Annual Report 2025

Henderson High Income Trust plc

Seeking superior income generation and long-term capital growth

MANAGED BY
Janus Henderson
INVESTORS

Objective

The Company invests in a prudently diversified selection of both well-known and smaller companies to provide investors with a high dividend income stream while also maintaining the prospect of capital growth.

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The Henderson High Income Story

What we look for in companies

Henderson High Income Trust plc invests in a prudently diversified selection of both well-known and smaller companies to provide investors with a high dividend income stream while also maintaining the prospect of capital growth. To gain a full understanding of these companies, the stock selection process places emphasis on examining what each company does, its market position and the dynamics of that market. Combining this with analysis of the company's financial health provides valuable insight into the company's ability to not only sustain its dividend but grow it in the long term, a crucial element for generating total returns for shareholders. The stock selection process is broken down into three key component parts: fundamentals, financials and valuation.

Fundamentals

Analysing a company's fundamentals is the starting point to understanding its qualities and whether its business is robust in the long term. Emphasis is placed on assessing the company's strength of industry position, barriers to entry, senior management and their ability to sustain or improve a company's performance. Greater weight is given to long-term views over short-term considerations and trends in the market or sector.

The following key attributes are typically looked for:

- Robust and understandable business models
- Good earnings visibility
- High barriers to entry
- Market leadership
- Strong franchise
- Good environmental, social and governance (ESG) risk management
- Proven management teams

Financials

The second step is to gain a clear understanding of the company's financial health and its ability to invest for future growth, sustain profitability and return value to shareholders. In particular, focus is given to:

- Sustainability of profits
- Robust balance sheets
- Well-invested asset base
- Strong cash generation
- Sensible dividend policy

Valuation

Valuation is the final part of analysing a company but underpins the whole process. Even when companies with strong fundamentals and financials are found, their valuations also need to be attractive, otherwise capital appreciation may be limited. Various valuation metrics are used, such as price to earnings ratios, to assess whether the qualities identified in a company are already discounted in the current share price.

By applying this disciplined stock selection process, the Company benefits from a well-diversified portfolio of good quality companies in strong financial health that can pay and grow their dividends, but also offer the potential for capital growth over the long term.

Diversification of income

Challenges for UK income investors

Despite the median UK company growing its dividend by 3.7% in 2025, overall market dividends fell by 0.9%[1] at a headline level, impacted by lower special dividends, reduced mining dividends and sterling strength given some of the large FTSE 100 companies declare their dividends in US dollars. This highlights the concentration challenge for UK income investors. The top 20 dividend payers in the UK produced 71% of the FTSE 100 Index's income in 2025. This becomes a problem if the dividends of those top 20 companies are unsustainable. The Company deals with this concentration issue by constructing a well-diversified portfolio, making sure that the revenue account is not overly reliant on any one company or sector for income. This materially lowers income concentration for the Company, with those same top 20 companies only contributing around 35% of aggregate income for the Company.

Concentration of income

Source: Janus Henderson and LSEG Datastream

Utilising Henderson High Income's unique structure

Source: Henderson High Income Trust plc's Annual Reports

1 Computershare UK Dividend Monitor

While maintaining a diversified portfolio is key, the Company can also utilise its unique structure and invest in fixed interest securities to diversify further its income generation. Bond interest paid by companies is usually more sustainable than dividends during times of economic stress, hence having the ability to allocate towards bonds provides a valuable source of differentiated income.

The Company also has a number of other ways to diversify its income by utilising its structure:

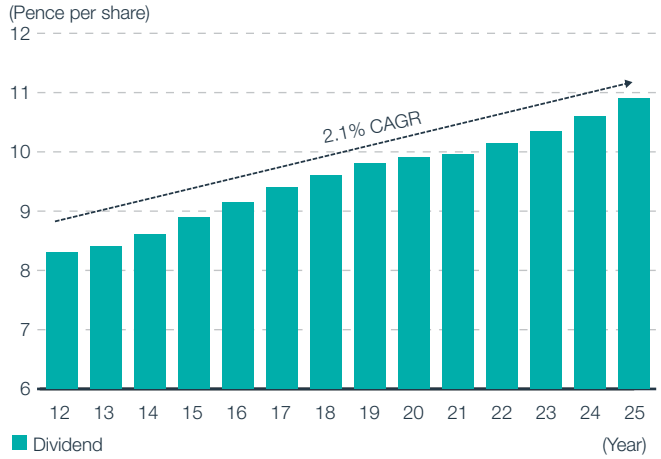
- It can invest 30% of gross assets in overseas markets.
- It can invest in listed alternative income investment trusts, such as renewables infrastructure funds.
- It can invest a larger proportion in medium sized companies given its size relative to much larger competitors.

Revenue reserves

One of the main advantages of investment trusts is the ability to retain surplus income to create revenue reserves. The Company can add to these reserves in profitable years and pay them out in the leaner years, thereby smoothing the level of dividend payments when appropriate. The Company was able to utilise its reserves in 2020 and 2021 to continue to pay and grow its own dividend, despite the significant dividend cuts and suspensions experienced across the UK market during the pandemic.

In 2025 the Company paid dividends totalling 10.9p, growth of 2.8% on 2024, its thirteenth consecutive year of dividend growth. The Company fully covered the dividend from earnings, with a small surplus carried to revenue reserves, which increased to £11.0 million. With a diversified portfolio and healthy level of revenue reserves, the Company is in a good position going forward.

Thirteen years of consecutive dividend growth



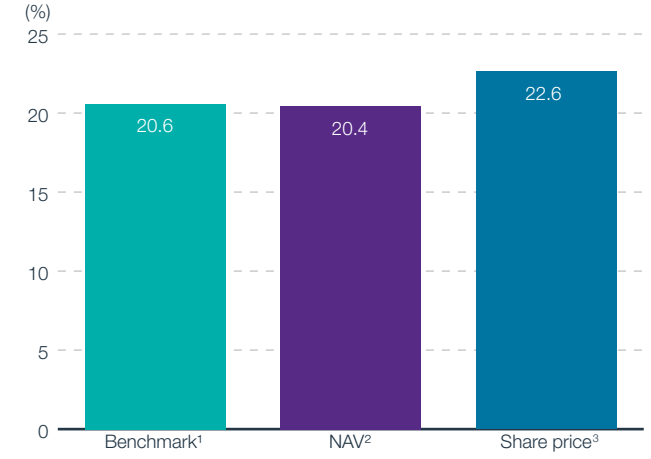
Source: Janus Henderson

Performance Highlights

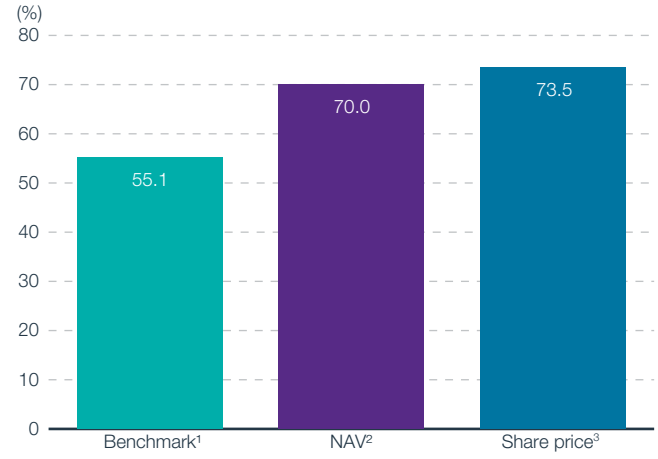
Strategic Report: Performance Highlights

Total return performance to 31 December 2025

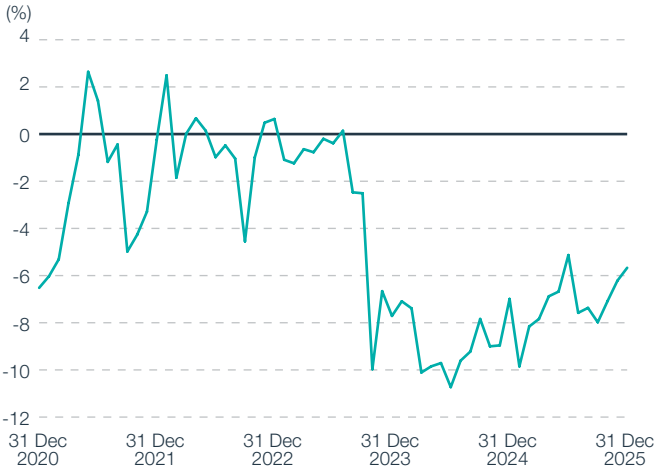
One year



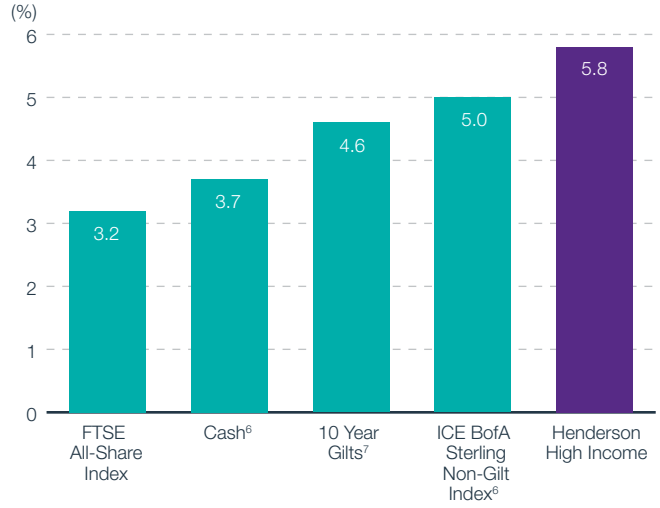
Five years



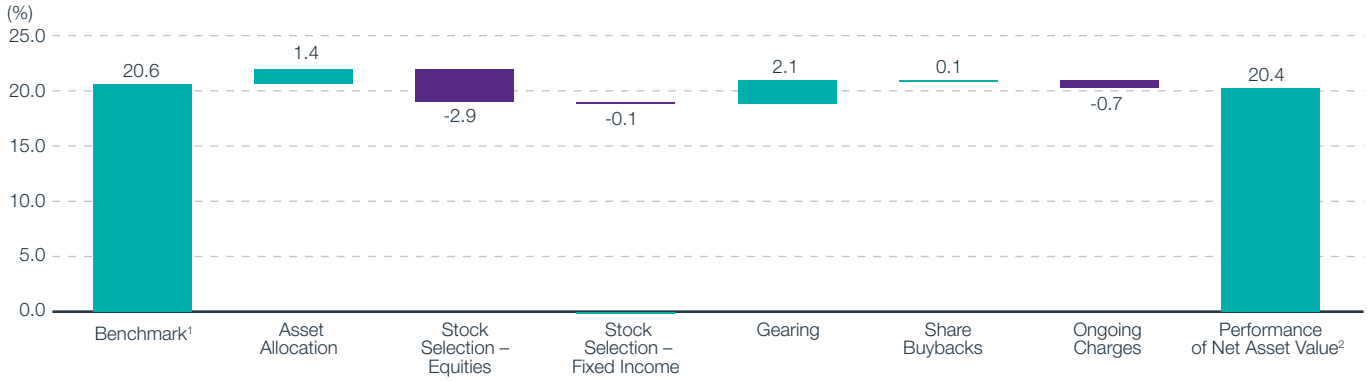
Premium/discount to 31 December 2025[4]



Dividend yields as at 31 December 2025[5]



Attribution[8] – explanation of movement in net asset value (total return) in 2025



1 The benchmark is a composite of 80% of the FTSE All-Share Index (total return) and 20% of the ICE BofA Sterling Non-Gilts Index (total return) rebalanced annually
2 Net asset value with debt at fair value per ordinary share total return (including dividends reinvested and excluding transaction costs)
3 Includes dividends reinvested
4 Premium/discount based on net asset value with debt at fair value
5 Alternative Performance Measure, see page 80
6 Cash based on SONIA (Sterling Overnight Index Average) Interest Rate Benchmark
7 Gross redemption yield
8 Geometric returns

A Glossary of Terms and Alternative Performance Measures can be found on page 78 and pages 79 to 80 respectively

Sources: Morningstar Direct, Janus Henderson. All data is either as at 31 December 2025 or for the year ended 31 December 2025

Strategic Report: Performance Highlights (continued)

NAV per share[1,4]

2025 **198.77p**

2024 **174.72p**

Mid-market price per share

2025 **187.50p**

2024 **162.50p**

Revenue return per share

2025 **11.28p**

2024 **10.74p**

Net assets

2025 **£340.2m**

2024 **£303.2m**

Dividend for the year

2025 **10.90p**

2024 **10.60p**

Dividend yield[2,4]

2025 **5.8%**

2024 **6.5%**

Ongoing charge for the year[3,4]

2025 **0.68%**

2024 **0.74%**

Gearing[4]

2025 **17.5%**

2024 **21.0%**

1 Net asset value with debt at fair value as published by the Association of Investment Companies (AIC)
2 Based on the dividends paid or announced for the year and the share price at the year end
3 Calculated using the methodology prescribed by the AIC
4 Alternative Performance Measure, see pages 79 to 80

A Glossary of Terms and Alternative Performance Measures can be found on page 78 and pages 79 to 80 respectively

Sources: Morningstar Direct, Janus Henderson. All data is either as at 31 December 2025 or for the year-ended 31 December 2025

Chairman's Statement

Strategic Report: Chairman's Statement

Jeremy Rigg
Chairman

Performance

2025 was a positive year of investment performance for Henderson High Income Trust. The Company's Net Asset Value (NAV) total return was +20.4% which was broadly in line with the benchmark return of +20.6%. The share price total return was a little higher at +22.6% as the discount at which the share price traded to underlying NAV narrowed a little during the year, ending the period at 5.7%.

The UK equity market was one of the best performing markets globally in 2025, helped by attractive valuations and corporate activity, although smaller and medium sized companies struggled somewhat versus larger stocks. This strong market backdrop helped underpin equity returns despite a year characterised by ongoing volatility in financial markets, a pattern established since the arrival of President Trump in the White House. The threat of tariffs on US trading partners and geopolitical turmoil, offset more positively by the easing of inflation provided a volatile mix but the efforts of global policy makers to start to reduce interest rates helped support equity markets particularly. Strong ongoing corporate profitability stood in sharp contrast to pressure on government finances, especially in the UK where the corporate sector has been in the firing line of increased taxation to help fund higher public spending.

Overall, during 2025 the Company's investment performance was broadly in line with the benchmark return. Gearing and asset allocation, with the portfolio continuing to favour equities over bonds, were positive relative influences but this was offset by a negative contribution from equity stock selection in the second half of the year.

Dividends

The Company's investment objective remains the same, to provide investors with a high dividend income stream while also maintaining the prospect of capital growth. In 2025 company dividends continued to be healthy with quoted companies delivering good levels of ongoing profitability in spite of the uncertain economic backdrop. It was again pleasing to see that the Company's overall earnings during the year were sufficient to cover the full-year dividend enabling a small amount to be added to revenue reserves.

During 2025 the Board recommended the payment of dividends totalling 10.9 pence per share, an increase of 2.8% over the payment in 2024. This was the 13th consecutive year of dividend growth from the Company. The Board focuses carefully throughout the year on the revenue projections provided by the Fund Manager and it remains confident that the Company will be able to continue to generate a high level of income for shareholders.

Gearing

The Company's policy on gearing is provided on page 22. Given increased borrowing costs over the last few years the Board has spent time discussing with the Fund Manager the appropriate level of gearing to reflect this increased cost burden whilst ensuring that the Company's capital structure continues to facilitate sufficient income generation. In early 2025 discussions with the Fund Manager led to its recommendation to effectively maintain the existing level of gearing which proved to be sound advice given the positive returns experienced from financial markets. Gearing did reduce a little over the course of the year, starting at 21% and finishing at 17.5%. The Board, in conjunction with the Fund Manager, will continue to keep the overall level under review.

Overall asset allocation within the portfolio saw the Company favour equities over bonds which has been the stance for some time and helpful to relative returns. At the year end the Company had approximately 89% in equities and 11% in bonds (compared with the benchmark of 80% equities/20% bonds).

In December 2025 the Company once again renewed its loan facility with BNP Paribas. This facility has a duration of 12 months and the terms on which the facility was renewed remain competitive.

Management Fee Arrangements

The Board regularly reviews the fee arrangements with the Company's Manager to ensure that they remain competitive, particularly in the context of fees payable by similar UK equity income focused trusts.

In this respect the Board announces that it has agreed with the Manager that the fees will, from 1 January 2026, be an amount equal to 0.45% of adjusted net assets (previously 0.45% of adjusted average gross assets) at the relevant quarter end.

Share Buybacks

The Company continued to purchase its own shares during the year when the Board felt it appropriate to do so, driven by the prevailing level of discount at which the Company's shares were trading relative to the underlying NAV. In 2025 a total of 2,622,692 shares were purchased into treasury, representing 1.52% of the issued share capital. Between 1 January 2026 and 23 March 2026, being the last practicable date prior to the publication of this annual report, no shares were issued or bought back.

Strategic Report: Chairman's Statement (continued)

It is pleasing that the discount to NAV at which the share price has been trading narrowed during the year and as at 31 December 2025 the discount stood at 5.7%. The Board will continue to monitor closely the prevailing discount and will undertake further buybacks where in its opinion it is appropriate to do so in the best interests of shareholders.

Responsible Investing

Responsible investing relates to how environmental, social and corporate governance (ESG) factors impact a company over the long term. Analysis of the resilience of a business and its profits has always been at the core of the Company's investment strategy, and ESG factors are integrated into the investment processes employed by the Fund Manager. The Board believes that voting the Company's shareholdings at general meetings is essential to good corporate stewardship and is an effective means of expressing its views on the policies and practices of its investee companies. Voting decisions reflect the provisions of Janus Henderson's Responsibility Report which is publicly available at **www.janushenderson.com** and records the high standards of corporate behaviour that are expected. Ultimately, however, our Fund Manager makes the final decision after consultation with the Board, as necessary.

Janus Henderson will actively engage with those companies that fall below such expectations to encourage improvement over time. The final sanction is the divestment of those holdings that fail to make an acceptable transition and adapt sufficiently. The Board monitors the process by reviewing a report on the Company's voting pattern on an annual basis. For an overview on how Janus Henderson engaged with companies in which the Company is invested, please refer to the ESG Section on page 30.

AGM

We look forward to seeing as many of our shareholders as possible at our AGM which will be held at 12 noon on Tuesday, 12 May 2026 at the offices of Janus Henderson at 201 Bishopsgate, London EC2M 3AE.

David Smith, the Company's Fund Manager, will give a presentation on the Company's portfolio and performance, and you will, as usual, have the opportunity to talk to the Board, David and other Janus Henderson representatives. We very much welcome your comments and questions at the AGM and we would encourage those of you who are unable to attend in person to use your proxy votes and to watch the AGM live by logging onto **www.janushenderson.com/hhi-agm**.

Prospects and Outlook

"Markets climb a wall of worry" is an oft-quoted phrase describing how share prices tend to rise over the long term, even when confronted with negative news, geopolitical turmoil and economic uncertainty. Certainly looking back at 2025 this would appear to be true and as we look forward to the remainder of 2026 we can safely assume that there will be continuing volatility within financial markets. The war in Iran has of course resulted in a great deal of uncertainty and instability which will no doubt weigh on global economic activity, particularly due to the surge in energy prices.

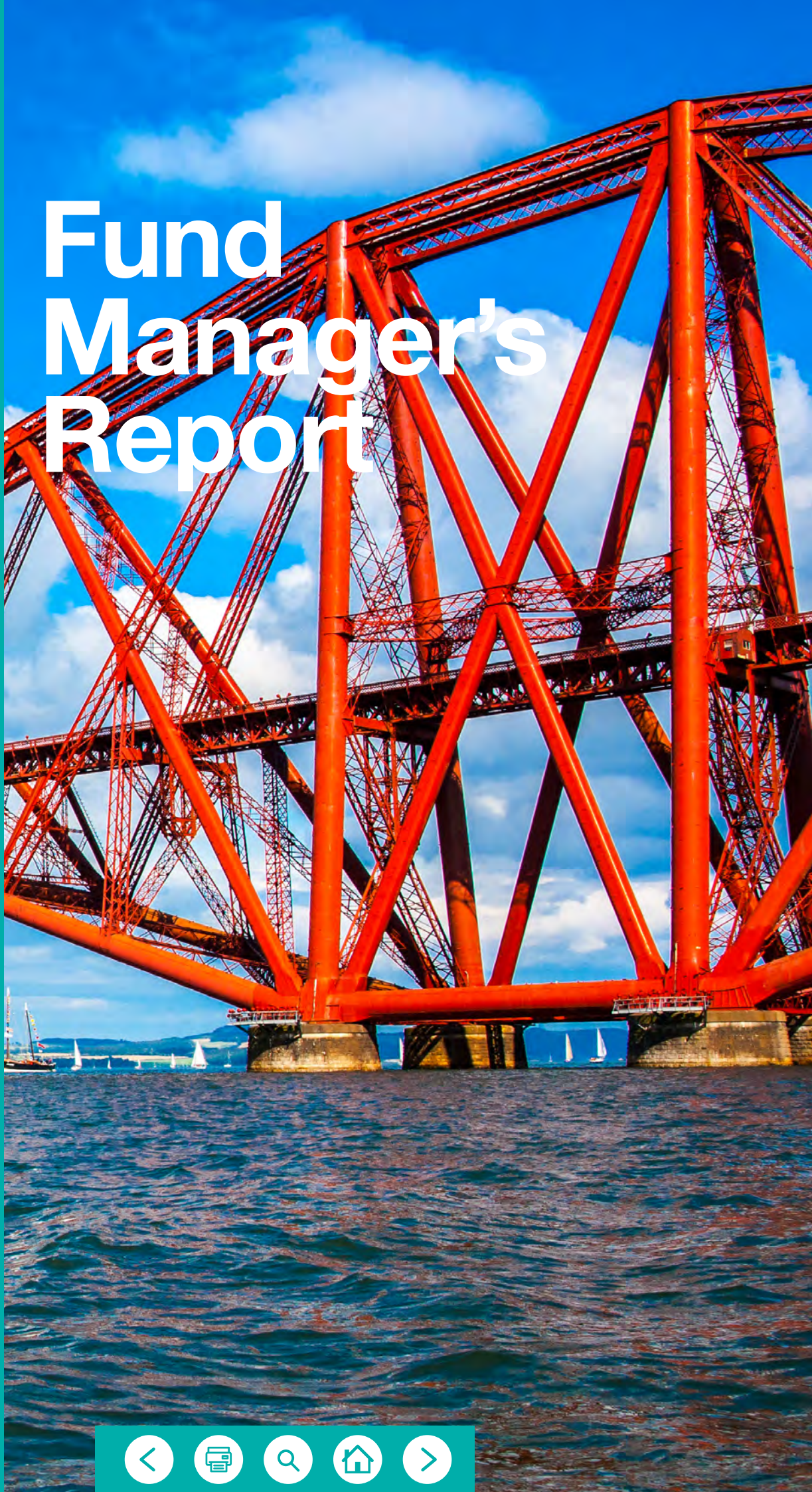
Another current driver and focus for investors is of course the development of Artificial Intelligence (AI) which is changing the world in which we live. As usual financial markets have recognised its potential and the valuations of companies exposed to such technology have in many cases reached very high levels. One of the key issues in 2026 will be to evaluate whether valuations have become too extended but in any event we can expect volatile movements in share prices. In the UK market there are fewer opportunities to invest in such companies but the impact of AI will still be profound and one of the challenges for our Fund Manager will be to evaluate which companies will be relative winners and losers from further technological development, at the same time as also attempting to decide which companies will be able to do better under a more hostile landscape taxation wise.

Overall, whilst of course mindful of such challenges, there are reasons to be positive. The UK equity market has made good upward progress during the course of the last year and still valuations look relatively attractive in a global context. We should focus more on the relatively robust financial health of the quoted corporate sector rather than the parlous state of public finances. In the short term the performance of smaller- and medium-sized companies has lagged, not least due to a tougher UK economic environment, but valuations look relatively cheap against larger peers and the portfolio has good exposure to this area, as well as of course holding a good spread of larger companies which derive their profitability from operations around the globe.

Undoubtedly the world in which we live will remain volatile but the objective for Henderson High Income will not change with your Board and Fund Manager continuing to focus on delivering a high level of income for shareholders whilst also attempting to deliver capital growth over the longer term.

Jeremy Rigg
Chairman
25 March 2026

Fund Manager's Report



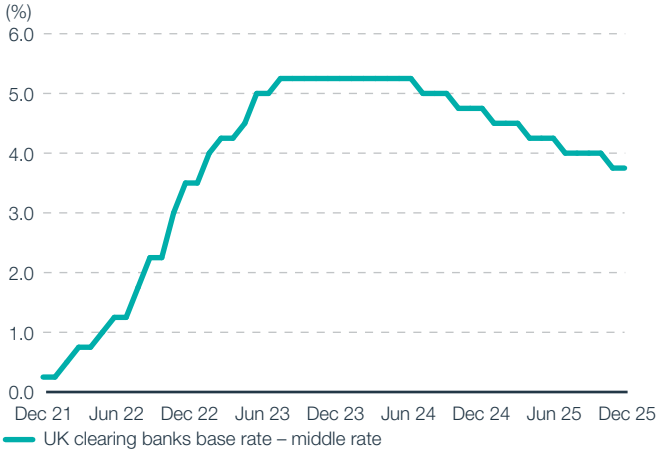
Strategic Report: Fund Manager's Report

David Smith
Fund Manager

Market review

The UK equity market made its strongest annual return since 2009, with the FTSE All-Share Index up 24.0% on a total return basis. Falling interest rates globally, increased fiscal spending and fading trade tensions post "Liberation Day" in April helped push markets through all-time highs. The Bank of England lowered its benchmark interest rate to 3.75% after announcing four 25 basis point (bps) cuts through the year.

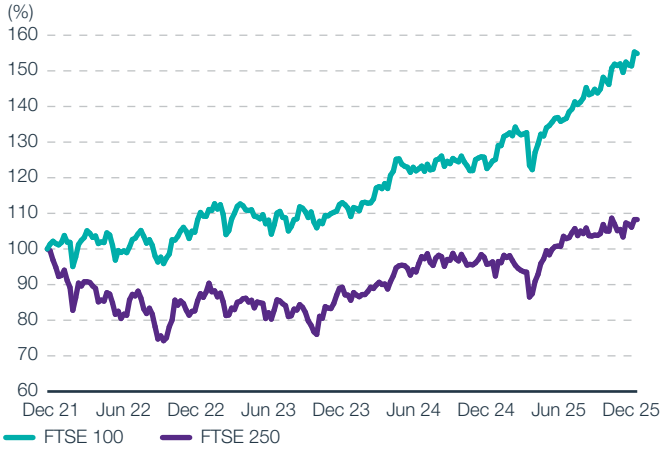
The Bank of England cut interest rates 4 times during 2025 to 3.75%



Source: LSEG DataStream as at 31 December 2025

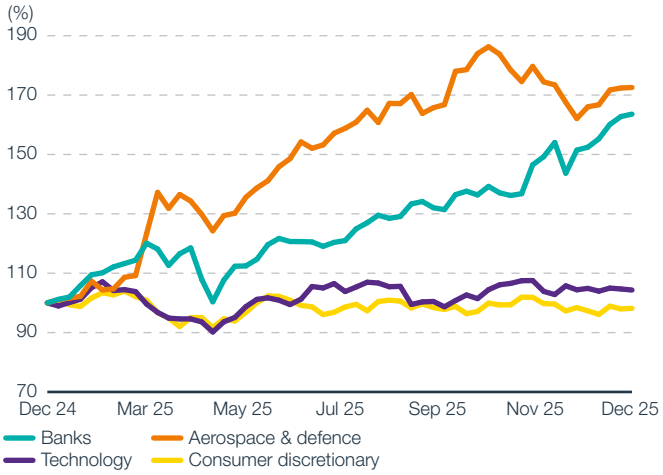
Similar to 2024, UK economic growth was better in the first half of the year before slowing as rumours over likely tax increases at the November Budget weighed on sentiment. Unemployment increased towards the end of the year reaching 5.1%, a five year high. Inflation proved stubborn during the year with the Consumer Price Index (CPI) rising from 3.0% in January to 3.8% in July, given wage pressures, before slowing to 3.4% in December. Despite this equity markets made strong gains, led by large multinational companies with the FTSE 100 Index returning 25.8%, materially outperforming the more domestic FTSE 250 Index, up 15.1%. This has been the fourth year in a row that the large cap FTSE 100 has outperformed the FTSE 250, producing a 55.9% total return over that period relative to only 9.0% for mid-caps.

