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Invesco Bond Income Plus Limited

Annual Financial Report for the year ended 31 December 2024

The following text is extracted from the Annual Financial Report of the Company for the year ended 31 December 2024. All page numbers below refer to the Annual Financial Report which will be made available on the Company's website.

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â€¢Â Net asset value (â€˜NAVâ€™) and share price total returns with dividends reinvested for the year of 8.5% and 8.8% respectively.

â€¢Â Shares traded at a premium for majority of year leading to a strong demand for shares, including a successful retail offer, resulting in 21.7m shares being issued.

â€¢Â Dividend increased to 11.6875p per share for 2024 with an increased dividend target of 12.25p per share for 2025.

â€¢Â Dividend continues to be fully covered by current year net revenue along with revenue reserve growth.

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Financial Information and Performance Statistics

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Net asset value â€“ total return with dividends reinvested

Â	2024	2023	Â
Total Return Statistics with dividends reinvested[1][2]	Â	Â	Â
Net asset value â€“ total return with dividends reinvested	8.5%	11.7%	Â
Share price â€“ total return with dividends reinvested	8.8%	10.5%	Â

Capital Statistics	Â	Â	Â
At 31 December	**2024**	**2023**	**change %**
Net assets (Â£â€™000)	345,799	304,629	+13.5
Net asset value per ordinary share[2]	170.87p	168.58p	+1.4
Share price[1]	174.00p	171.00p	+1.8
Premium[2]	1.8%	1.4%	Â
Gearing[2]	Â	Â	Â
Â Â â€“ gross gearing	13.1%	15.8%	Â
Â Â â€“ net gearing	9.9%	12.4%	Â

Performance Statistics	Â	Â	Â
Year Ended 31 December	**2024**	**2023**	**change %**
Revenue return per ordinary share	12.08p	12.23p	Â
Capital return per ordinary share	1.57p	5.71p	Â
Total return	13.65p	17.94p	Â
Dividend per ordinary share for the year	11.6875p	11.5000p	+1.6
Ongoing Charges Ratio[2]	0.89%	0.91%	Â

(1)Â Source: LSEG Data & Analytics.

(2)Â Alternative Performance Measure (APM). See Glossary of Terms and Alternative Performance Measures on pages 77 to 79 of the financial report for details of the explanation and reconciliations of APMs.

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Chairmanâ€™s Statement

Highlights

â€¢Â Net asset value (â€˜NAVâ€™) and share price total returns with dividends reinvested for the year of 8.5% and 8.8% respectively[1].

â€¢Â Shares traded at a premium for majority of year leading to a strong demand for shares, including a successful retail offer, resulting in 21.7m shares being issued.

â€¢Â Dividend increased to 11.6875p per share for 2024 with an increased dividend target of 12.25p per share for 2025.

â€¢Â Dividend continues to be fully covered by current year net revenue along with revenue reserve growth.

The macroeconomic news in 2024 proved to be something of a mixed bag. On a positive note, declining inflation allowed the Bank of England to start to ease monetary policy with two cuts which took its Bank Rate from 5.25% to 4.75%. However, UK economic growth was subdued and by the final months of the year it had become clear that the tentative recovery in activity had run out of steam. Growth in the Eurozone remained muted, however the United States economy enjoyed a year of surprisingly robust growth, buoyed by strong consumer spending. High yield markets made steady progress and credit spreads â€“ a key barometer of market confidence â€“ remained at the lower end of historical ranges.

The political landscape was transformed with Labourâ€™s general election success in July and in the United States with Donald Trumpâ€™s successful bid to return to the White House. Chancellor Rachel Reevesâ€™ first Budget introduced a marked change of approach to the UKâ€™s economic challenges, an approach characterised by a combination of higher public spending, higher taxes and increased government borrowing. In contrast, the anticipation ahead of the second Trump administration was one of return to his first termâ€™s playbook of tariffs, lower taxes and deregulation.

Performance

The Companyâ€™s Net asset value (â€˜NAVâ€™) and share price total returns with dividends reinvested for the year were 8.5% and 8.8% respectively. The 8.5% NAV return was below the 10.2% achieved by the ICE Bank of America Merrill Lynch European Currency High Yield Index (hedged to GBP) (â€˜the Indexâ€™) but above the average return of 4.6% for funds in the Investment Association Sterling Strategic Bond Sector. The under-performance against the Index is attributable to a number of factors. Our managers chose to hold a higher credit quality portfolio, on average, than the index. The portfolio had some unhedged currency exposure (non-GBP) and the pound was relatively strong in 2024. The portfolio also gained and lost some performance through individual holdings. These are covered in more detail in the Managersâ€™ report.

The Companyâ€™s investment performance continues to compare favourably with the Index over the longer term. For the five and ten years to the end of 2024 the Companyâ€™s NAV total return was 21.7% and 66.7% respectively compared to total returns of 20.4% and 60.0% for the Index.

Income Account

It is pleasing to report that we were able to increase the dividend payable to shareholders for a fourth successive year. We announced a dividend for 2024 of 11.6875 pence per share, a 1.6% increase on the 11.50 pence per share for 2023. Our dividend yield of 6.7% comfortably exceeded the rate of inflation and the dividend was 1.03x covered by earnings.

The dividend was paid in four instalments, with the fourth dividend payment on the 20 February 2025 in the form of an interim dividend. Paying the final instalment in the form of an interim dividend means that it can be made earlier than would be the case had we declared a final dividend since this would require approval at the Annual General Meeting later in the year.

We expect to be able to build on the Companyâ€™s long record of providing shareholders with a high level of income relative to interest rates in 2025. Consequently we are targeting a dividend of 12.25 pence per share for 2025 which would mark a 4.8% increase compared to 2024â€™s outcome.

The Companyâ€™s success in providing shareholders with a consistently high level of income is the result of our Managerâ€™s rigorous process and expertise in managing high yield portfolios. In addition, our investment company status means that we have a number of powers to enhance investment performance. For example, these powers include the opportunity to increase returns by borrowing as well as the ability to use reserves to smooth returns. Lastly, we retain our position as the largest company in our AIC Sector and our size means that we are in a relatively strong position to spread the fixed costs of running the Company.

Premium/Discount

The majority of investment trusts continued to trade at wide discounts to their NAVâ€™s during 2024. Despite this background demand for the Companyâ€™s shares remained encouraging throughout 2024 and pleasingly the Company traded at a premium to NAV for most of the year. We closed the year at a premium of 1.8% having started 2024 at a 1.4% premium and we were able to issue a total of 21,676,727 shares during the year to meet demand with this total including 7,926,727 shares issued as a result of a successful share placing completed in February.

Long standing shareholders will recall that Invesco Bond Income Plus Limited is the product of a merger in May 2021 between City Merchants High Yield Trust Limited and Invesco Enhanced Income Limited. In the period since the merger we have been able to steadily increase the Companyâ€™s shares by 20.2%. The growth in the Company benefits shareholders by putting downward pressure on the Ongoing Charges Ratio and by improving the liquidity of our shares.

Gearing

The level of gearing is determined by the Portfolio Managers according to their assessment of the opportunities and risks within the high yield market. The maximum amount of borrowing is 30% of total assets and throughout 2024 the Company maintained a geared portfolio. As at 31 December 2024 gross gearing was 13.1% (15.8% as at the 31 December 2023). Net gearing was 9.9% at year-end compared to 12.4% at the start of the year. Our preferred method of gearing remains the use of repurchase agreements (â€˜repo agreementsâ€™), which are described in more detail on page 13.

Ongoing Charges

A key objective for the Board is to ensure that the costs incurred in managing the Company are competitive and we use the Companyâ€™s ongoing charges ratio (OCR) to measure these costs. Details of the OCR can be found on page 13. The OCR for the year was 0.89% compared to 0.91% in the previous year. I am pleased to report that our OCR remains the lowest within our Association of Investment Companies sector (Debt â€“ Loans and Bonds).

The Board

There will be a number of changes to the Board in 2025. First as result of our succession planning and subject to regulatory approval I am delighted to report that we will appoint Arun Sarwal to the Board as a Director. Arun will bring extensive financial experience to the Board. Secondly, Tom Quigley has indicated his intention to retire from the Board at the June AGM. I would like to thank Tom for his substantial contribution to the Board.

In 2024 we began our second participation in the Board Apprentice programme. This is a scheme which allows individuals to gain first-hand experience of the functioning and dynamics of boards. I am pleased to report that Anjli Amin was appointed as a Board Apprentice for a twelve-month period.

AGM

The AGM will be held on 11 June 2025 at 9.00am at the Jersey offices of our Company Secretary. Further details of the AGM arrangements can be found on page 35.

Articles of Association (Articles)

The Board proposes that the Company adopt new Articles of Association (the â€˜New Articlesâ€™) to update the existing Articles for modern practice. The proposed amendments being introduced in the New Articles relate to changes in law and regulation and developments in market practice not currently reflected in the existing Articles. These changes reflect modern best practice and governance standards and may assist in relieving certain administrative and cost burdens on the Company. The proposed amendments seek to balance these administrative burdens with the need to safeguard Shareholder rights. A description of the proposed amendments being introduced in the New Articles, together with further explanations for these changes, are set out within the Directorsâ€™ Report on pages 34 to 37. In summary, the proposed changes seek to:

â€“Âmodernise the Companyâ€™s approach to shareholder dormancy and unclaimed dividends;

â€“Âfacilitate electronic communication with shareholders and the holding of hybrid and electronic meetings (although the Company has no intention of holding electronic only meetings);

â€“Âimprove the powers of the Company where shareholders have not responded to mandatory information requests, including under the Companyâ€™s anti-money laundering and tax reporting obligations;

â€“Âprovide for annual director re-election and remove the Chair's casting vote; and

â€“Âmake other minor changes to reflect changes in law since the existing Articleâ€™s adoption and to remove outdated language.

Outlook

We are barely a month or two into President Trumpâ€™s term of office and yet his impact has been profound both in terms of USâ€™s economic policy and its international relations. The imposition of tariffs is a worrying development and a potential threat to the global economic outlook while the sudden end of long-established international policy norms adds to a sense of heightened global geopolitical uncertainty as we start 2025.

Our investment policy is to provide a high level of dividend income relative to prevailing interest rates. The â€˜gapâ€™ between the dividend income provided by the Company and the income available from interest rate savings widened in 2024. With the macroeconomic outlook suggesting that interest rates have further to fall, I expect this gap to widen further in 2025.

The Company has consistently provided shareholders with an attractive dividend, this despite in recent years an ever changing and uncertain macroeconomic environment, the shock of a global pandemic and heightened geopolitical uncertainty. I am confident that our successful and long established investment process, together with the powers we have as an investment trust, will allow us to build on our strong dividend income record in 2025 despite the uncertain outlook.

