of shares.

Holdings in the Company's shares

Declarations of interests in the voting rights of the Company as at 31 January 2025 in accordance with the Disclosure Guidance and Transparency Rules were as follows:

	% of voting rights
Rathbones Group	12.0
RBC Brewin Dolphin	6.6
1607 Capital Partners LLC	5.0
Canaccord Genuity Wealth Management	5.0
Saba Capital Management LP	5.0
Allspring Global Investments	4.1
Charles Stanley	3.6
EFG Harris Allday	3.3
WM Thomson	3.2

There have been no changes notified since the financial year end.

Related-party transactions

The Company's transactions with related parties in the year were with the directors and the Manager (current and former). There were no material transactions between the Company and its directors during the year other than amounts paid to them in respect of remuneration and expenses, for which there were no outstanding amounts payable at the year end. Directors' shareholdings in the Company are disclosed on page 50.

In respect of the provision of services by Janus Henderson, other than fees payable by the Company in the ordinary course of business, the facilitation of marketing activities with third parties, and the cost contribution by the Manager to the cost of transition, there were no material transactions with the Manager affecting the financial position of the Company during the year under review. More details on transactions with the Manager, including amounts outstanding at the year end, are given in note 21 on page 80.

Other information and future developments

Information is detailed in the Strategic Report regarding the fourth interim dividend, future developments, financial risks and instruments. The principal financial risks and the Company's policies and procedures for managing these risks are set out in note 18 to the financial statements on pages 74-78. The Company's environmental statements are set out in the Strategic Report on pages 16-18.

The directors of the Company and their other appointments are listed on pages 34-35. All directors in office at the date of this Annual Report are standing for re-election at the AGM on 3 June 2025. Bulbul Barrett, who will be appointed to the Board on 1 May 2025, will stand for election at the AGM. Information on directors' insurance and indemnification is given on page 40.

Directors' beneficial interests and those of their connected persons in the securities of the Company are on page 50.

Each director in office at the date of approval of this report confirms that to the best of their knowledge and belief, there is no information relevant to the preparation of the Annual Report of which the Company's auditors are unaware and that they have taken all the steps a director might reasonably be expected to have taken to be aware of relevant audit information and to establish that the Company's auditor is aware of that information.

UK Listing Rule 6.6.4 requires the Company to include certain information in a single identifiable section of the Annual Report or a cross-reference table indicating where the information is set out. There are no disclosures to be made in this regard.

Annual general meeting ("AGM")

Shareholders are invited to attend our AGM at 12.30 pm on Tuesday, 3 June 2025 at 201 Bishopsgate, London EC2M 3AE. If shareholders prefer to attend virtually, we welcome you to join by conferencing software Zoom. Attending either in person or by Zoom will allow you to watch a presentation from your Fund Managers and ask questions. To join the AGM by videoconference, please visit www.janushenderson.com/nait-agm to register.

Voting will be carried out on a poll among those physically present at the meeting. We are not able to offer live voting by Zoom, so we encourage all shareholders, particularly those who are not able to attend in person, to submit their votes via proxy, ahead of the deadline of 12.30 pm on Friday, 30 May 2025. Voting on a poll gives all shareholders the opportunity to participate in the decision-making of the Company and have their votes recorded in proportion to the number of shares they own. The results of the poll will be published on the Company's website later in the day.

The Board is keen to have as high a voting participation as possible, including from private investors. Investors holding shares through share dealing platforms, such as Hargreaves Lansdown, Halifax Share Dealing and Interactive Investor, may find this link, which outlines how you can vote your shares, useful: www.theaic.co.uk/how-to-vote-your-shares.

If you are an institutional investor, you may be able to appoint a proxy electronically via the Proxymity platform.

For further information regarding Proxymity, please go to www.proxymity.io. Your proxy must be lodged by 12.30 pm on Friday, 30 May 2025 to be valid.

The Notice of AGM is on pages 82-83, together with an explanation of each resolution. If shareholders would like to submit any questions in advance of the AGM, you are welcome to send these to the corporate secretary at itsecretariat@janushenderson.com.

Reappointment of auditor

PricewaterhouseCoopers LLP has indicated willingness to continue in office as auditors to the Company, and resolutions 9 and 10 proposing their reappointment and authorising the Audit Committee to determine their remuneration for the ensuing year will be put to shareholders at the AGM. Further information about their reappointment can be found in the Audit Committee Report on pages 41-45.

Voting recommendation

Your Board considers that the resolutions to be proposed at the AGM are in the best interests of the shareholders as a whole. The Board recommends that shareholders vote in favour of each resolution, as the directors intend to do in respect of their own beneficial holdings.

This Directors' Report has been approved by the Board.

By order of the Board

Janus Henderson Secretarial Services UK Limited
Corporate Secretary

17 April 2025

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. The directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards comprising FRS 102, the financial reporting standard applicable in the United Kingdom and Republic of Ireland and applicable law). 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 year.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting 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 adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements and Directors' Remuneration Report comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors consider that the Annual Report, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's position and performance, business model and strategy.

Directors' responsibility statement

Each director, as listed on pages 34-35, confirms that, to the best of their knowledge:

- the financial statements, which have been prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards comprising FRS 102 and applicable law) give a true and fair view of the assets, liabilities, financial position and return of the Company; and
- the Strategic Report includes 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 it faces.

On behalf of the Board

Charles Park
Chair of the Board

17 April 2025

Financial statements

In this section

Independent auditors' report to the members of The North American Income Trust plc

Report on the audit of the financial statements

Opinion

In our opinion, The North American Income Trust plc's financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 January 2025 and of its return and cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report, which comprise: the Statement of Financial Position as at 31 January 2025; the Statement of Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Our opinion is consistent with our reporting to the Audit Committee.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, as applicable to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

To the best of our knowledge and belief, we declare that non-audit services prohibited by the FRC's Ethical Standard were not provided.

We have provided no non-audit services to the Company in the period under audit.

Our audit approach

Context

The North American Income Trust plc is an Investment Trust company listed on the London Stock Exchange and invests predominantly in US equities. The operations of the Company are located in the UK and US. We focus our audit work primarily on the valuation and existence of investments and income from and gains/losses on investments.

Overview

Audit scope

- The Company is a standalone Investment Trust company and engages with Janus Henderson Fund Managers UK Limited as AIFM and Manager of the North American Income Trust, effective from 1 August 2024. Prior to that date, the AIFM of the Company was abrdn Fund Managers Limited.
- We conducted our audit of the financial statements using information from the AIFM, the Depositary and the Administrator to whom the AIFM has engaged to provide certain administrative services.
- We tailored the scope of our audit taking into account the types of investments within the Company, the involvement of the third parties referred to above, the accounting processes and controls, and the industry in which the Company operates.
- We obtained an understanding of the control environment in place at both the AIFM and the Administrator and adopted a fully substantive testing approach using reports obtained from the AIFM and the Administrator.

Key audit matters

- Income from and gains/losses on investments
- Valuation and existence of investments

Materiality

- Overall materiality: £4,678,000 (2024: £4,364,000) based on 1% of Net Assets.
- Performance materiality: £3,508,000 (2024: £3,273,000).

Independent auditors' report continued

The scope of our audit

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements.

Key audit matters

Key audit matters are those matters that, in the auditors' professional judgement, were of most significance in the 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) identified by the auditors, including 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, and any comments we make on the results of our procedures thereon, 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.

This is not a complete list of all risks identified by our audit.

Ability to continue as a going concern (Continuation Vote), which was a key audit matter last year, is no longer included because of there is no continuation vote in the current year and therefore there is no doubt over the going concern as a result of this. Otherwise, the key audit matters below are consistent with last year.

Key audit matter	How our audit addressed the key audit matter
Income from and gains/losses on investments Refer to Note 2 Accounting policies, Note 4 Income and Note 11 Investments at fair value through profit or loss. We focused on the accuracy, occurrence and completeness of investment income as incomplete or inaccurate income could have a material impact on the Company's net asset value. We also focused on the accounting policy for income recognition and its presentation in the Statement of Comprehensive Income as set out in the requirements of The Association of Investment Companies Statement of Recommended Practice (the 'AIC SORP') as incorrect application could indicate a misstatement in income recognition.	We assessed the accounting policy for income recognition for compliance with accounting standards and the AIC SORP and performed testing to check that income had been accounted for in accordance with the stated accounting policy. We found that the accounting policies implemented were in accordance with accounting standards and the AIC SORP, and that income has been accounted for in accordance with the stated accounting policy. The gains/losses on investments held at fair value comprise of realised and unrealised gains/losses. For unrealised gains/losses, we tested the valuation of the portfolio at the year-end, together with testing the opening to closing reconciliation of investments. For realised gains/losses, we tested a sample of disposal proceeds by agreeing the proceeds to bank statements and we re-performed the calculation of a sample of realised gains/losses. In addition, we tested the accuracy of dividend receipts by agreeing the dividend rates from investments to independent market data. We tested occurrence by testing that all dividends recorded in the year had been declared in the market. We also tested the allocation and presentation of income between the revenue and capital return columns of the Statement of Comprehensive Income in line with the requirements set out in the AIC SORP by assessing the treatment applied in the context of the underlying facts and circumstances of a sample of special dividends, US REIT income and written options premiums. No material misstatements were identified from this testing.
Valuation and existence of investments Refer to the Note 2, Accounting policies and Note 11 Investments at fair value through profit or loss. The investment portfolio at 31 January 2024 comprised listed investments of £504 million. We focused on the valuation and existence of investments because investments represent the principal element of the net asset value of the Company as disclosed in the Statement of Financial Position in the financial statements.	We tested the valuation of all listed investments by agreeing the prices used in the valuation to independent third-party sources. We tested the existence of all investments by agreeing the holdings of all investments to an independent confirmation from the Depositary, BNP Paribas as well as testing written options to broker statements. No material misstatements were identified from this testing.

Independent auditors' report continued

How we tailored the audit scope

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the Company, the accounting processes and controls, and the industry in which it operates.

The Company is a standalone authorised, closed ended investment company that has outsourced the management and safekeeping of its assets to the AIFM and BNP Paribas respectively. The Company's accounting is delegated to the AIFM who provide company secretarial and administrative services. We applied professional judgement to determine the extent of testing required over each balance in the financial statements and obtained our audit evidence, which was substantive in nature, from the AIFM and the Administrator. As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we looked at where subjective judgements are made, for example in respect of classification of special dividends and option premium received.

The impact of climate risk on our audit

As part of our audit we made enquiries of management to understand the extent of the potential impact of climate risk on the Company's financial statements, and we remained alert when performing our audit procedures for any indicators of the impact of climate risk. Our procedures did not identify any material impact as a result of climate risk on the Company's financial statements.

Materiality

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

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

Overall Company materiality	£4,678,000 (2024: £4,364,000).
How we determined it	1% of Net Assets
Rationale for benchmark applied	We believe that net assets is the primary measure used by the shareholders in assessing the performance of the entity, and is a generally accepted auditing benchmark. This benchmark provides an appropriate and consistent year on year basis for our audit.