Large cap companies have significantly outperformed mid-caps over the last 4 years since interest rates started to increase



Source: LSEG DataStream as at 31 December 2025
Notes: Total returns rebased to 100 as at 31 December 2021

Banks and defence significantly outperformed while tech and consumer discretionary lagged

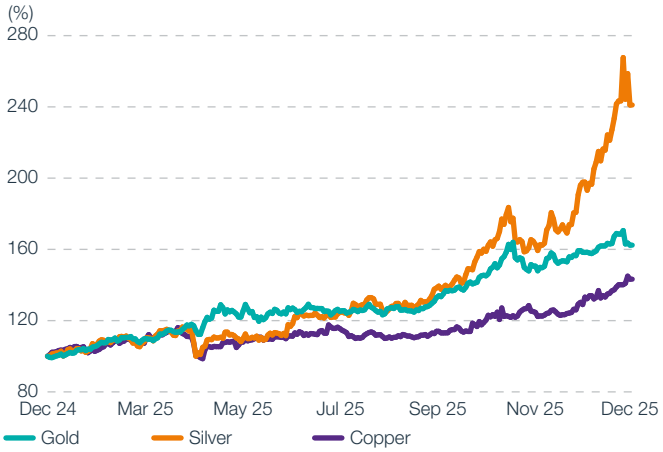


Source: LSEG DataStream as at 31 December 2025
Notes: Sector performance based on MSCI UK sector indices. Rebased to 100 as at 31 December 2024

Given the strong performance of large cap companies, the UK equity market proved to be very concentrated, with only 31% of companies within the FTSE All-Share Index outperforming over the 12-month period. The best performing sectors included telecommunications, financials (led by banks), basic materials and industrials (led by aerospace & defence), while technology, consumer discretionary, real estate and consumer staples underperformed. Within commodities, the oil price fell given expectations of oversupply in 2026 after major producers raised output, while the gold price surged to an all-time high due to global economic and political uncertainty. The copper price also rallied to a record level near the end of the year, amid fears of a supply shortfall given strong demand from significant investments in data centres and energy infrastructure.

Strategic Report: Fund Manager's Report (continued)

Precious metals and copper saw significant gains in 2025



Source: LSEG DataStream as at 31 December 2025
Notes: Metal prices rebased to 100 as at 31 December 2024

UK government bonds endured a volatile 2025, with gilt prices under pressure as yields moved higher – particularly at the long end of the curve – before stabilising later on. Persistent inflation concerns, heavy gilt issuance and the Bank of England's ongoing quantitative tightening (QT) pushed yields to multi decade highs. The 30 year gilt yield rose to levels last seen in the late 1990s and the 10 year yield peaked close to 4.9% early in the year. As 2025 progressed, however, yields started to fall as inflation came under control, the Bank of England cut policy rates further and slowed its QT program. The November Budget was not as bad as feared with bond markets reacting positively given the increase in the Chancellor's fiscal buffer over the forecast period. The 10-year gilt yield finished the year at 4.5%.

30 year gilt yields reached levels not seen since the 90s

Source: LSEG DataStream as at 31 December 2025

Performance review

The Company's NAV (debt at fair value) returned 20.4% on a total return basis, performing broadly in line with the benchmark return of 20.6%. Given the Company's overweight position to equities relative to bonds against the benchmark, asset allocation had a positive impact on performance due to equities outperforming. Gearing also aided performance given the strong market backdrop.

Despite the equity portfolio performing well in absolute terms, up 20.0% on a total return basis, it lagged the very strong returns from the FTSE All-Share Index (+24.0%). Within banks, although HSBC is the Company's second largest holding, its underweight relative to the weighting in the FTSE All-Share Index meant its strong share price performance was negative to relative performance. Likewise, the Company does not own Barclays, which also did well and was only partially offset by the good performance of the holdings in NatWest and Lloyds Banking Group. Banks continued to produce strong earnings and dividend growth through the year, with the sector further supported by signals from the UK's Prudential Regulation Authority (PRA) that capital requirements for banks could be eased.

Other underweight positions also detracted from relative returns, namely Rolls Royce and AstraZeneca. Rolls Royce, which the Company does not own due to the low dividend yield but has a large weighting in the FTSE All-Share Index, significantly outperformed in 2025 on strong profit growth. AstraZeneca, which is held by the Company although with a lower weighting to the index, performed well in the second half of the year after it announced they had reached agreement with the US administration on drug pricing via the Most Favourable Nation (MFN) policy. The MFN policy pegs US prescription drug prices to the lowest prices paid in other comparable high-income countries. In exchange President Trump agreed to drop his tariff threat on non-US manufactured drugs.

Elsewhere the portfolio's holdings in Hilton Food Group and Sodexo were also detrimental to performance. Meat packing company, Hilton Foods, faced a difficult operating environment during the second half of the year, in part, due to inflation in white fish and beef, causing volume declines in both categories. The company was also impacted by an outbreak of listeria in its Greek salmon processing plant which meant a further impact on profits. Contract caterer Sodexo's profits were held back by disappointing performance within its US division as it lost a number of key contracts. While the company has changed the CEO, it is likely to take time to implement changes to help stabilise client retention, while increased investment could see further earnings downside, hence we exited the holding.

On the positive side, the portfolio's positions in British American Tobacco and life insurers Phoenix and M&G benefitted performance. British American Tobacco performed strongly in the year from a recovery in its US business, where cigarette and vaping volume declines eased as the US Administration strengthen the enforcement of its ban on illicit Chinese vapes. The company also benefitted from the strong growth in its modern oral (nicotine pouches) products. Phoenix delivered solid results, with cash generation ahead of expectations, while M&G announced a long term strategic partnership with Japanese insurer Dai ichi Life that should

Strategic Report: Fund Manager's Report (continued)

drive new business flows and includes Dai ichi acquiring a 15% stake in M&G. The portfolio's holding in Chemical company Johnson Matthey was also positive for performance. The company announced the potential sale of their Catalyst Technologies division to Honeywell for £1.8 billion, materially more than analysts estimate of its fair value. The shares were further buoyed by management's commitment to improve operational efficiencies and cash generation.

Within the overseas holdings both Nordic telecommunications company Tele2 and French utility Engie performed well. Tele2 delivered solid results, with early signs that its cost transformation programme is translating into higher profits and cash flow, while Engie's shares rose after it upgraded profit guidance on stronger trading and increased investment in its energy infrastructure division.

The fixed income portfolio rose 5.6% on a total return basis during the year, underperforming the 6.8% return from the ICE BofA Sterling Non-Gilts Index. The exposure to USD bonds detracted from relative performance given they lagged the performance of the GBP benchmark. Holdings in high yield bonds and financials aided returns given spreads tightened more in this area of the market. In addition, holdings in bonds issued by Direct Line and Aviva both performed well after the latter acquired the former which strengthened its capital position.

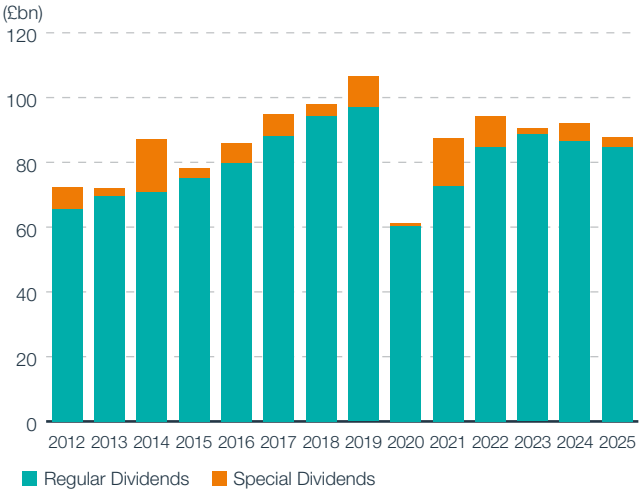
Income review

While headline dividends in the UK market fell during 2025, once special dividends and the impact of sterling strength are excluded, underlying dividends rose by 3.6% (according to the Computershare UK Dividend Monitor). There was strong dividend growth from financials and defence contractors but this was somewhat offset by further dividend reductions in the mining sector.

The income return for the Company increased 5.0% to 11.28 pence per share in 2025, up from 10.74 pence in 2024. However this was flattered by an increase of £292,000 from special dividends in the period. Excluding special dividends, the income return increased 2.2%. Within the equity portfolio there was good dividend growth from some of the largest holdings including NatWest (+42.8%), 3i (+21.5%), Lloyds (+14.8%) and Tesco (+14.0%), while both Rio Tinto and Anglo American lowered their dividend payments in sterling terms by 16.8% and 66.7% respectively.

During the year the Board declared a full year dividend of 10.9p which was fully covered by earnings. This was an increase of 2.8% over the dividend in 2024 (10.6p) and represents the 13th consecutive year of dividend growth, maintaining the Company's status as an AIC Next Generation Dividend Hero. The dividend has grown at a compound annual growth rate of 2.1% over those 13 years. Retained revenues earned in the year were approximately £680,000, which increased revenue reserves to £11.0 million as at 31 December 2025, providing approximately 60% cover over the Company's dividend.

UK market dividends fell during 2025, impacted by lower special dividends and US dollar weakness



Source: Computershare UK Dividend monitor as at 31 December 2025

Portfolio activity

The bond allocation finished the year at 10.7% of gross assets, down from 10.9% as at the end of 2024. The fall reflects the underperformance of bonds relative to equities over the year. In the fourth quarter, we added approximately £7 million to bonds to lower the underweight position relative to the benchmark. We bought bonds of large, well-capitalised banks and insurers where spreads were appealing. Notable additions included AXA, Barclays, Bupa (UK insurer), ING, and NatWest. These were either new or increased positions in subordinated debt of these institutions. We also bought GBP-denominated corporate bonds in defensive sectors with strong cash flows and attractive yields. For instance, we added Entain and Flutter (both gaming companies) bonds, Gatwick Airport bonds, Southern Water (infrastructure), and Pinewood Studios.

Funding came from a reduction in the equity portfolio, selling holdings in Coca-Cola Hellenic Bottling Company (CCH) and IG Group. CCH has been a good performer for the Company over the long term and has recovered well since the start of the Russian Ukraine war. We believe the valuation has now reached a level which is not discounting the risk of slowing volume momentum given the significant price increases seen in recent years. We sold IG Group, the online trading and spread betting business which had performed well since purchase, on fears over potential changes to the tax treatment of remote gambling by the government. Although a new rate of general betting duty for remote gambling was introduced, it excluded spread betting, however, this still presents a risk going forward.

Elsewhere, within the equity portfolio, we switched our preference in overseas banks from BNP Paribas to Banco Bilbao Vizcaya Argentaria (BBVA). French bank BNP was sold following a US court ruling against the bank in a human rights case related to Sudan. Although the damages awarded were modest, the precedent creates significant financial risk if claims escalate, while political instability in France could lead

Strategic Report: Fund Manager's Report (continued)

to higher banking levies. Spanish listed bank BBVA offers a more attractive alternative, with strong franchises and market positions in Spain, Turkey and Mexico, sector leading returns and a discounted valuation. Structural growth in Mexico and improving loan growth in Spain should support profit growth while the company also pays an attractive dividend.

Other new additions to the equity portfolio included French insurer AXA and Aberdeen, while we increased our holding in Diageo, moving to an overweight position. AXA is a well diversified European multi-line insurer and has potential to improve profits given a good pricing environment in certain insurance lines while claims inflation is moderating. Aberdeen has faced significant challenges in its asset management business but this has masked the strong performance of its retail investment platform, Interactive Investor, which now contributes almost half of the group's profit. This should continue to see good growth given structural tailwinds in the direct-to-consumer market and its competitively priced offering, while cost savings in the asset management division should support margins. Diageo has strong brands with market leading positions and although trading has been difficult in recent years we believe this is more due to cyclical headwinds rather than structural issues. The valuation is attractive given the quality of the brand portfolio and we believe the new CEO can reinvigorate the business and drive profit recovery.

Finally we sold holdings in SSE, Conduit Re and Sabre Insurance. UK utility SSE is due to make significant investments in renewable energy projects over the next few years, however, we are concerned over the level of returns given the material increase in construction costs in recent years. Sabre is a UK motor insurance underwriter. The shares had performed well from their lows as margins had recovered back to more normalised levels given the strong premium pricing environment over the last couple of years. However, we were concerned over the company's recent change in strategy to prioritise volume over price especially now the motor insurance market is softening. Conduit Re, the reinsurer, was sold over concerns around their ability to correctly price underwriting risks and also in the quality of their systems given disappointing event losses last year.

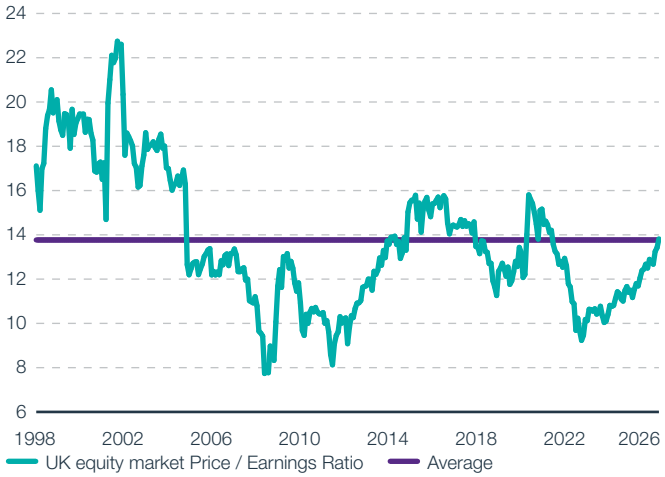
Gearing at the end of December was 17.5%, down from the end of 2024 (21.0%), however, this was more a reflection of the growth in the NAV through the year with the absolute level of borrowing only falling modestly.

Outlook

Despite strong market returns from UK equities in 2025, there was a lack of aggregate earnings growth for the market as a whole. This was largely due to falling earnings in the oil & gas and mining sectors being offset by strong earnings growth within financials, especially banks and insurers. A continuation of falling inflation and further interest rates cuts could have supported an inflection in aggregate earnings growth for the UK market this year, however, events in Iran and the subsequent surging oil price has now put that at risk.

The duration of the conflict in the Middle East will have implications on western economies through higher inflation and slower economic growth, especially in Europe which is a net importer of energy. A quick resolution or a return of oil flowing through the Strait of Hormuz could lessen the impact but geopolitical tensions are likely to remain high. Although the UK equity market performed strongly in 2025, the recent pullback has left valuations in line with the long term average and inexpensive relative to global markets.

UK equity market valuations are only in line with their long term average but still trade at a discount to overseas indices



Source LSEG DataStream as at 31 December 2025
Notes: FTSE 350 12 month forward PE ratio based on consensus forecasts

In the UK, the inflationary impact of rising oil and gas prices will not flow through to consumer energy bills until the second half of the year given the energy price cap mechanism. However further interest rate cuts from the Bank of England are now unlikely in the short term due to increased inflation uncertainty. It is worth remembering that UK consumers, businesses and the banking system remain in strong financial health which has supported the UK economy through periods of energy price volatility in recent years.

The growth of AI and what it means for society cannot be underestimated. There are businesses that will win from AI development, others that will be enhanced by AI deployment and others that will suffer from AI disintermediation. We are already seeing the market try to predict which companies fit into which groups but it is probably too early to be certain. It will no doubt continue to be volatile but one needs to be disciplined in understanding the strengths of business models and how the valuation discounts the AI threat or opportunity.

As ever the focus remains on finding good quality businesses at a compelling valuation that can pay and grow an attractive dividend. The portfolio is well balanced in terms of income generation, with good diversification between sectors and owning cash generative businesses.

David Smith
Fund Manager
25 March 2026

Portfolio and Financial Information

Strategic Report: Investment Portfolio

Investments: Fixed Interest

PREFERENCE SHARES	Total 31 December 2025 £'000
National Westminster Bank 9%	388
Nationwide Building Society 10.25%	2,865
Total Preference Shares	**3,253**

OTHER FIXED INTEREST	
Allwyn Entertainment 7.25% 2030	950
Amazon 4.8% 2034 (USA)	1,033
Atlassian 5.5% 2034 (USA)	655
Aviva 4% 2055	243
Aviva 5.125% 2050	501
Aviva 6.125% 2054	1,022
AXA 6.375% Variable Perpetual (France)	1,163
Banijay Entertainment 7% 2029 (France)	1,132
Barclays 5.851% 2035	1,027
Broadcom 4.15% 2030 (USA)	236
Broadcom 4.926% 2037 (USA)	758
Bupa Finance 4.125% 2035	1,498
Bupa Finance 6.625% 2045	1,090
Charter Communications 5.05% 2029 (USA)	753
Co-operative Group 6.25% 2026	1,104
CPUK Finance 4.5% 2027	1,196
Direct Line Insurance 4.75% Variable Perpetual	488
Entain 4.875% 2031	879
Flutter Treasury 6.125% 2031	977
Gartner 3.75% 2030 (USA)	1,029
Gatwick Airport 6% 2030	1,002
GLP 5.3% 2029 (USA)	606
GLP 5.625% 2034 (USA)	528
Iliad 7% 2032 (USA)	644
ING Groep 7% Variable Perpetual (USA)	943
Iron Mountain 4.5% 2031 (USA)	659
Lloyds Banking 8.5% Variable Perpetual	1,309
LPL Financial Holdings 6% 2034 (USA)	1,449
MSCI 3.875% 2031 (USA)	672
NatWest 7.625% Variable Perpetual	1,021
Pinewood Finco 6% 2030	855
Sage Group 5.625% 2037	1,489
Scottish Widows 7% 2043	893
Service Corp Intl 4.625% 2027 (USA)	1,244
Service Corp Intl 5.75% 2032 (USA)	624
Solventum 5.6% 2034 (USA)	477
SW Finance 6.875% 2032	1,245
Synopsys 5.15% 2035 (USA)	1,410
Tesco Property Finance 5.744% 2040	371
Tesco Property Finance 6.0517% 2039	706
Teva Pharmaceuticals 6.75% 2028 (USA)	309
VICI Properties 4.95% 2030 (USA)	376
VICI Properties 5.125% 2032 (USA)	525
Virgin Media 4.875% 2028	750
Virgin Media O2 5.625% 2032	647
Virgin Media O2 7.875% 2032	281
Ziggo 4.875% 2030 (USA)	703
Total Other Fixed Interest	**39,472**

TOTAL FIXED INTEREST	42,725

Investments: Equities (including investment funds)

ENERGY	Total 31 December 2025 £'000
Oil, Gas and Coal	
BP	8,759
Shell	11,943
Total Energy	**20,702**

BASIC MATERIALS	
Chemicals	
Johnson Matthey	5,780
Victrex	2,051
Industrial Metals and Mining	
Anglo American	4,882
Rio Tinto	13,806
Total Basic Materials	**26,519**

INDUSTRIALS	
Aerospace and Defence	
BAE Systems	5,998
Chemring	4,146
Construction and Materials	
Genuit	2,994
General Industrials	
Bunzl	3,991
Mondi	2,870
Industrial Engineering	
Vesuvius	3,353
Industrial Support Services	
DCC	4,352
PageGroup	2,517
Total Industrials	**30,221**

CONSUMER DISCRETIONARY	
Consumer Services	
Compass	5,543
Household Goods and Home Construction	
Taylor Wimpey	4,240
Retailers	
Dunelm	4,465
Next	5,353
Travel and Leisure	
Whitbread	4,623
Total Consumer Discretionary	**24,224**

Strategic Report: Investment Portfolio (continued)

Investments: Equities (including investment funds)

HEALTHCARE	Total 31 December 2025 £'000
Pharmaceuticals and Biotechnology	
AstraZeneca	5,618
GlaxoSmithKline	5,914
Sanofi (France)	2,860
Total Healthcare	**14,392**

CONSUMER STAPLES	
Beverages	
Diageo	6,705
Food Producers	
Cranswick	4,444
Hilton Food Group	3,913
Personal Care, Drug and Grocery Stores	
Reckitt Benckiser	9,810
Tesco	7,237
Unilever	8,282
Tobacco	
British American Tobacco	20,502
Imperial Brands	11,579
Total Consumer Staples	**72,472**

UTILITIES	
Gas, Water and Multiutilities	
Engie (France)	6,108
National Grid	9,303
Severn Trent	7,361
Total Utilities	**22,772**

FINANCIALS	
Banks	
BBVA (Spain)	3,407
HSBC	17,041
Lloyds Banking	10,965
NatWest	10,922
Paragon Banking Group	3,834
Non-life Insurance	
ASR Nederland (Netherlands)	4,578
AXA (France)	3,472
Life Insurance	
Aviva	7,862
Chesnara	6,340
Phoenix	9,509
Investment Banking and Brokerage Services	
3i	5,604
Aberdeen Group	3,638
ICG	6,224
M&G	7,310
Schroders	3,994

FINANCIALS	Total 31 December 2025 £'000
Closed End Investments	
Greencoat UK Wind	3,000
Tufton Oceanic Assets	2,414
Total Financials	**110,114**

REAL ESTATE	
Real Estate Investment Trusts	
Big Yellow	5,281
British Land	5,368
Land Securities	5,005
Total Real Estate	**15,654**

TECHNOLOGY	
Software and Computer Services	
MONY Group	2,910
RELX (Netherlands)	8,198
Technology Hardware and Equipment	
Texas Instruments (USA)	2,682
Total Technology	**13,790**

TELECOMMUNICATIONS	
Telecommunications Service Providers	
Tele2 (Sweden)	3,748
Telecom Plus	2,534
Total Telecommunications	**6,282**

TOTAL EQUITIES	**357,142**

TOTAL	**399,867**

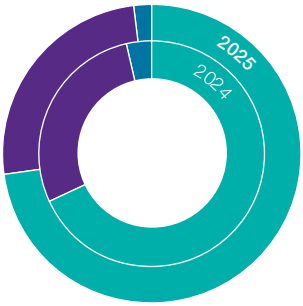
Strategic Report: Investment Portfolio (continued)

Percentage breakdown of investments by sector

	Total 31 December 2025 %	Total 31 December 2024 %
FIXED INTEREST		
Preference shares	0.8	1.2
Other fixed interest	9.9	9.7
Total Fixed Interest	**10.7**	**10.9**
EQUITIES		
Energy		
Oil, gas and coal	5.2	4.8
Total Energy	**5.2**	**4.8**
Basic Materials		
Chemicals	1.9	1.7
Industrial metals and mining	4.7	4.3
Total Basic Materials	**6.6**	**6.0**
Industrials		
Aerospace and defence	2.6	1.9
Construction and materials	0.7	0.7
Electronic and electrical equipment	–	0.5
General industrials	1.7	1.8
Industrial engineering	0.9	0.8
Industrial support services	1.7	2.1
Total Industrials	**7.6**	**7.8**
Consumer Discretionary		
Consumer services	1.4	1.8
Household goods and home construction	1.1	1.0
Retailers	2.4	2.3
Travel and leisure	1.2	2.7
Total Consumer Discretionary	**6.1**	**10.5**
Healthcare		
Pharmaceuticals and biotechnology	3.6	3.3
Total Healthcare	**3.6**	**3.3**
Consumer Staples		
Beverages	1.7	2.0
Food producers	2.1	2.9
Personal care, drug and grocery stores	6.3	6.9
Tobacco	8.0	8.0
Total Consumer Staples	**18.1**	**19.8**
Utilities		
Electricity	–	0.9
Gas, water and multiutilities	5.7	4.8
Total Utilities	**5.7**	**5.7**

	Total 31 December 2025 %	Total 31 December 2024 %
Financials		
Banks	11.5	7.3
Closed end investments	1.3	1.8
Finance and credit services	–	0.9
Investment banking and brokerage services	6.7	8.4
Life insurance	6.0	4.5
Non-life insurance	2.0	2.3
Total Financials	**27.5**	**25.2**
Technology		
Software and computer services	2.7	1.0
Technology hardware and equipment	0.7	0.8
Total Technology	**3.4**	**1.8**
Real Estate		
Real estate investment trusts	3.9	3.0
Total Real Estate	**3.9**	**3.0**
Telecommunications		
Telecommunications service providers	1.6	1.2
Total Telecommunications	**1.6**	**1.2**
TOTAL INVESTMENTS	**100.0**	**100.0**

Distribution of the UK equity portfolio holdings at 31 December



	2025 %	2024 %
Large companies:	**73.0**	68.2
Medium-sized companies:	**25.2**	28.3
Small companies:	**1.8**	3.5

Large companies = Market Cap of >£5bn
Medium-sized companies = Market Cap of <£5bn and >£500m
Small companies = Market Cap of <£500m
Source: Janus Henderson

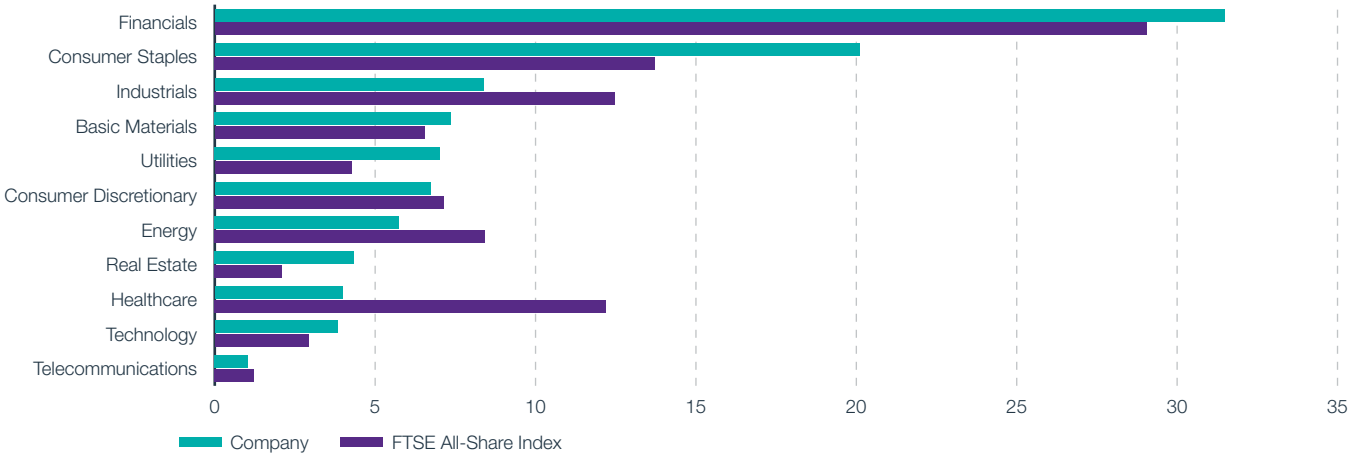
Strategic Report: Portfolio Information

Sector exposure at 31 December

Excluding cash

Sector	2025 £'000	2025 % of portfolio	2024 £'000	2024 % of portfolio
Preference shares	3,253	0.8	4,273	1.2
Other fixed interest	39,472	9.9	35,578	9.7
Total Fixed Interest	**42,725**	**10.7**	**39,851**	**10.9**
Financials	110,114	27.5	92,365	25.2
Consumer Staples	72,472	18.1	72,594	19.8
Consumer Discretionary	24,224	6.1	38,632	10.5
Industrials	30,221	7.6	28,614	7.8
Basic Materials	26,519	6.6	21,956	6.0
Utilities	22,772	5.7	20,806	5.7
Energy	20,702	5.2	17,522	4.8
Real Estate	15,654	3.9	11,176	3.0
Healthcare	14,392	3.6	12,203	3.3
Technology	13,790	3.4	6,755	1.8
Telecommunications	6,282	1.6	4,316	1.2
Total Equities	**357,142**	**89.3**	**326,939**	**89.1**
Total	**399,867**	**100.0**	**366,790**	**100.0**

Equity portfolio sector weightings at 31 December 2025



Ten largest investments at 31 December

Position	Company	Sector	2025 £'000	2025 % of portfolio	2024 £'000	2024 % of portfolio
1	British American Tobacco	Consumer Staples	20,502	5.1	17,709	4.8
2	HSBC	Financials	17,041	4.3	12,546	3.4
3	Rio Tinto	Basic Materials	13,806	3.4	10,542	2.9
4	Lloyds Banking[1]	Financials	12,274	3.1	6,114	1.7
5	Shell	Energy	11,943	3.0	9,569	2.6
6	NatWest[1]	Financials	11,943	3.0	8,112	2.2
7	Imperial Brands	Consumer Staples	11,579	2.9	11,761	3.2
8	Reckitt Benckiser	Consumer Staples	9,810	2.4	7,029	1.9
9	Aviva[1]	Financials	9,628	2.4	6,540	1.8
10	Phoenix	Financials	9,509	2.4	7,836	2.2
Total			**128,035**	**32.0**	**97,758**	**26.7**

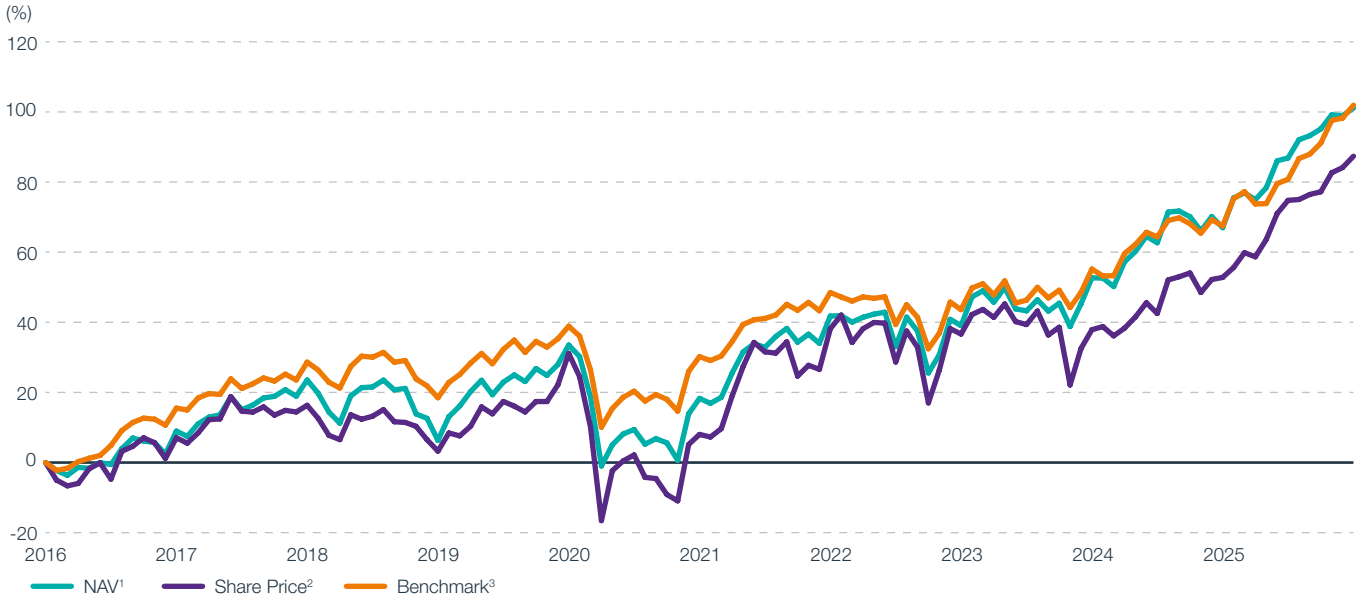
1 Combines equity and fixed interest positions where applicable

Strategic Report: Historical Performance and Financial Information

Total return performance to 31 December

	1 year %	3 years %	5 years %	10 years %
NAV[1]	+20.4	+44.6	+70.0	+101.1
Share Price[2]	+22.6	+37.1	+73.5	+87.4
Benchmark[3]	+20.6	+40.6	+55.1	+101.9
ICE BofA Sterling Non-Gilts Index	+6.8	+18.0	-5.9	+26.4
FTSE All-Share Index	+24.0	+46.5	+73.9	+123.4

Total return performance over 10 years to 31 December 2025



Financial information as at 31 December

	Net assets £m	NAV per ordinary share[4] p	Mid-market price per ordinary share p	Dividends per ordinary share p
2016	207.7	181.3	183.6	9.15
2017	257.2	195.7	190.0	9.40
2018	210.8	159.5	159.5	9.60
2019	251.1	189.8	191.8	9.80
2020	211.4	157.3	147.0	9.90
2021	236.2	177.9	177.5	9.95
2022	214.3	164.2	165.3	10.15
2023	222.3	169.6	156.5	10.35
2024[5]	303.2	174.7	162.5	10.60
2025	**340.2**	**198.8**	**187.5**	**10.90**

1 Net asset value with debt at fair value total return (including dividends reinvested and excluding transaction costs)
2 Includes dividends reinvested
3 A composite of 80% of the FTSE All-Share Index (total return) and 20% of the ICE BofA Sterling Non-Gilts Index (total return) rebalanced annually
4 Based on net assets with debt at fair value as published by the AIC
5 2024 includes the increase in assets following the completion of the combination with Henderson Diversified Income Trust plc (HDIV)

Source: Janus Henderson, Morningstar Direct and LSEG Datastream

Business Model

Strategic Report: Business Model

Purpose and Strategy

The Company's purpose is to deliver consistently to shareholders a high level of income on a regular basis while seeking capital growth over the longer term by investing primarily in UK equities. This purpose is fulfilled by achieving the investment objective and applying the investment policy.