Tim Scholefield
Chairman

2 April 2025

(1)ÂAlternative Performance Measure (â€˜APMâ€™). See Glossary of Terms and Alternative Performance Measures on pages 77 to 79 of the financial report for details of the explanation and reconciliations of APMs.

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Portfolio Managersâ€™ Report

Q&A

Portfolio Manager

Rhys Davies, CFA, Fund Manager

Rhys is a fund manager for the Invesco Fixed Interest Europe team, based in our Henley office.

He began his investment career with Invesco in 2002, moving to the Henley Fixed Interest team in 2003. He became a fund manager in 2014. He manages high yield credit portfolios.

He holds a BSc (Honours) in Management Science from the University of Manchester Management School. He is a CFA charterholder.

Deputy Portfolio Manager

Edward Craven, FCA, Fund Manager

Edward is a fund manager for the Invesco Fixed Interest Europe team, based in our Henley office.

He began his career with KPMG in 2003. In 2008 he moved to The Royal Bank of Scotland, where he worked in structured finance. He joined the team at Invesco in 2011 as a credit analyst and became a fund manager in 2020, managing multi-asset and high yield funds.

He holds a Masterâ€™s degree in Physics fromÂ the University of Bath. He is an FCAÂ qualified chartered accountant.

QÂ How did bond markets perform in 2024?

AÂ This year, as in 2023, investors who took credit risk were rewarded. While government bonds delivered modest or negative returns, holders of corporate bonds did considerably better, benefitting from a combination of income and capital gain.

As mentioned in the Chairmanâ€™s Report, the European High Yield Index(1) returned 10.2% in sterling hedged terms. In local currency terms, the return for both the Global(2) and the European was just under 9%. In the case of the European Index, the total return of 8.8% was a combination of 5.0% income and 3.8% price return. In comparison, the gilt market(3) returned â€“4.1%, with 2.8% of income more than offset by a â€“6.9% price return.

This contrast reflects the marketâ€™s reaction to macroeconomic developments. While growth was quite subdued in 2024 (just 0.8% in the UK and the Eurozone and 2.8%(4) in the US), it was better than had been expected. At the beginning of the year, predictions of recession were widespread. At the time of writing, the Bloomberg Recession Probability Forecast measure is 25% for the UK (from 60%), 30% for the Eurozone (from 65%) and 20% for the US (from 50%).

This improvement in growth expectations, combined with some signs of a slower decline in inflation, meant that interest rates did not fall as much as forecast. The Bank of England cut rates twice in 2024 (aÂ combined 0.5%), but over the year investors moved from expecting 2% of interest rate cuts by the end of 2025 to expecting just 1-1.25%.

Gilts and other developed market government bonds are primarily sensitive to interest rate expectations and typically fall in value when rate expectations rise. Credit markets, such as high yield corporate bonds and subordinated debt instruments, are more sensitive to corporate earnings, as earnings underpin the ability of corporate bond issuers to repay. Helped by stronger earnings, measures of indebtedness and debt affordability have remained comfortably within their historic range(5). Credit markets rallied, with riskier bonds generally outperforming higher quality bonds.

The corporate bond market was also supported by technical factors. The supply of new bonds rose in both the investment grade and high yield markets, but net issuance remains below the rate of a few years ago. Meanwhile, money flowed into the asset class. As a result, new bond deals tended to be well received and the whole market benefitted from a tailwind of demand.

The result of these positive conditions was that yields fell and credit spreads tightened over the year. Using the ICE Bank of America Merrill Lynch European Currency High Yield Index to illustrate, the yield to maturity fell from 6.8% to 6.1% while the spread over government bonds fell from 411bps to 316bps. By historic standards, this is a relatively modest level of reward for the credit risk. The difference in yield between high yield and investment grade corporate bonds also fell, from 275bps to 215bps(6).

QÂ How did the company perform?

AÂ Over the 12 months to 31Â December 2024 the share price rose from 171.00p to 174.00p. With dividends reinvested, the Company delivered a share price total return of 8.8%. The net asset value per share total return with dividends reinvested was 8.5%.

QÂ What factors contributed to and detracted from this rise in net asset value?

AÂ 2024 started with yields of around 7% for European high yield and 5% for Sterling investment grade. This provided a good base for returns, which were enhanced by some capital appreciation.

As would be expected from a portfolio focussed on high yield and subordinated bonds, credit risk was the main driver of performance, accounting for the bulk of the return. Within credit, exposure to subordinated financials and corporate high yield bonds contributed most, but there were also contributions from senior bank debt, corporate hybrid instruments and our small allocation to emerging markets debt.

Sterling duration (the sensitivity of the portfolio to UK interest rates) did not contribute significantly to returns. The income that was gained was cancelled out by the negative price movement. The exposure to US Dollar and Euro duration was a positive factor.

The strong performance of financials (the Coco market(7) returned over 12%) is reflected in the list of individual securities that contributed most to portfolio returns. Six of the top ten are banks and three are insurers.

The ten securities that detracted most are from a variety of sectors. Two are long-dated gilts, reflecting the weakness of GBP rates markets. Two others are bonds issued by Thames Water Finance. These cost the portfolio a combined â€“0.34%. The process of restructuring Thames into a sustainably financed business has been long and difficult. As creditors to the company, we are closely involved in the discussions with government, regulators and other investors. We see a route to a settlement. The bulk of our holdings are in Class A bonds, which are the most senior in the structure. They are currently priced in the market at above 80 pence in the pound.

QÂ What changes did you make to the portfolio?

AÂ Market yields are still at reasonably high levels. However, credit spreads have tightened, reducing the reward for taking extra credit risk. In 2023, we reduced our exposure to lower credit quality parts of the bond market. In 2024, we continued to do this.

Looked at in terms of credit quality ratings, the portfolio ended the year with 26.7% in investment grade (bonds rated from AAA to BBB-). This compares to 25.4% at the end of 2023 and 17.6% at the end of 2022. Exposure to high yield (bonds rated BB+ and below) and unrated bonds is now 73.3%, compared to 74.6% in 2023 and 82.4% in 2022.

The portfolioâ€™s exposure to bank capital has increased over the year. However, the risk mix within these holdings has changed. Exposure to senior bank debt is higher. Within subordinated bank debt, exposure to AT1 (the lowest debt in the capital structure) has been reduced and exposure to relatively protected Lower Tier 2 debt has increased.

The duration of the portfolio has been managed actively, in line with our view of the yield opportunity in the interest rate market, but it has been managed within a tight range and has not moved very far from the duration of the high yield market over the period.

At the security level, we have of course added and cut positions and increased and decreased the size of existing holdings. We take a bottom-up approach, based on fundamental research at the level of the individual bond and bond issuer, so many of our investment decisions are based on the idiosyncratic strengths and weakness of a single bond. However, the trend to higher quality assets in the portfolio is echoed by purchases of bonds from JPÂ Morgan Chase, Nationwide, Coventry Building Society and John Lewis; alongside sales of Saga (insurance, travel), Merlin (leisure), Boparan (food) and Heimstaden (property).

We have also made some trades that reflect the particular strengths of the closed-end structure of the trust, adding positions in bonds that might be too small to sit comfortably in open-ended portfolios facing the risk of unit redemptions. We added two smaller UK building society bonds, both businesses in which we have confidence and both offering coupons above 10%. We also bought part of a relatively small debt security resulting from the spin-off of a high-quality pharmaceutical company.

We are able to use borrowing (leverage) as a way of increasing portfolio returns when we feel there is sufficient value for the extra risk. In 2022 and 2023, net leverage averaged 17% of net assets. This year, as market valuations have risen, we have reduced the level. It ended the year at just under 10%. Notwithstanding this reduction, we think that leverage is a very useful tool at our disposal.

QÂ How is Environmental, Social and Governance (â€˜ESGâ€™) integrated in the investment process?

AÂ The portfolio is not bound by any specific ESG criteria. However, ESG factors are important in our credit analysisÂ and our investment decisions.

We incorporate ESG considerations in our process when we research companies, when we engage with companies and as part of ongoing monitoring. Our credit analysts assign an ESG rating to issuers they cover. Both we and the analysts benefit from access to the data and the expertise of the Invesco ESG team. The ESG team provides ESG portfolio monitoring, including meetings with managers to assess portfolios, along with support for any issues that arise.

In particular, the ESG team is a valuable partner in our engagement activities. In 2024, our team had 164 ESG engagements â€“ either meetings dedicated to ESG issues or ESG discussions within wider meetings. These interactions tend to cover a wide range of topics across environmental, social and governance. For example, meeting with Vodafone we discussed environmental issues relating to their global infrastructure development, labour relations in their Spanish business and their board composition. With ElÃ©ctricitÃ© De France we assessed reactor safety concerns and the governance risk of their ownership structure (we decided to participate in a new green bond issue). We also participated in a Coventry Building Society deal, having assessed their ESG disclosure, their new net zero targets, their employment practices and their board composition and tenure. Governance questions tend to feature more for high yield investors than they might for other, due to the higher proportion of privately owned companies.

QÂ What is the outlook for 2025?

AÂ 2024 was a less volatile year in our markets than many foresaw. Growth was stronger than expected and this slowed the rate of interest rate cuts. Along with positive flows into the asset class, this better growth underpinned support for corporate bonds.

We expect to see more rate cuts in 2025. Though few are predicting recessionary conditions, the outlook is for only modest growth, particularly in Europe. This should mean that there is room for the central banks to cut. But there is a lot of uncertainty. The new US administration has stated policies which could impact significantly on growth and inflation in the US and elsewhere, and we expect that the financial markets will need to digest a lot of newsflow from this source.

Away from this â€˜macroâ€™ view, we will need to continue to assess the creditworthiness of companies across our universe. We are still in a higher interest rate environment than we had a few years ago and this is a challenge for borrowers seeking to refinance. The level of demand for corporate debt was very supportive of the market in 2024 but there were still individual borrowers that came under strain. We are sure there will be more this year.

The initial market reaction to President Trumpâ€™s victory was positive and corporate credit spreads remain tight. This reduces the reward for credit risk. Prudently balancing risk and reward is central to our investment approach, for the portfolio and for each security. Our positioning is more cautious now than in the last couple of years. We think this is the right positioning for current conditions.