We use performance materiality to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds overall materiality. Specifically, we use performance materiality in determining the scope of our audit and the nature and extent of our testing of account balances, classes of transactions and disclosures, for example in determining sample sizes. Our performance materiality was 75% (2024: 75%) of overall materiality, amounting to £3,508,000 (2024: £3,273,000) for the Company financial statements.

In determining the performance materiality, we considered a number of factors – the history of misstatements, risk assessment and aggregation risk and the effectiveness of controls – and concluded that an amount at the upper end of our normal range was appropriate.

We agreed with the Audit Committee that we would report to them misstatements identified during our audit above £233,000 (2024: £218,000) as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

Conclusions relating to going concern

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

- evaluating the Directors' updated risk assessment and considering whether it addressed relevant threats;
- reviewing the Directors' assessment of the Company's financial position in the context of its ability to meet future expected operating expenses and debt repayments, their assessment of liquidity as well as their review of the operational resilience of the Company and oversight of key third-party service providers; and
- assessing the implication of significant reductions in Net Asset Value (NAV) as a result of market performance on the ongoing ability of the Company to operate.

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 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.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the Company's ability to continue as a going concern.

From our work on the corporate governance statement described below, 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.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, 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 audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. 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 based on these responsibilities.

With respect to the Strategic Report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic Report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' Report for the year ended 31 January 2025 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

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

Directors' Remuneration

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

Corporate governance statement

As explained in the Corporate governance report, the directors have chosen to demonstrate how the Company has met its obligations under the UK Corporate Governance Code ('the Code') by reporting under the 2019 Association of Investment Companies' Code of Corporate Governance ('the AIC Code'). As Such, we refer to the AIC Code where we report the matters required under ISAs (UK) in respect of the directors' statements 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 Code specified by the Listing Rules for our review. Our additional responsibilities with respect to the corporate governance statement as other information are described in the Reporting on other information section of this report.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the corporate governance statement, included within the Corporate governance report is materially consistent with the financial statements and our knowledge obtained during the audit, and we have nothing material to add or draw attention to in relation to:

- The directors' confirmation that they have carried out a robust assessment of the emerging and principal risks;
- The disclosures in the Annual Report that describe those principal risks, what procedures are in place to identify emerging risks and an explanation of how these are being managed or mitigated;
- The directors' statement in the financial statements about whether they considered it appropriate to adopt the going concern basis of accounting in preparing them, and their identification of any material uncertainties to the Company's ability to continue to do so over a period of at least twelve months from the date of approval of the financial statements;
- The directors' explanation as to their assessment of the Company's prospects, the period this assessment covers and why the period is appropriate; and
- The directors' statement as to whether they have a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due over the period of its assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions.

Our review of the directors' statement regarding the longer-term viability of the Company was substantially less in scope than an audit and only consisted of making inquiries and considering the directors' process supporting their statement; checking that the statement is in alignment with the relevant provisions of the Code; and considering whether the statement is consistent with the financial statements and our knowledge and understanding of the Company and its environment obtained in the course of the audit.

In addition, 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 that they consider the Annual Report, taken as a whole, is fair, balanced and understandable, and provides the information necessary for the members to assess the Company's position, performance, business model and strategy;
- The section of the Annual Report that describes the review of effectiveness of risk management and internal control systems; and
- The section of the Annual Report describing the work of the Audit Committee.

We have nothing to report in respect of our responsibility to report when the directors' statement relating to the Company's compliance with the Code does not properly disclose a departure from a relevant provision of the Code specified under the Listing Rules for review by the auditors.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of directors' responsibilities, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they 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.

Auditors' 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 auditors' 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.

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.

Based on our understanding of the Company and industry, we identified that the principal risks of non-compliance with laws and regulations related to breaches of section 1158 of the Corporation Tax Act 2010, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting inappropriate journal entries to increase revenue or to overstate the value of investments and increase the net asset value of the Company. Audit procedures performed by the engagement team included:

- discussions with the Directors, the AIFM and Company Secretary including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- reviewing relevant meeting minutes, including those of the Audit Committee and Board of Directors;
- assessment of the Company's compliance with the requirements of section 1158 of the Corporation Tax Act 2010, including recalculation of numerical aspects of the eligibility conditions;
- identifying and testing higher risk manual journal entries posted during the preparation of the financial statements and incorporating an element of unpredictability around the nature, timing or extent of our testing; and
- assessing the judgements applied in respect of the treatment of special dividends, income from US and option premium received.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Our audit testing might include testing complete populations of certain transactions and balances, possibly using data auditing techniques. However, it typically involves selecting a limited number of items for testing, rather than testing complete populations. We will often seek to target particular items for testing based on their size or risk characteristics. In other cases, we will use audit sampling to enable us to draw a conclusion about the population from which the sample is selected.

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 auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

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

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the Company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements and the part of the Directors' Remuneration Report to be audited are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Appointment

Following the recommendation of the Audit Committee, we were appointed by the directors on 2 June 2020 to audit the financial statements for the year ended 31 January 2021 and subsequent financial periods. The period of total uninterrupted engagement is five years, covering the years ended 31 January 2021 to 31 January 2025.

Shujaat Khan
(Senior Statutory Auditor)

for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors

Edinburgh

17 April 2025

Statement of comprehensive income

Notes		Year ended 31 January 2025 Revenue £'000	Capital £'000	Total £'000	Year ended 31 January 2024 Revenue £'000	Capital £'000	Total £'000
11	Net gains/(losses) on investments	–	77,132	77,132	–	(25,504)	(25,504)
3	Net currency (losses)/gains	–	(868)	(868)	–	1,375	1,375
4	Income	21,193	262	21,455	21,952	620	22,572
	Gross revenue and capital gains/(losses)	**21,193**	**76,526**	**97,719**	**21,952**	**(23,509)**	**(1,557)**
5	Investment management fee	(833)	(1,943)	(2,776)	(894)	(2,088)	(2,982)
7	Administrative expenses	(795)	–	(795)	(943)	–	(943)
	Return before finance costs and taxation	**19,565**	**74,583**	**94,148**	**20,115**	**(25,597)**	**(5,482)**
6	Finance costs	(343)	(800)	(1,143)	(368)	(858)	(1,226)
	Return before taxation	**19,222**	**73,783**	**93,005**	**19,747**	**(26,455)**	**(6,708)**
8	Taxation	(2,907)	646	(2,261)	(3,079)	614	(2,465)
	Return after taxation	**16,315**	**74,429**	**90,744**	**16,668**	**(25,841)**	**(9,173)**
10	Return per Ordinary share (pence)	12.44	56.76	69.20	11.95	(18.53)	(6.58)

The total column of this statement 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 on pages 66-80 are an integral part of the financial statements.

Statement of changes in equity

For the year ended 31 January 2025	Share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Capital reserve £'000	Revenue reserve £'000	Total £'000
Balance at 1 February 2024	6,868	51,806	15,748	340,003	22,054	436,479
Buyback of Ordinary shares for cancellation	(522)	–	522	(31,701)	–	(31,701)
Buyback of Ordinary shares for treasury	–	–	–	(11,973)	–	(11,973)
Return after taxation	–	–	–	74,429	16,315	90,744
Dividends paid (see note 9)	–	–	–	–	(15,714)	(15,714)
Balance at 31 January 2025	**6,346**	**51,806**	**16,270**	**370,758**	**22,655**	**467,835**

For the year ended 31 January 2024	Share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Capital reserve £'000	Revenue reserve £'000	Total £'000
Balance at 1 February 2023	7,012	51,806	15,604	373,828	24,641	472,891
Buyback of Ordinary shares for cancellation	(144)	–	144	(7,984)	–	(7,984)
Return after taxation	–	–	–	(25,841)	16,668	(9,173)
Dividends paid (see note 9)	–	–	–	–	(19,255)	(19,255)
Balance at 31 January 2024	**6,868**	**51,806**	**15,748**	**340,003**	**22,054**	**436,479**

The accompanying notes on pages 66-80 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
	Fixed assets		
11	Investments at fair value through profit or loss	504,594	454,932
	Current assets		
12	Prepayments and accrued income	896	846
12	Other debtors	2,975	105
	Cash at bank and in hand	5,264	21,285
		9,135	22,236
	Creditors: amounts falling due within one year		
13	Other creditors	(5,710)	(1,491)
		(5,710)	(1,491)
	Net current assets	**3,425**	**20,745**
	Total assets less current liabilities	**508,019**	**475,677**
	Creditors: amounts falling due after more than one year		
14	Senior Loan Notes	(40,184)	(39,198)
	Net assets	**467,835**	**436,479**
	Capital and reserves		
15	Called up share capital	6,346	6,868
	Share premium account	51,806	51,806
	Capital redemption reserve	16,270	15,748
	Capital reserve	370,758	340,003
	Revenue reserve	22,655	22,054
	Total shareholders' funds	**467,835**	**436,479**
16	**Net asset value per Ordinary share (pence)**	**379.24**	**317.78**

The financial statements on pages 62-80 were approved and authorised for issue by the Board on 17 April 2025 and were signed on its behalf by:

Charles Park
Director

The accompanying notes on pages 66-80 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 taxation	93,005	(6,708)
	Adjustments for:		
11	Net (gains)/losses on investments	(77,146)	25,410
	Net losses/(gains) on foreign exchange transactions	868	(1,375)
12	Increase in dividend income receivable	(52)	(60)
12	Decrease/(increase) in fixed interest income receivable	2	(2)
13	Decrease in derivatives	(66)	(102)
12	Decrease in other debtors	32	155
13	Increase/(decrease) in other creditors	163	(53)
8	Tax on overseas income	(2,261)	(2,465)
6	Amortisation of senior loan note expenses	8	–
11	Accretion of fixed income book cost	(44)	(94)
	Net cash inflow from operating activities	**14,509**	**14,706**
	Investing activities		
	Purchases of investments	(446,018)	(140,765)
	Sales of investments	474,976	147,854
	Net cash generated from investing activities	**28,958**	**7,089**
	Financing activities		
9	Equity dividends paid	(15,714)	(19,255)
	Buyback of Ordinary shares for cancellation	(31,911)	(7,984)
	Buyback of Ordinary shares for treasury	(11,973)	–
	Net cash used in financing activities	**(59,598)**	**(27,239)**
	Decrease in cash at bank and in hand	**(16,131)**	**(5,444)**
	Analysis of changes in cash at bank and in hand		
	Opening balance	21,285	26,699
3	Effect of exchange rate fluctuation on cash held	110	30
	Decrease in cash as above	(16,131)	(5,444)
	Closing balance	**5,264**	**21,285**
	Represented by:		
	Cash at bank and in hand	5,264	21,285

The accompanying notes on pages 66–80 are an integral part of the financial statements.

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. SC005218, with its Ordinary shares being listed on the London Stock Exchange.

2 Accounting policies

A summary of the principal accounting policies, all of which, unless otherwise stated, have been consistently applied throughout the year and the preceding year is set out below.

a) Basis of preparation and going concern

The financial statements have been prepared in accordance with Financial Reporting Standard 102, the Companies Act 2006 and with the 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 a going concern basis and on the assumption that approval as an investment trust will continue to be granted.