The investment strategy is delegated to the Manager, Janus Henderson, within the parameters determined by the Board and approved by shareholders.

Investment Objective

The Company invests in a prudently diversified selection of both well-known and smaller companies to provide investors with a high dividend income stream while also maintaining the prospect of capital growth.

Investment Policy

In normal circumstances the Company will invest up to 80% of its gross assets in equities and up to 20% of its gross assets in fixed income (in companies of any size that are either listed in, registered in, or whose principal business is in the UK). Within these limits a maximum of 30% of gross assets may be invested outside of the UK.

No single investment will exceed 15% of total gross assets at the time of investment and no more than 15% of gross assets may be invested in other listed investment companies (including investment trusts) or collective investment schemes. The Company may from time to time use financial instruments known as derivatives for the purpose of efficient portfolio management or to generate additional income while maintaining a level of risk consistent with the risk profile of the Company.

Investment Selection

The selection process seeks to identify companies with strong balance sheets that are capable of paying dividends. There is a focus on well-managed companies whose qualities may have been temporarily overlooked and which offer potential for capital appreciation over the medium term.

Gearing[1]

The Company has an active policy of using appropriate levels of gearing, both in the form of bank and longer-term borrowings, with the objective of enhancing income returns and also achieving capital growth over time. A portion of gearing is usually employed with respect to the Company's fixed interest securities to generate additional income.

The Company can borrow up to 40% of gross assets. The drawdown of floating rate borrowings can be in non-sterling currencies, provided that these borrowings do not exceed the market value of non-sterling assets.

Gearing as at 31 December 2025 was 17.5% (2024: 21.0%).

Company Structure

The Company operates as an investment company with a Board of Directors who delegate investment and operational matters to specialist third-party service providers. Their performance is monitored and challenged by the Board who retain oversight of the Company's operations. The Board comprises entirely non-executive directors accountable to shareholders, who have the ability to remove a director from office where they deem it to be in the interests of the Company.

The framework of delegation provides a cost-effective mechanism for achieving the Company's objectives under s.1158/9 of the Corporation Tax Act 2010. The closed-end nature of the Company enables the Fund Manager to take a longer-term view on investments. It also supports a fully invested portfolio as the Company does not have to maintain or create sufficient cash balances to satisfy investor redemptions.

Investment trusts have two significant advantages over other investment fund structures: firstly, the ability to pay dividends out of revenue reserves to support the provision of income to shareholders, as necessary, and secondly, the ability to borrow to increase potential returns for shareholders.

Income

The investment objective underpins the Company's dividend policy, which is to pay quarterly interim dividends from current revenue and add to the revenue reserve where possible each year. The purpose of this reserve is to enable the Company to support dividend payments in difficult market conditions. When deciding on whether to pay each quarterly interim dividend, the Board has regard to a variety of factors, including current and forecast levels of income (including any special dividends received) and the historic dividend schedule. The Board also considers a range of stress tests which forecast revenue under different scenarios in order to form a view on the sustainability of the Company's dividends.

Borrowings

During the year under review, the Company had a committed loan facility of £60 million with BNP Paribas, London Branch. This facility matured on 19 December 2025 and on that date the Company renewed the facility for a further 12 months. This facility has an accordion of £25 million allowing the Company to borrow up to £85 million.

The Company also has a 19-year £20 million fixed rate senior unsecured loan note with a sterling coupon of 3.67% which will mature on 8 July 2034.

Ongoing Charge

The Board regularly reviews the ongoing charge and monitors all Company expenses, with a detailed schedule of expenses reviewed twice a year in conjunction with the half year and full year financial results. The ongoing charge for the year ended 31 December 2025 was 0.68% (2024: 0.74%).

1 Alternative Performance Measure, see page 79

Strategic Report: Business Model (continued)

Promoting the Company's success

The Directors' overarching duty is to promote the success of the Company for the benefit of investors with consideration of stakeholders' interests. The Directors use their experience and knowledge to select and engage reputable organisations to carry out operations on behalf of the Company.

Values and culture

The Board has embedded a culture of integrity, openness and professionalism throughout its activities. Directors consistently apply their skill, care, due diligence and experience in the boardroom, reinforcing these values through their conduct and decision-making. This cultural approach is mirrored in the Board's interactions with the Manager, with whom it operates in a supportive, co-operative and transparent environment. The Board holds the Manager to the same cultural standards by formally assessing its corporate culture and values as part of its annual review of service delivery. These expectations are extended to other third-party service providers, with the Board seeking to promote behaviours that support integrity, accountability and high-quality outcomes for shareholders.

Engaging with stakeholders (s.172 Companies Act 2006)

The table below sets out the ways in which the Board engages with the Company's key stakeholders.

Stakeholder	Engagement
Shareholders and potential investors	Purpose: • To allow investors to make informed investment decisions. • To retain existing shareholders and attract new investors. • To understand investors' requirements and expectations. How we engage: • The annual report and half-year report are published to keep shareholders informed on the Company's financial performance, governance framework and any current issues. • A shareholder tracing and engagement programme commenced during the year, whose purpose is to locate and reunite shareholders with their unclaimed or 'lost' entitlements to shares and dividends. • Information on the Company, sponsored research notes and video updates from the Fund Manager are made available on the website to keep shareholders informed on the positioning of the portfolio. • Daily NAVs and monthly factsheets are published to keep shareholders up to date with the value of the portfolio. • Shareholders are encouraged to attend the annual general meeting where they can meet and speak with the Directors and Fund Manager. • The Board receives shareholder feedback from its corporate broker, the Manager's Investment Trust Sales and Marketing Teams and the Fund Manager to keep the Board informed of shareholders' views. • The Board and the Fund Manager meet with shareholders when requested. Outcomes: • Shareholders are informed and there is regular demand for the Company's shares. • The new shareholder tracing and engagement programme has already had good results, with 34% of records located in the first six months of the programme.
Service Providers • **Auditor** • **Corporate broker** • **Custodian** • **Depositary** • **Fund administrator** • **Registrar**	Purpose: • To monitor the quality and cost effectiveness of the services provided. How we engage: • Biannual service review meetings with the depositary and registrar. • Self-assessment reports provided to the Board annually. • Review and discussion of reports on the effectiveness of internal controls and risk management. • Review of proposed audit plan and audit fee each year, as well as any audit findings, the auditor's letter of engagement and terms of business. • Regular attendance at meetings throughout the year with specialist input provided. Outcome: • The Board's oversight ensured effective and efficient operations and a high quality of services provided by its third-party service providers.

Strategic Report: Business Model (continued)

Stakeholder	Engagement
Investment manager	Purpose • To ensure that the investments in the portfolio and the administration of the Company are well-managed. • To ensure that the Company complies with the AIFMD regulation. How we engage: • The Fund Manager and Company Secretary attend all meetings and provide specific reports. • The Board engages routinely with the AIFM and exercises constructive challenge across its responsibilities, including portfolio management, risk management, marketing and investor communications, financial reporting and governance. • The AIFM provides monthly confirmations of compliance with investment limits and regulatory requirements, together with quarterly reports on the effectiveness of internal controls. • The Board sets clear expectations regarding culture and behaviour and monitors how these are embedded within the Manager and AIFM, including oversight of diversity and inclusion initiatives. Outcome: • The Board is satisfied that the Company is managed in line with its investment objective, policy and risk appetite. • The Board has assurance over the effectiveness of the AIFM's wider functions and maintains a clear understanding of the Company's market positioning and investor perceptions.
Investee companies and the environment	Purpose: • The Fund Manager's investment decisions are key to the Company achieving its investment objective and policy. Direct communication with investee companies can lead to more informed decisions. How we engage: • The Manager exercises the Company's voting rights and engages with investee companies ahead of shareholder meetings where appropriate, including on ESG-related or contentious matters. • Ongoing dialogue with investee companies informs the Manager's understanding of their strategy, performance and ESG risks. Outcome: • The Company is a responsible investor.
Lenders	Purpose: • The Company has an active policy of using appropriate levels of gearing, both in the form of bank and longer-term borrowings, with the objective of enhancing income returns and achieving capital growth over time. How we engage: • The Manager provides monthly confirmation of compliance with all covenants applicable to the Company's short-term and long-term borrowings. • The Board receives assurance that the Manager responds appropriately to information and audit requests from lenders. Outcome: • The Company can use gearing to enhance long-term returns to shareholders.

Strategic Report: Business Model (continued)

Board discussions and decision making

Shareholder tracing: During the year, a programme was launched with the primary objective of identifying and reconnecting shareholders to their unclaimed or 'lost' entitlements. This initiative reflects the Board's proactive approach to corporate governance and shareholder relations, ensuring that individuals who have not received their due entitlements are given the opportunity to reclaim them.

Short-term debt: The Board reviewed the Company's borrowing position. Taking into consideration the advantages of gearing for an investment trust, the Company's performance record over the longer term, and that the Company's £20 million fixed rate senior unsecured note is due to be repaid in 2034, the Board approved the renewal of the loan facility agreement with BNP Paribas, London Branch, for a further year after considering a number of indicative quotations from potential lenders, to take advantage of the most competitive rates and terms on offer.

Marketing and promotion: Retail investors form a significant and growing proportion of the Company's share register. In recognition of their importance to liquidity and demand for the Company's shares, the Board approved an increase in the marketing budget. This was intended to maintain the momentum of the retail advertising campaign launched in prior years and to support sustained investor awareness.

Dividends paid to shareholders: The Company's investment objective is to provide investors with a high dividend income stream while also maintaining the prospect of capital growth. At each meeting, the Board carefully reviews the level of revenue income received and forecast as well as the available distributable reserves. For the year under review, dividends amounting to 10.90p have been declared, compared to 10.60p in 2024, an increase of 2.8% and the Company's thirteenth consecutive annual increase.

Liquidity and discount management

The Board's aim is for the Company's share price to reflect closely its underlying net asset value, and for the market in its shares to be liquid. The ability of the Company to influence this meaningfully over the longer term is, of course, limited since it is dependent on the market supply of, and demand for, the Company's shares. However, the Board considers the issuance and buyback of the Company's shares where prudent, subject always to the overall impact on the portfolio, the pricing of other comparable investment companies and overall market conditions. The Board believes that flexibility is important and that it is not in shareholders' interests to set specific levels of premium and discount for its issuance and buyback policies.

Arrangements with the Manager

The Company is an Alternative Investment Fund and 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. Both entities are authorised and regulated by the Financial Conduct Authority (FCA) and are part of the Janus Henderson group of companies. References to Janus Henderson refer to the services provided to the Company by the Manager's group.

The Manager is engaged under the terms of an agreement dated 28 August 2024. The agreement is terminable on six months' notice. The fund management team is led by David Smith, who has been the Company's Fund Manager since July 2015. Janus Henderson and its subsidiaries also provide accounting, company secretarial and general administrative services. Some of the administration and accounting services are carried out, on behalf of the Manager, by BNP Paribas.

Janus Henderson Secretarial Services UK Limited, a subsidiary of Janus Henderson Group plc, acts as the Corporate Secretary. It has its own reporting lines and audited internal controls. There are processes and controls in place to ensure that there is a clear distinction between the Corporate Secretary and Janus Henderson, particularly when dealing with any conflicts or issues between the Company and Janus Henderson. Correspondence from shareholders addressed to the Chairman or the Board received at the registered office is forwarded to the Chairman in line with the audited procedures in place. Correspondence is provided to the Board at the next meeting with any urgent or important correspondence circulated promptly at the request of the Chairman.

Management fee

With effect from 1 January 2026, the management fee is charged at 0.45% of net assets payable quarterly, based on the level of net assets at the relevant quarter end.

Prior to this, the management fee was charged at 0.45% of average adjusted gross assets per annum. This average value was calculated by using the values on the last day of each of the two calendar years preceding the reporting year. Average adjusted gross assets are gross assets less current liabilities and less any Janus Henderson managed funds or Janus Henderson Group plc shares within the portfolio. Any debt used for investment purposes, including that recorded in current liabilities, is not deducted from gross assets. The management fee was payable quarterly in arrears. A supplemental management fee was paid on any new funds in relation to share issues in the year they were raised, at the pro-rata annual rate. For the following year any funds raised were added to prior year assets for the purposes of calculating the management fee. There was a similar supplemental deduction applied to the management fee for share buybacks.

Managing risks

The Board, supported by the Manager, undertakes a robust and regular assessment of the principal and emerging risks facing the Company. The Board seeks assurance that these risks are clearly identified and assessed, and that appropriate systems of risk management and internal control are in place to mitigate them where practicable. The Company's principal risks are those that could threaten its business model, future performance, solvency, liquidity or reputation. To support effective oversight, the Board maintains a detailed risk matrix which sets out the key risks and the controls in place to manage them.

Strategic Report: Business Model (continued)

The Board may implement safeguarding measures directly, such as establishing a schedule of investment limits and restrictions aligned with the Company's investment objective and policy. The Manager is required to adhere to these parameters and report on compliance on a monthly basis. Additionally, the Board may delegate the design and implementation of certain controls to the Company's third-party service providers, who provide regular updates on the effectiveness of their control environments. Each risk identified in the risk matrix is evaluated using a colour-coded traffic light system, which scores and prioritises risks based on their potential impact on the Company and the likelihood of occurrence. The principal risks identified through this process, along with the mitigating actions taken by the Board, are detailed in the table below.

The Board does not consider these principal risks to have changed during the year under review and up to the date of this report.

Principal Risk	Trend	Mitigating Measures
Climate Change Risk Risk that investee companies within the Company's portfolio fail to respond to the pressures associated with climate change and fail to limit their carbon footprint to regulated targets, resulting in reduced investor demand for their shares and falling market values.	↔	ESG considerations are a fully integrated component of the investment process. The Fund Manager seeks to understand how a company is managing ESG risks through its policies and processes and where its investments are targeted, to ensure that its business model remains sustainable over the longer term. Please refer to Environmental, Social and Governance Matters on page 30 for further details.
Investment Risk Risk of long-term underperformance of the Company against the benchmark and/or peer group. This could result in the shares of the Company trading at a persistent discount to net asset value and/or reduced liquidity in the Company's shares. Risk that insufficient income generation could lead to a cut in the dividend.	↔	The Manager provides the Board with regular investment performance statistics against the benchmark and the peer group. The implementation of the investment strategy and results of the investment process, for which the Fund Manager is responsible, are discussed with the Manager and reviewed at each Board meeting. The premium/discount to net asset value and the trading volume of the Company's shares are also regularly reviewed, taking account of market conditions. The Board regularly reviews and monitors the investment in marketing activities with the Manager. Both the Manager and the Board maintain close contact with the Company's Broker to understand the supply of and demand for the Company's shares. The Board reviews the Income Statement and revenue forecasts at each meeting and continually monitors the Company's revenue reserves.
Market/Financial Risk Risk that market conditions lead to a fall in the value of the portfolio (magnified by any gearing) and/or a reduction of income. Risks associated with interest rates and its impact on the broader financial system. This could result in loss of capital value for shareholders and/or a cut in the dividend payment.	↔	The Board reviews the Company's compliance with its loan covenants (for both the short-term and long-term facilities) on a monthly basis. Additional covenant testing is undertaken in extreme market conditions to give comfort that the Company can meet its financial liabilities. The portfolio is diverse, containing a sufficient range of investments to ensure that no single investment puts undue risk on the sustainability of the income generated by the portfolio or indeed the capital value. Regard is also given to having a broad mix of companies in the portfolio, as well as a spread across a range of economic sectors. The Board reviews the portfolio on a monthly basis. The Manager operates within investment limits and restrictions set by the Board, including limits for gearing and derivatives and confirms compliance with these each month. Any particularly high risks are highlighted and discussed, and appropriate follow up action is taken where necessary. A detailed analysis of the Company's financial risk management policies and procedures can be found in the Financial Risk Management Policies and Procedures note on pages 68 to 73. The Board reviews the Income Statement and revenue forecasts at each meeting and continually monitors the Company's revenue reserves.

↑ Increase ↔ No change ↓ Decrease

Strategic Report: Business Model (continued)

Principal Risk	Trend	Mitigating Measures
Operational Risks including cyber risks, pandemic risks and epidemic risks and risks relating to terrorism and international conflicts Risk of loss through inadequate or failed internal procedures, policies, processes, systems or human error. This includes risk of loss to the Company's third-party service providers. Risk of financial loss, disruption or damage to the reputation of the Company, the Manager and the Company's other key third-party service providers, as a result of failure of information technology systems. Risk of loss as a result of external events outside of the Board's control such as pandemic and/or epidemic risks and risks relating to terrorism and/or international conflicts that disrupt and impact the global economy. This includes the risk of loss to the Company's third-party service providers that are also disrupted and impacted by such events.	↑	The Board receives quarterly internal control reports from the Manager to support its oversight of the Company's internal control and risk management framework. These are supplemented by regular updates from the Manager's Internal Audit, Risk, Compliance, Information Security, and Business Continuity teams, providing assurance that robust systems and procedures are in place to maintain operational resilience. The Board also seeks confirmation from the Manager that the portfolio can continue to be managed effectively during periods of disruption. Similar assurances are obtained from the Company's key third-party service providers, who are expected to maintain appropriate business continuity and risk mitigation plans to ensure service continuity in the event of cyber incidents, pandemics, terrorism, or geopolitical events.
Tax, Legal and Regulatory Risk Risk that a breach of, or a change in laws and regulations, could materially affect the viability and appeal of the Company, in particular section 1158/9 of the Corporation Tax Act 2010 which exempts capital gains from being taxed within investment trusts.	↔	The Manager has been contracted to provide investment, company secretarial, administration and accounting services through qualified professionals. The Board receives internal control reports produced by the Manager on a quarterly basis, which confirm tax, legal and regulatory compliance.

↑ Increase ↔ No change ↓ Decrease

Emerging Risks

With the help of the Manager's research resources and using its own market intelligence, the Board continually monitors the changing risk landscape and any emerging and increasing threats to the Company's business model. Such emerging risks could cause disruption for the Company if ignored, but if identified could provide business opportunities. Should an emerging risk become sufficiently clear, it may be moved to a principal risk.

During the year under review, the Board did not identify any emerging risks which are not already encompassed within the existing principal risks.

Strategic Report: Business Model (continued)

Viability Statement

The Company seeks to provide superior income generation and long-term capital growth for its shareholders. The Board aims to achieve this by implementing the Company's business model and strategy through the investment objective and policy. It remains committed to regularly reviewing and adapting the business model and strategy of the Company to ensure its long-term viability in relation to its principal and emerging risks. In assessing viability, the Board also considers:

- the Company's prospects, including the liquidity of the portfolio which is mainly invested in readily realisable listed securities;
- the level of borrowings, which are subject to restrictions;
- the closed-end nature as an investment company, which mitigates risks associated with unexpected redemptions;
- the ongoing charge ratio (0.68% for the year ended 31 December 2025; 2024: 0.74%); and
- long-term borrowings in place, specifically the 3.67% senior unsecured loan note maturing in July 2034, representing 5.8% of net assets as at 31 December 2025 – a relatively modest proportion of total net assets.

The Company retains legal title to all assets held by the custodian (under the terms of the formal agreement with the depositary). Cash is held with approved banks and revenue and expenditure forecasts are reviewed at each Board meeting. Additionally, the Fund Manager provides a conservative stress-tested revenue forecast at least once a year to assist the Board with its dividend decision making. The Company's revenue reserves remain strong with approximately seven months' worth of dividend cover, which gives additional comfort for any difficult years which may arise in the future.

The Board believes it is appropriate to assess the Company's viability over a five-year period in recognition of its long-term investment horizon and taking account of the Company's current position and the assessment factors detailed above.

When assessing the viability of the Company over the next five years, the Directors considered its ability to meet liabilities as they fall due. This included consideration of the duration of the Company's borrowing facilities and how a breach of any loan covenants could impact on the Company's net asset value and share price. The Directors also considered the impact of a global recession, inflation and risks associated with geopolitical conflicts. While these factors contribute to market uncertainty and volatility, they do not threaten the Company's viability.

The Board does not envisage any change in strategy or investment objective, nor any events that would prevent the Company from continuing to operate over the next five years. The Company's liquid assets, limited commitments and intention to maintain its investment trust status support this view. In 2025 the Board received feedback from the Fund Manager and the Janus Henderson Investment Trust Sales Team on meetings held with shareholders.

The Company's continuation vote took place at the AGM on 13 May 2025 and passed with 99.4% votes in favour. The next continuation vote is due to take place at the AGM in 2030.

In light of the above considerations of the Company's viability and going concern, the Board remains confident that shareholders remain supportive of the Company. It takes comfort in the robustness of the Company's position, performance, liquidity and the well-diversified portfolio, as well as the Fund Manager's monitoring of the portfolio. Accordingly, the Board has a reasonable expectation that the Company will continue in operation and meet its liabilities as they fall due up to and including the year ending 31 December 2030.

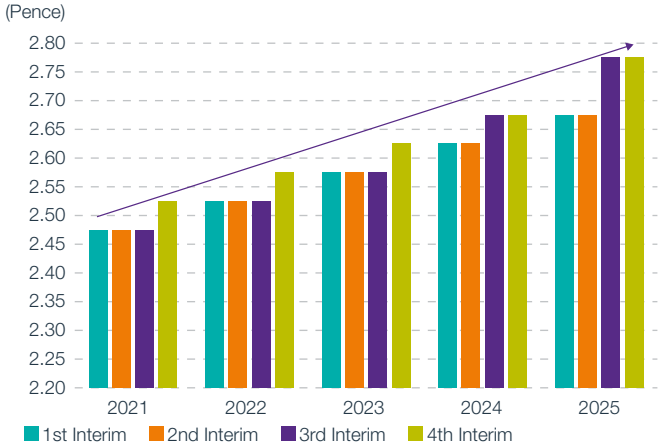
Strategic Report: Business Model (continued)

Key Performance Indicators

Measuring performance

The Board monitors the performance of the Manager by reviewing several key performance indicators at each meeting in order to measure the success of the Company in meeting its objectives.

Dividend per share[1]



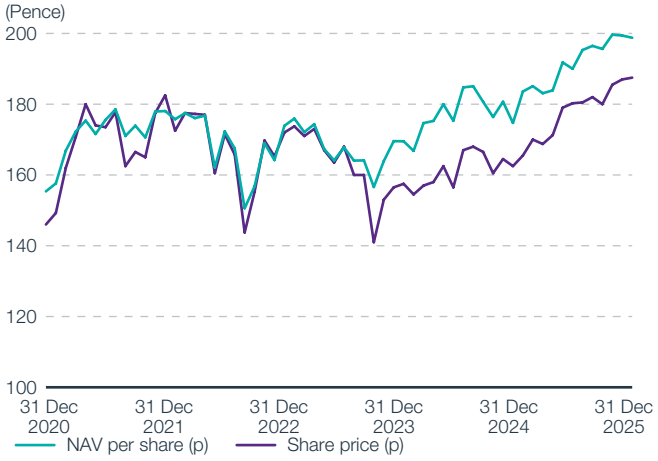
1 Based on the dividends paid or announced for the year
See Alternative Performance Measures on page 80
Source: Henderson High Income Trust plc Annual Reports

The Board places a high level of importance on maintaining the Company's quarterly dividend payments. The aim is to maintain a suitable asset allocation that will permit a sustainable high level of dividend distributions to shareholders with the potential to grow the capital value in the longer term. The Board reviews the Company's revenue account at each meeting, along with the appropriateness of its dividend payments. The Board also compares the yield on the Company's shares to other relevant sectors of the AIC.

Shareholders should recognise that dividend payments cannot be guaranteed, and circumstances may arise in which a reduction or suspension of a dividend becomes necessary. In 2025, £0.8 million was added to revenue reserves. As at the end of the year under review, the Company had accumulated revenue reserves of approximately £11 million, equivalent to around seven months' cover of the full-year dividend.

Conversely, there may be occasions where an increased distribution is required to comply with s.1158/9 of the Corporation Tax Act 2010, which stipulates that an investment trust may not retain more than 15% of its total income. In such cases, where the required payment would exceed the Board's stated policy, a one-off special dividend may be declared and paid.

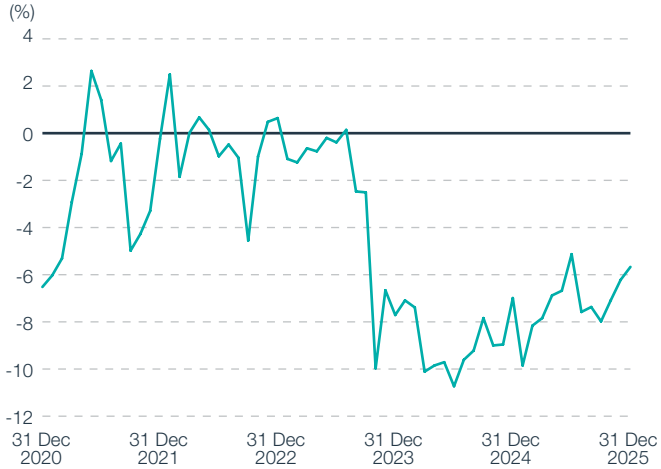
NAV[1] and Share Price per share



1 Net asset value with debt at fair value as published by the AIC

At each meeting, the Board reviews the performance of the portfolio as well as the Company's NAV (with debt at par value and fair value) and share price. The Board also compares the performance of the Company against its benchmark.