(1)Â ICE Bank of America Merrill Lynch European Currency High Yield Index

(2)Â ICE Bank of America Merrill Lynch Global High Yield Index

(3)Â ICE Bank of America Merrill Lynch UK Gilt Index

(4)Â Bloomberg forecast, 27 January 2025

(5)Â Morgan Stanely, European Credit Strategy, 2024 Performance Recap, 3 January 2025

(6)Â Option Adjusted Spread (â€˜OASâ€™) of ICE Bank of America Merrill Lynch European Currency High Yield Index minus OAS of ICE Bank of America Merrill Lynch Euro Corporate Index

(7)Â ICE Bank of America Merrill Lynch Contingent Capital Index

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Rhys DaviesÂ Edward Craven
Portfolio Managers

2 April 2025

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Business Review

Purpose, Business Model and Strategy

Invesco Bond Income Plus Limited is a Jersey domiciled investment company which is listed on the London Stock Exchange

The Companyâ€™s purpose is to generate returns over the long-term for its shareholders by investing their pooled capital to achieve the Companyâ€™s investment objective through the application of its investment policy (set out below) and with the aim of spreading investment risk.

The strategy the Board follows to achieve the objective is to set investment policy and risk guidelines, together with investment limits, and to monitor how they are applied.

The business model the Company has adopted to achieve its objective is to contract investment management and administration to appropriate external service providers, who are subject to oversight by the Board. The principal service providers are:

â€“Â Invesco Fund Managers Limited (the â€˜Managerâ€™) to manage the portfolio in accordance with the Boardâ€™s strategy; and

â€“Â JTC Fund Solutions (Jersey) Limited (the â€˜Company Secretaryâ€™) to provide company secretarial, compliance and general administration services.

In addition to the management and administrative functions of the Manager and the Company Secretary, the Company has contractual arrangements with Computershare Investor Services (Jersey) Limited to act as registrar and the Bank of New York Mellon (International) Limited (â€˜BNYMILâ€™) as depositary and custodian.

The Board has oversight of the Companyâ€™s service providers, and monitors them on a formal and regular basis. The Board has a collegiate culture and pursues its fiduciary responsibilities with independence, integrity and diligence, taking advice and outside views as appropriate and constructively challenging and interacting with service providers, including the Manager. The portfolio managers responsible for the day-to-day management of the portfolio are Rhys Davies, Portfolio Manager and Edward Craven, Deputy Portfolio Manager, supported by the wider fixed interest team.

The Company is an alternative investment fund for the purposes of the Alternative Investment Fund Managers Directive.

Investment Objective and Policy

Investment Objective

The Companyâ€™s investment objective is to seek to obtain capital growth and high income from investment, predominantly in high-yielding fixed-interest securities.

Investment Policy

The Company seeks to provide a high level of dividend income relative to prevailing interest rates mainly through investment in bonds and other fixed-interest securities. The Company also invests in equities and other equity-like instruments consistent with the Investment Objective.

This Investment Policy should be read in conjunction with the descriptions of Investment Style, Investment Limits, Derivatives and Currency Hedging, and Borrowings set out below.

Investment Style

The Manager seeks to ensure that the portfolio is diversified, having regard to the nature and type of securities (including duration, credit rating, performance and risk measures and liquidity) and the geographic and industry sector composition of the portfolio. The Company may hold both illiquid securities (for example, securities where trading volumes are relatively low and unlisted securities) and concentrated positions (for example, where a high proportion of the Companyâ€™s total assets are comprised of a relatively small number of investments).

Investment Limits

â€“Âthe Company may invest in fixed-interest securities, including but not restricted to preference shares, loan stocks (convertible and redeemable), corporate bonds and government stocks, up to 100% of total assets;

â€“Âinvestments in equities may be made up to an aggregate limit of 20% of total assets;

â€“Âthe aggregate value of holdings of shares and securities in a single issuer or company, including a listed investment company or trust, will not exceed 15% of the value of the Companyâ€™s investments; and

â€“Âinvestments in unlisted investments will not exceed 10% of the Companyâ€™s total assets for individual holdings and 25% in aggregate.

All the above limits are measured at the time a new investment is made.

Derivatives and Currency Hedging

The Company may enter into derivative transactions (including options, futures, contracts for difference, credit derivatives and interest rate swaps) for the purposes of efficient portfolio management. The Company will not enter into derivative transactions for speculative purposes.

Efficient portfolio management may include reduction of risk, reduction of cost and enhancement of capital or income through transactions designed to hedge all or part of the portfolio, to replicate or gain synthetic exposure to a particular investment position where this can be done more effectively or efficiently through the use of derivatives than through investment in securities or to transfer risk or obtain protection from a particular type of risk which might attach to portfolio investments.

The Company may hedge against exposure to changes in currency rates to the full extent of any such exposure.

Borrowings

The Companyâ€™s borrowing policy is determined by the Board, which has set a maximum of 30% of the Companyâ€™s total assets. This limit may be varied from time to time in the light of prevailing circumstances, but has not been changed since the Companyâ€™s incorporation in its current form. The Manager has discretion to borrow within the limit set by the Board. Any borrowings are covered by investments in matching currencies to manage exposure to exchange rate fluctuations.

The Board has reviewed the methods of financing available to the Company including repo financing whereby a company participates in sale and repurchase arrangements in connection with its portfolio. Under these arrangements, a company sells fixed interest securities and is contractually obliged to repurchase them at a fixed price on a fixed date, whilst retaining economic exposure to the securities sold. The difference between the (lower) sale price and the later purchase price is the cost (effectively interest) of the repo financing. Our preferred method of gearing remains the use of repurchase agreements and such Repo financing agreements are in place and may be used subject to the aggregate 30% ceiling. At the year end, the sum borrowed using this method was Â£45.1 million (2023:ÂÂ£48.1Âmillion). This represents gross gearing of 13.1% with cash and cash equivalents including margin of 3.2% giving net gearing of 9.9% (2023: gross gearing of 15.8% with cash and cash equivalents including margin of 3.4% giving net gearing of 12.4%)[(1)].

[(1)]Âlternative Performance Measure (APM). See Glossary of Terms and Alternative Performance Measures on pages 77 to 79 of the financial report for details of the explanation and reconciliations of APMs.

Key Performance Indicators

The Board reviews performance by reference to a number of Key Performance Indicators which include the following:

â€¢Â Performance

â€¢Â Dividends

â€¢Â Premium/Discount

â€¢Â Ongoing Charges Ratio

Performance

As the Companyâ€™s objective is to seek to obtain capital growth and high income, the performance isÂbest measured in terms of total return. There is no single index against which the Companyâ€™s performance may be meaningfully assessed. Therefore, the Board refers to a variety of relevant dataÂand this is reflected in both the Chairmanâ€™s Statement and the Portfolio Managersâ€™ Report on pages 6 to 11. The Manager has a long-term horizon and consequently the Board pays close attention to returns over three and five years in its assessment of investment performance. As explained in the Chairmanâ€™s Statement, the Board has noted the performance in the year and is satisfied with the longer term performance of the portfolio.

Dividends and Dividend Payment Policy

Dividends form a key component of the total return to shareholders and the Company has adopted a dividend policy to target an annualised dividend of 12.25p per share for 2025. In the year under review, the Board agreed to pay an increased dividend of 11.6875p per share, comprising first, second and third interim dividends of 2.875p and a fourth interim dividend of 3.0625p to shareholders. Dividends paid over the last ten years are shown in the table on page 4.

The Boardâ€™s Dividend Payment Policy is to pay dividends on a quarterly basis in May, August, November and February in respect of each accounting year. The timing of these regular three-monthly payments means that shareholders do not have an opportunity to vote on a final dividend. Recognising the importance of shareholder engagement, and although not required by any regulation, shareholders are given an opportunity to vote on this policy at the forthcoming AGM.

Premium/Discount

The Board monitors the price of the Companyâ€™s shares in relation to their net asset value and the premium/discount at which the shares trade. Powers are taken each year to issue and buy back shares, which can assist short term management, however the level of discount or premium is mostly a function of investor sentiment and demand for the shares, over which the Board may have limited influence. The ideal would be for the shares to trade close to their net asset value. The graph on page 13 shows the premium/discount through the year. The Companyâ€™s shares traded at a premium for the majority of the year, with the shares only trading at a discount during certain very limited periods of time due to market factors, but ended the year at a premium ofÂ 1.8%.

Ongoing Charges Ratio

The expenses of managing the Company are carefully monitored by the Board. The standard measure of these is the ongoing charges ratio (OCR), which is calculated by dividing the sum of such expenses over the course of the year, including those charged to capital, by the average net asset value. This ongoing charges ratio provides a guide to the effect on performance of annual operating costs. The Companyâ€™s ongoing charges ratio for the current year was 0.89%, compared to 0.91% for the previous year. Your Board continues to believe that costs remain competitive compared to those of similar products.

Investment Process

At the core of the portfolio managersâ€™ philosophy is a belief in active investment management. They seek to invest where they see the potential for attractive returns and to avoid risks that they do not think are well rewarded. Fundamental principles drive a genuinely active investment approach, with a strong emphasis on value.

The investment process comprises four key elements to deliver the information the portfolio managers use to make their decisions:

â€¢Â top down, macroeconomic analysis â€“ examining the factors that shape the economy;

â€¢Â credit analysis using internal and external research with a view to maximising returns from acceptable and understood credit risk exposure;

â€¢Â value assessment, considering the risk/return profile of any bond in relation to cash, core government bonds and the rest of the fixed interest universe; and

â€¢Â risk considerations, analysing all holdings to allow for a comprehensive understanding of risks involved to ensure diversification of the portfolio.

The portfolio managers enter into the majority of positions with a view to holding them until their call or maturity date and their investment process is based on making investments where the yield to maturity or call appears to them to be at least an adequate reward for the risk. The nature of the high yield market and the Companyâ€™s mandate mean that there will be occasions when the value the portfolio managers assessed in an investment is fully realised by the market. On these occasions, they may exit the position before maturity.

The portfolio managers believe that it is good investment practice to try and keep the level of turnover low, whilst at the same time recognising that this should not at any time act as a deterrent to effective portfolio management. Turnover will generally be very low due to the long term nature of many of the holdings, and given the closed end nature of the Company, the portfolio managers are not presented with regular daily inflows and outflows which require managing.

The portfolio managers also consider the aspects of environmental, social and governance (â€˜ESGâ€™) details of which are given on pages 18 to 21.

Internal Control and Risk Management

The Directors have overall responsibility for the Companyâ€™s system of internal controls and are responsible for reviewing the effectiveness of these controls. This includes safeguarding of the Companyâ€™s assets. The Directors have carried out a robust assessment of the principal and emerging risks facing the Company, including those that would threaten its business model, future performance, solvency or liquidity.

The Audit & Risk Committee (the â€˜Committeeâ€™), on behalf of the Board, has established an ongoing process for identifying and assessing the risks to which the Company is exposed by reference to a risk control summary, which maps the risks, mitigating controls in place, and monitoring and reporting of relevant information to it. The review of the risk control summary also incorporated a robust assessment of new and emerging risks for monitoring purposes.