Going concern

The Company's assets consist substantially of securities in companies listed on recognised stock exchanges and in normal circumstances are realisable within a short timescale and which can be sold to meet funding commitments if necessary.

The Board has set gearing limits and regularly reviews actual exposures, cash flow projections and compliance with loan covenants.

The Company undertakes a continuation vote every three years. The last continuation vote was passed at the AGM held in June 2024 with 89.2% of votes in favour.

The Board has considered the impact of geopolitical developments and believes that there will be a limited resulting impact on the Company's operational resources and existence. Given that the Company's portfolio comprises primarily "Level One" assets (listed on a recognisable exchange and realisable within a short timescale), and the Company's relatively low level of gearing, the Company has sufficient liquidity within its portfolio so as to remain within its debt covenants and pay expenses.

Taking the above factors into consideration, the directors have a reasonable expectation 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, the Board continues to adopt the going concern basis in preparing the financial statements.

Significant estimates and judgements

Disclosure is required of judgements and estimates made by management in applying the accounting policies that have a significant effect on the financial statements. There are no significant estimates or judgements which impact these financial statements.

b) Income

Income from investments, 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 capital or revenue, according to the circumstances. The fixed returns on debt instruments are recognised using the time apportioned accruals basis and the discount or premium on acquisition is amortised or accreted on a straight line basis.

Interest receivable from cash and short-term deposits is recognised the time apportioned accruals basis.

c) Expenses

All expenses are accounted for on an accruals basis and are charged to the Statement of Comprehensive Income. Expenses are charged against revenue except as follows:

- transaction costs on the acquisition or disposal of investments are charged to capital in the Statement of Comprehensive Income;
- expenses are charged to capital where a connection with the maintenance or enhancement of the value of the investments can be demonstrated. In this respect, the investment management fee is allocated 30% to revenue and 70% to capital to reflect the Company's investment policy and prospective income and capital growth.

2 Accounting policies continued

d) Taxation

The tax payable is based on the taxable profit for the year. Taxable profit differs from net profit as reported in the Statement of Comprehensive Income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible (see note 8 for a more detailed explanation). The Company has no liability for current tax.

Deferred taxation is provided on all timing differences, that have originated but not reversed at the Statement of Financial Position date, where transactions or events that result in an obligation to pay more or a right to pay less tax in future have occurred at the Statement of Financial Position date, measured on an undiscounted basis and based on enacted tax rates. This is subject to deferred tax assets only being recognised if it is considered more likely than not that there will be suitable profits from which the future reversal of the underlying timing differences can be deducted. Timing differences are differences arising between the Company's taxable profits and its results as stated in the financial statements which are capable of reversal in one or more subsequent periods.

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

e) Investments

The Company has chosen to apply the recognition and measurement provisions of IAS 39 Financial Instruments: Recognition and Measurement and investments have been designated upon initial recognition at 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 time frame established by the market concerned, and are initially measured at fair value. Subsequent to initial recognition, investments are measured at fair value. For listed investments, this is deemed to be closing bid market prices. Gains and losses arising from changes in fair value and disposals are included as a capital item in the Statement of Comprehensive Income and are ultimately recognised in the capital reserve.

f) Borrowings

Monies borrowed to finance the investment objectives of the Company are stated at the amount of the net proceeds immediately after issue plus cumulative finance costs less cumulative payments made in respect of the debt. The finance costs of such borrowings are accounted for on an accruals basis using the effective interest rate method and are charged 30% to revenue and 70% to capital to reflect the Company's investment policy and prospective income and capital growth.

g) Dividends payable

Interim and final dividends are recognised in the period in which they are paid.

h) Nature and purpose of reserves

Share premium account

The balance classified as share premium includes the premium above nominal value from the proceeds on issue of any equity capital comprising Ordinary shares of 5p. This reserve is not distributable.

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. This reserve is not distributable.

Capital reserve

This reserve reflects any gains or losses on realisation of investments in the period along with any changes in fair values of investments held that have been recognised in the Statement of Comprehensive Income. The costs of share buybacks for treasury are also deducted from this reserve. This reserve is distributable although the amount that is distributable is complex to determine and is not necessarily the full amount of the reserve as disclosed within these financial statements.

Revenue reserve

This reserve reflects all income and costs which are recognised in the revenue column of the Statement of Comprehensive Income. The revenue reserve represents the amount of the Company's reserves distributable by way of dividend. The amount of the revenue reserve as at 31 January 2025 may not be available at the time of any future distribution due to movements between 31 January 2025 and the date of distribution.

2 Accounting policies continued

i) Foreign currency

Assets and liabilities in foreign currencies are translated at the rates of exchange ruling on the Statement of Financial Position date. Transactions involving foreign currencies are converted at the rate ruling on the date of the transaction. Gains and losses on the realisation of foreign currencies are recognised in the Statement of Comprehensive Income and are then transferred to the capital reserve.

j) Traded options

The Company may enter into certain derivative contracts (e.g. writing traded 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 received/paid on inception. The premium is recognised in the revenue column over the life of the contract period. Losses on any movement in the fair value of open contracts at the year end realised and on the exercise of the contracts are recorded in the capital column of the Statement of Comprehensive Income. For written options, where exercised, losses are treated as a realised loss, including where it is a component of the cost paid to acquire underlying securities on a written contract.

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.

k) Cash at bank and in hand

Cash comprises cash at bank and collateral accounts at brokers. The amounts held in collateral accounts at brokers were £362,000 with Goldman Sachs and £14,000 with UBS as at 31 January 2025.

l) Treasury shares

When the Company purchases its Ordinary shares to be held in treasury, the amount of the consideration paid, which includes directly attributable costs, is net of any tax effect, 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 Net currency (losses)/gains

	2025 £'000	2024 £'000
Gains on cash held	110	30
(Losses)/gains on Senior Loan Notes	(978)	1,345
	(868)	**1,375**

4 Income

	2025 £'000	2024 £'000
Income from overseas listed investments		
Dividend income	14,368	14,879
REIT income	2,191	2,817
Interest income from investments	286	567
	16,845	**18,263**
Other income from investment activity		
Traded option premiums	4,099	3,781
Deposit interest	511	528
	4,610	4,309
Total income	**21,455**	**22,572**

During the year, the Company was entitled to premiums totalling £4,099,000 (2024 – £3,781,000) in exchange for entering into option contracts. At the year end there were 4 (2024 – 6) open positions, valued at a liability of £96,000 (2024 – liability of £162,000) as disclosed in note 13. Losses realised on the exercise of derivative transactions are disclosed in note 11.

5 Investment management fee

	2025			2024		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Investment management fee	833	1,943	2,776	894	2,088	2,982

Until 31 July 2024 the Company had an agreement with abrdn Fund Managers Limited ("aFML") for the provision of investment management, secretarial, accounting and administration and promotional activity services. Under the terms of an agreement effective from 1 August 2024 the Company has appointed wholly owned subsidiaries of Janus Henderson Investors to provide investment management, accounting, administrative and company secretarial services. Janus Henderson Investors has contracted with BNP Paribas S.A. to provide accounting and administration services.

Until 31 July the annual management fee was charged on gross assets after deducting current liabilities and borrowings and excluding commonly managed funds (net assets), on a tiered basis. The annual management fee was charged at 0.75% of net assets up to £250 million, 0.6% between £250 million and £500 million, and 0.5% over £500 million, payable quarterly. With effect from 1 August 2024 Janus Henderson Investors will receive an annual management fee of 0.55% of the Company's net asset value up to £500 million and 0.45% on net assets above £500 million, payable quarterly. The fee is allocated 30% to revenue and 70% to capital (2024 – same). During the period £1,518,000 (2024 – £2,982,000) of investment management fees were payable to aFML, with a balance of £nil (2024 – £755,000) being due to aFML at the period end. During the period £1,258,000 (2024 – £nil) of investment management fees were payable to Janus Henderson, with a balance of £845,000 (2024 – £nil) being due to Janus Henderson at the period end.

The management agreement between the Company and the Manager is terminable by either party on three months' notice. In the event of a resolution being passed at the AGM to wind up the Company the Manager shall be entitled to three months' notice from the date the resolution was passed. In the event of termination on not less than the agreed notice period, compensation is payable in lieu of the unexpired notice period.

6 Finance costs

	2025			2024		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Bank interest paid	2	6	8	33	76	109
Senior Loan Notes	338	789	1,127	333	778	1,111
Amortised Senior Loan Note issue expenses	3	5	8	2	4	6
	343	**800**	**1,143**	**368**	**858**	**1,226**

7 Administrative expenses

	2025 £'000	2024 £'000
Directors' fees	147	155
Registrar's fees	31	85
Custody and bank charges	31	25
Secretarial fees	77	147
Auditors' remuneration:		
– fees payable to the Company's auditor for the audit of the annual report	64	55
Promotional activities	179	216
Printing, postage and stationery	12	33
Fees, subscriptions and publications	69	66
Professional fees	96	45
Depositary charges	47	44
Other expenses	42	72
	795	**943**

Until 31 July 2024 the Company had an agreement with abrdn Fund Managers Limited ("aFML") for the provision of investment management, secretarial, accounting and administration and promotional activity services. Under the terms of an agreement effective from 1 August 2024 the Company has appointed wholly owned subsidiaries of Janus Henderson Investors to provide investment management, accounting, administrative and company secretarial services. Janus Henderson Investors has contracted with BNP Paribas S.A. to provide accounting and administration services.

7 Administrative expenses continued

The secretarial fee was chargeable 100% to revenue and paid monthly in arrears to aFML. During the period £77,000 (2024 – £147,000) of secretarial fees were payable to aFML, with a balance of £nil (2024 – £12,000) being due to aFML at the period end.

Janus Henderson do not charge a separate secretarial fee.

The promotional activities fee was paid quarterly in arrears to aFML. During the period £91,000 (2024 – £216,000) of fees were payable, with a balance of £nil (2024 – £73,000) being due to aFML at the period end.

Janus Henderson facilitates marketing activities with third parties which are recharged to the Company. The fee is based on a current annual amount of £246,000, payable quarterly in arrears. During the period £88,000 (2024 – £nil) of fees were payable, with a balance of £88,000 (2024 – £nil) being due to Janus Henderson at the period end.

8 Taxation

a) Analysis of charge/(credit) for the year

	2025			2024		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
UK corporation tax	530	–	530	462	–	462
Double tax relief	(288)	–	(288)	(330)	–	(330)
Overseas tax suffered	1,980	39	2,019	2,240	93	2,333
Tax relief to capital	685	(685)	–	707	(707)	–
Total tax charge/(credit) for the year	**2,907**	**(646)**	**2,261**	**3,079**	**(614)**	**2,465**

b) Factors affecting the tax charge/(credit) for the year

The UK corporation tax rate is 25% (2024 – 24%). The tax charge for the year is lower (2024 – higher) than the corporation tax rate. The differences are explained in the following table.