Premium/discount over 5 years to 31 December 2025[1]



1 Premium/discount based on net asset value with debt at fair value

At each meeting, the Board monitors the level of the Company's premium or discount to net asset value per share and reviews the average premium or discount for other companies from the AIC Equity Income sector.

Approval

The Strategic Report, set out on pages 2 to 32, has been approved by the Board.

On behalf of the Board

Jeremy Rigg
Chairman
25 March 2026

Environmental, Social and Governance Matters

Our Approach to Environmental, Social and Governance Matters

The Board believes that integrating environmental, social and governance (ESG) factors into the investment decision making and ownership practices is an important element in delivering the Company's investment objective. ESG considerations are an integrated component of the investment processes employed by the Fund Manager and the wider investment teams at Janus Henderson. The Company integrates ESG but does not pursue 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.

Defining ESG

- **Environmental factors** include climate change, energy efficiency, resource depletion and water and waste management.
- **Social factors** include employee and community relations, diversity, quality of life, enhancements in knowledge and advances in supportive technology for improved sustainability.
- **Governance factors** include mitigating risks such as bribery and corruption, questioning board diversity, executive pay, accounting standards and shareholder rights, and positively influencing corporate behaviour.

Investment Considerations

Companies that have a resilient business model is at the core of the investment strategy of the Company and it is important to understand how ESG considerations impact those business models. An important part of the investment process is identifying factors, including ESG factors, which may impact profits, cash flow and dividends and ensuring that investee companies have robust policies and processes in place to manage these.

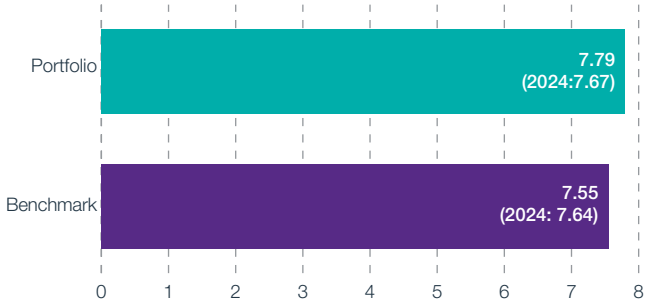
While no company is specifically excluded from investment on ESG considerations, the Fund Manager would seek to avoid companies where ESG risks are not sufficiently considered or managed. As the Fund Manager strives to understand all drivers of company performance, he also strives to understand the risks. An evaluation of ESG factors is integral to this.

Governance is a key part of fundamental factor analysis with good corporate governance supportive of long-term decision making and investment returns. The significance of environmental and social factors can vary depending on the sector and the region in which a company operates. Nonetheless, each ESG factor, in addition to the quantitative and qualitative assessments, is an important consideration when evaluating the opportunity in an equity investment.

ESG Ratings

Janus Henderson engages MSCI[1], an independent leading firm researching and rating ESG factors globally, to support investment research. MSCI can also be used to monitor the holdings within the Company and analyse its overall ESG risk exposure. The Company's portfolio as at 31 December 2025 exhibited the following factors, as defined by MSCI's analysis.

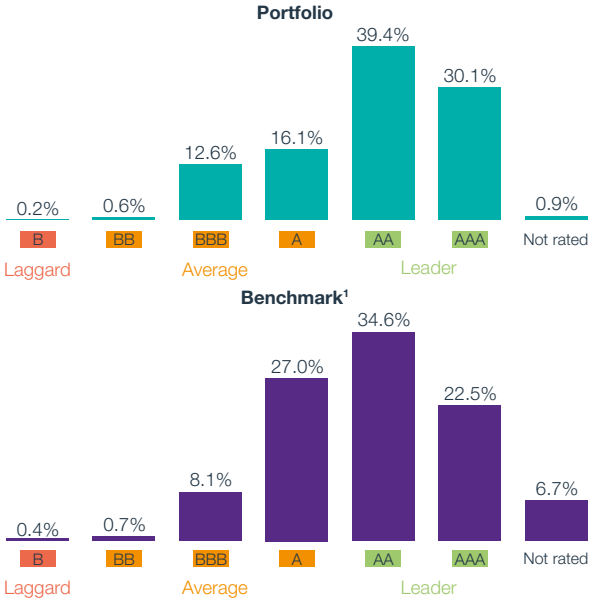
Overall MSCI ESG quality score



Source: MSCI as at 31 December 2025

ESG Quality Score measures the ability of underlying holdings to manage key medium to long-term risks and opportunities arising from environmental, social, and governance factors. It is based on MSCI ESG Ratings and is measured on a scale of 0 to 10 (worst to best).

ESG Rating Distribution



1 The benchmark is a composite of 80% of the FTSE All-Share Index (total return) and 20% of the ICE BofA Sterling Non-Gilts Index (total return) rebalanced annually

Source: MSCI as at 31 December 2025

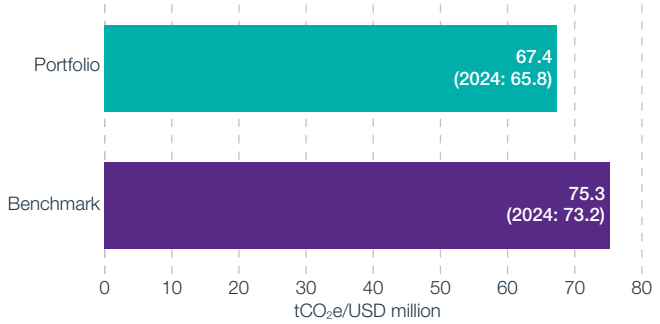
ESG Ratings Distribution represents the percentage of a portfolio's market value coming from holdings classified as ESG Ratings Leaders (AAA and AA), Average (A, BBB and BB), and Laggards (B and CCC). ESG ratings are calculated based upon each company's exposure to key ESG risks across different components of a business's value chain: including core

Environmental, Social and Governance Matters

(continued)

product/business segments, the locations of its operations, and other relevant measures such as outsourced production or reliance on government contracts. MSCI conducts systematic monitoring and quality review of information, as well as a formal committee review. There are 35 key metrics underlying the rating, each of which is centred on the intersection between a company's unique material issues and industry-specific issues. This means that the MSCI ESG ratings assess companies on their performance relative to peers within their industry.

Carbon intensity



Source: MSCI as at 31 December 2025

Carbon intensity (Scope 1 and 2) is a metric used to compare company emissions across industries. MSCI divides the absolute emissions by total revenue, meaning the figure is expressed in tonnes of carbon dioxide equivalent per US Dollar million of total revenue. The Company's overall portfolio is 10.5% less carbon intensive than the benchmark.

Stewardship

Stewardship is an integral and natural part of Janus Henderson'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. Janus Henderson entities support a number of stewardship codes and broader initiatives around the world including being a founder signatory of the UN Principles for Responsible Investment. The intensive research of the portfolio managers and analysts involves conducting on an annual basis thousands of interviews with senior executives and chairs of companies throughout the world. These teams naturally 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 upon a company's individual circumstances.

Company engagement

Company engagement[2] incorporates a wide range of topics including business strategy, capital allocation, remuneration incentives, business risks and management succession as well as ESG issues.

The centralised Janus Henderson Responsible Investment & Governance Team (the RIG Team) also assists with specific engagement matters, including those of an ESG nature, in respect of the positions held across the portfolio. The RIG Team screens portfolios for major ESG issues and works to highlight important ESG engagement topics ahead of company meetings or any communications with companies. In addition, the RIG Team directly engages with companies with or on behalf of the Fund Manager on a wide range of ESG themes including key topics such as climate change, social considerations, and natural resource consumption. Engagement is an ongoing process between the team and senior management with the team monitoring the progress made on issues raised.

During the year Janus Henderson conducted 32 meetings with portfolio companies on dedicated ESG issues. These engagements were separate to the more regular meetings with management focusing on financials and business strategy.

Examples of engagement during 2025 are below:

1) BAE Systems – anti corruption, bribery and money laundering risks

We engaged with BAE on various topics including the company's policies and processes regarding anti-corruption, bribery and money laundering risks. The company have thorough disclosures in these areas and have made significant progress in addressing culture and implementing rigorous controls. BAE's performance on ESG more widely is considered strong.

2) Tesco – nutrition strategy

We met with Tesco to understand their approach to nutrition and healthier diets, their consumer insights and how these shape their sustainability and commercial priorities. While the company are taking positive steps towards offering more healthier options to customers we felt there was more the company could do in terms of working with suppliers on food ingredients.

3) Cranswick – animal welfare

We engaged with the senior leadership team from Cranswick following media reports highlighting animal welfare concerns at a company owned pig farm. The company firmly believed this was a rare occurrence and the actions were a direct breach of internal policies. Nonetheless, we welcomed the company's proactive introduction of an independent veterinary review of their farming operations and the commitment to implement the recommendations.

Voting

The Board believes that voting at general meetings is an important aspect of corporate stewardship and a means of signalling shareholder views on board policy, practices and performance. The Board has appointed the Manager to vote the rights attached to the shares held in the Company's equity portfolio and the Manager actively votes at shareholder meetings and engages with companies as part of the voting process. Voting decisions are taken in keeping with the provisions of the Manager's Responsible Investment Policy. This can be found on **www.janushenderson.com**.

Environmental, Social and Governance Matters

(continued)

Corporate governance frameworks differ significantly across jurisdictions, influenced by factors such as the prevailing legal system, the scope of shareholder rights, and the degree of dispersed ownership. The Manager's voting and engagement practices are tailored to each market, with careful consideration given to local codes of best practice. Nevertheless, certain core principles are universally recognised: disclosure and transparency, board responsibilities, shareholder rights, and robust audit and internal control systems.

A key element of the Board's approach to proxy voting is to support these principles and to foster the long-term interests of the Company's shareholders. In order to retain oversight of the process, the Board receives an annual report on how the Manager has voted the shares held in the Company's equity portfolio and reviews at least annually the Manager's Responsibility Report and Responsible Investment Policy.

In the period under review, investee companies held 69 general meetings. The shares held in the Company's equity portfolio were voted in respect of 94.2% of these meetings. 5.8% of the shares held were not voted due to voting impediments. The level of governance in leading global companies is generally of a high standard in terms of best practice which has meant that support in favour of the resolutions proposed by management was warranted. However, out of the 69 meetings voted there were ten where the Manager voted against or abstained from at least one resolution. In terms of the resolutions not supported, the majority included the approval of director elections and compensation/remuneration.

2025 voting record

Number of votable meetings	69
Number of meetings voted	65
Number of resolutions voted	1,263
Number of meetings voted	94.2%
Percentage of votes for	99.2%
Percentage of votes against	0.7%
Percentage of votes abstain	0.1%
Number of meetings with at least 1 vote against, withheld or abstain	14.5%

Voting record for the period 1 January to 31 December 2025
Source: Janus Henderson

The Environment

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, no employees, and nor does it have responsibility for any other emissions-producing sources under the Companies Act 2006 (Strategic Report and Directors' reports) Regulations 2013. For the same reasons, the Company considers itself to be a low-energy user under the Streamlined Energy & Carbon Reporting (SECR) regulations and therefore is not required to disclose energy and carbon information.

The Manager recognises the importance of managing operational activities in a sustainable way and minimising any adverse impact on the environment. In 2021, the Manager reached its target of reducing its carbon footprint for its own operations by 15% per full-time employee ("FTE") based on 2018 consumption. In 2022 Janus Henderson set new ambitious five-year reduction targets for its operations relative to a 2019 baseline:

- 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, etc.) emissions; and
- reduction target of 17.5% on water and waste consumption by FTEs.

The Manager discloses its carbon emissions annually through regulatory and voluntary reporting frameworks, including SECR, the CDP and in the **Janus Henderson 2024 Responsibility Report**.

The Manager produces product-level Task Force on Climate-Related Financial Disclosures (TCFD) reports for funds in scope as well as an entity-level TCFD report. These reports include an overview of the climate-related governance, strategy, risk management, and metrics and targets of the Manager 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). Janus Henderson's **TCFD Report** specific to the Company is available at **www.hendersonhighincome.com**.

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2 References made to individual securities 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, its affiliated advisor, or its employees, may have a position in the securities mentioned

Governance

Board of Directors
The right balance of skills and experience

Jeremy Rigg (Chairman)

Date of appointment: 1 April 2018 (appointed Chairman of the Board and Management Engagement Committee on 24 May 2021).

Committees: Chairman of the Management Engagement Committee and Member of the Nominations & Remuneration Committee and Audit & Risk Committee.

External appointments: Jeremy is a Director of Moorland Green Properties Limited.

Background: Jeremy was a Director of Schroder Investment Management (UK) Ltd and a Senior Investment Manager at Investec Asset Management Limited. In 2004, he was a Founding Partner of Origin Asset Management LLP, a boutique equity investment manager which grew successfully and was acquired by Principal Global Investors Limited in 2011. Jeremy graduated from St Andrews University in 1989.

Skills and experience: Jeremy provides an objective and broad view to board discussions and challenges the Manager on investment decisions. Jeremy has over 25 years' experience in the investment management industry and has proven himself as a key member of the Board.

Richard Cranfield (Independent Non-Executive Director)

Date of appointment: 1 March 2020.

Committees: Member of the Nominations & Remuneration Committee, Management Engagement Committee and Audit & Risk Committee.

External appointments: Richard is Chair of IntegraFin Holdings plc.

Background: Richard retired as a partner in law firm Allen & Overy LLP in October 2021 and became Senior Adviser, a role he held until April 2022. He was previously Global Chairman of the Corporate Practice and Co-Head of its Financial Institutions Group. Richard had been with Allen & Overy LLP since he joined them from university in 1978. In 2000, Richard was appointed Global Head of Corporate and in 2010 took a step back from management to focus on client relationships. In June 2019, Richard was appointed to the board of IntegraFin Holdings plc and became Chair in October 2019. IntegraFin Holdings plc is a FTSE 250 company, the ultimate owner of the investment platform provider Transact.

Skills and experience: Richard has spent 40 years at the highest levels of legal practice. He has extensive understanding of corporate governance and understands financial institutions from his career at Allen & Overy LLP and as the Chair of IntegraFin Holdings plc. This has also given him a good understanding of the workings of investment platforms which the Board believes is important as more of the Company's shareholders choose to hold their shares through platforms.

Francesca Ecsery (Senior Independent Director)

Date of appointment: 31 December 2022 (appointed Senior Independent Director on 13 May 2025).

Committees: Chairman of the Nominations & Remuneration Committee, Member of the Management Engagement Committee and Audit & Risk Committee.

External appointments: Francesca is a non-executive director at Haffner Energy SA and Air France S.A.

Background: Francesca was previously a non-executive director at the Association of Investment Companies (AIC), F&C Investment Trust PLC, Marshall Motor Holdings PLC, CT Automotive PLC, Share PLC and Good Energy Group PLC and has held various senior positions in consumer-focused industries including the digital, retail, leisure and travel sectors. Her previous executive roles include McKinsey, PepsiCo, Thorn EMI, Thomas Cook and STA Travel.

Skills and experience: Francesca has over 30 years' experience working in both blue-chip companies and start-ups and has special expertise in multiplatform consumer marketing, branding and commercial strategies.

Board of Directors (continued)

Preeti Rathi (Independent Non-Executive Director)

Date of appointment: 31 December 2024.

Committees: Member of the Nominations & Remuneration Committee, Management Engagement Committee and Audit & Risk Committee.

External appointments: Preeti has been a Senior Investment Director at Investec for over ten years, specialising in the management of bespoke global investment strategies for high net worth private clients, offshore trusts and corporates. She also acts as an adviser to several charities.

Background: Preeti was formerly a Director of TIE London Limited and a Discretionary Portfolio Manager at Kleinwort Benson Private Bank.

Skills and experience: Preeti has 18 years' experience in wealth management as an Investment Director/Discretionary Portfolio Manager with Bank of America Merrill Lynch, Kleinwort Benson Private Bank and Investec Wealth & Investment across a broad range of asset classes including inter alia bonds, equities, unit trusts, investment trusts and ETFs.

Jonathan Silver (Chairman of the Audit and Risk Committee)

Date of appointment: 2 January 2019 (appointed as Chairman of the Audit & Risk Committee on 8 May 2019).

Committees: Chairman of the Audit & Risk Committee, Member of the Nominations & Remuneration Committee and Management Engagement Committee.

External appointments: Jonathan is a non-executive director of Baillie Gifford China Growth Trust plc and Synthomer plc.

Background: Jonathan is a member of the Institute of Chartered Accountants of Scotland. He has held various senior financial positions throughout his career, including 21 years as Chief Financial Officer on the main Board of Laird plc from 1994 until 2015.

Skills and experience: Jonathan is a qualified accountant and therefore brings financial and accounting skills and experience to the Board. He is an experienced non-executive director and in particular brings previous investment trust experience and leadership skills to the Board from his former and current roles as Chief Financial Officer of Laird plc, and as Audit Committee Chairman of Invesco Income and Growth Trust plc, Spirent Communications plc, Synthomer plc and East and North Hertfordshire NHS Trust. Jonathan has recent and relevant financial experience, a principal requirement for the composition of an Audit Committee under the UK Corporate Governance Code. The Board also believes this experience is fundamental to an effective Board.

All Directors are members of the Insider Committee that meets when required in accordance with the Market Abuse Regulation.

Corporate Governance Report

Division of responsibilities

Role	Primary responsibilities
Shareholders/investors	The Company's shareholders are responsible for: • approving the Company's investment objective and policy; • making decisions regarding changes to the Company's constitution; • appointing and re-appointing Directors to the Board, or removing them from office if deemed appropriate; and • determining the overall limit for Directors' remuneration.
Chairman	The Chairman of the Board is responsible for: • leading and managing Board business and ensuring the timely flow of information from service providers to the Board. He facilitates open, honest and constructive debate among directors; • leading the Board in developing succession planning; • leading the Board in determining its governance framework, culture and values; • representing the Company, alongside the Fund Manager, externally; and • managing the relationship with the Manager.
Senior Independent Director	The senior independent director: • acts as a sounding board to the Chairman; • serves as an intermediary for the other directors and shareholders; and • is responsible for leading the performance review of the Chairman.
Independent non-executive directors	The independent non-executive directors are responsible for: • providing constructive and effective challenge, especially to the decisions of the Manager; • scrutinising and holding to account the performance of the – fund management team in meeting the investment objective; – Manager in the promotion of the Company and day-to-day smooth operations of the Company's business; and • providing strategic guidance and offering specialist advice.
Committee Chairmen	The Committee Chairmen are responsible for: • the leadership and governance of their committee; • maintaining the relationships with specialist service providers delivering services within the remit of their committees; • reporting on the activities of their committee to the Board; and • seeking approval from the Board for the responsibilities set out in their respective terms of reference.
Manager	The Manager is the Company's appointed Alternative Investment Fund Manager and is responsible for: • 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 Alternative Investment Fund; • providing accounting, company secretarial and other administrative services to the Company; • ensuring compliance with the applicable statutory and regulatory provisions; and • coordinating the delivery of services provided by the Company's other third-party service providers.
Fund Manager	The Fund Manager and his team are responsible for: • selecting the stocks held within the portfolio; • diversification and risk management through stock selection and size of investment; • determining the volume and timing of acquisitions and disposals; and • determining the day-to-day level of gearing within the overall limits set by the Board.

Corporate Governance Report (continued)

Applicable Corporate Governance Codes

By virtue of the Company's listing on the London Stock Exchange, the Board is required to report on how it applied the principles of the UK Corporate Governance Code. The AIC Code of Corporate Governance, published in August 2024 and endorsed by the Financial Reporting Council, enables investment company boards to report against the AIC Code while still meeting their obligations in relation to the UK Code and UK Listing Rule 6.6.6.

Closed-end investment companies have particular factors which have an impact on their governance arrangements and the AIC Code adapts the principles and provisions of the UK Code to make them relevant for investment companies. As the Company is governed solely by a Board of non-executive Directors, it does not have any executive directors or senior management remuneration packages.

Copies of the AIC Code and the UK Code can be found at **www.theaic.co.uk** and **www.frc.org.uk**.

Statement of compliance

For the year ended 31 December 2025 the Company complied with all the provisions of the AIC Code, with the exception of provision 9.2.37 which recommends the establishment of a separate Remuneration Committee. Given the Board has a simple remuneration structure and does not need to consider executive remuneration, the Board has a combined Nominations and Remuneration Committee comprising all the independent non-executive Directors.

The Board

Overview

The Company's Articles of Association provide that the total number of Directors shall not be less than two nor more than ten in number. The Board currently consists of five non-executive Directors. The biographies of the Directors holding office at the date of this report demonstrate the breadth of investment, commercial, legal, financial and other professional experience relevant to their positions as Directors.

The Board meets formally at least six times a year, with additional Board or Committee meetings arranged when required. The Directors have regular contact with the Manager between formal meetings. The Board has a formal Schedule of Matters Reserved for its decision and the terms of reference for each of the Committees of the Board are kept under regular review. These documents are available to view at **www.hendersonhighincome.com**.

Board leadership and purpose

The Board is 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 its service providers within the established control framework.

At each meeting the Board reviews the Company's investment performance and considers financial analyses and other reports of an operational nature. The Board monitors compliance with the Company's investment objective and policy, and is responsible for setting investment limits and restrictions, including gearing limits, within which the Manager has discretion to act. The Board also approves any investments in in-house funds managed or advised by the Manager.

The Company has a procedure for Directors to take independent professional advice at the expense of the Company in the furtherance of their duties. In order to enable them to discharge their responsibilities, all Directors have full and timely access to relevant information.

The Board has engaged specialist third-party service providers to deliver the operations of the Company. Management of the investment portfolio has been delegated contractually to Janus Henderson, which also provides the day-to-day accounting, company secretarial, administrative and sales and marketing activities. The Company has appointed a depositary, who in turn appoints the custodian who is responsible for the safe custody of the Company's assets. The Company has appointed a registrar to maintain the Register of Members and assist shareholders with queries in respect of their holdings. The Company entered into each of these principal contracts after full and proper consideration of the quality and cost of the services offered, including the operation of their control systems in relation 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, in addition to ongoing monitoring by the Manager.

The Chairman is able to attend meetings of all the chairmen of the investment trust companies managed by Janus Henderson which provide a forum to discuss industry matters which are then reported to the Board as necessary.

The Manager takes decisions as to the purchase and sale of individual investments. The Manager also ensures that all Directors receive all relevant management, regulatory and financial information in a timely manner. Representatives of the Manager attend each Board meeting enabling the Directors to probe further on matters of interest or concern. The proceedings of all Board and committee meetings are minuted, with any concerns raised by the Directors appropriately recorded.

Board composition

Appointment, tenure and retirement of directors

No Director is expected to serve for more than nine years unless particular circumstances warrant it, for example to facilitate effective succession planning, or promote diversity. There may be occasions when the Board may decide to extend the tenure of the Chairman for the sake of continuity and/or historical knowledge of the Company. This may be so particularly if an existing non-executive Director is appointed as Chairman of the Board. In these exceptional cases an explanation for such a decision will be given to shareholders.

Corporate Governance Report (continued)

Diversity

As at 31 December 2025, two out of the five directors (40%) were women with the role of Senior Independent Director being held by a woman. The Board also met the UK Listing Rules recommendation that at least one Director is from an ethnic minority background.

The Company is committed to maintaining a diverse Board. The Nominations and Remuneration Committee considers diversity in its broadest sense when recommending appointments, including gender, social and ethnic background, cognitive and personal strengths, and experience. All appointments are made through a formal, rigorous and transparent process. The Board's primary responsibility is to ensure the strength and effectiveness of its composition, and its overriding objective is to appoint the best candidate based on merit and objective criteria.

Gender identity	Number of Board members	% of the Board	Number of senior positions on the Board[1]
Men	3	60	2
Women	2	40	1
Ethnic background			
White British or other White (including minority white groups)	4	80	3
Asian/Asian British	1	20	–

1 As an externally managed investment company, the Company does not have a CEO or CFO. Accordingly, only the roles of Chairman, Audit and Risk Committee Chairman and Senior Independent Director are applicable to this disclosure. The information in the table was provided by individual Directors in response to a request from the Company

There have been no changes to the Board or the roles of the Directors between 31 December 2025 and the date of this report.

Directors' independence

The independence of the Directors is determined with reference to the AIC Code. The Nominations and Remuneration Committee considers the independence of each Director at least annually by reviewing the Directors' other appointments and commitments, as well as their tenure of service and any connection they may have with the Manager. The Board does not consider length of service alone to compromise independence or to disqualify a Director from re-appointment. There were no contracts in place during or at the end of the year in which any Director had a material interest which was significant in relation to the Company's business. No Director has a contract of service with the Company and there are no agreements between the Company and its Directors concerning compensation for loss of office.

In the year under review, the Nominations and Remuneration Committee determined that all Directors continued to be independent in character and judgement. Their skills, broad business experience, and knowledge of the Company continue to benefit shareholders and support the Company's long-term success.

Directors' conflicts of interest

The Company's Articles of Association permit the Board to consider and, if it sees fit, to authorise situations where a director has an interest that conflicts, or may possibly conflict, with the interests of the Company (situational conflicts). The Board has a formal system in place for Directors to declare situational conflicts to be considered 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 and they may impose limits or conditions when giving the authorisation, or subsequently, if they think this is appropriate. All conflicts and authorisations are recorded in the minutes of the relevant meetings. The Board believes that its procedures for managing conflicts of interest continue to operate effectively. No conflicts have been identified that would compromise any Director's independent judgement.

Directors' re-appointment

Each of the Directors, being eligible, have stated that they will offer themselves for re-appointment at the AGM in 2026. Recommendation for re-appointment is not automatic and follows a process led by the Nominations and Remuneration Committee of each Director's performance and consideration of the Director's independence, skills and experience. See page 44 for details of the Board performance review process. Under the Articles of Association, shareholders may remove a director before the end of his or her term by passing an ordinary resolution at a general meeting.

Directors' professional development

Newly appointed directors are offered a bespoke induction programme which covers the legal and regulatory framework for investment companies and the operations of the Manager. This includes risk management, compliance, internal audit, financial reporting, and sales and marketing activities specific to Janus Henderson-managed investment trusts. Directors are also provided on a regular basis with key information on the Company's policies, regulatory and statutory requirements and internal controls. Directors' individual training requirements are considered as part of the annual Board review process which is led by the Nominations and Remuneration Committee Chairman.

Directors' insurance and indemnification

Directors' and officers' liability insurance cover is in place which indemnifies the Directors against certain liabilities arising from carrying out their duties. Under the Company's Articles of Association and subject to the provisions of UK legislation, a qualifying third-party provision indemnity may be provided to directors in respect of costs incurred in defending proceedings brought against them in their capacity as Directors, provided they are acquitted or a favourable judgment is given. No indemnity was given during the year or up to the date of this report.

Corporate Governance Report (continued)

Meeting attendance

The table below sets out the number of formal Board and Committee meetings held during the year under review and the number of meetings attended by each Director. All Directors attended the AGM on 13 May 2025. The Insider Committee did not meet during the year.

	Board	ARC	NRC	MEC
Number of Meetings	**6**	**3**	**2**	**1**
Jeremy Rigg	6	3	2	1
Jonathan Silver	6	3	2	1
Francesca Ecsery	6	3	2	1
Richard Cranfield	6	3	2	1
Preeti Rathi	6	3	2	1
Zoe King[1]	3	1	1	n/a

ARC: Audit and Risk Committee
NRC: Nominations and Remuneration Committee
MEC: Management Engagement Committee

1 Zoe King retired from the Board on 13 May 2025

Two additional meetings were held to approve the Company's year-end results and the Company's 2026 marketing strategy and budget.