As part of the process, the Committee has identified five risk categories: strategic; investment management; third party service providers; regulation and corporate governance; and operational. An explanation of these categories follows.

Strategic Risk

The Board sets the Companyâ€™s strategy, including setting its objective and how this should be achieved. The Board assesses the performance of the Company in the context of the market and macro conditions and gives direction to, and monitors, the Managerâ€™s actions, and those of other third parties, on behalf of the Company.

Investment Management Risk

Investment management covers management of the portfolio together with cash management, gearing and hedging, all being areas the portfolio managers can control, and which generate the Companyâ€™s investment performance.

Third Party Service Providers Risk

The Company has no employees and its Directors are appointed on a non-executive basis. The Company is reliant on Third Party Service Providers (â€˜TPPsâ€™) for its executive functions. The Companyâ€™s most significant TPPs are the Manager, to which portfolio management is delegated as well as certain administrative services including accounting and marketing and the Company Secretary. Other significant TPPs are the corporate broker, depositary, custodian, registrar and auditor.

Regulation and Corporate Governance Risk

The Company is required to comply with many regulations. For the year under review these included but were not limited to, the provisions of the Companies (Jersey) Law 1991, the UKÂ Listing Rules, the Alternative Investment Fund Managers Directive, the Market Abuse Regulation, the FCAâ€™s Disclosure Guidance and Transparency Rules, the UKÂ Corporate Governance Code and International Financial Reporting Standards (â€˜IFRSâ€™) as adopted by the European Union.

Operational Risk

Operational risk covers the day to day operational matters mainly at the Manager, but also at other TPPs.

A matrix of the risks, set out according to their assessed risk levels after mitigation, enables the Directors to concentrate on those risks that are most significant, and also forms the basis of the list of principal risks and uncertainties on pages 15 and 16. The ratings take into account the Boardâ€™s risk appetite and the ongoing monitoring by the Manager.

Oversight of the control environment is based on the Companyâ€™s relationship with its TPPs, all of which have clearly defined lines of responsibility, delegated authority, and control procedures and systems. The Companyâ€™s main TPPs, the Manager, Fund Accounting and the Company Secretary, all have, a â€˜Three Lines of Defence Modelâ€™, which is embedded into their risk management systems.

The effectiveness of the Companyâ€™s internal control and risk management system is reviewed at least twice a year by the Committee. The Committee received and considered, together with representatives of the Manager, reports in relation to operations and systems of internal controls of the Manager, Company Secretary, accounting administrator, custodian and registrar. The Committee also receives regular reports from the Company Secretaryâ€™s compliance officer and the Managerâ€™s internal audit and compliance departments. The Committee also received a comprehensive and satisfactory report from the depositary at the year end Committee meeting. The Companyâ€™s risk management policies and procedures for financial instruments are set out in note 19 on pages 64 to 69.

Due diligence is undertaken before any contracts are entered into with any third party service provider. The Manager regularly reviews, against agreed service standards, the performance of TPPs through formal and informal meetings, and by reference to third party independently audited control reports. The results of the Managerâ€™s reviews are reported to and reviewed by the Committee. These various reports and reviews did not identify any significant failings or weaknesses which were relevant to the Company during the year and up to the date of this Annual Financial Report. If any had been identified, the required remedial action would have been taken.

Reporting to the Board at each board meeting comprises, but is not limited to: financial reports, including any hedging and gearing; performance against relevant indices and the Companyâ€™s peers; the portfolio managersâ€™ review, including of the market, the portfolio, transactions and prospects; revenue forecasts;

and investment monitoring against investment guidelines. The portfolio managers are permitted discretion within these investment guidelines, which are set by the Board. Compliance with the guidelines is monitored daily by the Manager. Any proposed variation to these guidelines is referred to the Board for consideration and approval.

The Board, through the Management Engagement Committee, formally reviews the performance of the Manager, the Company Secretary and the other key TPPs annually. The Board has reviewed and accepted both the Managerâ€™s and Company Secretaryâ€™s whistleblowing policy under which staff of both Invesco Fund Managers Limited and JTC Fund Solutions (Jersey) Limited can, in confidence, raise concerns about possible improprieties or irregularities in matters affecting the Company.

Principal and Emerging Risks and Uncertainties

The Board has carried out a robust assessment of the risks facing the Company, including those that would threaten its business model, future performance, solvency and liquidity. As part of this process, the Board conducted a full review of the Companyâ€™s risk control summary and considered new and emerging risks. These are not necessarily principal risks for the Company, but may have the potential to be in the future. In carrying out this assessment, the Board considered the emerging risks facing the Company including geopolitical risks and uncertainties such as the ongoing conflicts in Ukraine and the Middle East, uncertain economic outlook in Europe, USA & the UK as a result of geo-political tensions, evolving cyber threats (including risks associated with artificial intelligence) and ESG, including climate risk. The principal risks that follow are those identified by the Board as the most significant after consideration of mitigating factors and not intended to cover all the risk categories as shown in the Internal Control and Risk Management section on page 14.

Category and Principal Risk Description	Mitigating Procedures and Ongoing Controls
Strategic Risk	
Market and Political Risk The Company invests primarily in fixed interest securities, the majority of which are traded on global security markets. The principal risk for investors in the Company is a significant fall and/or a prolonged period of decline in these markets. This could be triggered by unfavourable developments globally and/or in one or more regions, such as the current conflicts in Ukraine and the Middle East and other geopolitical tensions and uncertainties and their impact on the global economy. The Board cannot control the effect of such external influences on the portfolio. Market risk also arises from movements in foreign currency exchange rates and interest rates.	An explanation of market risk and how this is addressed is given in note 19.1 to the financial statements. The Portfolio Managersâ€™ Report summarises particular macro economic factors affecting performance during the year and the portfolio managersâ€™ views on those most relevant to the outlook for the portfolio
Regulatory or Fiscal Changes The Company is incorporated in Jersey which is a low tax jurisdiction subject to global scrutiny. Any adverse global regulatory or fiscal measures taken against such low tax jurisdictions, could negatively impact the Company.	The Board receives regular reports from the Manager and Company Secretary which highlight any proposed changes to the regulatory/fiscal regimes which might impact the Company. Jersey has recently received a positive report from MoneyVal, the Council of Europeâ€™s permanent monitoring body. MoneyVal concludes that Jerseyâ€™s effectiveness in preventing financial crime is among the highest level found in jurisdictions evaluated around the world. More information can be found here: https://www.gov.je/News/2024/Pages/Jersey%E2%80%99sStrengthInCombattingFinancialCrimeIsRecognised.aspx
Wide Discount leading to Shareholder Dissatisfaction The Companyâ€™s shares are subject to market movements and can trade at a premium or discount to NAV. Should the Companyâ€™s shares trade at a significant discount compared to its peers, then shareholder dissatisfaction may result if shareholders cannot realise the value of their investment close to NAV, with the ultimate risk that arbitragers join the share register.	The Board receives regular reports from both the Manager and the Companyâ€™s broker on the Companyâ€™s share price performance and level of discount (or premium), together with regular reports on marketing and meetings with shareholders and prospective investors. The Board recognises the importance of the Companyâ€™s scale in terms of the aggregate value of its shares in the market (â€˜market capâ€™) in creating liquidity and the benefit of a wide shareholder base, and seeks authority to both issue and buy back shares to assist with market volatility. The foundation to this lies in solid investment performance and anÂ attractive level of dividend.
Third Party Service Providers Risk	
Lack of Control over, or Unsatisfactory Performance of Third Party Service Providers (â€˜TPPsâ€™) Failure by any service provider to carry out its obligations to the Company in accordance with the terms of its appointment could have a materially detrimental impact on the operations of the Company and affect its ability to pursue successfully its investment policy and expose it to reputational risk. Disruption to the accounting, payment systems or custody records could prevent the accurate reporting and monitoring of the Companyâ€™s financial position.	Details of how the Board monitors the services provided by the Manager and the other TPPs, and the key elements designed to provide effective internal control, are included in the internal control and risk management section on page 14.
Cyber Risk The Companyâ€™s operational structure means that cyber risk (information technology and physical security, including risks associated with Artificial Intelligence) predominantly arises at its TPPs. This cyber risk includes fraud, sabotage or crime perpetrated against the Company or any of its TPPs.	The Audit & Risk Committee on behalf of the Board periodically reviews TPPsâ€™ service organisation control reports and meets with representatives of the Managerâ€™s Investment Management, Compliance, Internal Audit and Investment Trust teams as well as the Company Secretaryâ€™s senior staff and Compliance team. The Board receives periodic updates on the Managerâ€™s and the Company Secretaryâ€™s information security arrangements. The Board monitors TPPsâ€™ business continuity plans and testing â€“ including their regular â€˜liveâ€™ testing of workplace recovery arrangements.
Business Continuity Risk Impact of a major event, such as Covid-19, on the operations of the service providers, including any prolonged disruption.	The Managerâ€™s and other TPPs business continuity plans are reviewed on a regular basis and the Directors are satisfied that the Manager has in place robust plans and infrastructure to minimise the impact on its operations so that the Company

	can continue to trade, meet regulatory obligations, report and meet shareholder requirements. The Board receives periodic reports from the Manager and third-party service providers on business continuity processes and has been provided with assurance from them all insofar as possible that measures are in place for them to continue to provide contracted services to the Company.

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Viability Statement

This Company is an investment company whose business consists of investing the pooled funds of its shareholders to provide them with capital growth and a high income over the long term, predominantly from a portfolio of high yielding fixed income securities. Long term for this purpose is considered to be at least five years and the Directors have assessed the Companyâ€™s viability over that period. However, the life of the Company is not intended to be limited to that or any other period.

The main risk to the Companyâ€™s continuation is a significant fall in markets or a prolonged period of decline due to political uncertainty or other macro factors outside the Companyâ€™s control. This could lead to shareholder dissatisfaction through failure to meet the Companyâ€™s investment objective, through poor investment performance or the investment policy not being appropriate in prevailing market conditions, any of which could affect the demand for and liquidity of the Companyâ€™s shares. Accordingly, market and political/fiscal risks, are deemed by the Board to be the key principal risks of the Company and are given particular consideration in the continuing assessment of its long term viability.

The Companyâ€™s investment objective and policy are kept under review. The continued relevance of the investment objective and policy are underlined by the Companyâ€™s annual continuation vote. Last year over 98% of the votes registered were in favour of continuation and the Board has no reason to believe that the continuation resolution will not be passed at the forthcoming and subsequent AGMs.