	2025			2024		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Net return before taxation	19,222	73,783	93,005	19,747	(26,455)	(6,708)
Corporation tax at 25% (2024 – 24%)	4,806	18,446	23,252	4,739	(6,349)	(1,610)
Effects of:						
Non-taxable overseas dividends	(3,593)	(65)	(3,658)	(3,571)	(149)	(3,720)
Irrecoverable overseas withholding tax	1,980	39	2,019	2,240	93	2,333
Expenses not deductible for tax purposes	2	–	2	1	–	1
Double tax relief	(288)	–	(288)	(330)	–	(330)
Non-taxable (gains)/losses on investments	–	(19,283)	(19,283)	–	6,121	6,121
Non-taxable currency gains/(losses)	–	217	217	–	(330)	(330)
Total tax charge/(credit)	**2,907**	**(646)**	**2,261**	**3,079**	**(614)**	**2,465**

c) Provision for deferred taxation

At the period end there is no unrecognised deferred tax asset (2024 – £nil) in relation to surplus management expenses.

9 Dividends

	2025 £'000	2024 £'000
Amounts recognised as distributions to equity holders in the year:		
3rd interim dividend for 2023 of 2.5p per share	–	3,506
Final dividend for 2023 of 3.5p per share	–	4,902
4th interim dividend for 2024 of 3.9p per share	5,305	–
1st interim dividend for 2025 of 2.7p per share (2024 – 2.6p)	3,569	3,642
2nd interim dividend for 2025 of 2.7p per share (2024 – 2.6p)	3,467	3,621
3rd interim dividend for 2025 of 2.7p per share (2024 – 2.6p)	3,373	3,584
	15,714	**19,255**

The fourth interim dividend was unpaid at the year end. Accordingly, this has not been included as a liability in these financial statements.

The table below sets out the total dividends paid and proposed in respect of the financial year, which is the basis on which the requirements of Sections 1158-1159 of the Corporation Tax Act 2010 are considered. The revenue available for distribution by way of dividend for the year is £16,315,000 (2024 – £16,668,000).

	2025 £'000	2024 £'000
1st interim dividend for 2025 of 2.7p per share (2024 – 2.6p)	3,569	3,642
2nd interim dividend for 2025 of 2.7p per share (2024 – 2.6p)	3,467	3,621
3rd interim dividend for 2025 of 2.7p per share (2024 – 2.6p)	3,373	3,584
4th interim dividend for 2025 of 4.1p per share (2024 – 3.9p)	4,974	5,310
	15,383	**16,157**

The cost of the proposed final dividend for 2025 is based on 121,309,836 Ordinary shares in issue, being the number of Ordinary shares in issue (excluding treasury shares) at the date of this report.

10 Return per Ordinary share

	2025		2024	
	£'000	p	£'000	p
Based on the following figures:				
Revenue return	16,315	12.44	16,668	11.95
Capital return	74,429	56.76	(25,841)	(18.53)
Total return	**90,744**	**69.20**	**(9,173)**	**(6.58)**
Weighted average number of Ordinary shares in issue[1]		**131,124,251**		**139,474,109**

1 Calculated excluding shares held in Treasury where applicable.

11 Investments at fair value through profit or loss

	2025 £'000	2024 £'000
Investments at fair value through profit or loss		
Opening book cost	432,315	438,891
Opening investment holdings gains	22,617	48,049
Opening fair value	**454,932**	**486,940**
Analysis of transactions made during the year		
Purchases at cost	450,350	139,531
Sales proceeds received	(477,878)	(146,223)
Gains/(losses) on investments[1]	77,146	(25,410)
Accretion of fixed income book cost	44	94
Closing fair value	**504,594**	**454,932**
Closing book cost	456,037	432,315
Closing investment holdings gains	48,557	22,617
Closing fair value	**504,594**	**454,932**
Listed on overseas stock exchanges	504,594	454,932
Net gains/(losses) on investments		
Gains/(losses) on investments[1]	77,146	(25,410)
Investment holding losses on traded options[2]	(14)	(94)
	77,132	**(25,504)**

1 Includes losses realised on the exercise of traded options of £4,578,000 (2024 – £3,204,000) which are reflected in the capital column of the Statement of Comprehensive Income in accordance with accounting policy 2(j). Premiums received from traded options totalled £4,099,000 (2024 – £3,781,000) per note 4.

2 Options associated are derivative liabilities at the year end.

The Company received £477,878,000 (2024 – £146,223,000) from investments sold in the year. The book cost of these investments when they were purchased was £426,672,000 (2024 – £146,201,000). 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.

Transaction costs

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

	2025 £'000	2024 £'000
Purchases	85	65
Sales	95	107
	180	**172**

The above transaction costs are calculated in line with the AIC SORP.

12 Debtors: amounts falling due within one year

	2025 £'000	2024 £'000
Amounts due from brokers	2,931	29
Other debtors	44	76
Accrued income and prepayments	896	846
	3,871	**951**

Notes to the financial statements continued

13 Creditors: amounts falling due within one year

	2025 £'000	2024 £'000
Amounts due to brokers	4,332	–
Investment management fee payable	845	755
Buyback of shares for future settlement	–	210
Traded option contracts	96	162
Interest payable	130	127
Other creditors	307	237
	5,710	**1,491**

14 Senior Loan Notes

Creditors: amounts falling due after more than one year

	2025 £'000	2024 £'000
2.70% Senior Loan Notes – 10 years	20,120	19,632
2.96% Senior Loan Notes – 15 years	20,120	19,632
Unamortised Loan Note issue expenses	(56)	(66)
	40,184	**39,198**

On 21 December 2020 the Company issued a US$25 million 10 years Senior Loan Note at an annualised interest rate of 2.70% and a US$25 million 15 years Senior Loan Note at an annualised interest rate of 2.96%. The Loan Notes are unsecured and unlisted. Interest is payable in half yearly instalments in June and December and the Loan Notes are due to be redeemed at par on 21 December 2030 and 21 December 2035. The Company has complied with the Senior Loan Note Purchase Agreement covenant throughout the period since issue that the ratio of net assets to gross borrowings must be greater than 3.5:1, that net assets will not be less than £200,000,000, and that the total number of Listed Assets is to be more than 35.

The total fair value of the Senior Loan Notes at 31 January 2025 was £36,188,000 (2024 – £36,256,000) comprising £18,476,000 (2024 – £18,277,000) in respect of the 10 years 2.70% Senior Loan Note and £17,712,000 (2024 – £17,979,000) in respect of the 15 years 2.96% Senior Loan Note. The fair value of the Senior Loan Notes has been 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.

15 Called up share capital

Share capital

	2025			2024		
	Number of shares entitled to dividend	Total number of shares	Nominal value of shares £000	Number of shares entitled to dividend	Total number of shares	Nominal value of shares £000
Ordinary shares of 5p each						
At start of year	137,352,347	137,352,347	6,868	140,234,749	140,234,749	7,012
Buy-back of shares for cancellation	(10,428,778)	(10,428,778)	(522)	(2,882,402)	(2,882,402)	(144)
Buy-back of shares to Treasury	(3,561,882)	(3,561,882)	(178)	–	–	–
Closing balance at 31 January	**123,361,687**	**123,361,687**	**6,168**	**137,352,347**	**137,352,347**	**6,868**
Treasury shares						
At start of year	–	–	–	–	–	–
Buy-back of shares to Treasury	–	3,561,882	178	–	–	–
Closing balance at 31 January	**123,361,687**	**126,923,569**	**6,346**	**137,352,347**	**137,352,347**	**6,868**

During the year 13,990,660 (2024 – 2,882,402) Ordinary shares of 5p were repurchased, of which, 10,428,778 were cancelled and 3,561,882 were placed in treasury by the Company at a total cost, including transaction costs, of £43,674,000 (2024 – £7,984,000).

Subsequent to the year end, 2,051,851 Ordinary shares of 5p each have been repurchased by the Company at a total cost of £6,856,000.

Notes to the financial statements continued

16 Net asset value per Ordinary share

The net asset value per share and the net assets attributable to the Ordinary shareholders at the year end were as follows:

	2025	2024
Net assets attributable	£467,835,000	£436,479,000
Number of Ordinary shares in issue[1,2]	123,361,687	137,352,347
Net asset value per share	**379.24p**	317.78p

1 Excludes shares in issue held in treasury where applicable.
2 2024 Includes 72,747 Ordinary shares bought back prior to the year end which had not yet settled.

17 Analysis of changes in net debt

	At 1 February 2024 £'000	Currency differences £'000	Non-cash movement £'000	Cash flows £'000	At 31 January 2025 £'000
Cash at bank and in hand	21,285	110	–	(16,131)	5,264
Debt due after more than one year	(39,198)	(978)	(8)	–	(40,184)
	(17,913)	**(868)**	**(8)**	**(16,131)**	**(34,920)**

	At 1 February 2023 £'000	Currency differences £'000	Non-cash movement £'000	Cash flows £'000	At 31 January 2024 £'000
Cash and short term deposits	26,699	30	–	(5,444)	21,285
Debt due after more than one year	(40,543)	1,345	–	–	(39,198)
	(13,844)	**1,375**	**–**	**(5,444)**	**(17,913)**

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.

18 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, other than derivatives, 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 traded options, for the purpose of enhancing income returns and portfolio management. During the year, the Company entered into certain derivative contracts. As disclosed in note 4, the premium received in respect of options written in the year was £4,099,000 (2024 – £3,781,000). Positions closed during the year realised a loss of £4,578,000 (2024 – £3,204,000). The largest position in derivative contracts held during the year at any given time was £606,000 (2024 – £454,000). The Company had 4 (2024 – 6) open positions in derivative contracts at 31 January 2025 valued at a liability of £96,000 (2024 – £162,000) as disclosed in note 13.

The Board has delegated the risk management function to the Manager under the terms of its management agreement with the Manager (further details of which are included under note 5). 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 an 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.

Risk management framework

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

The Manager provides a variety of services and support in the conduct of its business activities, including in the oversight of the risk management framework for the Company. The AIFM is responsible for ensuring that the Company is managed within the terms of its investment guidelines. The Manager also has responsibility for monitoring and oversight of investment performance, product risk and regulatory and operational risk for the Company.

18 Financial instruments and risk management continued

The AIFM conducts its risk oversight function through various risk management processes and systems in place which support management in the identification and mitigation of risks and provides independent monitoring of the business. These systems include Compliance, Business Risk, Market Risk, Risk Management and Legal.

Risk management

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

The Board regularly reviews and agrees policies for managing each of these risks. The Manager'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

The fair value or future cash flows of a financial instrument held by the Company may fluctuate because of changes in market prices. This market risk comprises three elements – interest rate risk, currency risk and other price risk.

Interest rate risk

Interest rate movements may affect:

- the fair value of the investments in fixed interest rate securities held during the year;
- the level of income receivable on cash deposits;
- 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 reviews on a regular basis the values of the fixed interest rate securities.

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 unsecured loan notes. Details of borrowings at 31 January 2025 are shown in note 14 to the financial statements.