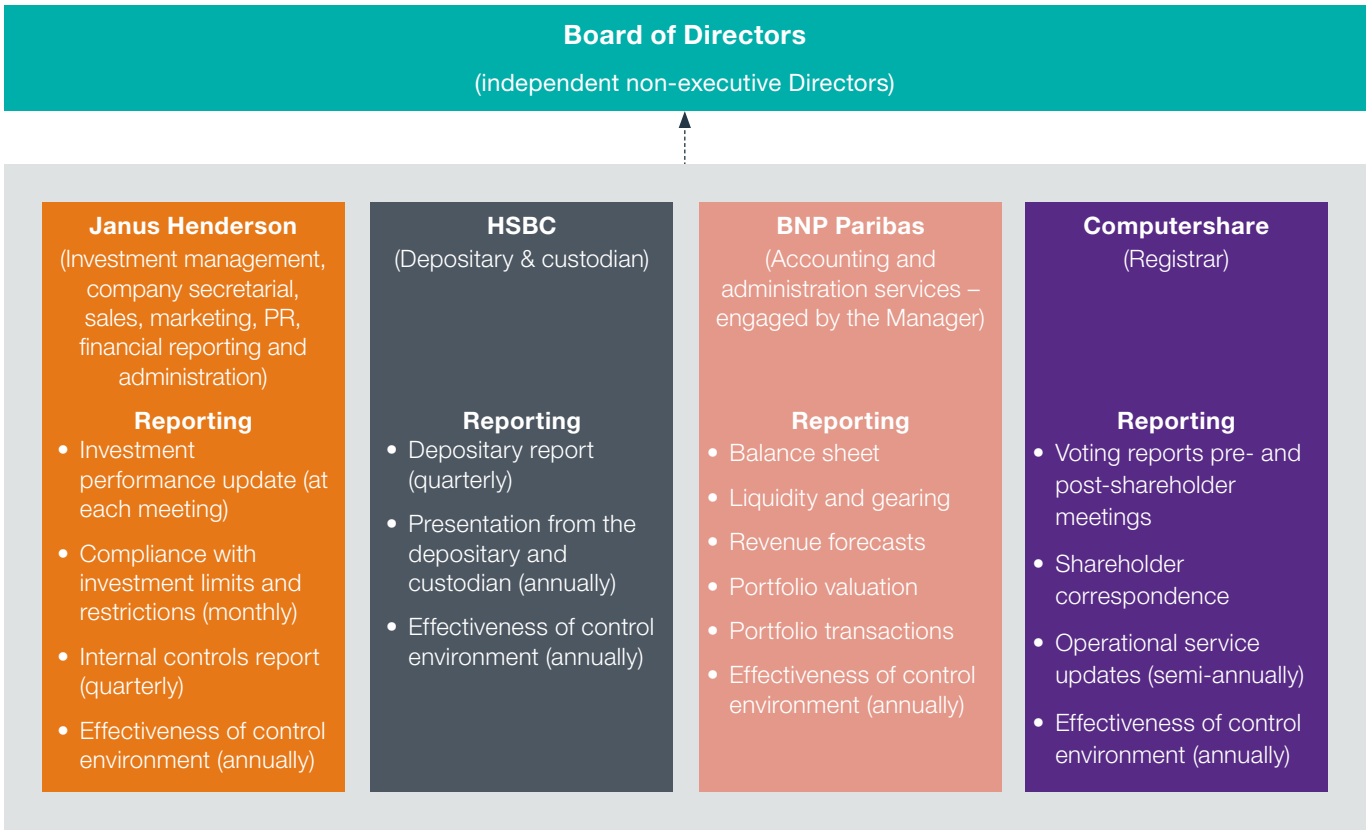
Framework of Internal Controls

How the system of internal control operates

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

The Management Engagement Committee formally evaluates the performance and service delivery of key third-party service providers at least annually. The Audit and Risk Committee evaluates the performance of the Auditor on completion of each audit cycle and monitors the effectiveness of the control environment of the key third-party service providers each year through review of their annual assurance reports (usually ISAE 3202), supplemented by the view of the Manager's Operational Risk team.

PricewaterhouseCoopers (PwC) LLP was appointed as the Company's Auditor for the year ended 31 December 2025.



Audit and Risk Committee Report

Role

The Audit and Risk Committee is responsible for ensuring the integrity of the Company's financial reporting, evaluating the effectiveness of the systems of internal control and risk management and monitoring the effectiveness and objectivity of the external auditor.

Membership

The Committee is chaired by Jonathan Silver, who is considered by the Board to have recent and relevant financial experience, and the Committee as a whole has competence relevant to the sector in which the Company operates and to the Company as an investment trust.

All Directors are members of the Committee, including the Chairman of the Board. Taking account of the size of the Board as a whole, the absence of any executive directors and the collaborative manner in which the Board and its Committees work, it was not considered practical or constructive to exclude the Chairman from being a member of the Committee. The Chairman of the Board was determined to be independent at the time of his appointment.

Meetings

The Committee met three times in the year under review. The Company's auditor, the Fund Manager and the Manager's Financial Reporting Senior Manager for Investment Trusts are invited to attend meetings of the Committee. Other representatives of the Manager may also be invited to attend meetings if deemed necessary by the Committee.

Responsibilities

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

Financial Reporting

- the Company's annual report and half-year financial statements, appropriateness of the accounting policies applied and the use of the going concern basis for their preparation;
- the significant financial reporting issues and areas of judgement in the financial statements, taking into account the views of the auditor and challenging the Manager where necessary on the consistency of, and any changes to, accounting policies both on a year-on-year basis and across the Company;
- the methods used to account for significant or unusual transactions where alternative approaches were available;
- the clarity and completeness of disclosures in the Company's financial statements and the context in which these statements were made;
- all material information presented within the Annual Report insofar as it relates to audit and risk management;
- the Company's statement on Internal Control and Risk Management and Internal Audit Function prior to endorsement by the Board; and
- whether the information presented in the Annual Report was, in the Committee's view, fair, balanced and understandable and provided the information necessary for shareholders to assess the Company's position and performance, business model and strategy.

Internal Controls and Risk Management Systems

- the assessment of the principal and emerging risks facing the Company and the long-term viability statement in light of these risks;
- the adequacy and effectiveness of the Company's internal controls and risk management systems, including a review of the Company's key third-party suppliers' assurance reports and risk management systems;
- monitoring and evaluating the effectiveness of the Company's system of internal control and assessing the need for a separate internal audit function;
- the use of artificial intelligence (AI) technology and effectiveness of cyber security controls in place at the Manager; and
- the remit and effectiveness of the Manager's Internal Audit, Compliance, Risk, Information Security and Business Resilience functions. The Committee met with representatives from these teams at both the half-year and full-year reporting stages.

External Audit

- the appointment and evaluation of the effectiveness and objectivity of the auditor, approval of their terms of engagement, and determining their remuneration;
- agreeing the nature and scope of the statutory audit, meeting regularly with the auditor to discuss any issues arising, and reviewing the auditor's findings;
- the policy on the provision of non-audit services by the auditor and the auditor's independence;
- the need to include the risk of the withdrawal of the auditor from the market in the Board's risk evaluation and planning; and
- meets at least once a year without representatives of the Manager being present.

Compliance, whistleblowing and fraud

- the Manager's and other key service providers' whistleblowing arrangements for their staff to raise concerns in confidence about possible improprieties;
- the Manager's procedures for detecting fraud; and
- robust policies and procedures across all service providers to prevent tax evasion, money laundering and the financing of terrorism, as well as to ensure business continuity, cybersecurity and strong internal controls.

Risk management and internal control

The Board has overall responsibility for the Company's system of internal control and for maintaining its effectiveness. The Audit and Risk Committee supports the Board in the continuous monitoring of the Company's internal control and risk management framework and that of its key service providers.

Audit and Risk Committee Report (continued)

The diagram on page 39 illustrates the Company's internal control framework.

The Committee is taking the appropriate steps to ensure compliance with the new AIC Code Provision 34 and will report on this in the 2026 Annual Report.

The Committee uses an ongoing process for identifying, evaluating and managing the principal risks faced by the Company. The process accords with the UK Corporate Governance Code. The system is designed to meet the specific risks faced by the Company and takes account of the nature of the Company's reliance on its service providers and their internal controls and risk management systems. 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, specifying levels of authority and exposure limits, with compliance reviewed at each Board meeting;
- regular financial 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 all other third-party service providers. The Board reviews performance levels and adherence to relevant provisions of the agreements on a regular basis through reporting to the Board and the Management Engagement Committee conducts a formal evaluation of the overall level of service provided at least annually;
- the review of internal controls (including financial, operational and compliance controls) at the Manager and other third-party service providers. The Board receives quarterly reporting from the Manager and the depositary, and reviews assurance reports on the effectiveness of the control environments at the Company's key service providers.
- review of additional reporting provided by:
  - the Manager's Operational Risk team 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; and
  - the Manager's Global Head of Internal Audit at the half-year and full-year stages, providing assurance on the internal control and risk management systems, with a focus on areas directly or indirectly impacting investment trusts.

The Board has reviewed the effectiveness of the Company's system of internal controls for the year ended 31 December 2025 and is satisfied that it has not identified or been advised of any failings or weaknesses that have been determined as significant. The Committee's usual review of the reports on the effectiveness of internal controls in operation at its key service providers identified that one report had received a qualified opinion from the service auditor. The Committee considered the particular controls giving rise to the respective qualifications, whether these had impacted the Company directly and what corrective actions were being taken by management. Following these discussions, the Committee is satisfied that the Company's internal controls had operated as intended and that the qualifications had no direct impact on the Company.

Internal Audit

The Company relies on systems designed to safeguard its assets and shareholders' investments, maintain accurate accounting records, and ensure the reliability of financial reporting. As an externally managed investment company with no employees, the Company delegates all executive functions to third-party service providers, principally the Manager.

The Committee relies on the Manager's second and third lines of defence, including the Operational Risk team, which supports the Committee by reviewing assurance reports on third-party service providers; and the Internal Audit team, which reports regularly to the Board and presents at the half-year and full-year stages.

Based on this structure and the reporting received, the Committee concluded that a separate internal audit function for the Company is not currently necessary.

External audit

Appointment and tenure of the auditor

In accordance with current regulations, the Company must tender its statutory audit at least every ten years and rotate audit firms every twenty years. PwC was appointed in 2016 following a formal tender and has served as Auditor since the financial year ended 31 December 2016. Jennifer March has served as audit partner for five years.

As indicated in last year's report, a tender for audit services was conducted during the year. Several audit firms were invited to tender, including the incumbent auditor, PwC. The Committee considered each of the tender submissions in detail and received presentations from selected audit firms. The Committee found the proposals to be of high quality. For each firm and proposed audit team, the Committee considered their experience as auditors of investment trusts. The most recent Audit Quality Inspection Reports published by the FRC were considered and discussed with each firm as part of the process and the proposed fees were also compared.

Following conclusion of the audit tender process, the Committee recommended to the Board the appointment of Forvis Mazars as external auditor.

The Committee wishes to thank PwC for the support and expertise they have provided to the Company over the past ten years.

Auditor's independence

The Committee monitors the auditor's independence through three aspects of its work: the 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 and reviewing the information and

Audit and Risk Committee Report (continued)

assurances provided by the auditor on their compliance with the relevant ethical standards. PwC has confirmed that all partners and staff involved with the audit were independent and had complied with internal policies aligned with the FRC's Ethical Standards.

Policy on the provision of non-audit services

The Committee's policy prohibits the auditor from undertaking non-audit work which is either restricted by regulation or could compromise independence. Additionally, non-audit fees must not exceed 70% of the average annual statutory audit fee over the preceding three financial years. Any proposed non-audit services require prior approval from the Committee or its Chair. PwC has not provided any non-audit services to the Company since its appointment in 2016.

Directors' statement as to disclosure of information to the auditor

Each Director confirms that, to the best of his or her knowledge, there is no relevant audit information of which the Auditor is unaware. Furthermore, each Director has taken all reasonable steps to ensure that he or she is aware of any relevant audit information and that the auditor is similarly informed.

Significant issues

In relation to the annual report for the year-ended 31 December 2025 the following significant issues were considered by the Committee:

Significant issues and matters	How it was addressed
Valuation and ownership of investments	The Manager, supported by BNP Paribas, values assets in accordance with AIFMD rules and a formal valuation policy. Actively traded investments are valued using third-party pricing data.
Recognition of income	Income received has been accounted for in line with the Company's accounting policies. The Board reviews revenue forecasts in support of the Company's future dividends at every meeting and reviews the allocation between revenue and capital for special dividends as necessary.
Investment trust status	The Committee reviews the Manager's procedures for complying with relevant regulations so as to ensure that the Company maintains its investment trust status and regularly seeks confirmation of compliance with the relevant regulations.
Maintaining internal controls	The Committee receives regular reports from key service providers and engages with the Manager's risk and audit teams to ensure effective internal control and risk management systems.

Audit for the year ended 31 December 2025

In the year under review, the auditor challenged both the Manager's and the Board's judgements and exercised professional scepticism. The auditor required detailed evidence to support all material disclosures and financial metrics. Overall the Committee considers that the audit quality has been high and is satisfied that the annual report for the year ended 31 December 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.

Jonathan Silver
Chairman of the Audit and Risk Committee
25 March 2026

Management Engagement Committee Report

Role

The Management Engagement Committee is responsible for formally evaluating the overall performance and continuing appointment of the Manager and other third-party service providers engaged by the Company.

Membership

The Committee is chaired by the Chairman of the Board. All the independent non-executive Directors are members of the Committee.

Meetings

The Committee meets at least once a year.

Responsibilities

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

- the investment performance of the Company, taking account of the benchmark and performance of competitors;
- the quality and experience of the team involved in managing all aspects of the Company's business;
- the fee structures of its closed-end competitors and other, similar sized investment companies;
- the key clauses of the investment management agreement, how the Manager had fulfilled these and whether these continued to be appropriate; and
- the performance and fees of the Company's other third-party service providers, including the corporate broker, depositary, custodian, registrar, legal counsel and accountants.

Re-appointment of the Manager and other service providers

The findings of the annual effectiveness review of the Manager and other service providers were positive overall. Following completion of the review, the Committee recommended to the Board that the continued appointment of the Manager on the terms agreed was in the best interests of the Company's shareholders as a whole and its long-term success.
The Manager also recommended the continuation of the other third-party service providers' appointments. The Board subsequently approved the Committee's recommendations.

Nominations and Remuneration Committee Report

Role

The Committee advises the Board on the composition of the Board and its Committees, ensuring suitable succession plans are in place for the Directors and Fund Manager, and has a formal, rigorous and transparent approach to the appointment of Directors to the Board.

The Committee also has responsibility for setting the Remuneration Policy and determining the remuneration for all Directors within the parameters determined by shareholders.

Membership

The Committee is chaired by Francesca Ecsery, the Senior Independent Director. All the Directors are members of the Committee.

Meetings

The Committee meets twice annually, with additional meetings scheduled when required.

Responsibilities

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

Nominations

- the composition of the Board and each of its committees, taking account of the skills, experience and knowledge of each Director and whether they continued to contribute to the success of the Company;
- the outcomes of the Board performance review with a view as to whether adjustments should be made to the number of Directors or knowledge and skills represented on the Board;
- the tenure of each Director, giving consideration as to whether the Board retained a sufficient balance of length of service without becoming complacent;
- the independence of the Directors, taking account of the guidelines established by the AIC Code as well as the Directors' other commitments;
- the time commitment of the Directors and whether this was sufficient over the course of the year;
- succession planning for appointments to the Board taking account of the tenure of the current Directors and recommendations of the AIC Code; and
- the performance and contribution of the Directors standing for re-appointment at the 2026 Annual General Meeting.

Remuneration

- the Company's remuneration policy with a view to ensuring it continued to reflect market practice and enable the Company to attract and retain an appropriate calibre of director; and
- the individual remuneration of the Chairman, Chairman of the Audit and Risk Committee, Senior Independent Director and the other Directors, making appropriate recommendations to the Board based on their findings. The resulting changes to the Directors' fees are set out in the Remuneration Report on page 46.

Annual performance review

The Committee Chairman led the annual review of the performance of the Board, its Committees and individual Directors, including the Chairman. The process was conducted through a structured questionnaire completed by each Director, with the findings discussed by the Committee. In addition, the Chairman and the Senior Independent Director held individual meetings with each Director to gather further qualitative feedback.

The review considered the effectiveness of Board and Committee meetings, the composition and diversity of the Board, its culture and dynamics, Directors' remuneration, and training and development needs. Directors agreed that meetings were conducted in a constructive and collegiate manner, and that each Director continued to contribute effectively to the work of the Board.

The Committee concluded that all Directors remained independent in character and judgement. The Board continues to comprise individuals with an appropriate balance of skills, experience and knowledge, supporting effective decision-making and promoting diversity of thought.

A structured and orderly succession plan is in place to ensure the ongoing renewal of the Board and to maintain the necessary mix of skills and experience to support the long-term success of the Company.

Directors' Remuneration Report

Annual Report on remuneration

This report is submitted in accordance with Schedule 8 of The Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 as amended ("the Regulations").

The report also meets the relevant requirements of the Companies Act 2006 ("the Act") and the UK Listing Rules of the FCA and describes how the Board has applied the principles relating to Directors' remuneration.

As required by s.439 of the Act, an ordinary resolution to approve the Directors' Remuneration Policy was proposed at the 2023 AGM and was subsequently approved by shareholders.

The Company's auditor is required to report on certain information contained within this report: where information set out below has been audited it is indicated as such.

All Directors are non-executive and the Company has no chief executive officer or employees. As such some of the reporting requirements contained in the Regulations are not applicable and have not been reported on, including the requirement for a future policy table and an illustrative representation of the level of remuneration that could be received by each individual Director. It is believed that all relevant information is disclosed within this report in an appropriate format.

The Board has established a Nominations and Remuneration Committee with responsibility for determining the Remuneration Policy and setting the individual remuneration of all Directors in accordance with the Articles of Association. Francesca Ecsery, the Senior Independent Director, is Chairman of the Nominations and Remuneration Committee.

The Board has not been provided with advice or services by any person in respect of its consideration of Directors' remuneration (although the Directors review annually the fees paid to the boards of directors of other comparable investment companies).

Remuneration Policy

Shareholders last approved the Remuneration Policy at the AGM in 2023. In accordance with section 439A of the Act, shareholders will next be asked to approve the Remuneration Policy at the 2026 AGM.

In determining the Remuneration Policy, the Board takes into account all factors which it deems necessary including relevant legal and regulatory requirements and the provisions and recommendations of the UK Code and the AIC Code.

The objective of the Remuneration Policy is to attract, retain and motivate non-executive Directors of the quality required to manage the Company successfully without paying more than is necessary, having regard to the views of shareholders and other stakeholders.

The Board obtains 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 remuneration levels. The appropriateness and relevance of the Remuneration Policy is reviewed at least annually, particularly in terms of whether it supports the Company's long-term success.

Directors are remunerated in the form of fees, payable quarterly in arrears. In accordance with the Company's Articles of Association the aggregate remuneration of the Directors may not exceed £250,000 per annum.

All Directors, including any new appointments to the Board, are paid at the same rate, apart from the Chairman of the Board, the Chairman of the Audit and Risk Committee and the Senior Independent Director, who are paid a higher fee in recognition of their additional responsibilities.

From time to time the Board may approve one-off payments to Directors for specific work undertaken in addition to their regular responsibilities. Any feedback from shareholders would be taken into account when setting remuneration levels. Directors are authorised to claim reasonable expenses from the Company in relation to the performance of their duties.

No Director has a service contract with the Company. Directors' appointments may be terminated at any time by written notice with no compensation payable. No Director is eligible to receive bonuses, pension benefits, share options or other benefits and no long-term incentive schemes are in place.

Statement from the Chairman

Francesca Ecsery, Chairman of the Nominations and Remuneration Committee, reports that the Committee carried out its annual review of the fees being paid to the Directors and as part of this it reviewed the fees paid to other investment companies in the AIC UK Equity Income Sector for companies with total assets under management of between £200 million and £700 million, the fees paid in other investment company sectors and the other Janus Henderson managed investment trusts. The Committee also considered the changes in the retail prices index and the consumer prices index since the last fee increase in July 2024.

Following consideration, it was agreed that an increase of approximately 3.3% should be made with effect from 1 July 2025 to ensure that the Directors are properly remunerated for their services to the Company and so that the Company can remain competitive when seeking new directors.

The new rates are set out on the following page. The Board is satisfied that the changes to the remuneration of the Directors are compliant with the Directors' Remuneration Policy approved by shareholders at the 2023 AGM. There are no material changes proposed to the way in which the Remuneration Policy will be implemented during the next financial year.

Directors' Remuneration Report (continued)

Directors' interests in shares (audited)

	Ordinary shares of 5p	
	31 December 2025	1 January 2025
Beneficial		
Jeremy Rigg	**27,000**	27,000
Jonathan Silver	**30,000**	30,000
Francesca Ecsery	**7,066**	6,655
Preeti Rathi	**12,000**	–
Zoe King[1]	**n/a**	9,000
Non-Beneficial		
Richard Cranfield	**40,000**	40,000

1 Zoe King retired from the Board on 13 May 2025

Table of Directors' annual fees

The current fees for specific responsibilities are set out in the table below.

	Rate from 1 July 2025	Rate from 1 July 2024	% increase
Chairman of the Board	**£46,500**	£45,000	3.3%
Chairman of the Audit & Risk Committee	**£37,200**	£36,000	3.3%
Senior Independent Director	**£34,000**	£33,000	3.0%
Directors	**£31,000**	£30,000	3.3%

Since the Company's year end Francesca Ecsery purchased 98 shares in the Company, bringing her total beneficial holding to 7,164 shares. There have been no further changes reported since the year end to the date of this Annual Report.

No Director is required to hold shares of the Company by way of qualification.

Directors' remuneration (audited)

The total remuneration paid to the Directors who served during the years ended 31 December 2025 and 31 December 2024 was as follows:

	Year-ended 31 December 2025 Total fees £	Year-ended 31 December 2024 Total fees £	**Year-ended 31 December 2025 Expenses and taxable benefits £**	Year-ended 31 December 2024 Expenses and taxable benefits £	**Year-ended 31 December 2025 Total £**	Year-ended 31 December 2024 Total £
Jeremy Rigg (Chairman of the Board)	45,750	43,875	1,816	3,311	47,566	47,186
Jonathan Silver (Chairman of the Audit and Risk Committee)	36,600	35,100	–	–	36,600	35,100
Francesca Ecsery (Senior Independent Director[1])	32,000	29,250	213	190	32,213	29,440
Preeti Rathi[2]	30,583	–	832	–	31,415	–
Richard Cranfield	30,500	29,250	538	689	31,038	29,939
Zoe King[3]	12,148	30,750	–	–	12,148	30,750
Total	**187,581**	**168,225**	**3,399**	**4,190**	**190,980**	**172,415**

1 Appointed Senior Independent Director 13 May 2025
2 Appointed 31 December 2024
3 Retired 13 May 2025
The table above omits other columns because no payments of other types such as performance related pay, vesting performance related pay and pension related benefits were made. Taxable benefits – Directors are entitled to be reimbursed for reasonable expenses incurred by them in connection with the performance of their duties and attendance at Board and General Meetings

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.

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. In the year under review, 2,622,692 ordinary shares were bought back by the Company and held in Treasury. 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]	187,581	168,225	147,391	19,356	11.5%	40,190	27.3%
Ordinary dividends paid during the year	18,461,363	17,049,382	12,731,032	1,411,981	8.3%	5,730,331	45.0%

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

Directors' Remuneration Report (continued)

Annual percentage change in Directors' remuneration

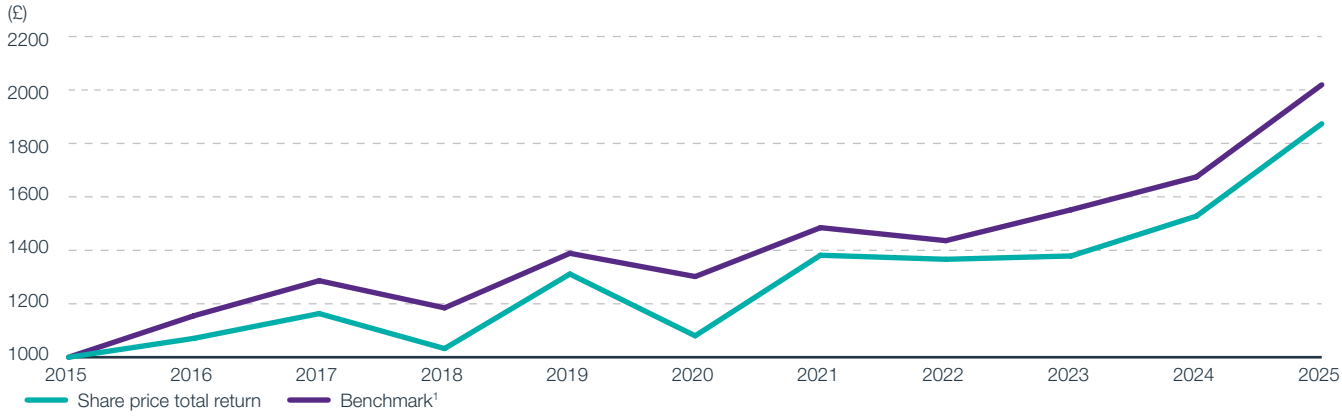
The table below sets out the annual percentage change in Directors' fees (excluding expenses paid) for the Directors for the last five years in respect of each Director who has served for a minimum of two financial years.

	Year to 31 December 2025 %	Year to 31 December 2024 %	Year to 31 December 2023 %	Year to 31 December 2022 %	Year to 31 December 2021 %
Jeremy Rigg[1]	4.3	5.4	6.7	20.8	31.8
Jonathan Silver	4.3	5.4	6.7	5.1	1.0
Richard Cranfield[2]	4.3	5.4	6.7	5.1	21.0
Francesca Ecsery[3]	9.4	5.1	n/a	n/a	n/a

1 Appointed Chairman of the Board on 24 May 2021. The increase in Mr Rigg's remuneration reflects this appointment part way through the year to 31 December 2021 and the additional remuneration associated with this role. The year to 31 December 2022 was his first full year in this role
2 Appointed to the Board on 1 March 2020
3 Appointed to the Board on 31 December 2022 and appointed Senior Independent Director on 13 May 2025

Performance

The Company's performance has been measured against the benchmark for the ten-year period ended 31 December 2025 on a total return basis in sterling terms. The graph compares the mid-market price of the Company's ordinary shares with the benchmark over the same period, assuming a notional investment of £1,000 on 31 December 2015 and the reinvestment of all dividends.



1 The benchmark is a composite of 80% of the FTSE All-Share Index and 20% of the ICE BofA Sterling Non-Gilts Index

Source: Morningstar Direct

Statement of voting at AGM

At the Company's last AGM held on 13 May 2025, shareholders approved the Directors' Remuneration Report in respect of the year ended 31 December 2024. Shareholders approved the Directors Remuneration Policy at the AGM held on 16 May 2023 (shareholder approval of the policy is required every three years). The following proxy votes were received on the respective resolutions:

Resolution	For (including discretionary)	% of total votes[1]	Against	% of total votes[1]	Withheld
To receive the Directors' Remuneration Report	24,518,156	98.9	275,827	1.1	368,893
To approve the Directors' Remuneration Policy	10,349,367	98.4	171,388	1.6	250,498

1 Excluding votes withheld

For and on behalf of the Board

Francesca Ecsery
Chairman of the Nominations and Remuneration Committee
25 March 2026

Directors' Report

The Directors present their report and the Company's audited financial statements for the year-ended 31 December 2025.

The Investment Portfolio on pages 11 to 20, Corporate Governance Report on pages 34 to 39, Audit and Risk Committee Report, Management Engagement Committee Report and Nominations and Remuneration Committee Report on pages 40 to 47, Statement of Directors' Responsibilities on page 49, explanations of AGM resolutions on pages 86 to 87 and the glossary, alternative performance measures and general shareholder and corporate information on pages 78 to 82 all form part of the Directors' Report.

Share capital

The Company's share capital comprises ordinary shares with a nominal value of 5p. The voting rights of the shares on a poll are one vote for every share held. There are no restrictions concerning the transfer of securities in the Company, no special rights with regard to control attached to securities, no agreements between holders of securities regarding their transfer known to the Company and no agreement to which the Company is party that affects its control following a takeover bid. To the extent that they exist, the revenue profits and capital of the Company (including accumulated revenue and capital reserves) are available for distribution by way of dividends to the holders of the ordinary 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 holdings of ordinary shares.

At the beginning of the year, there were 172,141,700 shares in issue. During the year 2,622,692 shares were bought back into treasury. Therefore, at 31 December 2025 the number of shares in issue with voting rights was 169,519,008.

Between 1 January 2026 and 23 March 2026, being the last practicable date prior to the publication of this annual report, no shares were issued or bought back. Accordingly, the number of shares in issue as at 23 March 2026 was 172,141,700, of which 2,622,692 were held in treasury. Therefore, the total voting rights in the Company at that date was 169,519,008.

The Company will seek authority from its shareholders at the 2026 AGM to renew its authority to allot shares up to 10% of the issued share capital and to buy back shares up to 14.99% of its issued share capital, in each case excluding treasury shares, as at the date of the 2026 AGM. Please refer to the Notice of Meeting on page 84 onwards for further details.

Holdings in the Company's shares

In accordance with the Disclosure Guidance and Transparency Rules there were no declarations of interest in the voting rights of the Company in the year under review. No changes have been notified in the period 1 January 2026 to the date of this report.

Related party transactions

The Company's transactions with related parties in the year were with the Directors and the Manager. There have been no material transactions between the Company and its Directors during the year. The only amounts paid to them were in respect of remuneration for which there were no outstanding amounts payable at the year-end. Directors' interests in shares are disclosed in the Directors' Remuneration Report. In relation to the provision of services by the Manager (other than fees payable by the Company in the ordinary course of business and the provision of marketing services) there have been no material transactions with the Manager affecting the financial position or performance of the Company during the year under review. More details on Transactions with Janus Henderson and Related Parties, including amounts outstanding at the year-end, are given in Note 21.

Future developments

While the future performance of the Company is mainly dependent on the performance of financial markets which are subject to various external factors, the Board's intention is that the Company will continue to pursue its stated investment objective and policy. The Chairman's Statement and Fund Manager's Report provide commentary on the outlook for the Company.

Annual General Meeting

The Annual General Meeting will be held on **Tuesday, 12 May 2026 at 12 noon** at 201 Bishopsgate, London EC2M 3AE. The Notice of Meeting and details of the resolutions to be put to the AGM are included on page 84 onwards, together with joining instructions.