Performance derives from returns for risk taken. The Portfolio Managersâ€™ Report on pages 9 to 11 sets out the current investment strategy of the portfolio managers. Whilst there has been an increase in the credit quality of the portfolio during the year, it remains the case that the portfolio continues to contain a high level of relatively high-yielding non-investment grade bonds and these carry a higher risk of default than investment grade paper. This is discussed further in note 19 to the financial statements. The Board has adopted investment limits within which the portfolio managers operate. The Directors and the portfolio managers constantly monitor the portfolio, its ratings and default risk. A bond rating analysis of the portfolio at the year end is shown on page 24. Exposure is weighted towards higher quality issuers where the risk of default is considered to be more remote.

Performance has been strong for many years through different, and difficult, market cycles â€“ as shown by the ten year total return performance graph on page 13. The investment policy has been stress tested by market events in recent times by both global and domestic events such as Covid-19 and the conflicts in Ukraine and the Middle East. TheseÂ events affected performance, but at no time did they threaten the viability of the Company. Whilst past performance may not be indicative of performance in the future, the investment policy has been consistent throughout those past periods.

Performance and demand for the Companyâ€™s shares are not things that can be forecast. Indeed, whilst recent geopolitical and macroeconomic events may impact the Company, there are no current indications that performance or demand for the Companyâ€™s shares may be permanently affected by such events over the next five years so as to affect the Companyâ€™s viability.

As described in note 19.2 to the financial statements on page 68 liquidity risk is not viewed by the Directors as a significant risk. The majority of the Companyâ€™s assets are readily realisable and amount to many times the value of its short term liabilities and annual operating costs. The Company is permitted to borrow up to a maximum of 30% of the Companyâ€™s total assets and currently has no long-term debt obligations.

Based on the above analysis, the Directors confirm that 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 fiveÂ year period of their assessment and the Directors consider that the Companyâ€™s investment strategy will continue to serve shareholders well over the longer term.

Investment Management

As noted earlier, the Manager provides investment management and certain administrative services to the Company. The agreement is terminable by either party giving no less than threeÂ monthsâ€™ prior written notice and subject to earlier termination without compensation in the event of a material breach of the agreement or the insolvency of either party. The management fee is payable quarterly in arrears and is equal to 0.1625% of the value of the Companyâ€™s total assets under management less current liabilities at the end of the relevant quarter. In addition, the Manager was paid a fee of Â£103,000 during the year forÂ marketing services (2023: Â£133,000).

The portfolio managers responsible for the day-to-day management of the portfolio are Rhys Davies, Portfolio Manager, and Edward Craven, Deputy Portfolio Manager.

The Managerâ€™s Responsibilities

The Directors have delegated to the Manager the responsibility for the investment management activities of the Company, for seeking and evaluating investment opportunities and for analysing the accounts of investee companies. The Manager has full discretion to manage the assets of the Company in accordance with the Companyâ€™s stated objectives and policies as determined from time to time by the Board and approved by shareholders. Within the guidelines specified by the Board, the Manager has discretion to make purchases and sales, make and withdraw cash deposits, enter into underwriting commitments and exercise all rights over the investment portfolio. The Manager also advises on currency exposures and borrowings.

Assessment of the Manager

The performance of the Manager is reviewed continuously by the Board and the ongoing requirements of the Company and services received are assessed annually with reference to key performance indicators as set out on page 13.

The Management Engagement Committee is responsible for reviewing the Manager. Based on its recent review of activities, the Board believes that the continuing appointment of Invesco Fund Managers Limited remains in the best interests of the Company and its shareholders.

Financial Position

The Companyâ€™s balance sheet on page 55 shows the assets and liabilities at the year end. TheÂ Company has repo financing agreements in place, with an amount of Â£45.1 million (2023: Â£48.1Â million) borrowed at year end, representing gross gearing of 13.1% (2023: 15.8%) and net gearing of 9.9% (2023: 12.4%), after taking cash and cash equivalents including margin into account, as at 31Â December 2024.

Performance and Future Development

The performance and future development of the Company depend on the success of the Companyâ€™s investment strategy. AÂ review of the Companyâ€™s performance, market background, investment activity and strategy during the year, together with the investment outlook are provided in the Chairmanâ€™s Statement and Portfolio Managersâ€™ Report on pages 6 to 11.

Annual Continuation Vote

The Articles of Association of the Company require that unless an ordinary resolution is passed at or before the Annual General Meeting (â€˜AGMâ€™) each year releasing the Directors from the obligation to do so, the Directors shall convene a general meeting within six months of the AGM at which a special resolution would be proposed to wind up the Company. Having reviewed the performance of the Company, the Directors have no reason to believe that a resolution to release them from that obligation will not be passed at the AGM to be held later in the year. Further details can be found in note 2 (a) (ii) on page 57.

Substantial Holdings in the Company

The Company has been notified of the following holdings of 3% and over of the Companyâ€™s ordinary share capital carrying unrestricted voting rights:

Â	As at		As at		As at	
Â	28 February 2025		31 December 2024		31 December 2023	
Fund Manager/Registered Holder	**Holding**	**%**	**Holding**	**%**	**Holding**	**%**
Hargreaves Lansdown, stockbrokers (EO)	38,215,215	18.83	38,088,524	18.83	29,303,533	16.23
Interactive Investor (EO)	25,798,929	12.71	25,386,222	12.55	20,922,574	11.58
Invesco*	17,540,155	8.64	17,540,155	8.67	17,540,155	9.71
AJ Bell, stockbrokers (EO)	15,364,269	7.57	14,946,175	7.39	11,582,380	6.41
Redmayne Bentley, stockbrokers	10,563,124	5.20	10,622,010	5.25	9,152,417	5.07
Charles Stanley	10,179,788	5.02	10,063,995	4.98	9,597,611	5.31
HSDL, stockbrokers (EO)	7,078,382	3.49	6,976,268	3.45	6,237,521	3.45

EO: Execution only.

* Held across a number of Invesco Funds. Invesco is not considered a related party. For further information see Related Party Transactions and Transactions with Manager note 23 on page 71.

Boardâ€™s Duty to Promote the Success of the Company

The Directors have a fiduciary duty to act, in good faith, for the benefit of shareholders taken as aÂ whole. In the UK, section 172 of the Companies Act 2006 seeks to codify this duty and to widen the responsibility to incorporate the consideration of wider relationships that are necessary for the Companyâ€™s sustainability. As a UK listed Company it is necessary for the Company to report against this UK statutory duty, being that the Directors have a duty to promote the success of the Company, whilst also having regard to certain broader matters, including the need to engage with employees, service providers, customers and others, and to have regard to their interests. This is reflected in the summary of the Boardâ€™s responsibilities on pages 39 and 40.

In fulfilling these duties, and in accordance with the Companyâ€™s nature as an investment company with no employees and no customers in the traditional sense, the Boardâ€™s principal concern has been, and continues to be, the interests of the Companyâ€™s shareholders taken as a whole. Notwithstanding this, the Board has a responsible governance culture and also has due regard for broader matters so far as they apply. In particular, the Board engages with the Manager and Company Secretary at every Board meeting and the Management Engagement Committee also reviews the Companyâ€™s relationships with these and other service providers, such as the registrar, broker, depositary and custodian, at least annually. TheÂ assessment of the Manager consequent to these reviews is set out above.

The Company communicates with its shareholders at least three times a year providing information about shareholder meetings, dividend payments and half-yearly and annual financial results. In addition, the annual general meeting of the Company provides shareholders with the opportunity to attend and meet with the Directors and the Manager. The Companyâ€™s AGM will be held on 11 June 2025 at 9.00am at the offices of JTC Fund Solutions (Jersey) Limited. Shareholders are welcome to attend the AGM in person. Shareholders who cannot attend in person are encouraged to submit their votes by proxy.

Board Diversity

The Companyâ€™s policy on diversity is set out on page 40, under the section â€˜Nomination and Remuneration Committeeâ€™. The Board considers diversity, including the balance of skills, knowledge, experience, gender and ethnicity amongst other factors when reviewing its composition and appointing new directors. The Board continues to recognise the importance of having a range of skilled, experienced individuals with the right knowledge represented on the Board in order to allow it to fulfil its obligations.

In view of its relatively small size, the Board will continue to ensure that all appointments are made on the basis of merit against the specification prepared for each appointment. In doing so, the Board will seek to meet the targets set out in the FCAâ€™s UK Listing Rule 6.6.6R (9)(a), which are summarised below. In accordance with UK Listing Rule 6.6.6R (9), (10) and (11) the Board has provided the following information in relation to its diversity as at 31 December 2024, being the financial year-end of the Company. The information included in the tables below has been obtained following confirmation from the individual Directors. As shown in the tables, the Company did not meet the FCA ethnic diversity target as at 31 December 2024, however the Board has already progressed recruitment opportunities to address its diversity targets (see page 39). We continue to monitor diversity expectations.

Board Gender as at 31 December 2024

Â	Number of Board members	Percentage of the Board	Number of senior positions on the Board	Number in executive management[A]	Percentage of executive management[A]
Men	2	40%	1	n/a	n/a
Women	3	60%[B]	1[C,D]	n/a	n/a

A the Company does not disclose the number of directors in executive management as this is not applicable for an investment trust.

B meets the target of 40% as set out in UKLR 6.6.6R (9)(a)(i).

C the positions of Senior Independent Director and Chair of the Audit & Risk Committee are held by the same woman (Heather MacCallum). The latter position is not currently defined as a senior position under LR 9.8.6R (9)(a)(ii).

D meets the target of 1 as set out in UKLR 6.6.6R (9)(a)(ii).

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Board Ethnic Background as at 31 December 2024

Â	Number of	Â	Number of	Number in	Percentage of
Â	Board	Percentage of	senior positions	executive	executive
Â	members	the Board	on the Board	management[A]	management[A]
White British or other White (including minority-white groups)	5	100%	2	n/a	n/a
Minority ethnic	0[B]	0%	0	n/a	n/a

[A] the Company does not disclose the number of directors in executive management as this is not applicable for an investment trust.

[B] is less than the target of 1 as set out in UKLR 6.6.6R (9)(a)(iii). Given the proposed appointment noted in the Chairmanâ€™s statement on page 7, the Company expects to meet this target following the conclusion of the 2025 AGM.

There have been no changes since the year end that have affected the Companyâ€™s ability to meet the targets set in UKLR 6.6.6R (9)(a).

Modern Slavery Act 2015

The Company is an investment vehicle and does not provide goods or services in the normal course of business, or have customers. Accordingly, the Directors consider that the Company is not required to make any slavery or human trafficking statement under the Modern Slavery Act 2015.

Environmental, Social and Governance (â€˜ESGâ€™)Â Matters

In relation to the portfolio, the Company has delegated the management of the Companyâ€™s investments to the Manager, who has an ESG philosphy and approach articulated in its UK Stewardship Code Report, which sets out a number of principles that are intended to be considered in the context of its responsibility to manage investments in the financial interests of shareholders. A greenhouse gas emissions statement is included in the Directorsâ€™ Report on page 34.