Interest risk profile

The interest rate risk profile of the portfolio of financial instruments 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	Non-interest bearing £'000
Assets					
Sterling	–	–	–	5	–
US Dollar	–	–	–	5,259	481,646
Canadian Dollar	–	–	–	–	22,948
Total assets			**–**	**5,264**	**504,594**
Liabilities					
Loan Notes 21/12/30 – US$25,000,000	5.89	2.70	20,092	–	–
Loan Notes 21/12/35 – US$25,000,000	10.89	2.96	20,092	–	–
Total liabilities			**40,184**	**–**	**–**

18 Financial instruments and risk management continued

At 31 January 2024	Weighted average period for which rate is fixed Years	Weighted average interest rate %	Fixed rate £'000	Floating rate £'000	Non–interest bearing £'000
Assets					
Sterling	–	–	–	4,892	–
US Dollar	6.93	5.59	8,489	16,392	418,918
Canadian Dollar	–	–	–	1	27,525
Total assets			**8,489**	**21,285**	**446,443**
Liabilities					
Loan Notes 21/12/30 – US$25,000,000	6.89	2.70	19,599	–	–
Loan Notes 21/12/35 – US$25,000,000	11.89	2.96	19,599	–	–
Total liabilities			**39,198**	**–**	**–**

The weighted average interest rate is based on the current yield of each asset, weighted by its market value.

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

The non-interest bearing assets represent the equity element of the portfolio.

Short-term debtors and creditors have been excluded from the above tables.

Financial Liabilities

The Company has fixed rate borrowings by way of its senior loan notes, details of which can be found in note 14.

Interest rate sensitivity

The sensitivity analyses below have been determined based on the exposure to interest rates for both derivative and non-derivative instruments at the Statement of Financial Position date and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period in the case of instruments that have floating rates.

If interest rates had been 100 basis points higher or lower and all other variables were held constant, the Company's revenue return for the year ended 31 January 2025 would increase/decrease by £53,000 (2024 – decrease/increase by £213,000). This is mainly attributable to the Company's exposure to interest rates on its floating rate cash balances.

In the opinion of the directors, the above sensitivity analyses are not representative of the year as a whole, since the level of exposure changes frequently as part of the interest rate risk management process used to meet the Company's objectives. The risk parameters used will also fluctuate depending on the current market perception.

Foreign currency risk

The Company's portfolio is invested mainly in US quoted securities and the Statement of Financial Position can be significantly affected by movements in foreign 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 significant proportion of the Company's borrowings, as detailed in note 14, are denominated in foreign currency. Foreign currency risk exposure by currency denomination is detailed under Interest Risk Profile.

The revenue account is subject to currency fluctuation arising on overseas income. The Company does not hedge this currency risk.

Foreign currency sensitivity

There is no sensitivity analysis included as the Company's significant foreign currency financial instruments are in the form of equity investments, and they have been included within the other price risk sensitivity analysis so as to show the overall level of exposure.

Notes to the financial statements continued

18 Financial instruments and risk management continued

Price risk

Price risks (ie changes in market prices other than those arising from interest rate or currency risk) may affect the value of the quoted investments.

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 country or sector. The allocation of assets to international markets and the stock selection process, as detailed on page 24, both 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.

Price risk sensitivity

If market prices at the Statement of Financial Position date had been 10% higher or lower while all other variables remained constant, the return attributable to Ordinary shareholders for the year ended 31 January 2025 would have increased/decreased by £50,459,000 (2024 – increase/decrease of £45,493,000) and equity reserves would have increased/decreased by the same amount.

ii) Liquidity risk

This is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities.

Management of the risk

Liquidity risk is not considered to be significant as the Company's assets comprise mainly readily realisable securities, which can be sold to meet funding commitments if necessary.

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

- Where the Manager makes an investment in a bond, corporate or otherwise, the credit ratings of the issuer are taken into account so as to manage the risk to the Company of default.
- Investments in quoted bonds are made across a variety of industry sectors so as to avoid concentrations of credit risk.
- Transactions involving derivatives are entered into only with investment banks, the credit rating of which is taken into account so as to minimise the risk to the Company of default.
- Investment transactions are carried out with a 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.
- Outstanding settlements are subject to credit risk. Credit risk is mitigated by the Company through its decision to transact with counterparties of high credit quality. The Company only buys and sells investments through brokers which are approved counterparties, thus minimising the risk of default through settlement. The credit ratings of brokers are reviewed periodically by Janus Henderson, and limits are set on the amount that may be due from any one broker.
- The Company is exposed to credit risk through the use of banks for its cash position. Bankruptcy or insolvency of banks may cause the Company's rights with respect to cash held by banks to be delayed or limited. The Company's cash balances are held by its custodian, BNP Paribas SA as banker. The directors believe the counterparty is of high credit quality and, therefore, the Company has minimal exposure to credit risk.

18 Financial instruments and risk management continued

Credit risk exposure

In summary, compared to the amounts in the Statement of Financial Position, the exposure to credit risk at 31 January 2025 was as follows:

	2025		2024	
	Statement of Financial Position £'000	Maximum exposure £'000	Statement of Financial Position £'000	Maximum exposure £'000
Non-current assets				
Quoted bonds	–	–	8,489	8,489
Current assets				
Amount due from brokers	2,931	2,931	29	29
Dividends receivable	856	856	829	829
Interest receivable	25	25	17	17
Other debtors and prepayments	59	59	76	76
Cash at bank and in hand	5,264	5,264	21,285	21,285
	9,135	**9,135**	**30,725**	**30,725**

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

Credit ratings

The table below provides a credit rating profile using Standard and Poor's credit ratings for the quoted bonds at 31 January 2025 and 31 January 2024:

	2025 £'000	2024 £'000
B+	–	708
BB+	–	1,401
BB	–	2,845
BB–	–	2,837
BBB–	–	698
	–	**8,489**

Fair values of financial assets and financial liabilities

The book value of cash at bank in hand included in these financial statements approximate to fair value because of their short-term maturity. Investments held as dealing investments are valued at fair value. The carrying values of fixed asset investments are stated at their fair values, which have been determined with reference to quoted market prices. For all other short-term debtors and creditors, their book values approximate to fair values because of their short-term maturity.

19 Capital management policies and procedures

The investment objective of the Company is to provide investors with above average dividend income and long term capital growth through active management of a portfolio consisting predominantly of S&P 500 US equities.

The capital of the Company consists of long-term borrowings and equity comprising issued capital, reserves and retained earnings. The Company manages its capital to ensure that it will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance.

The Board monitors and reviews the broad structure of the Company's capital on an ongoing basis. This review includes:

- the planned level of gearing which takes into account the Investment Manager's views on the market;
- the level of equity shares in issue; and
- the extent to which revenue in excess of that which is required to be distributed should be retained.

The Company's objectives, policies and processes for managing capital are unchanged from the preceding accounting period.

Details of the Company's financial covenants are detailed in note 14 of the financial statements.

20 Fair value hierarchy

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

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

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

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

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

As at 31 January 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)	504,594	–	–	504,594
		504,594	**–**	**–**	**504,594**
Financial liabilities at fair value through profit or loss					
Derivatives	b)	–	(96)	–	(96)
Net fair value		**504,594**	**(96)**	**–**	**504,498**

As at 31 January 2024	Note	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Financial assets at fair value through profit or loss					
Quoted equities	a)	446,443	–	–	446,443
Quoted bonds	c)	–	8,489	–	8,489
		446,443	**8,489**	**–**	**454,932**
Financial liabilities at fair value through profit or loss					
Derivatives	b)	–	(162)	–	(162)
Net fair value		**446,443**	**8,327**	**–**	**454,770**

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.

b) Derivatives

The Company's investment in exchange traded options have been fair valued using quoted prices and have been classified as Level 2 as they are not considered to trade in active markets.

c) Quoted bonds

The fair value of the Company's investments in quoted bonds has been determined by reference to their quoted bid prices at the reporting date. Investments categorised as Level 2 are not considered to trade in active markets.

The fair value of the senior loan notes has been calculated as £36,188,000 (2024 – £36,256,000), 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, compared to carrying amortised cost of £40,184,000 (2024 – £39,198,000).

21 Related party transactions

Directors' fees and interests

Fees payable during the year to the directors and their interests in shares of the Company are disclosed within the Directors' Remuneration Report on page 50.

Transactions with the Manager

The Company has an agreement with the Manager for the provision of investment management, secretarial, accounting and administration and promotional activity services.

Details of transactions during the year and balances outstanding at the year end are disclosed in notes 5 and 7.

During the period the Company received £247,000 from Janus Henderson to cover project costs paid or payable in relation to the manager change from abrdn Fund Managers Limited ("aFML").

22 Post-balance sheet events

Subsequent to the year end, a number of trade tariffs were imposed by the US (including some reciprocal arrangements), the majority of which were subsequently suspended for 90 days, causing volatility and uncertainty in markets. As at the close of business on the balance sheet date, the Company's net assets with debt at par were £467,835,000 with a net asset value per ordinary share of 379.24p. As at close of business on 14 April 2025, the Company's net assets with debt at par were £402,738,000 with a net asset value per ordinary share of 331.99p. This represents a decrease of 12.5% compared to the year-end net asset value per ordinary share.

Additional information

In this section

Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting ("AGM") of The North American Income Trust plc will be held at 12.30 pm on Tuesday, 3 June 2025 at 201 Bishopsgate, London EC2M 3AE for the purpose of considering and, if thought fit, passing the following resolutions, which will be proposed, in the case of resolutions 1 to 11, as ordinary resolutions, and in the case of resolutions 12 to 14, as special resolutions.

Ordinary resolutions

1. To receive the Annual Report and the audited financial statements for the year ended 31 January 2025.
2. To approve the Directors' Remuneration Report for the year ended 31 January 2025.
3. To elect Bulbul Barrett as a director of the Company.
4. To re-elect Charles Park as a director of the Company.
5. To re-elect Patrick Edwardson as a director of the Company.
6. To re-elect Karyn Lamont as a director of the Company.
7. To re-elect Susannah Nicklin as a director of the Company.
8. To re-appoint PricewaterhouseCoopers LLP as the statutory auditor of the Company.
9. To authorise the Audit Committee to determine the statutory auditors' remuneration.
10. To approve the Company's dividend policy.
11. THAT in substitution for all existing authorities, the directors be generally and unconditionally authorised pursuant to s551 Companies Act 2006 to exercise all the powers of the Company to allot ordinary shares of 5p each in the capital of the Company ("ordinary shares") and to grant rights to subscribe for, or to convert any security into, ordinary shares up to an aggregate nominal amount of £606,549 (or such other amount representing 10% of the issued share capital (excluding treasury shares) as at the date of the passing of this resolution) for a period expiring (unless previously renewed, varied or revoked by the Company in general meeting) on the earlier of the date falling 15 months after the passing of this resolution and the conclusion of the AGM of the Company in 2026, save that the directors may make an offer or agreement which would or might require ordinary shares to be allotted or rights to be granted after expiry of this authority and the directors may allot ordinary shares and grant rights in pursuance of that offer or agreement as if the authority conferred hereby had not expired.