If shareholders have any questions for the Board or the Fund Manager in advance of the AGM, please contact the Secretary at itsecretariat@janushenderson.com.

UK Listing Rule 6.6.4

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. The Directors confirm that there are no disclosures to be made in this regard other than in accordance with UK Listing Rule 6.6.1(6), the information of which is detailed in the adjacent column under Share Capital.

Other information

Information on dividends and financial risks is detailed in the Strategic Report.

By order of the Board

Janus Henderson Secretarial Services UK Limited
Corporate Secretary
25 March 2026

Statement of Directors' Responsibilities

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the Directors to prepare financial statements for each financial year. Under that law 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 UK and Republic of Ireland, and applicable law).

Under company law, directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing the financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; 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 safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are also 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 the Directors' Remuneration Report comply with the Companies Act 2006.

The Directors are responsible for the maintenance and integrity of the Company's financial statements published on the Company's website. This responsibility is delegated to Janus Henderson as Manager. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Directors' confirmations

Each of the Directors, whose names and functions are listed on pages 34 to 35, confirms that, to the best of their knowledge:

- the Company's financial statements, which have been prepared in accordance with United Kingdom Accounting Standards, comprising FRS 102, give a true and fair view of the assets, liabilities, financial position and profit 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

Jeremy Rigg
Chairman
25 March 2026

Financial Statements

Independent Auditor's Report to the Members of Henderson High Income Trust plc

Report on the audit of the financial statements

Opinion

In our opinion, Henderson High Income Trust plc's financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 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 2025 (the "Annual Report"), which comprise:

- the Statement of Financial Position as at 31 December 2025;
- the Income Statement for the year then ended;
- the Statement of Changes in Equity for the year then ended;
- 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 and Risk 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 Company is a standalone Investment Trust Company and engages Janus Henderson Fund Management UK Limited (the "Manager") to manage its assets.

Overview

Audit scope

- We conducted our audit of the financial statements using information from BNP Paribas (the "Administrator") to whom the Directors have delegated the provision of all administrative functions.
- 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 the Manager and Administrator and adopted a fully substantive testing approach using reports obtained from the Manager and Administrator.

Key audit matters	• Valuation and existence of investments. • Accuracy, occurrence and completeness of income from investments.
Materiality	• Overall materiality: £3,401,000 (2024: £3,032,070) based on 1% of net assets. • Performance materiality: £2,551,000 (2024: £2,274,053).

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. In particular, we looked at where the Directors made subjective judgements, for example in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain.

Independent Auditor's Report to the Members of Henderson High Income Trust plc (continued)

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) and Accounting treatment applied on initial recognition of the acquisition of assets from Henderson Diversified Income Trust plc, which were key audit matters last year, are no longer included because of the Continuation Vote being passed with 99.4% of the vote and the acquisition of assets being completed in the prior period. The next Continuation Vote will be at the AGM in 2030. Otherwise, the key audit matters below are consistent with last year.

Key audit matter	How our audit addressed the key audit matter
Valuation and existence of investments Refer to the Report of the Audit and Risk Committee, Accounting Policies and the Notes to the Financial Statements. The investment portfolio at 31 December 2025 comprised equity investments of £357.1 million and fixed interest instruments valued at £42.7 million (£399.8 million in total). We focused on the valuation and existence of investments because investments represent the principal element of the net asset value as disclosed on the Statement of Financial Position within the Financial Statements.	Our audit work on the valuation and existence of investments included the following: • We tested the valuation of 100% of the equity investments and fixed interest instruments by agreeing the prices used in the valuation to independent third-party sources; and • We tested the existence of all investments, by agreeing investment holdings at 31 December 2025 to an independent custodian confirmation. No material misstatements were identified from this testing.
Accuracy, occurrence and completeness of income from investments Refer to the Report of the Audit and Risk Committee, Accounting Policies and the Notes to the Financial Statements. We focused on the accuracy, completeness and occurrence of dividend income recognition, as incomplete or inaccurate income could have a material impact on the Company's net asset value and dividend cover. In addition, the Directors are required to exercise judgement in determining whether income receivable in the form of special dividends should be classified as 'revenue' or 'capital' in the Statement of Comprehensive Income. We also focused on the accounting policy for income recognition and its presentation in the Income Statement 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 understood and assessed the design and implementation of key controls surrounding income recognition. We performed the below audit procedures for all dividends recorded by the Company during the year: • We tested the accuracy of dividend income by agreeing 100% of the dividend rates from investments to independent third party sources; • We tested occurrence of dividend income, by testing that all dividend income recorded in the year had been declared in the market by investment holdings; and • To test for completeness, we tested, for all investment holdings in the portfolio, that all dividends declared in the market for these holdings had been recorded. • We tested the classification of dividends to ensure no special dividends were misclassified as ordinary dividends. No capital dividends were recorded in the year and income dividends were below our materiality threshold and therefore, no further work was performed. 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 this stated accounting policy. No material misstatements were identified from this testing.

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.

Independent Auditor's Report to the Members of Henderson High Income Trust plc (continued)

The Company's accounting is delegated to the Administrator who maintains the Company's accounting records and who has implemented controls over those accounting records. We obtained our audit evidence from substantive tests. However, as part of our risk assessment, we understood and assessed the internal controls in place at both the Manager and the Administrator to the extent relevant to our audit. This assessment of the operating and accounting structure in place at both organisations involved obtaining and analysing the relevant controls reports issued by the independent service auditor of the Manager and the Administrator in accordance with generally accepted assurance standards for such work. Following this assessment, we applied professional judgement to determine the extent of testing required over each balance in the financial statements.

The impact of climate risk on our audit

In planning our audit, we made enquiries of the Directors and Investment Manager to understand the extent of the potential impact of climate change on the Company's financial statements. The Directors and Investment Manager concluded that the impact on the measurement and disclosures within the financial statements is not material because the Company's investment portfolio is made up of Level 1 quoted securities which are valued at fair value based on market prices. We found this to be consistent with our understanding of the company's investment activities. We also considered the consistency of the climate change disclosures included in the Strategic Report and Environmental, Social and Governance Matters with the financial statements and our knowledge from our audit.

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	£3,401,000 (2024: £3,032,070).
How we determined it	1% of net assets.
Rationale for benchmark applied	We believe that net assets is a key 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.

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 £2,551,000 (2024: £2,274,053) 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 and Risk Committee that we would report to them misstatements identified during our audit above £170,100 (2024: £151,604) 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' risk assessment and considering whether it addressed relevant threats;
- evaluating the Directors' assessment of potential operational impacts, considering their consistency with other available information and our understanding of the business and assessed the potential impact on the financial statements;
- reviewing the Directors' assessment of the Company's financial position in the context of its ability to meet future expected operating expenses, 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 as a result of market performance on the ongoing ability of the Company to operate.

Independent Auditor's Report to the Members of Henderson High Income Trust plc (continued)

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.

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

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

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 December 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

The Listing Rules require us to review 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 UK Corporate Governance Code specified 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 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;

Independent Auditor's Report to the Members of Henderson High Income Trust plc (continued)

- 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 UK Corporate Governance 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 and Risk 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 the 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 of journals within the period end financial reporting process to increase the net assets of the Company or to manipulate revenue. Audit procedures performed by the engagement team included:

Independent Auditor's Report to the Members of Henderson High Income Trust plc (continued)

- discussions with the Directors, the investment manager and the administrator including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- evaluation of the controls implemented by the investment manager and the administrator designed to prevent and detect irregularities;
- assessment of the Company's compliance with the requirements of s.1158 of the Corporation Tax Act 2010, including recalculation of numerical aspects of the eligibility conditions;
- identifying and testing journal entries, in particular year end journal entries that meet our fraud criteria posted by the Administrator during the preparation of the financial statements; and
- designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing.

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

We were first appointed by the Company for the financial year ended 31 December 2016. Our uninterrupted engagement covers ten financial years.

Other matter

The Company is required by the Financial Conduct Authority Disclosure Guidance and Transparency Rules to include these financial statements in an annual financial report prepared under the structured digital format required by DTR 4.1.15R - 4.1.18R and filed on the National Storage Mechanism of the Financial Conduct Authority. This auditors' report provides no assurance over whether the structured digital format annual financial report has been prepared in accordance with those requirements.

Jennifer March (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
25 March 2026

Income Statement

Notes		Year-ended 31 December 2025 Revenue return £'000	Capital return £'000	Total £'000	Year-ended 31 December 2024 Revenue return £'000	Capital return £'000	Total £'000
2	Gains on investments held at fair value through profit or loss	–	43,613	43,613	–	11,155	11,155
3	Income from investments held at fair value through profit or loss	21,258	–	21,258	20,513	–	20,513
4	Other interest receivable and similar income	258	–	258	313	–	313
	Gross revenue and capital gains	**21,516**	**43,613**	**65,129**	**20,826**	**11,155**	**31,981**
5	Management fee	(639)	(959)	(1,598)	(666)	(999)	(1,665)
6	Other administrative expenses	(617)	–	(617)	(618)	–	(618)
	Net return before finance costs and taxation	**20,260**	**42,654**	**62,914**	**19,542**	**10,156**	**29,698**
7	Finance costs	(710)	(2,131)	(2,841)	(903)	(2,709)	(3,612)
	Net return before taxation	**19,550**	**40,523**	**60,073**	**18,639**	**7,447**	**26,086**
8	Taxation on net return	(308)	261	(47)	(338)	229	(109)
	Net return after taxation	**19,242**	**40,784**	**60,026**	**18,301**	**7,676**	**25,977**
9	Return per ordinary share	11.28p	23.90p	35.18p	10.74p	4.50p	15.24p

The total columns of this statement represent the Income Statement of the Company.

All capital and revenue items derive from continuing operations. No operations were acquired or discontinued during the period, see note 23 for further details on the HDIV transaction in the prior year.

The Company has no other comprehensive income other than those items recognised in the Income Statement.

The notes on pages 61 to 76 form part of these financial statements

Statement of Changes in Equity

Notes	Year-ended 31 December 2025	Called up share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Other capital reserves £'000	Revenue reserve £'000	Total £'000
	At 1 January 2025	8,607	198,629	26,302	59,483	10,186	303,207
	Net return after taxation	–	–	–	40,784	19,242	60,026
10	Dividends paid	–	–	–	–	(18,442)	(18,442)
16	Buyback of shares for treasury	–	–	–	(4,598)	–	(4,598)
	At 31 December 2025	**8,607**	**198,629**	**26,302**	**95,669**	**10,986**	**340,193**

Notes	Year-ended 31 December 2024	Called up share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Other capital reserves £'000	Revenue reserve £'000	Total £'000
	At 1 January 2024	6,490	128,827	26,302	51,807	8,916	222,342
	Net return after taxation	–	–	–	7,676	18,301	25,977
10	Dividends paid	–	–	–	–	(17,031)	(17,031)
16, 17	Issue of shares on the HDIV transaction	2,117	69,949	–	–	–	72,066
17	Issue costs of the HDIV transaction	–	(3)	–	–	–	(3)
17	Listing fees in respect of the new shares issued following the HDIV transaction	–	(144)	–	–	–	(144)
	At 31 December 2024	**8,607**	**198,629**	**26,302**	**59,483**	**10,186**	**303,207**

The notes on pages 61 to 76 form part of these financial statements

Statement of Financial Position

Notes		At 31 December 2025 £'000	At 31 December 2024 £'000
	Fixed assets		
11	Investments held at fair value through profit or loss	399,867	366,790
	Current assets		
12	Debtors	2,329	2,323
	Cash at bank and in hand	3,746	2,493
		6,075	**4,816**
13	Creditors: amounts falling due within one year	(45,860)	(48,520)
	Net current liabilities	**(39,785)**	**(43,704)**
	Total assets less current liabilities	**360,082**	**323,086**
14	Creditors: amounts falling due after more than one year	(19,889)	(19,879)
	Net assets	**340,193**	**303,207**
	Capital and reserves		
16	Called up share capital	8,607	8,607
17	Share premium account	198,629	198,629
17	Capital redemption reserve	26,302	26,302
17	Other capital reserves	95,669	59,483
17	Revenue reserve	10,986	10,186
	Total shareholders' funds	**340,193**	**303,207**
18	**Net asset value per ordinary share**	200.68p	176.14p

The financial statements and corresponding notes on pages 57 to 76 were approved by the Board on 25 March 2026 and signed on its behalf by:

Jeremy Rigg
Chairman

The notes on pages 61 to 76 form part of these financial statements

Statement of Cash Flows

	Year-ended 31 December 2025 £'000	Year-ended 31 December 2024 £'000
Cash flows from operating activities		
Net return before taxation	60,073	26,086
Add back: finance costs	2,841	3,612
Less gains on investments held at fair value through profit or loss	(43,613)	(11,155)
Withholding tax on dividends deducted at source	(47)	(109)
Increase in debtors	(6)	(231)
Increase/(decrease) in creditors	9	(282)
Net cash inflow from operating activities[1]	**19,257**	**17,921**
Cash flows from investing activities		
Sales of investments held at fair value through profit or loss	79,649	101,287
Purchases of investments held at fair value through profit or loss	(68,895)	(147,956)
Net cash inflow/(outflow) from investing activities	**10,754**	**(46,669)**
Cash flows from financing activities		
Net cash acquired and received following the HDIV transaction	–	32,586
Listing fees in respect of the new shares issued following the HDIV transaction	–	(144)
Issue costs in respect of the HDIV transaction	–	(3)
Share buybacks for treasury	(4,598)	–
Equity dividends paid	(18,442)	(17,031)
Drawdown of loans	–	17,932
Repayment of loans	(3,035)	–
Interest paid	(2,831)	(3,600)
Net cash (outflow)/inflow from financing activities	**(28,906)**	**29,740**
Net increase in cash and cash equivalents	**1,105**	**992**
Cash and cash equivalents at beginning of year	2,493	1,990
Exchange movements	148	(489)
Cash and cash equivalents at end of year	**3,746**	**2,493**
Comprising:		
Cash at bank	**3,746**	**2,493**

1 Cash inflow from dividends was £19,173,000 (2024: £18,236,000) and cash inflow from interest was £2,049,000 (2024: £1,904,000)

The notes on pages 61 to 76 form part of these financial statements

Notes to the Financial Statements

1 Accounting policies

a) Basis of accounting

The Company is an investment company as defined in section 833 of the Companies Act 2006 and is incorporated in the UK. It operates in England and Wales and is registered at 201 Bishopsgate, London EC2M 3AE. The financial statements have been prepared in accordance with the Companies Act 2006, FRS 102 – The Financial Reporting Standard applicable in the UK and Republic of Ireland, and with the AIC Statement of Recommended Practice: Financial Statements of Investment Trust Companies and Venture Capital Trusts (SORP).

The significant accounting policies applied in the presentation of these financial statements are set out below. These policies have been consistently applied to all the years presented.

The financial statements have been prepared under the historical cost basis except for the measurement at fair value of investments.

In applying FRS 102, financial instruments have been accounted for in accordance with sections 11 and 12 of the standard. All of the Company's operations are of a continuing nature.

b) Significant judgments and estimates

The decision to allocate special dividends as income or capital is a judgment but not deemed to be material. The allocation of expenses as income or capital is not material but has an impact on distributable reserves. The Directors do not consider these to be significant judgments or estimates and do not believe any accounting judgments or estimates have been applied to this set of financial statements that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year.

c) Going concern

The Directors have considered the liquidity of the portfolio and concluded that the assets of the Company consist of securities that are readily realisable. The Directors have also assessed the potential impact of risks associated with interest rates on the broader financial system, alongside the implications of ongoing geopolitical conflicts. This assessment included a review of cash flow forecasts, covenant compliance - particularly the headroom available under the most restrictive covenants - and the liquidity profile of the portfolio. They have concluded that the Company is able to meet its financial obligations, including the repayment of the bank loan, as they fall due for a period to 25 March 2027, which is at least 12 months from the date of the approval of the financial statements.

The Company's shareholders are asked every five years to vote on the continuation of the Company. An ordinary resolution to this effect was passed by the shareholders at the AGM held on 13 May 2025. Having assessed these factors, the principal risks and other matters discussed in connection with the viability statement, the Board has determined that it is appropriate to adopt the going concern basis of accounting in preparing the financial statements.

d) Valuation of investments

The Company's business is investing in financial assets with a view to profiting from their total return in the form of income and capital growth. This portfolio of financial assets is managed and its performance evaluated on a fair value basis, in accordance with a documented investment strategy, and information about the portfolio is provided internally on that basis to the Company's Directors. Accordingly, upon initial recognition the investments are included initially at fair value, which is taken to be their cost. Subsequently, the investments are valued at fair value, which is deemed to be the bid market prices or the last traded price as at close of business on the last business day of the accounting period depending on the convention of the exchange on which the investment is quoted.

All fair value movements in investments are taken to the Income Statement. In accordance with the SORP, the Company's profit and loss account is split between revenue and capital returns columns as can be seen in the Income Statement. Fair value movements on investments are taken to the capital column in the Income Statement.

Notes to the Financial Statements (continued)

1 Accounting policies (continued)

e) Capital gains and losses

Profits or losses on disposal on investments and investment holding gains and losses are taken to the capital column in the Income Statement and transferred to other capital reserves.

The Company's capital reserves arising on investments sold and revenue reserve may be distributed by way of a dividend. The portion of the capital reserve arising on investments held is wholly non-distributable. There may be factors that restrict the value of reserves that can be distributed and these factors may be complex to determine. Amounts fully distributable may therefore not be the total of the revenue and the portion of capital reserve arising on investments sold.

f) Income

Dividends receivable on equity shares are taken to the revenue return of the Income Statement on an ex-dividend basis except where, in the opinion of the Directors, based on the facts and circumstances the dividend is capital in nature in which case it is taken to the capital return. Income from fixed interest debt securities and preference shares with no fixed maturity date is recognised on a time-apportioned basis. Income from other fixed interest securities is recognised so as to reflect the effective interest rate on these securities.

g) Expenses

All expenses and finance costs are accounted for on an accruals basis. The Board's expectation is that over the long term three quarters of the Company's investment returns will be in the form of capital gains. The Directors have determined that the proportion of the annual management fees that relates to the maintenance or enhancement of the valuation of investments is 80%. On this basis, the Company charges to capital 60% of total management fees (i.e. 75% of 80%) and 75% of its finance costs. The balance of the management fees is charged to revenue. Expenses which are incidental to the acquisition of an investment are charged to the Income Statement and included within gains/losses on investments. Expenses which are incidental to the disposal of an investment are deducted from sale proceeds and go to the Income Statement indirectly.

h) Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on the taxable profit for the year. Taxable profit differs from net profit as reported in the Income Statement 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. The Company's liability for current tax is calculated using the applicable tax rate of corporation tax for the accounting period.

The tax effect of different items of expenditure is allocated between the capital return and revenue return using the Company's applicable rate of tax for the year. In line with the recommendations of the SORP, the allocation method used to calculate tax relief on expenses presented against capital returns on the Income Statement is the 'marginal basis'. Under this basis, if taxable income is capable of being offset entirely by expenses presented in the revenue column of the Income Statement, then no tax relief is transferred to the capital return column.

Deferred taxation is provided on all timing differences that have originated but not been reversed by the Statement of Financial Position date, other than those differences regarded as permanent. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements. Any liability to deferred tax is provided at the average rate of tax expected to apply. Deferred tax assets and liabilities are not discounted to reflect the time value of money. The carrying amount of deferred tax assets is reviewed at each Statement of Financial Position date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

i) Foreign currency

The results and financial position of the Company are expressed in sterling, which is the functional and presentational currency of the Company. Sterling is the functional currency because the Company is listed in the UK with a predominantly UK shareholder base.

Transactions denominated in overseas currencies during the year are translated into sterling at the appropriate daily exchange rate.

Assets and liabilities denominated in overseas currencies at the Statement of Financial Position date are translated into sterling at the exchange rate ruling at that date. Differences arising from translation at this rate of exchange are included within the Income Statement as a capital item and then transferred to capital reserves.

Notes to the Financial Statements (continued)

1 Accounting policies (continued)

j) Borrowings

Interest-bearing bank loans, overdrafts and the senior unsecured note are recorded as proceeds received, net of direct issue costs.

They are subsequently measured at amortised cost. Finance costs, including premiums payable on settlement or redemption and direct issue costs, are accounted for on an accruals basis in the Income Statement, using the effective interest method and are added to the carrying amount of the instrument to the extent that they are not settled in the period in which they arise.

k) Derivative financial instruments

The Company does not use derivative financial instruments for speculative purposes.

Derivative transactions which the Company may enter into comprise forward exchange contracts (the purpose of which is to hedge foreign currency exposure) and futures contracts on indices appropriate to sections of the portfolio (one purpose for which may be to provide protection against falls in the capital values of the holdings). The Company may also write options on shares represented in the portfolio where such options are priced attractively relative to Janus Henderson's expectations for the relevant share prices and to generate additional return for shareholders. The use of financial derivatives is governed by the Company's policies as approved by the Board.

Changes in the fair value of derivative financial instruments are recognised in the Income Statement as they arise. If based on circumstances and motive they are capital in nature, the associated change in value is presented as a capital item in the Income Statement.

Where options are written for the purpose of generating revenue, applicable premiums are recognised evenly over the life of the option and shown in the revenue return, with the appropriate amount shown as a capital return such that the total return reflects the overall change in the fair value of the option.

l) Dividends payable to shareholders

Interim dividends payable to shareholders are recognised in the financial statements when they are paid. The Company does not pay a final dividend.

Details of dividends provided are in the Statement of Changes in Equity and Note 10.

m) Capital and reserves

Share capital represents the nominal value of shares issued.

The share premium account represents the premium above nominal value received by the Company on issuing shares net of issue costs.

The revenue reserve represents accumulated revenue profits retained by the Company that have not currently been distributed to shareholders as a dividend.

The capital redemption reserve represents the nominal value of ordinary shares repurchased and cancelled.

Other capital reserves are split into two components, the capital reserve arising on investments sold and the capital reserve arising on investments held. The following analyses what is accounted for in each other of these components.

Capital reserve arising on investments sold

- gains and losses on disposals of investments;
- realised foreign exchange differences of a capital nature;
- cost of repurchasing ordinary share capital; and
- other capital charges and credits charged to this account in accordance with the above policies.

Capital reserve arising on investments held

- increases and decreases in the valuation of investments held at the year end; and
- unrealised foreign exchange differences of a capital nature.

n) Distributable reserves

The Company's capital reserve arising on investments sold and revenue reserve may be distributed by way of a dividend. The portion of the capital reserve arising on investments held is wholly non-distributable. There may be factors that restrict the value of reserves that can be distributed and these factors may be complex to determine. Amounts fully distributable may therefore not be the total of the revenue reserve and the portion of capital reserve arising on investments sold.

Notes to the Financial Statements (continued)

2 Gains on investments held at fair value through profit or loss

	2025 £'000	2024 £'000
Gains on the sale of investments based on historical cost	713	5,815
Revaluation losses/(gains) recognised in previous years	349	(2,211)
Gains on investments sold in the year based on carrying value at previous Statement of Financial Position date	**1,062**	**3,604**
Net movement on revaluation of investments	42,908	7,046
Effective yield movement	(139)	(16)
Exchange (losses)/gains	(218)	521
	43,613	**11,155**

3 Income from investments held at fair value through profit or loss

	2025 £'000	2024 £'000
UK dividend income – listed	15,313	14,946
UK dividend income – special dividends	639	189
	15,952	**15,135**
Interest income – listed	2,091	2,058
Overseas and other dividend income – listed	3,215	3,162
Overseas and other dividend income – special dividends	–	158
	5,306	**5,378**
	21,258	**20,513**

4 Other interest receivable and similar income

	2025 £'000	2024 £'000
Deposit interest	71	96
Traded option premiums	160	202
Underwriting commission	7	15
Interest on tax reclaims	4	–
Other income[1]	16	–
	258	**313**

1 Comprises a voting fee received in relation to the cancellation of General Accident 7.875% preference stock of £16,000 (2024 – £nil)

5 Management fee

	2025			2024		
	Revenue return £'000	Capital return £'000	Total £'000	Revenue return £'000	Capital return £'000	Total £'000
Management fee	**639**	**959**	**1,598**	**666**	**999**	**1,665**

A summary of the terms of the Investment Management Agreement is on page 25. An explanation of the split between revenue and capital is contained in Note 1g.

Notes to the Financial Statements (continued)

6 Other administrative expenses

	2025 £'000	2024 £'000
Directors' fees (please refer to the Directors' Remuneration Report on page 46)	188	168
Auditor's remuneration – for audit services (excluding VAT)	49	54
Depositary fees	33	33
Registrar fees	30	23
Sales and marketing expenses payable to the Manager	135	114
Listing fees	51	39
Printing and postage fees	30	22
Legal and professional fees	28	96
AIC subscriptions	24	19
Other expenses	49	50
	617	**618**

7 Finance costs

	2025			2024		
	Revenue return £'000	Capital return £'000	Total £'000	Revenue return £'000	Capital return £'000	Total £'000
Interest on bank loans repayable within one year	524	1,572	2,096	717	2,150	2,867
Interest on senior unsecured note	186	559	745	186	559	745
	710	**2,131**	**2,841**	**903**	**2,709**	**3,612**

8 Taxation on net return

	2025			2024		
	Revenue return £'000	Capital return £'000	Total £'000	Revenue return £'000	Capital return £'000	Total £'000
Overseas withholding tax	47	–	47	109	–	109
Tax relief on management expenses allocated to capital	261	(261)	–	229	(229)	–
Total current tax charge for the year	**308**	**(261)**	**47**	**338**	**(229)**	**109**

a) Factors affecting tax charge for the year

The UK corporation tax rate is 25% (2024: 25%). The tax charge for the year is lower than the corporation tax rate. The differences are explained below:

	2025			2024		
	Revenue return £'000	Capital return £'000	Total £'000	Revenue return £'000	Capital return £'000	Total £'000
Net revenue before taxation	**19,550**	**40,523**	**60,073**	18,639	7,447	26,086
Corporation tax of 25% (2024: 25%)	4,887	10,131	15,018	4,660	1,862	6,522
Effects of:						
– UK dividends	(3,868)	–	(3,868)	(3,733)	–	(3,733)
– Non–taxable overseas dividends	(579)	–	(579)	(698)	–	(698)
– Utilised excess management expenses	(440)	772	332	(229)	927	698
– Tax relief on management expenses allocated to capital	261	(261)	–	229	(229)	–
– Irrecoverable overseas withholding tax	47	–	47	109	–	109
– Gains on investments held at fair value	–	(10,903)	(10,903)	–	(2,789)	(2,789)
Total current tax charge for the year	**308**	**(261)**	**47**	**338**	**(229)**	**109**

The Company is an investment trust and therefore its capital gains are not taxable.

Notes to the Financial Statements (continued)

8 Taxation on net return (continued)

b) Factors that may affect future tax charges

The Company can offset management fees, other administrative expenses and interest costs against taxable income to eliminate any tax charge on such income. The tax legislation refers to these as management expenses (management fees and other administrative expenses) and non-trade loan relationship deficits (interest costs) and these are captured together under the heading "Utilised excess management expenses" in the table above. Where these are not fully utilised, they can be carried forward to future years. As the Company is unlikely to generate future taxable profits to utilise these amounts, the Company cannot recognise an asset to reflect them, but must still disclose the deferred tax amount carried forward arising from any unutilised amounts.

Consequently, the Company has not recognised a deferred tax asset totalling £7,148,000 (2024: £6,816,000) based on a prospective tax rate of 25% (2024: 25%) arising as a result of having unutilised management expenses and unutilised non-trade loan relationship deficits. These expenses will only be utilised, to any material extent if changes are made either to the tax treatment of the capital gains made by investment trusts or to the Company's investment profile which require them to be used.

9 Profit for the year

Profit attributable per ordinary share figure is based on the return attributable to the ordinary shares of £60,026,000 (2024: £25,977,000) and on the 170,626,901 weighted average number of ordinary shares in issue during the year (2024: 170,406,232).