The Manager forms part of the Invesco Ltd group. Invesco Ltd (â€˜Invescoâ€™) is committed to being a responsible investor and applies, and is a signatory to, the United Nations Principles for Responsible Investment (â€˜PRIâ€™), which demonstrates its extensive efforts in terms of ESG integration, active ownership, investor collaboration and transparency. Invesco scored four stars for its Investment & Stewardship Policy under new scoring methodology produced by PRI. This followed five consecutive years of achieving an A+Â rating for responsible investment (Strategy & Governance) under the previous methodology. In addition, Invesco is an active member of the UK Sustainable Investment and Finance Association as well as a supporter of the Task Force on Climate-related Financial Disclosure (â€˜TCFDâ€™) since 2019 and published its fourth iteration of its Global TCFD Report in 2023. This report is available at https://www.invesco.com/content/dam/invesco/emea/en/pdf/ivz_global-tcfd-report.pdf.

The Managerâ€™s investment team incorporates ESG considerations in its investment process as part of the evaluation of new opportunities. The portfolio managers make their own conclusions about the ESGÂ characteristics of each investment held and about the overall ESG characteristics of the portfolio, although third party ESGÂ ratings may inform their view. Additionally, the Managerâ€™s ESG team provides ESG insight and support.

Regarding stewardship, the Board considers that the Company has a responsibility as an investor towards ensuring that appropriate standards of corporate governance are maintained in the companies in which it invests. To achieve this, the Board does not seek to intervene in daily management decisions, but aims to support high standards of governance and, where necessary, will take the initiative to ensure those standards are met.

The Companyâ€™s stewardship functions have been delegated to the Manager. The Manager has adopted a clear and considered policy towards its responsibility as an investor on behalf of the Company. As part of this policy, the Manager takes steps to satisfy itself about the extent to which the companies in which it invests look after shareholdersâ€™ value and comply with local recommendations and practices, such as the UK Corporate Governance Code. The Manager is also a signatory of the Financial Reporting Councilâ€™s Stewardship Code, which seeks to improve the quality of engagement between institutional investors and companies to help improve long-term returns to shareholders and the efficient exercise of governance responsibilities.

A copy of the current Managerâ€™s UK Stewardship Code Report can be found at https://www.invesco.com/content/dam/invesco/emea/en/pdf/UK_Stewardship_Code_Report_2023.pdf

Insight into Invescoâ€™s ESG Framework

The Henley based Invesco Fixed Income team, of which the portfolio managers are a part, incorporates ESGÂ considerations in its investment process as part of the evaluation of new primary and secondary market opportunities, with identified ESG concerns feeding into the final investment decision and assessment of relative value.

Investment teams at Invesco are supported on many ESG engagement activities by a centralised team of ESG professionals. Invescoâ€™s ESG approach is led globally by their Global Head of ESG and the Global ESG team. This team reports into the Head of Investments Engagement. This team is further supported by their global proxy function.

At a local level, The Co-Head of Investments, Invesco Fixed Income has ultimate oversight of, agrees with and sponsors Invescoâ€™s ESG approach. The Invesco Fixed Income Europe ESG investor group is chaired by a member of the global ESG team and is made up of champions from each investment team. Each ESG champion is a representative of the individual investment teams that has responsibility for feeding into the overall ESG approach and areas of interest for further analysis. The role of this group is to help facilitate dialogue and share insights from across asset classes and regions. The group meets quarterly.

Training is an essential part of Invescoâ€™s commitment to ESG integration and keeps the team abreast of the rapidly evolving landscape for responsible investment. The teamâ€™s continuing personal development (â€˜CPDâ€™) training programme includes ESG modules. This is augmented by other programmes such as global sector meetings and CIO insight meetings.

ESG overview

Although ESG integration forms part of the investment process, the Company is not managed to sustainable ESG objectives, constraints or outcomes.

The portfolio managersâ€™ approach is centred on macroeconomic and corporate credit research and focuses on fundamental valuation to support the active management of portfolios. The Manager has always incorporated ESG analysis into its investment research because it believes that non-financial risks can have a material impact on credit risk and by identifying those risks, it can improve its credit risk assessment and produce better risk-adjusted returns in portfolios.

The core objective of the Managerâ€™s ESG approach is to assess issuersâ€™ performance across environmental, social and governance factors and to determine where those risks are potentially material or mispriced.

The fixed income universe is broad and varied. Geographical, structural and regulatory differences mean that data availability, ESG awareness and management engagement levels can vary greatly. As a result, while the investment teamâ€™s commitment to ESG risk assessment is constant, the path to arriving at an ESG-based assessment necessarily differs to account for the constraints and challenges of different circumstances.

Common Principles for ESG Research

The Invesco teamâ€™s approach to ESG is based on a belief that incorporating material environmental, social and governance risks into a broader risk assessment, leads to better long-term risk-adjusted returns. In order to do this, the team considers materiality and momentum.

â€¢Â Issuers may have a myriad of ESG considerations, but materiality means focusing on those particular ESG risk factors that have the potential to impact an issuerâ€™s credit risk profile.

â€¢Â Momentum means understanding the evolution of ESG risks. As with all risk, Invesco looks to identify positive and negative momentum in ESG risks and assess the potential for those trends to affect creditworthiness. As a firm Invesco encourages positive momentum by engaging with companies. Invescoâ€™s Global ESG team engages with the management of companies and provide views on matters such as corporate strategy, transparency, capital allocation and ESG concerns.

ESG analysis for corporate bonds

The Managerâ€™s credit analysts are responsible for understanding and assessing ESG risks for the companies under their coverage alongside financial credit risk. Corporate credit research is organised around global industrial sectors, allowing the analysts to develop a comprehensive understanding of not only the ESG risks pertinent to each issuer under their coverage but also those risks prevalent in a sector.

This approach of incorporating ESG risk into the broader assessment is undertaken for all issuers of corporate bonds, for both developed or emerging market countries.

External ESG resources

Invesco has a range of third-party research and data available as an input to support the analysts in their ESG risk assessment.

Examples:

â€¢Â MSCI ESG Scores, industry percentiles and weights

â€¢Â CDP carbon and scoring data

â€¢Â Sustainalytics Risk scores and category summary data

â€¢Â Global Compact compliance or violation fields (MSCI and Sustainalytics)

â€¢Â ISS Climate Solutions â€“ Scope 1 to 3 emissions and science-based emission targets

â€¢Â Controversies â€“ MSCI & Sustainalytics data feeds

Invescoâ€™s ESG resources

Invescoâ€™s Global ESG team has resources in research, portfolio analytics and management engagement.

Furthermore, Invescoâ€™s own proprietary developed ESG tool (ESGIntel) provides ESG insights, metrics, data points and momentum scores from over 50 data points and metrics. Sector differences are accommodated with each having its own tailor-made framework.

The tool provides a holistic view on how a companyâ€™s value chain is impacted in different ways by various ESG metrics, and ratings are produced both at the overall company and indicator levels to facilitate a focus on higher risk company-specific issues. In addition, momentum indicators highlight a companyâ€™s trajectory using five years of data history.

While disclosure levels vary greatly by the company due to sector, size and regional factors, these data dashboards can provide a comprehensive picture of each issuerâ€™s performance.

The importance of fundamental ESG analysis

At the issuer level, data availability, disclosure rules and management engagement levels can vary across each global sector. Raw ESG data can sometimes present a partial or even misleading picture. When placed alongside the fact that issuers themselves have unique features in terms of business models, the weighting of ESG factors in each issuer assessment must be interpreted and understood in a broader context.

In our research process, the qualitative judgement of the credit analyst is therefore central to determining whether an ESG factor is evolving in a manner that may compromise an issuerâ€™s financial indicators and ultimately, its creditworthiness.

ESG in credit selection

Once a credit analyst has undertaken their credit assessment, including that of the materiality and momentum of ESG risks, then credit research is presented to portfolio managers.

The portfolio managers need to assess the type and materiality of any ESG risk and set that against the potential investment return in the context of the Companyâ€™s objectives.

Other than the exclusions related to certain types of munitions, there are no pre-determined rules on how securities are selected in light of any ESG risks. Each investment case is likely to have its own unique set of risks. The investment teamâ€™s credit selection emphasises fund manager judgement and each case is considered on its own merits.

Engagement with issuers

Invesco engages directly with companies to better understand their positions and their future intentions and lobby for change where Invesco believe it is necessary. Although engagement as pure debt investors can be challenging, Invescoâ€™s ownership of both equity and debt can often be used to increase our voice as a stakeholder. Engagement is carried out on a case by case basis by relevant analysts and strategically with co-ordination through Invescoâ€™s Global ESG team.

Invescoâ€™s Global ESG team is led by the Global Head of ESG. Reporting to the Global Head of ESG is the Director of ESG Research, who leads the ESG analyst team who in turn focus on ESG company engagement activity. Invesco has established a global process to ensure that its ESG-targeted engagements are a collaboration between its ESG team and the investment teams across Invesco who may have interest in the issuer:

i.Â Internal assessment and coordination: the ESG team consults with the investment teams and reviews the ESG Engagement focus list and decides whether to: (a) gather feedback on a topic and provide that feedback to an issuer; (b) schedule a call with the issuer if it is deemed to be necessary; or (c)Â engage directly with the issuer and serve as a liaison. Invescoâ€™s ESG team will arrange contact between the relevant investment teams and issuers when and if it is deemed necessary. Any ESG engagement meeting is added to a centralised calendar that investment teams can access.

ii.Â Research and follow up: the ESG research team conducts in-depth ESG research in preparation for these meetings and discusses with the relevant investment teams across Invesco to ensure that companies are questioned on the key ESG topics. The ESG team produces an Engagement Report for these meetings which is shared via the Bloomberg platform for all relevant investment teams to access. Invesco is also a member of several organisations that facilitate collective dialogue with companies and continues to assess other collective engagements that we would like to work more closely with in the future:

â€¢Â Invesco joined the Investor Tailings Initiative when it was first launched in 2019. Invesco signed letters that were sent to over 600 companies and actively participated in meetings with companies and governments to ensure the development of higher standards and to evolve the tools to assess companies.

â€¢Â Invesco signed the Investor statement on Covid-19, to encourage the business community to take what steps they can to mitigate the social impacts caused by the pandemic. Some of these steps include providing paid leave, prioritising health and safety, maintaining employment and maintaining supplier relationships. Invesco has engaged with companies on these topics as part of its ongoing one-to-one ESG engagements.