Special resolutions

12. THAT in substitution for all existing authorities and, subject to the passing of resolution 11, the directors be empowered pursuant to s570 and s573 Companies Act 2006 to allot ordinary shares or make offers or agreements to allot ordinary shares (within the meaning of s560 of that Act) for cash, and to sell ordinary shares which are held by the Company in treasury, as if s561(1) Companies Act 2006 did not apply to any such allotments or sale. This power shall be limited to the allotment or sale of ordinary shares:
    a. whether by way of a rights issue, open offer or otherwise to ordinary shareholders on the Register of Members at such record date(s) as the directors may determine where the ordinary shares respectively attributable to the interests of all ordinary shareholders are proportionate (or as nearly as may be) to the respective numbers of ordinary shares held by them (or are otherwise allotted in accordance with the rights attaching to such ordinary shares) subject in either case to such exclusions or other arrangements as the directors may deem necessary or expedient in relation to treasury shares, fractional entitlements or local or practical problems under the laws of, or the requirements of, any regulatory body or any stock exchange in any territory or otherwise howsoever;
    b. up to a maximum aggregate nominal value of £606,549 (or such other amount representing 10% of the Company's issued ordinary share capital (excluding treasury shares) as at the date of the passing of this resolution);
    c. at a price not less than the net asset value per ordinary share as at the latest practicable date before such allotment of ordinary shares as determined by the directors in their reasonable discretion; and
    d. shall expire at the earlier of the date falling 15 months after the passing of this resolution and the conclusion of the AGM of the Company in 2026 unless previously renewed, varied or revoked by the Company in general meeting, save that the directors may before such expiry make an offer or agreement which would or might require ordinary shares to be allotted or sold after such expiry and the directors may allot or sell ordinary shares in pursuance of such an offer or agreement as if the power conferred hereby had not expired.
13. THAT in substitution for all existing authorities, the Company be generally and unconditionally authorised in accordance with s701 Companies Act 2006 to make market purchases (within the meaning of s693(4) of that Act) of ordinary shares on such terms and in such manner as the directors may from time to time determine, provided that:
    a. the maximum aggregate number of ordinary shares authorised to be purchased is 14.99% of the Company's issued ordinary share capital at the date of the resolution (equivalent to 18,184,344 ordinary shares (excluding treasury shares) as at 14 April 2025 being the latest practicable date prior to publication of this Notice);

Notice of Annual General Meeting continued

b. the maximum price (exclusive of expenses) which may be paid for an ordinary share shall not exceed the higher of:
   i. 105% of the average of the middle market quotations for an ordinary share as taken from the London Stock Exchange Daily Official List for the five business days immediately preceding the date of purchase; and
   ii. the higher of the price of the last independent trade and the highest current independent bid on the London Stock Exchange when the purchase is carried out;

c. the minimum price (exclusive of expenses) which may be paid for an ordinary share shall be 5 pence, being the nominal value per share;

d. the authority hereby conferred shall expire at the earlier of the date falling 15 months after the date of the passing of this resolution and the conclusion of the AGM of the Company in 2026, unless such authority is renewed before that expiry;

e. the Company may make a contract to purchase ordinary shares under the authority hereby conferred which will or may be executed wholly or partly after the expiration of such authority, and may make a purchase of ordinary shares pursuant to any such contract; and

f. any ordinary shares so purchased shall be cancelled, or in accordance with the provisions of the Act, if the directors so determine, be held, sold, transferred or otherwise dealt with as treasury shares.

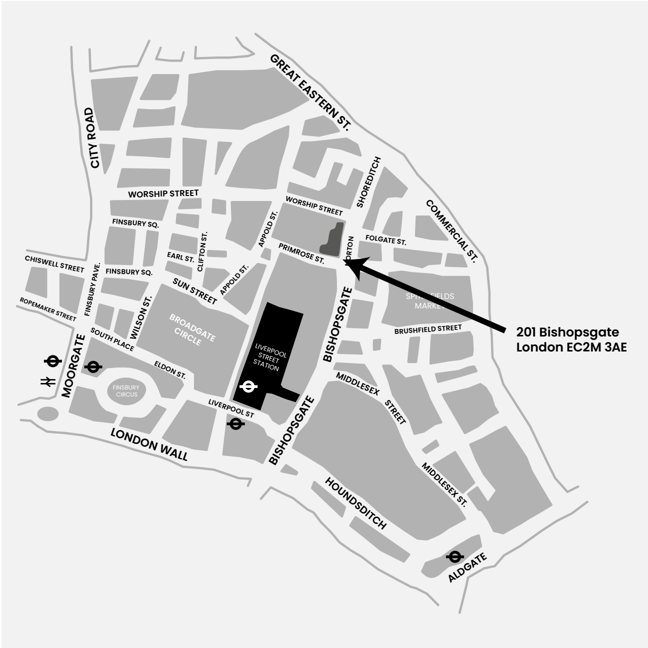
14. THAT a general meeting other than an AGM may be called on not less than 14 clear days' notice, such authority to expire on conclusion of the AGM of the Company in 2026.

By order of the Board

Janus Henderson Secretarial Services UK Limited
Corporate Secretary

17 April 2025

Registered office:
4 North St. Andrew Street, Edinburgh EH2 1HJ



The AGM will be held at 201 Bishopsgate, London EC2M 3AE. It is a few minutes' walk from Liverpool Street Station and from Moorgate Station.

Explanation of resolutions

The information set out below is an explanation of the business to be considered at the 2025 Annual General Meeting ("AGM"). You are welcome to join the AGM in person or by conferencing software Zoom. If you wish to join by Zoom, please visit www.janushenderson.com/nait-agm to register.

Resolutions 1 to 11 are proposed as ordinary resolutions. This means that for each of those resolutions to be passed, more than half of the votes cast must be in favour of the resolution. Resolutions 12 to 14 are proposed as special resolutions. This means that for each of those resolutions to be passed, at least three quarters of the votes cast must be in favour of the resolution.

Resolution 1: Annual Report and audited financial statements

The directors must present the audited financial statements, Strategic Report, Directors' Report and the Independent Auditors' Report for the previous financial period to shareholders at the AGM. Shareholders will have the opportunity to ask questions and at the end of the discussion, shareholders will be invited to receive the Annual Report and audited financial statements.

Resolution 2: Approval of the Directors' Remuneration Report

Shareholders are asked to approve the Remuneration Report (see pages 49–51). The vote on the Remuneration Report is advisory and does not affect the remuneration payable to any individual director, though the Board welcomes feedback from shareholders and will incorporate this into future remuneration discussions.

Explanation of resolutions continued

Resolutions 3 to 7: Election and re-election of directors

As is governance best practice, directors are expected to stand for election by shareholders at the first AGM following their appointment by the board of directors, and for re-election by shareholders at subsequent AGMs annually. During the year, the Board reviewed the performance, contribution and commitment of the members of the Board and concluded that each director standing for election and re-election brought extensive, current and relevant business experience that allows them to contribute effectively to the stewardship of the Company, in terms of both performance and time commitment.

The biographies of each director, including their skills, experience and qualifications relevant for the success of the Company are set out on pages 34–35. All directors standing for re-election held office throughout the year under review. Bulbul Barrett is to be appointed on 1 May 2025 and is standing for election for the first time by shareholders, having taken office since the date of the last AGM. Ms Barrett was formerly Chief Executive Officer of DBS Vickers Securities, the wholly owned UK subsidiary of DBS Bank in Singapore, a leading Asian bank. She has many years of board-level commercial experience in the banking, broking and digital sectors. Ms Barrett is a non-executive director of Global Smaller Companies Trust plc and holds a number of private appointments. As explained in the Corporate Governance Report on pages 36–40, the Board has confirmed that all directors have sufficient time available and have demonstrated clear commitment and expertise for their role as director of the Company.

Resolutions 8 and 9: Statutory auditor

Shareholders are required to re-appoint an auditor at each general meeting at which accounts are presented. Resolution 9 proposes the re-appointment of PricewaterhouseCoopers LLP ('PwC') as the Company's auditor. The Board is pleased to ask shareholders to re-appoint PwC as the Company's auditor for what would be their fifth year in office. Resolution 10 gives the Audit Committee authority to determine the remuneration of the auditor. See the Audit Committee Report on pages 41–45 for the background to the decision to recommend PwC for re-election.

Resolution 10: Approve dividend policy

The directors seek approval of the Company's dividend policy to continue to pay four quarterly interim dividends each year. In the year ended 31 January 2025 these four quarterly dividends have totalled 12.20p per ordinary share.

Resolutions 11 and 12: Authority to issue new shares and disapply pre-emption rights

If the directors wish to issue new shares or sell shares from treasury for cash, company law requires these shares be offered first to existing shareholders in proportion to their current holdings (known as 'pre-emptive' rights). At the 2024 AGM, the directors were granted authority either to issue from treasury or to allot up to 13,090,252 ordinary shares with a nominal value of £654,512 on a non-pre-emptive basis. No shares have been issued under these authorities, which will expire at the forthcoming AGM.

Resolutions 11 and 12 seek to renew the directors' authority either to issue from treasury or to allot shares with a nominal value of up to £606,549 (or such other amount being 10% of the issued share capital (excluding shares held in treasury) as at the date of the passing of this resolution) on a non-pre-emptive basis.

The directors intend to use the authority to issue ordinary shares only if they believe it to be advantageous to the Company's existing shareholders to do so. In particular, shares, whether new shares or shares held in treasury, will never be allotted or sold other than at a premium to the net asset value per ordinary share. If renewed, these authorities will expire at the earlier of the date falling 15 months after the passing of this resolution and the conclusion of the AGM in 2026.

Resolution 13: Repurchase of the Company's ordinary shares

This resolution seeks authority for the Company to make market purchases of its own ordinary shares for cancellation or to be held in treasury, and is proposed as a special resolution. Of the authority to repurchase up to 19,803,320 shares granted at the 2024 AGM, 11,467,480 shares have been bought back, giving a remaining authority of 4.2% as at 14 April 2025.

If the resolution is passed, it will allow the Company to purchase up to 18,184,344 of its ordinary shares, representing 14.99% of the Company's issued ordinary share capital as at 14 April 2025, excluding shares held in treasury. The directors believe that the ability of the Company to purchase its own ordinary shares in the market will potentially benefit all shareholders of the Company, giving the Company more flexibility to manage any discount and to help balance supply and demand.

The purchase of shares at a discount to the underlying net asset value (NAV) would enhance the NAV per share of the remaining shares. The Company will only sell shares from treasury at prices greater than the prevailing NAV per share at the date of issue.

The resolution specifies the minimum and maximum prices which may be paid for any ordinary shares purchased under this authority. The authority will expire on the earlier of 15 months after the passing of this resolution and the Company's AGM that will be held in 2026. The directors will only exercise the authority to purchase ordinary shares where they consider that such purchases will be in the best interests of shareholders generally and consider the effect will be to increase NAV per share.

Resolution 14: Notice of general meetings

The Board believes that it is in the best interests of shareholders of the Company to have the ability to call meetings on 14 clear days' notice should a matter require urgency. Under the Companies (Shareholders' Rights) Regulations 2009, companies are only able to opt for a notice period of 14 days in respect of general meetings other than AGMs if authorised annually by shareholders, and if shareholders have the opportunity to vote at such a meeting by electronic means.