The Company had no securities in issue that could dilute the return per ordinary share. The return per ordinary share can be analysed between revenue and capital as shown below:

	2025 £'000	2024 £'000
Net revenue return	19,242	18,301
Net capital return	40,784	7,676
Profit for the year	**60,026**	**25,977**
Weighted average number of ordinary shares	**170,626,901**	**170,406,232**
Revenue return per ordinary share	11.28p	10.74p
Capital return per ordinary share	23.90p	4.50p
Profit attributable per ordinary share	**35.18p**	**15.24p**

10 Dividends paid on ordinary shares

	Payment date	**2025 £'000**	2024 £'000
Fourth interim dividend (2.625p per share) for the year ended 31 December 2023	26 January 2024	–	3,407
First interim dividend (2.625p per share) for the year ended 31 December 2024	26 April 2024	–	4,519
Second interim dividend (2.625p per share) for the year ended 31 December 2024	26 July 2024	–	4,519
Third interim dividend (2.675p per share) for the year ended 31 December 2024	25 October 2024	–	4,605
Fourth interim dividend (2.675p per share) for the year ended 31 December 2024	31 January 2025	4,605	–
First interim dividend (2.675p per share) for the year ended 31 December 2025	25 April 2025	4,571	–
Second interim dividend (2.675p per share) for the year ended 31 December 2025	25 July 2025	4,566	–
Third interim dividend (2.775p per share) for the year ended 31 December 2025	24 October 2025	4,720	–
Unclaimed dividends		(20)	(19)
		18,442	**17,031**

Notes to the Financial Statements (continued)

10 Dividends paid on ordinary shares (continued)

The total dividends payable in respect of the financial year which form the basis of the test under section 1158 of the Corporation Tax Act 2010, which sets out the maximum income that an investment trust can retain in any financial year, are set out below:

	2025 £'000	2024 £'000
Revenue available for distribution by way of dividend for the year	19,242	18,301
First interim dividend of 2.675p (2024: 2.625p)	(4,571)	(4,519)
Second interim dividend of 2.675p (2024: 2.625p)	(4,566)	(4,519)
Third interim dividend of 2.775p (2024: 2.675p)	(4,720)	(4,605)
Fourth interim dividend 2.775p (2024: 2.675p)	(4,704)	(4,605)
	681	**53**

In accordance with FRS 102, interim dividends payable to equity shareholders are recognised in the Statement of Changes in Equity when they have been paid to shareholders. All dividends have been paid out of revenue reserves or current year revenue profits and at no point during the year did the revenue reserve move to a negative position.

11 Investments held at fair value through profit or loss

	2025 £'000	2024 £'000
Valuation at 1 January	366,790	270,007
Investment holding gains at 1 January	(35,768)	(30,933)
Cost at 1 January	**331,022**	**239,074**
Purchases at cost	68,895	147,956
Assets acquired in relation to the HDIV transaction	–	39,480
Sales at cost	(79,075)	(95,488)
Cost at 31 December	**320,842**	**331,022**
Investment holding gains at 31 December	79,025	35,768
Valuation of investments at 31 December	**399,867**	**366,790**

Total transaction costs amounted to £259,000 (2024: £677,000) of which purchase transaction costs for the year-ended 31 December 2025 were £236,000 (2024: £654,000). Sale transaction costs for the year-ended 31 December 2025 were £23,000 (2024: £23,000). These comprise mainly stamp duty (purchases only) and commissions. The increased level of transaction costs in 2024 was due to the transaction with HDIV and the investment of the £72.1 million of net assets acquired from HDIV in accordance with the scheme of reconstruction and winding up of HDIV under section 110 of the Insolvency Act 1986. See note 23 for further details.

The Company received £79,649,000 (2024: £101,288,000) from investments sold in the year. The book cost of these investments when they were purchased was £79,075,000 (2024: £95,488,000). 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.

12 Debtors

	2025 £'000	2024 £'000
Taxation recoverable	470	532
Prepayments and accrued income	1,859	1,791
	2,329	**2,323**

Notes to the Financial Statements (continued)

13 Creditors: amounts falling due within one year

	2025 £'000	2024 £'000
Bank loans	44,892	47,561
Accruals and deferred income	968	959
	45,860	**48,520**

As at 31 December 2025 the Company had short term multi-currency loans under the BNP Paribas, London Branch loan facility amounting to £44,892,000, repayable in January and February 2026 (2024: £47,561,000, repayable January and February 2025).

The average interest rate payable on these loans was 3.99% (2024: 4.91%). Please refer to the Financial Calendar on page 82 for the senior unsecured note interest payment dates.

14 Creditors: amounts falling due after more than one year

	2025 £'000	2024 £'000
Senior unsecured note	19,889	19,879
	19,889	**19,879**

On 8 July 2015 the Company issued £20 million (nominal) 3.67% senior unsecured note due 2034, net of issue costs totalling £204,000. The issue costs will be amortised over the life of the senior unsecured note by way of an effective interest rate method. The fair value methodology of the senior unsecured note is detailed in note 15.4. See the Financial Calendar on page 82 for the senior unsecured note interest payment dates.

15 Financial risk management policies and procedures

As an investment trust, the Company invests in equities and other investments for the long-term so as to secure its investment objective and policy (see page 22). In pursuing its investment objective and policy, the Company is exposed to a variety of financial risks that could result in either a reduction in the Company's net assets or a reduction in the profits available for distribution by way of dividends.

These financial risks are: market risk (comprising market price risk, currency risk and interest rate risk), credit risk, liquidity risk and gearing. Details of these risks and the Directors' approach to the management of these risks are set out below and have not changed from the previous accounting year. The Board receives regular financial and other reporting to enable it to measure these risks. The Board and Janus Henderson co-ordinate the Company's risk management and there are various risk management systems in place as detailed below.

- Listed securities, exchange-traded derivatives and over the counter (OTC) derivatives contracts are processed, confirmed and reconciled using automated systems linked to counterparties and clearing houses;
- Portfolio modelling and investment management functions (including order-raising, dealing and trade execution) are performed using one of, or a combination of, third-party software applications; and
- Fund pricing and accounting services are outsourced to a third-party administrator (currently BNP Paribas).

Janus Henderson Risk, Compliance and Operations Teams have access to and use a variety of in-house and third party databases and applications for independent monitoring and risk measurement and compliance purposes.

15.1 Market risk

The fair value of a financial instrument held by the Company may fluctuate due to changes in market prices. This market risk comprises currency risk (see note 15.1.1), interest rate risk (see note 15.1.2) and other price risk (see note 15.1.3), in particular the risk of fluctuations in prices of securities. The Board reviews and agrees policies for managing these risks and agrees investment guidelines and restrictions for managing the portfolio; these have remained substantially unchanged from those applying in the previous year. The Fund Manager assesses the exposure to market risk when making each investment decision, and monitors the overall level of market risk on the whole of the investment portfolio on an ongoing basis. This risk is mitigated through diversification of investments in the portfolio.

Notes to the Financial Statements (continued)

15 Financial risk management policies and procedures (continued)

15.1.1 Currency risk

A proportion of the Company's assets and income is denominated in currencies other than sterling (the Company's functional currency and the one in which it reports its results). Therefore, movements in exchange rates may affect the sterling value of these items. This may be partially offset by borrowing in foreign currencies. The Board regularly reviews currency risk.

Foreign currency exposure

The fair values of the Company's monetary items that have foreign currency exposure as at 31 December 2025 and 2024 are shown below. Where the Company's investments which are not monetary items are denominated in a foreign currency, they have been included separately in the analysis so as to show the overall level of exposure.

2025	EUR £'000	US$ £'000	SEK £'000
Cash and cash equivalents	60	47	4
Bank loans	(16,544)	(9,258)	–
Total foreign currency exposure on net monetary items	**(16,484)**	**(9,211)**	**4**
Investments at fair value through profit or loss	33,396	18,315	3,748
Total net foreign currency exposures	**16,912**	**9,104**	**3,752**

2024	EUR £'000	US$ £'000	SEK £'000
Cash and cash equivalents	69	50	–
Bank loans	(15,160)	(8,161)	–
Total foreign currency exposure on net monetary items	**(15,091)**	**(8,111)**	**–**
Investments at fair value through profit or loss	28,427	15,639	4,316
Total net foreign currency exposures	**13,336**	**7,528**	**4,316**

The above amounts are not necessarily representative of the exposure to risk during the year as levels of monetary foreign currency exposure may have changed significantly throughout the year.

If sterling depreciates against the currencies shown by 10%, the impact on the total return and net assets would be £3,899,000 (2024: £3,378,000). If sterling appreciates against the currencies shown by 10%, the impact on the total return and net assets would be (£3,190,000) (2024: (£2,764,000)).

15.1.2 Interest rate risk

Interest rate movements may affect:

- the fair value of investments on fixed interest securities;
- the level of income receivable from interest-bearing securities and cash at bank and on deposit; and
- the interest payable on the Company's variable rate borrowings.

Management of the risk

The possible effects of fair value and cash flows that could arise as a result of changes in interest rates are taken into account when making investment decisions and borrowing under the multi-currency loan facility. The Company generally does not hold significant cash balances; short term borrowings are used when required. The Company finances part of its activities through borrowings at levels approved by the Board. Derivative contracts may sometimes be used to hedge against the exposure to interest rate risk.

Interest rate exposure

The exposure at 31 December of financial assets and financial liabilities to interest rate risk is shown by reference to:

- floating interest rates: when the interest rate is due to be re-set; and
- fixed interest rates: when the financial instrument is due for repayment.

Please refer to the Financial Calendar on page 82 for the senior unsecured note interest repayment dates.

Notes to the Financial Statements (continued)

15 Financial risk management policies and procedures (continued)

15.1.2 Interest rate risk (continued)

	2025			2024		
	Within one year £'000	**More than one year £'000**	**Total £'000**	Within one year £'000	More than one year £'000	Total £'000
Exposure to floating interest rates:						
Cash at bank	3,746	–	3,746	2,493	–	2,493
Creditors – within one year:						
Borrowings under multi-currency loan facility	(45,006)	–	(45,006)	(47,715)	–	(47,715)
	(41,260)	**–**	**(41,260)**	**(45,222)**	**–**	**(45,222)**
Exposure to fixed interest rates:						
Investments held at fair value through profit or loss	1,104	41,621	42,725	5,400	34,451	39,851
Creditors – more than one year:						
Senior unsecured note[1]	(745)	(25,861)	(26,606)	(745)	(26,595)	(27,340)
Total exposure to interest rates	**(40,901)**	**15,760**	**(25,141)**	**(40,567)**	**7,856**	**(32,711)**

1 The above figures show interest payable over the remaining term of the senior unsecured note. The figures in the 'more than one year' column also include the capital to be repaid

Interest receivable and finance costs are at the following rates:

- interest received on cash balances, or paid on bank overdrafts, is at a margin linked to SONIA or its foreign currency equivalent (2024: same);
- interest paid on borrowings under the multi-currency loan facility is at a margin over SONIA or its foreign currency equivalent for the type of loan. The weighted average interest rate of these was 3.99% at 31 December 2025 (2024: 4.91%);
- interest paid on the senior unsecured note is at a rate of 3.67% (2024: 3.67%); and
- the nominal interest rates on the investments held at fair value through profit and loss are shown above.

Interest rate risk sensitivity

The Company is primarily exposed to interest rate risk through its loan facility with BNP Paribas, London Branch and its fixed interest investment portfolio. The sensitivity of each exposure is as follows:

- loan sensitivity: borrowings vary throughout the year as a result of the Board's borrowing policy. Borrowings at the year end were £44,892,000 (2024: £47,561,000) (see note 13) and if that level of borrowings were maintained for a full year, then a 100 basis points change in SONIA (up or down) would decrease or increase total return after taxation by approximately £449,000 (2024: £476,000); and
- Senior unsecured note: the senior unsecured note is at a fixed rate of interest so will not be impacted by any changes in SONIA or short term interest rates; and
- fixed interest investment sensitivity: the Company's fixed interest portfolio at the year end was valued at £42,725,000 (2024: £39,851,000), and it has a modified duration (interest rate sensitivity) of approximately 8.4 years (2024: 8.0 years). A 100 basis points change in short term interest rates (up or down), which is mirrored by an equivalent change in long term interest rates, would be expected to decrease or increase this portfolio's value by approximately £4,273,000 (2024: £3,985,000), all other factors being equal.

15.1.3 Other price risk

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

Management of the risk

The Board manages the risks inherent in the investment portfolio by ensuring full and timely access to relevant information from Janus Henderson. The Board meets regularly and at each meeting reviews investment performance. The Board monitors Janus Henderson's compliance with the Company's objectives, and is directly responsible for investment strategy and ultimately for asset allocation.

When appropriate, the Company may buy/sell put or call options or futures on indices and on equity investments in its portfolio to manage its exposure to price risk or to generate income. At 31 December 2025 the Company had no open positions (2024: no open positions).

Notes to the Financial Statements (continued)

15 Financial risk management policies and procedures (continued)

15.1.3 Other price risk (continued)

Concentration of exposure to other price risks

An analysis of the Company's investment portfolio is shown on pages 16 to 18. The majority of the investments are in UK companies. Accordingly, there is a concentration of exposure to the UK, particularly to financials and consumer staples (see page 17). It is recognised that an investment's country of domicile or of listing does not necessarily equate to its exposure to the economic conditions in that country.

Other price risk sensitivity

The following table illustrates the sensitivity of the net return after taxation for the year and the equity shareholders' funds to an increase or decrease in the fair values of the Company's investments. The level of change used in the table below is considered to be reasonably possible based on observation of current market conditions. The sensitivity analysis is based on the Company's investments at each Statement of Financial Position date, with all other variables held constant.

	2025		2024	
	10% increase in fair value £'000	**10% decrease in fair value £'000**	10% increase in fair value £'000	10% decrease in fair value £'000
Income Statement – net return after tax				
Revenue return	(60)	60	(55)	55
Capital return	39,847	(39,847)	36,551	(36,551)
Net return after tax for the year	**39,787**	**(39,787)**	**36,496**	**(36,496)**
Equity shareholders' funds	**39,787**	**(39,787)**	**36,496**	**(36,496)**

15.2 Liquidity risk

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

Management of the risk

Liquidity risk is not significant as the majority of the Company's assets are investments in quoted securities that are readily realisable. The Company has a one year multi-currency loan facility of £60 million with BNP Paribas, London Branch which will expire on 7 December 2026 (2024: £60 million). This facility has an accordion of £25 million allowing the Company to borrow up to £85 million.

Liquidity risk exposure

The contractual maturities of the financial liabilities at 31 December, based on the earliest date on which payment can be required, were as follows:

	2025 Due within three months £'000	2024 Due within three months £'000
Bank loans	44,892	47,561
Other creditors and accruals	968	959
	45,860	**48,520**

15.3 Credit and counterparty risk

The failure of the counterparty to a transaction to discharge its obligations under that transaction could result in the Company suffering a loss.

Management of the risk

- transactions involving derivatives are entered into only with investment banks, whose creditworthiness is carefully assessed so as to minimise the risk to the Company of default;
- investment transactions are carried out with a large number of brokers, whose credit standard is reviewed periodically by the Manager, and limits are set on the amount that may be due from any one broker;
- the Company's trades are usually on a delivery versus payment (DVP) settlement basis. This process mitigates the risk of loss during the settlement process;

Notes to the Financial Statements (continued)

15 Financial risk management policies and procedures (continued)

15.3 Credit and counterparty risk (continued)

Management of the risk (continued)

- Janus Henderson and the Board monitor the Company's risk by reviewing the depositary's biannual assurance report. The Manager's Operational Risk Team also reports to the Board on these reports. They also engage with the depositary to ensure that follow up action arising from any exceptions identified in the report are completed, and report back to the Board where necessary;
- cash at bank is held only with banks considered to be creditworthy; and
- with regards to the corporate bonds in the portfolio, there is a credit risk that the borrowers do not repay principal or make interest payments. This is managed through careful selection, supported by monitoring of credit ratings, and is reviewed regularly.

The percentages below represent the value of fixed interest investments included in the Statement of Financial Position which are exposed to credit and counterparty risk by credit rating.

Rating	2025 %	2024 %
AA	2.1	15.0
A	21.4	3.4
BBB	51.3	33.7
BB	16.9	25.7
B	8.3	12.3
Not rated	–	9.9
Total	**100.0**	**100.0**

Source: Bloomberg composite rating

None of the Company's financial assets or financial liabilities is secured by collateral or other credit enhancements. None of the Company's financial assets are past due or impaired, and any expected credit loss has not had a material impact on the Company.

15.4 Fair values of financial assets and financial liabilities

The fair values of the financial assets and liabilities are either carried in the Statement of Financial Position at their fair value (investments and derivatives) or the Statement of Financial Position amount is a reasonable approximation of fair value (due from brokers, dividends, and interest receivable, due to brokers, accruals, cash at bank and amounts due under the multi-currency loan facility). At 31 December 2025 the fair value of the senior unsecured note has been estimated to be £18,394,000 (2024: £17,722,000) and is categorised as level 3 (see note 15.5 below) in the fair value hierarchy.

The current estimated fair value of the senior unsecured note is calculated using a discount rate based on the redemption yield of the relevant existing reference UK Gilt plus a suitable estimated credit spread. The estimated credit spread is based on the spread between the yield of the ICE BofA 5-10 Year A Sterling Non-Gilt Index and the redemption yield of the ICE BofA 5-10 Year UK Gilt Index. The discount rate is calculated and updated at each month end and applied daily to determine the Company's published fair value NAVs.

15.5 Fair value hierarchy disclosures

Categorisation within the hierarchy has been determined on the basis of the lowest level input that is significant to the fair value measurement of the relevant asset:

Level 1 – the unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date;

Level 2 – valued by reference to valuation techniques using observable inputs other than quoted prices included within Level 1; and

Level 3 – valued by reference to valuation techniques using inputs that are not based on observable market data.

The valuation techniques used by the Company are explained in note 1d.

There have been no transfers during the year between levels.

The table overleaf sets out fair value measurements using the FRS 102 fair value hierarchy. Fixed interest investments have been included in level 1 because they are considered to be highly liquid and therefore trade in an active market.

Notes to the Financial Statements (continued)

15 Financial risk management policies and procedures (continued)

15.5 Fair value hierarchy disclosures (continued)

Financial assets at fair value through profit or loss at 31 December 2025	**Level 1 £'000**	**Level 2 £'000**	**Level 3 £'000**	**Total £'000**
Equity investments	357,142	–	–	357,142
Fixed interest instruments:				
Preference shares	3,253	–	–	3,253
Other	39,472	–	–	39,472
Total	**399,867**	**–**	**–**	**399,867**

Financial assets at fair value through profit or loss at 31 December 2024	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Equity investments	326,939	–	–	326,939
Fixed interest instruments:				
Preference shares	4,273	–	–	4,273
Other	35,578	–	–	35,578
Total	**366,790**	**–**	**–**	**366,790**

15.6 Capital management policies and procedures

The Company's capital management objectives are:

- to ensure that it will be able to continue as a going concern; and
- to provide investors with a high dividend income while also maintaining the prospect of capital growth.

The Company's capital is its equity share capital, reserves and debt that are shown in the Statement of Financial Position at a total of £404,974,000 (2024: £370,647,000).

The Board, with assistance of the Manager, 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 Janus Henderson's view on the market;
- the need to buy back equity shares, either for cancellation or to hold in treasury, which takes account of the difference between the net asset value per ordinary share and the share price (i.e. the level of share price discount);
- the need for new issues of equity shares, including sales from treasury; and
- the extent to which revenue in excess of that which is required to be distributed should be retained.

The Company is subject to several externally imposed capital requirements:

- under the multi-currency loan facility and the senior unsecured note agreement the total of these borrowings may not exceed one third of adjusted total assets (as defined in the facility agreement) and net assets must be more than £90 million;
- as a public company, the company has a minimum share capital of £50,000; and
- in order to be able to pay dividends out of profits available for distribution by way of dividends, the Company has to be able to meet one of the two capital retention tests imposed on investment companies by company law and cannot retain more than 15% of income.

The Company has complied with these requirements in the year under review and the prior year.

Notes to the Financial Statements (continued)

16 Called up share capital

	Shares held in treasury	Shares entitled to dividend	Total shares in issue	Nominal value in issue £'000
Issued ordinary shares of 5p each				
At 1 January 2025	–	172,141,700	172,141,700	8,607
Buyback of shares for treasury	2,622,692	(2,622,692)	–	–
At 31 December 2025	**2,622,692**	**169,519,008**	**172,141,700**	**8,607**

	Shares held in treasury	Shares entitled to dividend	Total shares in issue	Nominal value in issue £'000
Issued ordinary shares of 5p each				
At 1 January 2024	–	129,796,278	129,796,278	6,490
Issued during the year	–	42,345,422	42,345,422	2,117
At 31 December 2024	**–**	**172,141,700**	**172,141,700**	**8,607**

During the year under review 2,622,692 shares were bought back and held in treasury (year-ended 31 December 2024: no shares). No shares were issued during the year under review (year-ended 31 December 2024: no shares subsequent to the HDIV combination). At 31 December 2025 there were 172,141,700 ordinary shares of 5p nominal value in issue.

Between 1 January 2026 and 23 March 2026, being the last practicable date prior to the publication of this annual report, no shares were issued or bought back. Accordingly, the number of shares in issue as at 23 March 2026 was 172,141,700 of which 2,622,692 were held in treasury. Therefore, the total voting rights in the Company at that date was 169,519,008.

On 17 January 2024 the Company issued 42,345,422 new shares to Henderson Diversified Income Trust plc (HDIV) shareholders in consideration of the £72.1 million of net assets acquired from HDIV in accordance with the scheme of reconstruction and winding up of HDIV under section 110 of the Insolvency Act 1986.

17 Reserves

	Share premium account £'000	Capital redemption reserve £'000	Capital reserve arising on investments sold £'000	Capital reserve arising on revaluation of investments held £'000	Revenue reserve £'000
At 1 January 2025	198,629	26,302	23,754	35,729	10,186
Transfer on disposal of investments	–	–	(349)	349	–
Net profit on investments	–	–	1,062	42,769	–
Foreign exchange losses	–	–	(218)	–	–
Buyback of shares to treasury	–	–	(4,598)	–	–
Management fee and finance costs charged to capital	–	–	(3,090)	–	–
Tax relief thereon	–	–	261	–	–
Net return after taxation	–	–	–	–	19,242
Dividends paid	–	–	–	–	(18,442)
At 31 December 2025	**198,629**	**26,302**	**16,822**	**78,847**	**10,986**

Notes to the Financial Statements (continued)

17 Reserves (continued)

	Share premium account £'000	Capital redemption reserve £'000	Capital reserve arising on investments sold £'000	Capital reserve arising on revaluation of investments held £'000	Revenue reserve £'000
At 1 January 2024	128,827	26,302	20,897	30,910	8,916
Transfer on disposal of investments	–	–	2,211	(2,211)	–
Net profit on investments	–	–	3,604	7,030	–
Foreign exchange gains	–	–	521	–	–
Management fee and finance costs charged to capital	–	–	(3,708)	–	–
Tax relief thereon	–	–	229	–	–
Net return after taxation	–	–	–	–	18,301
Dividends paid	–	–	–	–	(17,031)
Issue of shares on the HDIV transaction	69,949	–	–	–	–
Issue costs in respect of the HDIV transaction	(3)	–	–	–	–
Listing fees in respect of the new shares issued following the HDIV transaction	(144)	–	–	–	–
At 31 December 2024	**198,629**	**26,302**	**23,754**	**35,729**	**10,186**

The capital reserve arising on investments sold is distributable. The amount of the capital reserve that is distributable is complex to determine and is not necessarily the full amount of the reserve as disclosed within these financial statements of £16,822,000 as at 31 December 2025 (2024: £23,754,000). The portion of the capital reserve arising on revaluation of investments held is wholly non-distributable.

The revenue reserve is distributable. The amount of the revenue reserve that is distributable is not necessarily the full amount of the reserve as disclosed within these financial statements of £10,986,000 as at 31 December 2025 (2024: £10,186,000).

18 Net asset value per ordinary share

The net asset value per ordinary share is based on the net assets attributable to the ordinary shares of £340,193,000 (2024: £303,207,000) and on the 169,519,008 ordinary shares in issue at 31 December 2025 (2024: 172,141,700).

The movements during the year of the assets attributable to the ordinary shares were as follows:

	2025 £'000	2024 £'000
Net assets at start of year	303,207	222,342
Total net return after taxation	60,026	25,977
Dividends paid in the year	(18,442)	(17,031)
Buyback of shares for treasury	(4,598)	–
Issue of shares on the HDIV transaction	–	72,066
Issue costs in respect of the HDIV transaction	–	(3)
Listing fees in respect of the new shares issued following the HDIV transaction	–	(144)
	340,193	**303,207**

19 Contingent liabilities

There were no partly paid shares or underwriting commitments or any other contingent liabilities at 31 December 2025 (2024: nil).

Notes to the Financial Statements (continued)

20 Net debt reconciliation

	Cash and cash equivalents £'000	Bank loans repayable within one year £'000	Other debt repayable after more than one year £'000	Total £'000
Net debt as at 1 January 2025	2,493	(47,561)	(19,879)	(64,947)
Cash flows	1,105	3,035	–	4,140
Exchange movements	148	(366)	–	(218)
Non cash flow:				
Effective interest movements	–	–	(10)	(10)
Net debt as at 31 December 2025	**3,746**	**(44,892)**	**(19,889)**	**(61,035)**

	Cash and cash equivalents £'000	Bank loans repayable within one year £'000	Other debt repayable after more than one year £'000	Total £'000
Net debt as at 1 January 2024	1,990	(30,639)	(19,867)	(48,516)
Cash flows	992	(17,932)	–	(16,940)
Exchange movements	(489)	1,010	–	521
Non cash flow:				
Effective interest movements	–	–	(12)	(12)
Net debt as at 31 December 2024	**2,493**	**(47,561)**	**(19,879)**	**(64,947)**

21 Transactions with Janus Henderson and related parties

Under the terms of an agreement effective from 28 August 2024 the Company has appointed wholly owned subsidiaries of Janus Henderson to provide investment management, accounting, administrative and company secretarial services. Janus Henderson has contracted with BNP Paribas to provide accounting and administration services. Details of the management fee arrangements for these services are given in the Strategic Report on page 25.

The total fees paid or payable under this agreement to Janus Henderson in respect of the year ended 31 December 2025 were £1,598,000 (2024: £1,665,000), of which £395,000 was outstanding as at 31 December 2025 (2024: £421,000). See the Directors' Remuneration Report on page 46 and Note 6 for the fees paid to the Directors.

In the prior period Janus Henderson contributed £442,000 towards the costs incurred in relation to the combination with HDIV.

In addition to the above, Janus Henderson facilitates marketing activities with third parties which are recharged to the Company.

22 Subsequent events

Since the year end, the Board announced a first interim dividend of 2.775p per ordinary share, in respect of the year ending 31 December 2026. This will be paid on 24 April 2026 to holders registered at the close of business on 7 April 2026. This dividend is to be paid from the Company's revenue account. The Company's shares will be quoted ex-dividend on 2 April 2026.

23 Transaction with Henderson Diversified Income Trust plc (HDIV)

On 16 January 2024, the Company announced that it had acquired £72.1 million of net assets from HDIV in consideration for the issue of 42,345,422 new ordinary shares as part of a recommended section 110 scheme under the Insolvency Act 1986.

	£'000
Net assets acquired	
Investments and accrued income	39,480
Cash	32,586
Net assets	**72,066**
Satisfied by the value of new ordinary shares issued	**72,066**

There were no fair value adjustments of the combination made to the above figures.

Additional Shareholder Information

Glossary

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 of Directors retains responsibility for strategy, operations and compliance and the Directors retain a fiduciary duty to shareholders.

Association of Investment Companies (AIC)

The Company is a member of the AIC which is the trade body for investment companies and represents the industry in relation to various matters which impact the regulation of such entities.

Benchmark

An index against which performance is compared. For the Company this is a composite of 80% of the FTSE All-Share Index (total return) and 20% of the ICE BofA Sterling Non-Gilts Index (total return) and is rebalanced annually.

Compounding

Compounding is the process whereby interest is credited to an existing principal amount as well as to interest already paid.

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.
The depositary has confirmed that it has not discharged liability in relation to any of the Company's assets.

Derivative

A contract between two or more parties in relation to an underlying security. The value of a derivative will fluctuate in accordance with the value of the security and is a form of gearing as the fluctuations in value are usually greater than the fluctuations in the underlying security's value. Examples of derivatives are put and call options, swap contracts, futures and contracts for difference.

Dividend dates

When declared or announced, 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 upon which the Company's net asset value per share and share price will be disclosed ex-dividend.

Effective interest rate method

The effective interest rate is a method used by a bond buyer to calculate the total yield to maturity including any capital loss if the bond is purchased above par, or capital gain if purchased at a discount to par.

Geometric returns

A method for aggregating percentage returns over a holding period to include the impact of compounding.

Investment Trusts

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 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 will tend to depress the price that might be negotiated for a sale.

Market capitalisation

The market value of a company calculated by multiplying the mid-market price per share by the number of shares in issue.

Mid-market price

The middle (or mid) market price is the price between the best offered price and the best bid price. It can simply be defined as the average of the current bid and offer prices being quoted.

Treasury shares

Shares repurchased by the Company but not cancelled.

Alternative Performance Measures (Unaudited)

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 or Premium to NAV

The NAV per ordinary share used in this calculation is the NAV published by the London Stock Exchange and by the AIC with the interim dividends deducted on the corresponding ex-dividend date and with debt at fair value, as defined below.

The amount by which the market price per share of an investment trust is either higher (premium) or lower (discount) than the NAV per ordinary share, expressed as a percentage of the NAV per ordinary share.

	NAV pence	Share price pence	(Discount)/ premium to NAV %
At 31 December 2025	198.77	187.50	(5.67)
At 31 December 2024	174.72	162.50	(6.99)

Gearing/(Net Cash)

Gearing means borrowing money to buy assets with the expectation that the return on investments bought will exceed the interest cost of the borrowings. The gearing percentage reflects the amount of borrowings (e.g. bank loans and senior unsecured notes) the Company has used to invest in the market and also takes into account the exposure to hedging and derivatives which have a gearing effect. It is calculated by taking the difference between total investments (see Note 11) and equity shareholders' funds (see Statement of Financial Position) and dividing by equity shareholders' funds and multiplying by 100.