ESG portfolio reviews

Dedicated ESG-focused portfolio reviews are in place to complement the existing risk-return portfolio review process. Invescoâ€™s Global ESG team leads each review meeting which is attended by fund managers and credit research analysts. Portfolios are reviewed on the basis of a wide range of ESG metrics on an absolute basis and also relative to benchmarks where appropriate.

ESG portfolio monitoring includes measurement, based on Sustainalytics ESG research data, of total portfolio ESG risk and identification of holdings with the highest and lowest ESG risk. As of the end of 2024, holdings with the highest ESG risk were concentrated in the energy sector. The holdings with the lowest ESG risk were spread across several sectors.

Invesco also carry out Carbon Footprint Analysis of the portfolio, in absolute terms and compared to the wider high yield market, using data from ISS Climate Solutions.

Task Force on Climate-related Financial Disclosures (â€˜TCFDâ€™)

Whilst TCFD is currently not applicable to the Company, theÂ Manager has produced a product level report on the CompanyÂ in accordance with the Financial Conduct Authorityâ€™s (â€˜FCAâ€™) rules and guidance regarding the disclosure of climate-related financial information consistent with TCFD Recommendations and Recommended Disclosures. These disclosures are intended to help meet the information needs of market participants, including institutional clients and consumers of financial products, in relation to the climate-related impact and risks of the Managerâ€™s TCFD in-scope business. The product level report on the Company is available on the Companyâ€™s website at https://www.invesco.com/uk/en/investment-trusts/invesco-bond-income-plus-limited.html. Key elements of the product level report include a scenario analysis of how climate change is likely to impact the portfolio valuation under net zero

2050, delayed transition and hothouse scenarios, and a discussion of the most significant drivers of performance under those scenarios.

Invescoâ€™s Group Level Task Force on Climate-Related Financial Disclosures (â€˜TCFDâ€™) is available on the Managersâ€™ Website at https://www.invesco.com/content/dam/invesco/emea/en/pdf/ivz_global-tcfd-report.pdf.

In addition the Managersâ€™ Entity Level TCFD Report is available at https://www.invesco.com/content/dam/invesco/emea/en/pdf/IFML_and_IAML_tcfd-entity-level_report.pdf.

The reports noted above are in the process of being updated for the period to 31 December 2024 and will be made available via the respective websites by 30 June 2025.

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Investments in Order of Valuation

at 31 December 2024

Â Â Issuer/issue	Â Â Rating[1]	Â Â Industry	Â Country of Incorporation	Market Value Â£â€™000	Â % of Portfolio
Lloyds Banking Group	Â	Financials	UK	Â	Â
7.875% FRN Perpetual (AT1)	Baa3/BBâ€“/BBB	Â	Â	Â6,987	1.8
8.5% Cnv FRN Perpetual (AT1)	Baa3/BBâ€“/BBB	Â	Â	Â3,235	0.9
8.5% Cnv FRN 27 Mar 2071 (AT1)	Baa3/BBâ€“/BBB	Â	Â	Â1,448	0.4
6.375% FRN Perpetual (AT1)	Baa3/BBâ€“/BBB	Â	Â	Â133	0.0
Â	**Â**	**Â**	**Â**	**Â11,803**	**Â3.1**
Barclays	Â	Financials	UK	Â	Â
9.25% Cnv FRN Perpetual (AT1)	Ba1/BBâ€“/BB	Â	Â	Â7,156	1.9
FRN 14 Nov 2032	Baa1/BBBâ€“/BBB	Â	Â	Â1,675	0.5
8.5% FRN Perpetual (AT1)	Ba1/BBâ€“/BB	Â	Â	Â1,242	0.3
8.875% Cnv FRN Perpetual (AT1)	Ba1/BBâ€“/BB	Â	Â	Â760	0.2
FRN Perpetual (AT1)	Ba1/BBâ€“/BB	Â	Â	Â302	0.1
4.375% FRN Perpetual (AT1)	Ba1/BBâ€“/BB	Â	Â	Â144	0.0
Â	**Â**	**Â**	**Â**	**Â11,279**	**Â3.0**
UK Treasury Bill	Â	Government Bonds	UK	Â	Â
0.5% 22 Oct 2061	Aa3/AA/AA	Â	Â	Â3,370	0.9
3.75% 22 Oct 2053	Aa3/AA/AA	Â	Â	Â3,173	0.8
0.125% 22 Mar 2051	Aa3/AA/AA	Â	Â	Â1,696	0.5
4% 22 Oct 2063	Aa3/AA/AA	Â	Â	Â787	0.2
1.25% 31 Jul 2051 (SNR)	Aa3/AA/AA	Â	Â	Â670	0.2
Â	**Â**	**Â**	**Â**	**Â9,696**	**Â2.6**
Co-Operative Bank	Â	Financials	UK	Â	Â
11.75% 22 May 2034	Baa2/NR/BBB	Â	Â	Â4,205	1.1
7.5% FRN 08 Jul 2026	NR/BB/BB	Â	Â	Â1,020	0.3
6% FRN 06 Apr 2027 (SNR)	Baa2/NR/BBB	Â	Â	Â1,424	0.4
9.5% Cnv FRN 24 May 2028 (SNR)	Baa2/NR/BBB	Â	Â	Â1,679	0.4
Â	**Â**	**Â**	**Â**	**Â8,328**	**Â2.2**
Virgin Money	Â	Financials	UK	Â	Â
8.25% Cnv Perpetual (AT1)	Baa3/NR/BBB	Â	Â	Â4,110	1.1
11% Cnv FRN Perpetual (AT1)	Baa3/NR/BBB	Â	Â	Â2,618	0.7
Cnv FRN 23 Aug 2029 (SNR)	A3/BBB/A	Â	Â	Â1,323	0.4
Â	**Â**	**Â**	**Â**	**Â8,051**	**Â2.2**
ElÃ©ctricitÃ© De France	Â	Utilities	France	Â	Â
7.375% FRN Perpetual	Ba2/B+/BB	Â	Â	Â2,947	0.8
5.875% Perpetual	Ba2/B+/BB	Â	Â	Â1,732	0.5
6% Perpetual	Baa1/BBB/BBB	Â	Â	Â1,486	0.4
7.5% FRN Perpetual	Ba2/B+/BB	Â	Â	Â911	0.2
5.625% FRN Perpetual	Ba2/B+/BB	Â	Â	Â854	0.2
Â	**Â**	**Â**	**Â**	**Â7,930**	**Â2.1**
Thames Water Finance	Â	Utilities	UK	Â	Â
7.75% 30 Apr 2044	Caa1/CC/CC	Â	Â	Â5,543	1.5
8.25% 25 Apr 2040 (SNR)	Caa1/CC/CC	Â	Â	Â2,334	0.6
4.625% 19 May 2026 (SNR)	C/NR/C	Â	Â	Â50	0.0
Â	**Â**	**Â**	**Â**	**Â7,927**	**Â2.1**
Aviva	Â	Financials	UK	Â	Â
6.875% Cnv FRN Perpetual	Baa2/NR/BBB	Â	Â	Â5,563	1.5
8.875% Preference	NR/NR/NR	Â	Â	Â1,535	0.4
Â	**Â**	**Â**	**Â**	**Â7,098**	**Â1.9**
Ineos Quattro	Â	Industrials	UK	Â	Â
8.5% 15 Mar 29 (SNR)	B1/BB/BB	Â	Â	Â1,510	0.4
9.625% 15 Mar 29 (SNR)	B1/BB/BB	Â	Â	Â1,150	0.3
7.5% 15 Apr 2029 (SNR)	Ba3/BB/BB	Â	Â	Â954	0.3
6.75% 15 Apr 30 (SNR)	B1/BB/BB	Â	Â	Â2,975	0.8
Â	**Â**	**Â**	**Â**	**Â6,589**	**Â1.8**
Albion Finance	Â	Consumer Services	Luxembourg	Â	Â