The Board will therefore, as last year, propose a resolution at the AGM to approve the reduction in the minimum notice period from 21 clear days to 14 clear days for all general meetings other than AGMs. The directors do not intend to use the authority unless immediate action is required.

Notes to the Notice of AGM

1. Voting record date

Only shareholders registered in the register of members of the Company at close of business on Friday, 30 May 2025 (the "voting record date") shall be entitled to attend, speak and vote at the AGM in respect of the number of voting rights registered in their name at that time. Changes to entries on the register of members after that time shall be disregarded in determining the rights of any person to attend, speak and vote at the AGM.

If the AGM is adjourned for no more than 48 hours after the original time, the same voting record date will also apply for the purpose of determining the entitlement of members to attend, speak and vote (and for the purpose of determining the number of votes they may cast) at the adjourned meeting. If the AGM is adjourned for more than 48 hours then the voting record date will be close of business on the day which is two days (excluding non-working days) before the day of the adjourned meeting or, if the Company gives notice of the adjourned meeting, at any time specified in that notice.

In the case of joint holders of a voting right, the vote of the senior who tenders a vote shall be accepted to the exclusion of the votes of the other joint holders and, for this purpose, seniority shall be determined by the order in which the names stand in the register of members in respect of the joint holding.

2. Right to attend and vote

Holders of ordinary shares are entitled to attend, speak and vote at the AGM or at any adjournment(s) thereof. On a poll vote, each ordinary shareholder has one vote for each share held. On a vote on a show of hands, each ordinary shareholder or proxy has one vote.

If a proxy is appointed by more than one member and all such members have instructed the proxy to vote in the same way, the proxy will only be entitled on a show of hands to vote 'for' or 'against' as applicable. If a proxy is appointed by more than one member, but such members have given different voting instructions, the proxy may on a show of hands vote both 'for' and 'against' in order to reflect the different voting instructions.

On a poll all or any of the voting rights of the members may be exercised by one or more duly appointed proxies. However, where a member appoints more than one proxy, s285(4) of the Companies Act 2006 (the "Act") does not authorise the exercise by the proxies taken together of more extensive voting rights than could be exercised by the member in person.

3. Voting by corporate representation

Corporate representatives are entitled to attend and vote on behalf of the corporate member in accordance with s323 Companies Act 2006. Shareholders are invited to send their letters of corporate representation in advance of the AGM to itsecretariat@janushenderson.com.

4. Votes withheld

A vote withheld on any resolution is not a vote in law. This means that the vote will not be counted in the votes cast 'for' or 'against' the respective resolution.

5. Right to appoint proxies

Pursuant to s324 Companies Act 2006, a member entitled to attend and vote at the AGM may appoint more than one proxy, provided that each proxy is appointed to exercise the rights attached to different shares held by him or her. A proxy need not be a member of the Company. A form of proxy is enclosed. The completion of the form of proxy or any CREST proxy instruction (described below) will not preclude a shareholder from attending and voting in person at the meeting.

6. Nominated persons

The right to appoint a proxy does not apply to persons whose ordinary shares are held on their behalf by another person and who have been nominated to receive communications from the Company in accordance with s146 Companies Act 2006 ("Nominated Persons").

Nominated Persons may have a right under an agreement with the member who holds the ordinary shares on their behalf to be appointed (or to have someone else appointed) as a proxy. Alternatively, if Nominated Persons do not have such a right, or do not wish to exercise it, they may have a right under such an agreement to give instructions to the person holding the ordinary shares as to the exercise of voting rights. Any statement of the rights of shareholders in relation to the appointment of proxies does not apply to Nominated Persons as these rights can only be exercised by shareholders of the Company.

7. Receipt and termination of proxies

A form of proxy is enclosed and to be valid must be lodged with the Company's registrar, Computershare Investor Services, before 12.30 pm on Friday, 30 May 2025.

A member may terminate a proxy's authority at any time before the commencement of the AGM. Termination must be provided in writing and submitted to the Company's registrar. In accordance with the Company's articles of association, in determining the time for delivery of proxies, no account shall be taken of any part of a day that is not a working day.

Notes to the Notice of AGM continued

8. Electronic receipt of proxies

To appoint your proxy or give an instruction to a proxy (whether previously appointed or otherwise) via the CREST system, CREST messages must be received by the Company's agent (ID number 3RA50) no later than 12.30 pm on Friday, 30 May 2025. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp generated by the CREST system) from which the issuer's agent is able to retrieve the message. The Company may treat as invalid a proxy appointment sent by CREST in the circumstances set out in Regulation 35(5)(a) of the Uncertified Securities Regulations 2001.

Instructions on how to vote through CREST can be found at www.euroclear.com.

9. Communication with the Company

Members may not use any electronic address provided either in the Notice of AGM or any related documents to communicate with the Company for any purpose other than those expressly stated.

10. Questions at the AGM

S319A Companies Act 2006 requires the directors to answer any question raised at the AGM which relates to the business of the AGM, though no answer need be given:

a. if to do so would interfere unduly with the preparation of the AGM or involve disclosure of confidential information;

b. if the answer has already been given on the Company's website; or

c. if it is undesirable in the best interests of the Company or the good order of the AGM that the question be answered.

Shareholders are welcome to ask questions in advance of the AGM by contacting the corporate secretary at itsecretariat@janushenderson.com.

11. Members' statement of audit concerns

Members satisfying the thresholds in s527 Companies Act 2006 can oblige the Company to publish a statement on its website setting out any matter relating to:

a. the audit of the Company's accounts (including the auditors' report and the conduct of the audit) that are to be laid before the AGM; or

b. any circumstances connected with an auditor of the Company ceasing to hold office since the last AGM, that the members propose to raise at the AGM.

The Company cannot require the members requesting the publication to pay its expenses. Any statement placed on the website must also be sent to the Company's auditor no later than the time at which it makes its statement available on the website. The business which may be dealt with at the AGM includes any statement that the Company has been required to publish on its website.

12. Total voting rights

As at 14 April 2025 (being the last practicable date prior to the publication of this Notice) the Company's issued share capital consisted of 126,923,569 ordinary shares. The total number of voting rights on that date was 121,309,836 (5,613,733 shares being held in treasury).

Each share carries one vote, other than those held in treasury.

13. Documents available for inspection

The directors' letters of appointment may be inspected at the registered office of the Company, 201 Bishopsgate, London EC2M 3AE, during normal business hours on any business day and will be available at the AGM from 15 minutes prior to its commencement until its conclusion. No director has a contract of service with the Company.

14. Website

The Company's Annual Report, which contains this Notice of AGM, is available at www.northamericanincome.com, together with these explanatory notes.

15. Filming

By attending the AGM, you agree to be filmed and note that the event will be broadcast online.

Glossary

Term	Definition
Alternative Investment Fund Managers Directive ("AIFMD")	The AIFMD classifies certain investment vehicles, including investment companies, as alternative investment funds ("AIFs") and requires them to appoint an alternative investment fund manager ("AIFM") and depositary to manage and oversee the operations of the investment vehicle. The Board retains responsibility for strategy, operations and compliance. The directors retain a fiduciary duty to shareholders.
Association of Investment Companies	The Company is a member of the AIC which is the trade body for investment companies and represents the industry on matters which impact the regulation of such entities. The Company is a constituent of the AIC North America sector.
Reference index	An index against which performance is compared. For the Company, two indices are used: the Russell 1000 Value Index and the S&P High Yield Dividend Aristocrats Index.
Custodian	The custodian is responsible for ensuring the safe custody of the Company's assets and that all transactions in the underlying holdings are transacted in an accurate and timely manner.
Depositary	As an AIF, the Company is required to appoint a depositary which has responsibility for overseeing the operations of the Company including safekeeping, cash monitoring and verification of ownership and valuation of the underlying holdings and is responsible for the appointment of a custodian. The depositary is strictly liable for the loss of any investments or other assets in its custody unless it has notified that it has discharged its liability in certain markets.
Dividend dates	When declared or recommended, each dividend will have three key dates applied to it. The payment date is the date on which shareholders will receive their dividend, either by BACS transfer or by receipt of a dividend cheque. The record date applied to the dividend is used as a cut-off for the Company's registrars to know which shareholders should be paid a dividend. Only shareholders on the Register of Members at the close of business on the record date will receive the dividend. The ex-dividend date is the business day before the record date and is the date on which the Company's net asset value per ordinary share will be disclosed ex-dividend.
Gearing	Gearing reflects the amount of borrowings that the Company has invested and indicates the extra amount by which net assets, or shareholders' funds, would move if the value of a company's investments were to rise or fall. This can be positive and would indicate the extent to which net assets are geared; nil gearing shows a company is ungeared. Negative gearing would indicate that a company is not fully invested and is holding net cash as described below. There are several methods of calculating gearing, such as:
Gross gearing	This reflects the amount of gross borrowings (bank overdraft and loan notes) used by a company and takes no account of any cash balances, as a percentage of net assets.
Net gearing	Net gearing represents the excess amount above shareholders' funds of total investments (less short-dated government bonds which are classified as cash equivalents for this purpose), expressed as a percentage of the shareholders' funds. If the amount calculated is negative, this is a 'net cash' position and there is no gearing. For further details please see the alternative performance measures on page 89.
Investment trusts/ investment companies	Investment trusts are public limited companies, listed on the London Stock Exchange, which provide shareholders with a professionally managed portfolio of investments. Investment trusts are exempt from tax on the capital gains arising on their investments subject to meeting certain criteria. Income, net of expenses and tax, is substantially distributed to shareholders. Investment trusts are also known as investment companies, although the tax legislation retains the reference to investment trusts.
Liquidity	In the context of the liquidity of shares in the stock market, this refers to the availability of buyers and sellers in the market for the share in question. Where the market in a particular share is described as liquid, that share will be in demand and holders wishing to sell their shares should find ready buyers. Conversely, where the market in a share is illiquid, the difficulty of finding a buyer or seller may depress or increase the price that might be negotiated for a sale or purchase. Investment companies can use allotment or buyback powers to assist market liquidity in their shares.
Market capitalisation ("market cap")	The market value of a company, calculated by multiplying the mid-market price per share by the number of shares in issue.
Treasury shares	Shares repurchased by the Company, but not cancelled, carrying no voting rights and available for re-issue under the appropriate circumstances.

Alternative performance measures

The Company uses the following Alternative Performance Measures (APMs) throughout the Annual Report and financial statements and notes to the financial statements. The APMs are reconciled to the financial statements through the narrative below. The Board believes that each of the APMs, which are typically used within the investment trust sector, provide additional useful information to shareholders to help assess the Company's performance against its peer group.