		2025	2024
Investments held at fair value through profit or loss (£'000) (page 67)	(A)	399,867	366,790
Net assets (£'000) (page 59)	(B)	340,193	303,207
Gearing (C = A/B -1) (%)	(C)	17.5	21.0

NAV with debt at par and fair value

	2025 £'000	2024 £'000
Investments held at fair value through profit or loss (see note 11)	399,867	366,790
Current assets (see page 59)	6,075	4,816
Creditors: amounts falling due within one year (see note 13)	(45,860)	(48,520)
Creditors: amounts falling due after more than one year (see note 14)	(19,889)	(19,879)
NAV with debt at par (A)	**340,193**	**303,207**
Less: fair value of senior unsecured note (see note 15.4)	(18,394)	(17,722)
Add back: amortised cost of senior unsecured note	19,889	19,879
NAV with debt at fair value (B)	**341,688**	**305,364**
Ordinary shares in issue (see note 16) (C)	**169,519,008**	**172,141,700**
NAV per ordinary share with debt at par (see page 59) (A/C x 100) (p)	**200.68**	**176.14**
NAV per ordinary share with debt at fair value (B/C x 100) (p)	**201.56**	**177.39**

The NAV per share is published daily and the year-end NAV as published by the AIC can be found on page 6. The NAV published to the London Stock Exchange and by the AIC will deduct interim dividends on the corresponding ex-dividend date. The NAV in the Company's financial statements will deduct the interim dividends on the corresponding dividend payment date. The Company currently publishes two NAVs, one with debt at par and the other with debt at fair value and further information is available in Note 18.

Alternative Performance Measures (Unaudited)

(continued)

Ongoing Charge

The ongoing charges ratio has been calculated in accordance with the guidance issued by the AIC as the total investment management fees and administrative expenses and expressed as a percentage of the net asset values throughout the year.

	2025 £'000	2024 £'000
Management fee	1,598	1,665
Other administrative expenses (Note 6)	617	618
Less: non-recurring expenses	(6)	(59)
Ongoing charge	**2,209**	**2,224**
Average net assets[1]	**324,294**	**300,583**
Ongoing charge ratio	**0.68%**	**0.74%**

1 Calculated using the average daily net asset value (with debt at fair value)

Total Return

The total return on the share price or NAV (with debt at fair value) takes into account both the rise and fall of NAVs/share prices and dividends paid to shareholders. Each component of the total return needs to be compounded as a geometric return to arrive at the total return. Any dividends received by a shareholder are assumed to have been reinvested in either additional shares (for share price total return) or the Company's assets (for NAV with debt at fair value total return). Dividends paid and payable are set out in Note 10.

	2025		2024	
	NAV (with debt at fair value)	**Share price**	NAV (with debt at fair value)	Share price
Opening NAV/Share price per share (pence)	174.72	162.50	169.58	156.50
Closing NAV/Share price per share (pence)	198.77	187.50	174.72	162.50
Change in the year (%)	13.8	15.4	3.0	3.8
Impact of dividends reinvested (%)	5.9	6.3	6.2	6.7
Total return for the year (%)	**20.4**	**22.6**	**9.4**	**10.8**

Income/Dividend Yield

The yield is the annual dividend (paid or announced for the year) expressed as a percentage of the year-end share price.

		31 December 2025	31 December 2024
Annual dividend (pence)	(A)	10.90	10.60
Share price (pence)	(B)	187.50	162.50
Yield (C=A/B) (%)	(C)	5.8	6.5

General Shareholder Information

AIFMD disclosures and remuneration

In accordance with the AIFMD, information in relation to the Company's leverage and remuneration of Janus Henderson, as the Company's AIFM, is required to be made available to investors. These disclosures, including those on the AIFM's remuneration policy, are contained in a separate document called 'AIFMD Disclosures' which can be found at **www.hendersonhighincome.com**.

BACS

Dividends can be paid by means of BACS Mandate forms for this purpose are available from the Registrar, Computershare Investor Services PLC. Alternatively, shareholders can write to the Registrar (the address is given on page 82), to give their instructions; these must include the bank account number, the bank account title and the sort code of the bank to which payments are to be made.

Common Reporting Standard

Tax legislation 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 the tax residencies of non-UK based certificated shareholders and corporate entities.

Equality Act 2010

Copies of this Annual Report and other documents issued by the Company are available from the Corporate Secretary. If needed, copies can be made available in a variety of formats, including Braille or larger type as appropriate.

A 'typetalk' operator, provided by the Royal National Institute for Deaf People, is available to support speech and hearing-impaired people to make telephone calls. Please dial 18001 followed by the number you wish to dial.

General Data Protection Regulation (GDPR)

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

ISA

The Company intends to continue to manage its affairs in order to qualify as an eligible investment for a stocks and shares ISA.

Non-Mainstream Pooled Investments (NMPI) Status

The Company conducts its affairs so that its ordinary shares of 5p each can be recommended by IFAs to ordinary retail investors in accordance with the FCA rules for non-mainstream investment products and intends to continue 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.

Share price information

Details of the Company's share price and NAV per share can be found at **www.hendersonhighincome.com**.

The Company's NAV is published daily and the market prices of the Company's shares are published daily in the Financial Times, the Daily Telegraph and the London Stock Exchange Daily Official List.

Shareholder details

Shareholders who hold their shares in certificated form can check their shareholding with the Registrar, Computershare Investor Services PLC, via **www.investorcentre.co.uk**.

Please note that to gain 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 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 for 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.

Corporate Information

Registered Office

201 Bishopsgate
London
EC2M 3AE
Telephone: 020 7818 1818

Service Providers

Alternative Investment Fund Manager

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

Depositary and custodian

HSBC Bank plc
8 Canada Square
London
E14 5HQ

Corporate Broker

J.P. Morgan Cazenove Limited
25 Bank Street
London
E14 5JP

Registrar

Computershare Investor Services PLC
The Pavilions
Bridgwater Road
Bristol
BS99 6ZZ
Telephone: 0370 707 1039
Email: WebCorres@computershare.co.uk

Investors with share certificates (i.e. not those in a share plan or ISA) can check their holdings at **www.investorcentre.co.uk**.

Independent Auditor

PricewaterhouseCoopers LLP
7 More London Riverside
London
SE1 2RT

Financial Calendar

Annual General Meeting	Tuesday, 12 May 2026
First interim dividend payment	Friday, 24 April 2026
Second interim dividend payment	Friday, 24 July 2026
Third interim dividend payment	Friday, 30 October 2026
Fourth interim dividend payment	Friday, 29 January 2027
Half year results announced	September 2026
Senior unsecured note interest payment dates	8 July 2026
	8 January 2027

Information Sources

For more information about the Company, visit:
www.hendersonhighincome.com

To receive regular insights on investment trusts from the investment manager, visit:
www.janushenderson.com/en-gb/investor/subscriptions/

Follow the 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 receive back the full amount invested. Tax benefits may vary as a result of statutory changes and their value will depend on individual circumstances.

Notice of Annual General Meeting

Notice of Annual General Meeting

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt as to what action you should take, you should consult your stockbroker, solicitor, accountant or other professional adviser authorised under the Financial Services and Markets Act 2000 if you are resident in the UK, or if not from another appropriately independent financial adviser in your own jurisdiction.

If you have sold, transferred or otherwise disposed of all your shares in Henderson High Income Trust plc (the 'Company'), please pass this circular and the accompanying Form of Proxy to the stockbroker, bank or other agent through whom you made the sale, transfer or disposal for transmission to the purchaser or transferee, except that such documents should not be sent to any jurisdiction under any circumstances where to do so might constitute a violation of local securities laws and regulations. If you have sold or transferred or otherwise disposed of only part of your holding of shares in the Company, you should retain this circular and the accompanying Form of Proxy and consult the stockbroker, bank or other agent through whom you made the sale, transfer or disposal.

Notice is hereby given that the 37th Annual General Meeting of Henderson High Income Trust plc ('the Company') will be held at 201 Bishopsgate, London EC2M 3AE on **Tuesday, 12 May 2026** at 12 noon for the purposes of considering and, if thought fit, pass the following resolutions, of which Resolutions 1 to 12 will be proposed as Ordinary Resolutions and Resolutions 13 to 15 will be proposed as Special Resolutions:

Ordinary Resolutions

1 To receive the Annual Report and audited financial statements for the year ended 31 December 2025.

2 To approve the Directors' Remuneration Policy.

3 To approve the Directors' Remuneration Report for the year ended 31 December 2025.

4 To re-appoint Jeremy Rigg as a Director of the Company.

5 To re-appoint Richard Cranfield as a Director of the Company.

6 To re-appoint Francesca Ecsery as a Director of the Company.

7 To re-appoint Jonathan Silver as a Director of the Company.

8 To re-appoint Preeti Rathi as a Director of the Company.

9 To appoint Forvis Mazars LLP as statutory auditor to the Company.

10 To authorise the Directors to determine the statutory auditor's remuneration.

11 THAT the shareholders approve the Company's dividend policy to continue to pay four quarterly interim dividends, which in the year under review have totalled 10.90p per ordinary share.

12 THAT in substitution for all existing authorities the Directors be generally and unconditionally authorised pursuant to Section 551 of the Companies Act 2006 (the 'Act') to exercise all the powers of the Company to allot ordinary shares of 5p each in the capital of the Company, and to grant rights to subscribe for, or to convert any security into, ordinary shares up to an aggregate nominal amount of £847,595 (or such other amount as shall be equivalent to 10% of the issued ordinary share capital at the date of passing of this resolution, excluding shares held in treasury), provided that this authority shall expire at the conclusion of the next annual general meeting of the Company or, if earlier, on the expiry of 15 months from the passing of this resolution, unless renewed, varied or revoked at a general meeting prior to such time, save that the Directors may make an offer or agreement which would or might require ordinary shares to be allotted 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

13 THAT, in substitution for all existing authorities and subject to the passing of resolution 12, the Directors be and are hereby empowered pursuant to Sections 570 and 573 of the Act to allot ordinary shares for cash pursuant to the authority conferred by resolution 12 above and to sell ordinary shares from treasury for cash as if Section 561(1) of the Act did not apply to the allotment or sale, provided that this authority 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 dates 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;

Notice of Annual General Meeting (continued)

(b) otherwise than pursuant to sub-paragraph (a) above up to a maximum aggregate nominal value of £847,595 (or such amount being equivalent to 10% of the Company's issued ordinary share capital at the date of the passing of this resolution excluding shares held in treasury); and

(c) at a price not less than the net asset value per ordinary share as at the latest practicable date before such allotment or sale of ordinary shares as determined by the Directors in their reasonable discretion;

and shall expire at the conclusion of the next annual general meeting of the Company, or if earlier, on the expiry of 15 months from the passing of this resolution, unless renewed, varied or revoked at a general meeting prior to such time, 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 ordinary shares or sell ordinary shares from treasury in pursuance of such an offer or agreement as if the power conferred hereby had not expired.

14 THAT in substitution for all existing authorities the Company be and is hereby generally and unconditionally authorised in accordance with Section 701 of the Act to make market purchases (within the meaning of Section 693(4) of the Act) of ordinary shares of 5p each in issue in the capital of the Company on such terms and in such manner as the Directors may from time to time determine, provided that:

(a) the maximum number of ordinary shares which may be purchased is 14.99% of the Company's issued ordinary share capital at the date of the passing of this resolution (equivalent to 25,410,899 ordinary shares at 23 March 2026, being the last practicable date prior to publication of this notice) excluding shares held in treasury;

(b) the maximum price (exclusive of expenses) which may be paid for an ordinary share shall not exceed the higher of:

i) 105% above the average market price of the ordinary shares as taken from the London Stock Exchange Daily Official List for the five business days immediately prior to the day the purchase is made; and

ii) the higher of the last independent trade and the highest current independent bid on the London Stock Exchange;

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

(d) the authority hereby conferred shall expire at the conclusion of the next annual general meeting of the Company, or, if earlier, on the expiry of 15 months from the passing of this resolution, unless such authority is renewed, varied or revoked 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, if the Directors so determine, be held, sold, transferred or otherwise dealt with as treasury shares in accordance with the provisions of the Act.

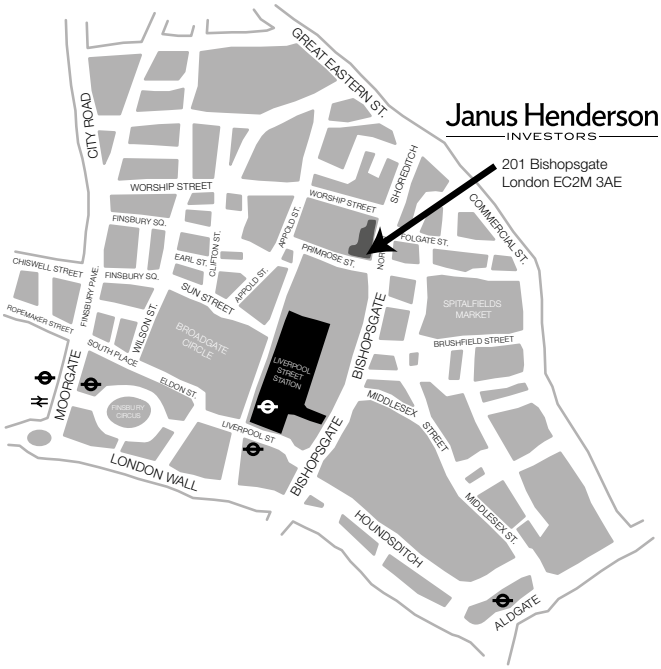
15 THAT a general meeting other than an annual general meeting may be called on not less than 14 clear days' notice, such authority to expire at the conclusion of the next annual general meeting of the Company.

By order of the Board
Janus Henderson Secretarial Services UK Limited
Corporate Secretary
25 March 2026

Registered office:
201 Bishopsgate, London EC2M 3AE

Annual General Meeting venue

The 37th Annual General Meeting will be held at Janus Henderson Investors' offices at 201 Bishopsgate, London EC2M 3AE. It is a few minutes walk from Liverpool Street Station and from Moorgate Underground Station.



Notice of Annual General Meeting (continued)

Explanations of the Resolutions

The information set out below is an explanation of the business to be considered at the Meeting.

Resolutions 1 to 12 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 13 to 15 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.

Ordinary Business

Resolution 1: Company's Annual Report and audited financial statements (ordinary resolution)

The Directors are required to lay before the Meeting the Annual Report and audited financial statements in respect of the financial year ended 31 December 2025 including the Strategic Report, Report of the Directors, Independent Auditor's Report and the Directors' Remuneration Report. Shareholders will be given an opportunity at the Meeting to ask questions on these items. At the end of the discussion, shareholders will be invited to receive the Annual Report and audited financial statements.

Resolution 2: Directors' Remuneration Policy (ordinary resolution)

The vote on the Remuneration Policy is binding and the Policy is put to shareholders every three years in accordance with legislation.

Resolution 3: Directors' Remuneration Report (ordinary resolution)

Shareholders are requested to approve the Remuneration Report which is set out on pages 45 to 47. This vote is advisory and does not affect the remuneration payable to any individual Director. However, the Board will take feedback from shareholders regarding remuneration and incorporate this into any future remuneration discussions.

Resolutions 4 to 8: Re-appointment of Directors (ordinary resolutions)

In line with the provisions of the Code of Corporate Governance issued by the Association of Investment Companies, all Directors will be retiring at the meeting and offer themselves for re-appointment as set out below.

Resolution 4 relates to the re-appointment of Jeremy Rigg as a Director of the Company. Jeremy was appointed to the Board on 1 April 2018. Jeremy was appointed as Chairman of the Board, the Management Engagement Committee and the Insider Committee on 24 May 2021.

Resolution 5 relates to the re-appointment of Richard Cranfield as a Director of the Company. Richard was appointed to the Board on 1 March 2020.

Resolution 6 relates to the re-appointment of Francesca Ecsery as a Director of the Company. Francesca was appointed to the Board on 31 December 2022.

Resolution 7 relates to the re-appointment of Jonathan Silver as a Director of the Company. Jonathan was appointed to the Board on 2 January 2019 and subsequently became Chairman of the Audit & Risk Committee on 8 May 2019.

Resolution 8 relates to the re-appointment of Preeti Rathi as a Director of the Company. Preeti was appointed to the Board on 31 December 2024.

The Board has reviewed the performance and commitment of the Directors standing for re-appointment and considers that each of the Directors should continue in office as they bring wide, current and relevant business experience that allows them to contribute effectively to the leadership of the Company. Furthermore, the Board is satisfied that, having considered each Directors' experience and the nature of, and anticipated demands on his or her time by virtue of their other business commitments, each Director is able to commit the time required to fulfil his or her responsibilities as a Director of the Company.

All the Directors are considered independent for the purposes of the AIC Code. Biographical details for the Directors are shown on pages 34 to 35.

Resolutions 9 and 10: Appointment and remuneration of the statutory auditor (ordinary resolutions)

In accordance with Sections 489 and 492 of the Act shareholders are required to approve the appointment of the Company's auditor each year and to give authority to the Directors to determine their remuneration.

In accordance with mandatory audit firm rotation requirements, the Audit and Risk Committee initiated a formal tender process in 2025 as PwC had completed a 10-year term. The Audit and Risk Committee managed a competitive audit tender process, meticulously following the best practice guidance of the FRC. Following completion of the process, the Committee recommended the appointment of Forvis Mazars LLP as the Company's auditor for the year ending 31 December 2026. The Board has accepted this recommendation and is pleased to propose the appointment of Forvis Mazars LLP in respect of the year ending 31 December 2026 and seeks authority for the Directors to determine their remuneration.

Other Business

Resolution 11: Approval of dividend policy (ordinary resolution)

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 December 2025 these four quarterly dividends totalled 10.90p per ordinary share.

Notice of Annual General Meeting (continued)

Resolution 12: Authority to allot shares (ordinary resolution)

At the AGM on 13 May 2025, the Directors were granted authority to issue 17,214,170 new ordinary shares. No shares have been issued under this authority, which will expire at the forthcoming AGM.

Accordingly, an ordinary resolution to renew this authority will be proposed at the forthcoming AGM, which will allow the Directors to allot shares up to a maximum of 10% of the issued share capital, excluding treasury shares, which at the date of publication of this Notice was 16,951,900 shares (aggregate nominal value of £847,595).

The resolution is set out in full in this Notice on page 84. If renewed, the authority shall expire at the conclusion of the next annual general meeting of the Company or, if earlier, on the expiry of 15 months from the passing of this resolution unless such authority is renewed before that expiry.

Resolution 13: Power to disapply pre-emption rights (special resolution)

At the AGM on 13 May 2025, the Directors were given authority to allot or sell up to 17,214,170 shares without first having to offer these to existing shareholders in accordance with statutory pre-emption procedures. No new shares have been issued under this authority. The Directors may disapply pre-emption rights in respect of any shares issued under the remaining authority up to the 2026 AGM when the current authority will expire.

Resolution 13 therefore proposes to renew the Directors' annual authority to allot or sell ordinary shares in the capital of the Company, for cash or from treasury, pursuant to resolution 12, up to a maximum of 16,951,900 shares (aggregate nominal value of £847,595 or such amount being 10% of the Company's issued ordinary share capital, excluding treasury shares, as at the date of the passing of this resolution), without first having to offer these shares to existing shareholders. If renewed, the power shall expire at the conclusion of the next annual general meeting of the Company or, if earlier, on the expiry of 15 months from the passing of this resolution unless such authority is renewed before that expiry.

The Directors do not intend to allot or sell shares pursuant to resolutions 12 and 13 other than to take advantage of opportunities in the market as they arise and only if they believe it to be advantageous to the Company's existing shareholders to do so, and when it would not result in any dilution of net asset value per ordinary share (i.e. shares will only be issued at a premium to net asset value).

Resolution 14: Repurchase of the Company's ordinary shares (special resolution)

At the Company's last AGM held on 13 May 2025, the Directors were granted authority to repurchase 25,804,041 ordinary shares. As at 23 March 2026 (being the latest practicable date prior to the publication of this Notice) the Directors have bought back 2,622,692 shares. Therefore the Directors have remaining authority to repurchase 23,181,349 shares.

Resolution 14 seeks to renew the Company's authority to repurchase shares. The authority under this resolution is limited to the purchase of a maximum of 14.99% of the ordinary shares in issue at the date of the passing of this resolution (excluding shares held in treasury). The minimum price which may be paid for an ordinary share is 5p which is the nominal value of each share. In accordance with the UK Listing Rules of the Financial Conduct Authority ('FCA'), the maximum price which may be paid for an ordinary share is the higher of:

(a) 105% above the average market price of the ordinary shares taken from the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which the purchase is made; and

(b) the higher of the last independent trade and the highest current independent bid on the London Stock Exchange.

Both the minimum and maximum price are exclusive of any relevant tax and expenses payable by the Company. The Company may cancel or hold in treasury any shares bought back under this authority.

The Directors believe that, from time to time and subject to market conditions, it will continue to be in the shareholders' interests to buyback the Company's shares when they are trading at a discount to the underlying net asset value per ordinary share. The authority being sought provides an additional source of potential demand for the Company's shares.

The Company may utilise the authority to purchase shares by either a single purchase or a series of purchases when market conditions allow, with the aim of maximising the benefit to shareholders. This proposal does not indicate that the Company will purchase shares at any particular time or price, nor imply any opinion on the part of the Directors as to the market or other value of the Company's shares.

This authority will expire at the conclusion of the next annual general meeting of the Company or, if earlier, on the expiry of 15 months from the passing of this resolution unless such authority is renewed before expiry. It is the present intention of the Directors to seek a similar authority annually.

Resolution 15: Notice of general meetings (special resolution)

The Act stipulates that the notice period for general meetings (other than annual general meetings) is 21 days unless shareholders' approval to reduce the notice period has been given. The Board is of the view that it is in the Company's interest to have a shorter notice period which complies with the provisions of the Act. The passing of resolution 15 would preserve the Company's ability to call general meetings (other than an annual general meeting) on 14 clear days' notice where shareholders are given the opportunity to vote at such meetings by electronic means. The Board would utilise this authority to provide flexibility when merited and would not use it as a matter of routine. The Board intends to seek a renewal of such authority at subsequent annual general meetings.

Notice of Annual General Meeting (continued)

Notes to the Meeting

1. Rights to attend and vote

Subject to note 2, all of the Company's members are entitled to attend, speak and vote at the forthcoming AGM or at any adjournment(s) thereof. On a poll each member has one vote for each share held.

2. Voting record date

Only members registered in the Register of Members of the Company at 12 noon on Friday, 8 May 2026 (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 12 noon on Friday, 8 May 2026 shall be disregarded in determining the rights of any person to attend and vote at the Meeting.

If the AGM is adjourned by 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, whether in person or by proxy, 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.

3. Right to appoint proxies

Pursuant to Section 324 of the Act, a member entitled to attend and vote at the Meeting may appoint more than one proxy, provided that each proxy is appointed to exercise the rights attached to different shares held by them. A proxy need not be a member of the Company. The completion of the Form of Proxy or any CREST proxy instruction (as described in notes 6 and 8) will not preclude a shareholder from attending and voting in person at the Meeting.

If the total number of voting rights that the Chairman will be able to vote (taking into account any proxy appointments from shareholders over which the Chairman is given discretion and any voting rights in respect of the Chairman's own shares) is such that the Chairman will have a notifiable obligation under the Disclosure Guidance and Transparency Rules of the FCA, the Chairman will make the necessary notifications to the Company and the FCA. Therefore, any member holding 3% or more of the voting rights in the Company who grants the Chairman a discretionary proxy in respect of some or all of those voting rights and so would otherwise have a notification obligation under the Disclosure Guidance and Transparency Rules, need not make a separate notification to the Company and to the FCA. However, any member holding 3% or more of the voting rights in the Company who appoints a person other than the Chairman as proxy will need to ensure that both the member and the proxy comply with their respective disclosure obligations under the Disclosure Guidance and Transparency Rules.

The right to appoint a proxy under Section 324 of the Act does not extend to persons nominated to receive information rights under Section 146 of the Act. Persons nominated to receive information rights under Section 146 of the Act have been sent this Notice and are hereby informed, in accordance with Section 149(2) of the Act, that they may have the right under an agreement with the registered member by whom they are nominated to be appointed, or to have someone else appointed, as a proxy for the Meeting. If they have such right instead and do not wish to exercise it, they may have a right under such an agreement to give instructions to the registered member as to the exercise of voting rights.

Nominated persons should contact the registered member by whom they were nominated (not the Company) in respect of these arrangements. The statement of rights of shareholders in relation to the appointment of proxies in this paragraph does not apply to nominated persons.

If you are an institutional investor you may be able to appoint a proxy electronically via the Proxymity platform, a process which has been agreed by the Company and approved by the Registrar. For further information regarding Proxymity, please go to **www.proxymity.io**. Your proxy must be lodged by 12 noon on Friday, 8 May 2026 in order to be considered valid. Before you can appoint a proxy via this process you will need to have agreed to Proxymity's associated terms and conditions. It is important that you read these carefully as you will be bound by them and they will govern the electronic appointment of your proxy.

4. Proxies' right to vote at the Meeting

On a vote on a show of hands, each proxy has one vote. The Board considers that a poll is more democratic, as it enables the votes of all shareholders to be counted, whether or not they attend the AGM in person. Accordingly, voting on the Resolutions will be by way of a poll rather than a show of hands.

Recipients of this document who are the beneficial owners of ordinary shares in the capital of the Company held through a nominee should follow the instructions provided by their nominee or check with their professional adviser if no instructions have been provided. Shareholders are strongly recommended to complete and return their proxy appointments, appointing the Chair of the Meeting as their proxy.

On a poll all or any of the voting rights of the member may be exercised by one or more duly appointed proxies. However, where a member appoints more than one proxy, Section 285(4) of 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.

Notice of Annual General Meeting (continued)

5. Voting by corporate representatives

Corporate representatives are entitled to attend and vote on behalf of the corporate member in accordance with Section 323 of the Act provided they do not do so in relation to the same shares. Please bring the letter of corporate representation with you to the meeting.

6. Receipt and termination of proxies

To be valid the Form of Proxy must be received by the Company's Registrar (Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS99 6ZY) before 12 noon on Friday, 8 May 2026. A member may terminate a proxy's authority at any time before the commencement of the Meeting. Termination must be provided in writing and submitted to the Company's Registrar.

As an alternative to completing and returning the printed Form of Proxy, you may submit your proxy electronically by accessing **www.investorcentre.co.uk/eproxy**. For security purposes, you will be asked to enter the control number, your shareholder reference number ('SRN') and personal identification number ('PIN') to validate the submission of your proxy online. The control number and members' individual SRN and PIN numbers are shown on the Form of Proxy. To be valid proxies must be received no later than 12 noon on Friday, 8 May 2026 (or, in the case of an adjournment, no later than 48 hours before the time fixed for the holding of the adjourned meeting). In accordance with the Company's Articles of Association, in determining the deadline for receipt of proxies, no account shall be taken of any part of a day that is not a working day.

7. Communication with the Company

Members may not use any electronic address provided either in the notice or any related documents (including the Form of Proxy) to communicate with the Company for any purpose other than those expressly stated.

8. Electronic receipt of proxies

To appoint one or more proxies or to 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 the deadline specified in note 6. 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 Uncertificated Securities Regulations 2001.

Instructions on how to vote through CREST can be found on the website **www.euroclear.com/CREST**.

9. Questions at the Annual General Meeting

Shareholders can submit questions to the Board in advance of the meeting by email to **itsecretariat@janushenderson.com** by no later than Monday, 11 May 2026. Section 319A of the Act requires the Directors to answer any question raised at the AGM which relates to the business of the Meeting, although no answer need be given:

(a) if to do so would interfere unduly with the proceedings of the Meeting 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 Meeting that the question be answered.

The attendance at the meeting of members and their proxies and representatives is understood by the Company to confirm their agreement to receive communications made at the meeting.

10. Website

Members satisfying the thresholds in Section 527 of the Act can require 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 Meeting; 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 Meeting.

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 Auditors no later than the time it makes its statement available on the website. The business which may be dealt with at the Meeting includes any statement that the Company has been required to publish on its website. The Company's Annual Report which contains this Notice of Meeting is available at **www.hendersonhighincome.com**, together with these explanatory notes.

11. Documents available for inspection

Copies of 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 day (Saturdays, Sundays and public holidays excepted) and will be available at the Meeting from 15 minutes prior to the commencement of the Meeting until its conclusion. No Director has a contract of service with the Company.

12. Total voting rights

As at 23 March 2026 (being the last practicable date prior to the publication of this Notice), the total number of shares in the Company in issue is 172,141,700 including 2,622,692 shares held in treasury. On a poll each member has one vote for every one share held. As treasury shares have no voting rights, the total number of voting rights in the Company on that date is 169,519,008.

Henderson High Income Trust plc
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www.hendersonhighincome.com

MANAGED BY
Janus Henderson
INVESTORS

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The Association of
Investment Companies

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