Discount to net asset value

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

		31 January 2025	31 January 2024
NAV per Ordinary share (debt at par)	a	379.24p	317.78p
Share price	b	347.00p	289.00p
Discount	(a-b)/a	8.5%	9.1%

Net asset value (NAV) with debt at par and at fair value

	31 January 2025 £'000	31 January 2024 £'000
Investments held at fair value through profit or loss (see note 11)	504,594	454,932
Current assets (see page 64)	9,135	22,236
Creditors amounts falling due within one year (see note 13)	(5,710)	(1,491)
Creditors amounts falling due after one year (see note 14)	(40,184)	(39,198)
NAV with debt at par (A)	467,835	436,479
Less: fair value of senior unsecured notes (see note 14)	(36,188)	(36,256)
Add back: amortised cost of senior unsecured notes	40,184	39,198
NAV with debt at fair value (B)	471,831	439,421
Ordinary shares in issue (see note 16) (C)	123,361,687	137,352,347
NAV per ordinary share with debt at par (see page 64) (A/C x 100) (p)	379.24	317.78
NAV per ordinary share with debt at fair value (B/C x 100) (p)	382.48	319.92

The aggregate NAV is also referred to as Total shareholders' funds in the Statement of Financial Position. The NAV per ordinary share is published daily and the year end NAV can be found on page 22 and further information is available on page 74 in note 16 within the notes to the financial statements.

Dividend cover

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

		31 January 2025	31 January 2024
Revenue return per share	a	12.44p	11.95p
Dividends per share	b	12.20p	11.70p
Dividend cover	a/b	1.02	1.02

Dividend yield

Dividend yield is calculated using the Company's annual dividend per Ordinary share divided by the share price, expressed as a percentage.

		31 January 2025	31 January 2024
Annual dividend per Ordinary share	a	12.20p	11.70p
Share price	b	347.00p	289.00p
Dividend yield	a/b	3.5%	4.0%

Alternative performance measures continued

Net gearing

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

		31 January 2025 £'000	31 January 2024 £'000
Borrowings		40,184	39,198
Cash at bank and in hand		(5,264)	(21,285)
Amounts due to brokers		4,332	210
Amounts due from brokers		(2,931)	(29)
Net gearing	a	36,321	18,094
Shareholders' funds	b	467,835	436,479
Net gearing (%)	a/b%	7.8%	4.1%

Ongoing charges ratio

Ongoing charges ratio is considered to be an alternative performance measure. The ongoing charges ratio has been calculated in accordance with guidance issued by the AIC which is defined as the total of investment management fees and administrative expenses and expressed as a percentage of the average daily net asset values with debt at fair value published throughout the year.

	31 January 2025 £'000	31 January 2024 £'000
Investment management fees	2,776	2,982
Administrative expenses	795	943
Less: non recurring charges[1]	(47)	–
Ongoing charges	3,524	3,925
Average net assets	455,006	439,152
Ongoing charges ratio (%)	0.77%	0.89%

1 Professional services considered unlikely to recur.

Total return

NAV with debt at fair value 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 Indices, respectively. The dividend reinvestment factor is based on geometric returns. 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.

Year ended 31 January 2025	**NAV**	**Share Price**
Opening at 1 February 2024	319.9p	289.0p
Closing at 31 January 2025	382.5p	347.0p
Price movements	19.6%	20.1%
Dividend reinvestment	3.5%	4.0%
Total return	**23.8%**	**24.9%**

Year ended 31 January 2024	**NAV**	**Share Price**
Opening at 1 February 2023	338.6p	306.0p
Closing at 31 January 2024	319.9p	289.0p
Price movements	-5.5%	-5.6%
Dividend reinvestment	4.5%	5.0%
Total return	**-1.6%**	**-0.9%**

General shareholder information

AIFMD disclosures and remuneration

In accordance with the Alternative Investment Fund Managers Directive ("AIFMD"), information about the Company's leverage and remuneration policy of Janus Henderson Investment Fund Management UK Limited, as the Company's alternative investment fund manager ("AIFM"), are available to investors.

These disclosures are provided in the AIFMD disclosure document, which can be found at www.northamericanincome.com.

BACS

Dividends can be paid via BACS, and mandate forms for this purpose are available from the registrar. Alternatively, shareholders can write to the registrar Computershare at the address on page 92 to give their instructions, which must include the bank account details to which payments are to be made.

Common Reporting Standard and FATCA

Tax legislation under the OECD's Common Reporting Standard for Automatic Exchange of Financial Account Information requires the Company to provide personal information to HMRC on certain investors who purchase shares in investment trusts. This information is provided annually to the local tax authority of non-UK-based certificated shareholders and corporate entities.

FATCA is a United States law which requires investment trusts to monitor the trading volume and frequency of their securities to assess whether they have financial accounts for US persons. The Company makes an annual assessment to determine if the shares represent financial accounts and would report any US accounts to HMRC.

Company names

References made to individual securities in the Strategic Report do not constitute a recommendation to buy, sell or hold any security, investment strategy or market sector, and should not be assumed to be profitable. Janus Henderson Investors and its employees may have a position in the securities mentioned.

Equality Act 2010

This Annual Report and other documents issued by the Company are available from the corporate secretary and can be provided in alternative formats, including Braille or larger type, as appropriate. For deaf and speech-impaired customers, we welcome calls via Relay UK. Please see www.relayuk.bt.com for more information. Alternatively, if you prefer to go through a 'typetalk' operator (provided by the Royal National Institute for Deaf People), dial 18001 followed by the number you wish to dial.

GDPR

A privacy statement can be found at www.janushenderson.com.

ISA

The Company manages its affairs in order to qualify as an eligible investment for holdings through a stocks and shares ISA.

Non-mainstream pooled investments ("NMPI") status

The Company currently conducts its affairs so that its ordinary shares of 5p each can be recommended by independent financial advisors to ordinary retail investors in accordance with the Financial Conduct Authority's rules about non-mainstream investment products and intends to do so for the foreseeable future. The shares are excluded from the FCA's restrictions which apply to non-mainstream investment products because they are shares in an investment trust.

Key Information Document ("KID")

This disclosure has been prepared with reference to the FCA's statement on 19 September 2024 that investment trusts are excluded from Packaged Retail and Insurance-based Investment Products regulations ("PRIIPs") and elements of cost disclosure under the Markets in Financial Instruments Directive ("MiFID"). As a listed company, the Company's operating costs are disclosed in the annual report and accounts.

The AIC recommends that investment trusts disclose an ongoing charges figure ("OCF"), which is explained in the alternative performance measures on page 89. For the avoidance of doubt, the OCF does not represent an additional fee that shareholders must pay directly to the Company. Instead, the operating costs are paid by the Company and are reflected in the Company's net asset value.

Performance/share price publication

The Company's NAV is published daily. Details of the Company's share price and NAV per share can be found on the website www.northamericanincome.com, on the London Stock Exchange Daily Official List, in the Financial Times and on Trustnet.

Shareholder details

Shareholders who hold their shares in certificated form can check their shareholding with the registrar, Computershare, via www.computershare.com. To access to your details on the Computershare site, you will need the holder reference number shown on your share certificate.

Taxonomy Regulation

Regulation (EU) 2020/852 ("Taxonomy Regulation") establishes the basis for the EU taxonomy. The EU taxonomy is a classification system, establishing a list of environmentally sustainable economic activities to provide companies, investors and policymakers with appropriate definitions about which economic activities can be considered environmentally sustainable.

In accordance with the Taxonomy Regulation, the Company states that the investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Warning to shareholders

Many companies are aware that their shareholders have received unsolicited phone calls or correspondence concerning investment matters. These are typically from overseas based 'brokers' who target UK shareholders offering to sell them what often turn out to be worthless or high-risk shares in US or UK investments. They can be persistent and extremely persuasive. Shareholders are therefore advised to be wary of any unsolicited advice, offers to buy shares at a discount or offers of free company reports. Please note that it is unlikely that either the Company or the Company's registrar, Equiniti, would make unsolicited telephone calls to shareholders. Any such calls would relate only to official documentation already circulated to shareholders and never in respect of investment 'advice'. If you are in any doubt about the veracity of an unsolicited phone call, please call the Corporate Secretary at the number provided on page 100. You can also check the FCA Warning List at #BeScamSmart – www.fca.org.uk/scamsmart.

Historic financial Information

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Year to 31 January										
Per share (p)										
Net revenue return[1]	7.15	7.98	8.42	10.04	11.42	11.79	10.28	12.21	11.95	12.44
Dividend[1]	6.60	7.20	7.80	8.50	9.50	10.00	10.30	11.00	11.70	12.20
As at 31 January										
Net asset value per share (p)[1]	187.1	264.7	275.5	280.4	288.9	262.5	318.8	337.2	317.8	379.2
Shareholders' funds (£'000)	**280,644**	**379,101**	**391,649**	**398,657**	**413,948**	**375,416**	**448,463**	**472,891**	**436,479**	**467,835**

1 Comparative figures have been restated due to the sub-division of each existing Ordinary share of 25p into five Ordinary shares of 5p each on 10 June 2019.

Corporate information

Registered office

4 North St. Andrew Street,
Edinburgh EH2 1HJ

Service providers

Alternative investment fund manager ("AIFM")

Janus Henderson Fund Management UK Limited
201 Bishopsgate
London EC2M 3AE

Corporate secretary

Janus Henderson Secretarial Services UK Limited
201 Bishopsgate
London EC2M 3AE

Telephone: 020 7818 1818
itsecretariat@janushenderson.com

Depositary and custodian

BNP Paribas
10 Harewood Avenue
London NW1 6AA

Corporate brokers

Winterflood Securities Limited
Riverbank House
2 Swan Lane
London EC4R 3GA

Registrar

Computershare Investor Services PLC
The Pavilions
Bridgwater Road
Bristol
BS99 6ZZ

Telephone: +44 (0)370 707 10577

Lines are open 8.30 am to 5.30 pm UK time, Monday to Friday.

Independent auditor

PricewaterhouseCoopers LLP
Atria One, 144 Morrison Street
Edinburgh EH3 8EX

Financial calendar

Annual results announced	April 2025
Ex-dividend date	17 April 2025
Dividend record date	22 April 2025
Annual General Meeting	3 June 2025
Fourth interim dividend payable	7 May 2025
Half-year results announced	September 2025

Information sources

For more information about the Company, visit the Company's website. This includes factsheets, interviews, up-to-date share price and net asset value details, and other insights.

www.northamericanincome.com

To receive regular insights on investment trusts from the Manager, visit:

www.janushenderson.com/en-gb/uk-investment-trusts/subscribe/

Follow Janus Henderson Investment Trusts on LinkedIn: Janus Henderson Investment Trusts, UK

Investing

Shares can be purchased in the market via a stockbroker or through share dealing platforms. They can also be held through share plans, ISAs or pensions, and links to various providers are included on the website.

Potential investors are reminded that the value of investments and the income from them may go down as well as up and investors may not get back the full amount invested. Tax benefits may vary as a result of statutory changes and their value will depend on individual circumstances.

MANAGED BY
Janus Henderson
INVESTORS

Telephone: **020 7818 1818**
Email: **itsecretariat@janushenderson.com**
www.northamericanincome.com

North American Income Trust plc is registered as an investment company in Scotland.

Registered office
4 North St Andrew Street
Edinburgh EH2 1HJ

SEDOL/ISIN number
Ordinary Shares:
BJ00Z303/GB00BJ00Z303

Companies House registration number
SC005218

London Stock Exchange (TIDM) Code
NAIT

Global Intermediary Identification Number (GIIN)
XYAARK.99999.SL.826

Legal Entity Identifier (LEI)
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