6.125% 15 Oct 2026 (SNR)	B1/BBâ€“/BB	Â	Â	Â2,394	0.6
8.75% 15 Apr 2027 (SNR)	B3/B/B	Â	Â	Â3,578	1.0
Â	**Â**	**Â**	**Â**	**Â5,972**	**Â1.6**
BNP Paribas	Â	Financials	France	Â	Â
9.25% FRN Perpetual (AT1)	Ba1/BBBâ€“/BBB	Â	Â	Â1,226	0.3
FRN Perpetual (AT1)	Ba1/BBBâ€“/BBB	Â	Â	Â1,412	0.4
7.375% FRN Perpetual (AT1)	Ba1/BBBâ€“/BBB	Â	Â	Â3,218	0.9
Â	**Â**	**Â**	**Â**	**Â5,856**	**Â1.6**
Saffron Building Society	Â	Financials	UK	Â	Â
Cnv FRN 19 Oct 2034	NR/NR/NR	Â	Â	**Â5,514**	**1.5**
CPUK Finance	Â	Financials	Jersey	Â	Â
4.5% 28 Aug 2027	NR/B/B	Â	Â	Â1,140	0.3
6.5% 28 Aug 2050 (SNR)	NR/B/B	Â	Â	Â2,182	0.6
7.875% 28 Aug 2055	NR/NR/NR	Â	Â	Â2,169	0.6
Â	**Â**	**Â**	**Â**	**Â5,491**	**Â1.5**
Vodafone Group	Â	Basic Materials	UK	Â	Â
8% FRN Perpetual (SUB)	Ba1/BB+/BB	Â	Â	**Â5,406**	**Â1.4**
Intesa	Â	Financials	Italy	Â	Â
7.7% FRN Perpetual (AT1)	Ba3/BBâ€“/BB	Â	Â	Â3,616	1.0
6.375% Cnv FRN Perpetual (AT1)	Ba3/BBâ€“/BB	Â	Â	Â1,544	0.4
Â	**Â**	**Â**	**Â**	**Â5,160**	**Â1.4**
Atom	Â	Financials	UK	Â	Â
Cnv FRN 08 Jan 2035	NR/NR/NR	Â	Â	**Â5,022**	**1.3**
OSB	Â	Financials	UK	Â	Â
8.875% Cnv 16 Jan 2030 (SNR)	Baa2/NR/BBB	Â	Â	Â1,912	0.5
Cnv FRN 27 Jul 2033	Baa3/NR/BBB	Â	Â	Â1,633	0.4
6% FRN Perpetual (SUB) (AT1)	NR/NR/BB	Â	Â	Â1,413	0.4
Â	**Â**	**Â**	**Â**	**Â4,958**	**Â1.3**
Jupiter Fund Management	Â	Financials	UK	Â	Â
8.875% 27 Jul 2030	NR/NR/BB	Â	Â	**Â4,724**	**Â1.3**
Newcastle Building Society	Â	Financials	UK	Â	Â
12.25% Cnv FRN Perpetual	NR/NR/NR	Â	Â	**Â4,672**	**1.2**
Deutsche Bank	Â	Financials	Germany	Â	Â
6% FRN Perpetual (AT1)	Ba2/BB/BB	Â	Â	Â782	0.2
FRN Perpetual (AT1)	Ba2/BB/BB	Â	Â	Â3,270	0.9
8.125% Cnv FRN Perpetual (AT1)	Ca/NR/NR	Â	Â	Â519	0.1
Â	**Â**	**Â**	**Â**	**Â4,571**	**Â1.2**
Clarios	Â	Consumer Services	USA	Â	Â
8.5% 15 May 2027 (SNR)	B3/B/B	Â	Â	**Â4,471**	**Â1.2**
Codere New Topco	Â	Consumer Services	Luxembourg	Â	Â
A1 Shares	NR/NR/NR	Â	Â	Â2,132	0.6
11% PIK 31 Dec 2028	NR/NR/NR	Â	Â	Â1,513	0.4
A2 Shares	NR/NR/NR	Â	Â	Â658	0.2
Â	**Â**	**Â**	**Â**	**Â4,303**	**Â1.2**
Legal & General	Â	Financials	UK	Â	Â
5.625% FRN Perpetual	Baa2/BBB/BBB	Â	Â	**Â4,188**	**Â1.1**
Sainsburyâ€™s Bank	Â	Financials	UK	Â	Â
10.5% FRN 12 Mar 2033	Baa3/NR/BBB	Â	Â	**Â4,173**	**Â1.1**
Ford Motor Credit	Â	Consumer Goods	USA	Â	Â
6.86% 05 Jun 2026	Ba1/BBBâ€“/BBB	Â	Â	**Â4,090**	**Â1.1**
Ziggo Bond Finance	Â	Telecommunications	Netherlands	Â	Â
6% 15 Jan 2027 (SNR)	B3/Bâ€“/B	Â	Â	**Â3,967**	**Â1.1**
Lion/Polaris	Â	Consumer Goods	Luxembourg	Â	Â
FRN 01 July 2029 (SNR)	B2/B/B	Â	Â	**Â3,783**	**Â1.0**
Rino Mastrotto	Â	Consumer Goods	Italy	Â	Â
FRN 31 Jul 2031 (SNR)	B2/B/B	Â	Â	**Â3,690**	**Â1.0**
Haleon	Â	Health Care	UK	Â	Â
9.5% Preference	NR/NR/NR	Â	Â	**Â3,661**	**Â1.0**
RL Finance	Â	Financials	UK	Â	Â
10.125% Cnv FRN Perpetual	Baa3/BBB/BBB	Â	Â	**Â3,583**	**Â1.0**
ING	Â	Financials	Netherlands	Â	Â
6.25% Cnv FRN 20 May 2033	Baa2/BBB/BBB	Â	Â	**Â3,544**	**Â0.9**
Jerrold Finco	Â	Financials	UK	Â	Â
7.875% 15 Apr 2030	NR/BB/BB	Â	Â	**Â3,513**	**Â0.9**
IHO Verwaltungs	Â	Consumer Goods	Germany	Â	Â
6.75% 15 Nov 2029 (SNR)	Ba2/BBâ€“/BB	Â	Â	Â1,764	0.5
8% 15 Nov 2032 (SNR)	Ba2/BBâ€“/BB	Â	Â	Â1,635	0.4
Â	**Â**	**Â**	**Â**	**Â3,399**	**Â0.9**
Petra Diamonds	Â	Basic Materials	UK	Â	Â
10.5% PIK 08 Mar 2026	Caa2/Bâ€“/CCC	Â	Â	Â3,298	0.9
Common Stock	NR/NR/NR	Â	Â	Â63	0.0
Â	**Â**	**Â**	**Â**	**Â3,361**	**Â0.9**

Bayer	Â	Health Care	Germany	Â	Â
5.5% FRN Perpetual (SUB)	Baa3/BB+/BB	Â	Â	Â1,567	0.4
7% FRN Perpetual (SUB)	Ba1/BB+/BB	Â	Â	Â1,740	0.5
Â	**Â**	**Â**	**Â**	**Â3,307**	**Â0.9**
Commerzbank	Â	Financials	Germany	Â	Â
6.125% FRN Perpetual (AT1)	Ba2/BB/BB	Â	Â	Â2,167	0.6
7.5% FRN Perpetual (AT1)	Ba2/BB/BB	Â	Â	Â1,117	0.3
Â	**Â**	**Â**	**Â**	**Â3,284**	**Â0.9**
JP Morgan Chase	Â	Financials	USA	Â	Â
FRN Perpetual (SNR) (AT1)	Baa2/BBB/BBB	Â	Â	**Â3,245**	**Â0.9**
ASG Finance Design	Â	Consumer Services	Ireland	Â	Â
9.75% 15 May 2029 (SNR)	NR/BBâ€"/BB	Â	Â	**Â3,190**	**Â0.9**
Grupo Antolin	Â	Consumer Goods	Spain	**Â**	Â
10.375% 30 Jan 2030 (SNR)	B3/Bâ€"/B	Â	Â	**Â3,190**	**Â0.9**
CSN Resources	Â	Basic Materials	Luxembourg	Â	Â
8.875% 05 Dec 2030 (SNR)	Ba2/NR/BB	Â	Â	**Â3,176**	**Â0.8**
Pension Insurance	Â	Financials	UK	Â	Â
7.375% FRN Perpetual	NR/NR/BBB	Â	Â	**Â3,170**	**Â0.8**
DNO ASA	Â	Oil and Gas	Norway	Â	Â
9.25% 04 Jun 2029 (SNR)	NR/NR/NR	Â	Â	Â2,604	0.7
7.875% 09 Sep 2026 (SNR)	Ca/NR/NR	Â	Â	Â561	0.1
Â	**Â**	**Â**	**Â**	**Â3,165**	**Â0.8**
Virgin Media O2	Â	Telecommunications	UK	Â	Â
4% 31 Jan 2029 (SNR)	Ba3/B+/BB	Â	Â	Â1,936	0.5
4.25% 15 Jan 2030 (SNR)	Ba3/B+/BB	Â	Â	Â1,183	0.3
Â	**Â**	**Â**	**Â**	**Â3,119**	**Â0.8**
Teva Pharmaceutical Finance	Â	Health Care	Netherlands	Â	Â
6.75% 01 Mar 2028 (SNR)	Ba2/BB/BB	Â	Â	Â2,446	0.6
5.125% 09 May 2029 (SNR)	Ba2/BB/BB	Â	Â	Â607	0.2
Â	**Â**	**Â**	**Â**	**Â3,053**	**Â0.8**
Maison	Â	Industrials	UK	Â	Â
6% 31 Oct 2027 (SNR)	NR/B+/B	Â	Â	**Â2,949**	**Â0.8**
Telefonica	Â	Telecommunications	Netherlands	Â	Â
6.75% FRN Perpetual (SUB)	Ba2/BB/BB	Â	Â	Â833	0.2
FRN Perpetual	Ba2/BB/BB	Â	Â	Â2,092	0.6
Â	**Â**	**Â**	**Â**	**Â2,925**	**Â0.8**
Allwyn Entertainment	Â	Consumer Services	UK	Â	Â
7.25% 30 Apr 2030	NR/BB/BB	Â	Â	Â798	0.2
7.875% 30 Apr 2029 (SNR)	NR/BB/BB	Â	Â	Â2,052	0.6
Â	**Â**	**Â**	**Â**	**Â2,850**	**Â0.8**
Banco BVA	Â	Financials	Spain	Â	Â
6% FRN Perpetual (AT1)	Ba2/NR/BB	Â	Â	**Â2,849**	**Â0.8**
Pinewood Finance	Â	Consumer Services	UK	Â	Â
6% 27 Mar 2030 (SNR)	NR/BB+/BB	Â	Â	**Â2,813**	**Â0.7**
Gatwick Airport Finance	Â	Financials	UK	Â	Â
4.375% 07 Apr 2026 (SNR)	Ba3/NR/BB	Â	Â	**Â2,753**	**Â0.7**
RLGH Finance Bermuda	Â	Financials	Bermuda	Â	Â
8.25% 17 Jul 2031	Baa3/NR/BB	Â	Â	**Â2,737**	**Â0.7**
BT	Â	Telecommunications	UK	Â	Â
8.375% FRN Perpetual	Ba1/BB+/BB	Â	Â	**Â2,653**	**Â0.7**
Bank Of Ireland	Â	Financials	Ireland	Â	Â
7.594% FRN 06 Dec 2032	Baa2/BB+/BBB	Â	Â	Â1,041	0.3
7.5% FRN Perpetual (AT1)	Ba1/BBâ€"/BB	Â	Â	Â1,590	0.4
Â	**Â**	**Â**	**Â**	**Â2,631**	**Â0.7**
Aston Martin	Â	Consumer Goods	Jersey	Â	Â
10.375% 31 Mar 2029 (SNR)	B3/Bâ€"/B	Â	Â	**Â2,624**	**0.7**
Optics Bidco	Â	Technology	Italy	Â	Â
7.875% 31 July 2028 (SNR)	Ba1/BB+/BB	Â	Â	Â1,457	0.4
7.721% 04 Jun 2038 (SNR)	Ba1/BB+/BB	Â	Â	Â1,132	0.3
Â	Â	Â	Â	**Â2,589**	**Â0.7**
Lottomatica	Â	Consumer Services	Italy	Â	Â
7.13 % 01 Jun 2028 (SNR)	Ba3/BBâ€"/BB	Â	Â	Â1,341	0.4
FRN 15 Dec 2030 (SNR)	Ba3/BBâ€"/BB	Â	Â	Â1,145	0.3
Â	**Â**	**Â**	**Â**	**Â2,486**	**Â0.7**
Dana Financing Luxembourg	Â	Consumer Goods	Luxembourg	Â	Â
8.5% 15 Jul 2031 (SNR)	B1/BBâ€"/BB	Â	Â	**Â2,428**	**Â0.6**
Marcolin	Â	Health Care	Italy	Â	Â
6.125% 15 Nov 2026 (SNR)	B2/B/B	Â	Â	**Â2,419**	**Â0.6**
CaixaBank	Â	Financials	Spain	Â	Â

8.25% Cnv FRN Perpetual (AT1)	NR/BB/BB	Â	Â	**Â2,380**	**Â0.6**
HSBC	Â	Financials	UK	Â	Â
5.25% 14 Mar 2044	Baa1/BBB/BBB	Â	Â	Â450	0.1
FRN 13 Nov 2034 (SUB)	Baa1/BBB/BBB	Â	Â	Â1,928	0.5
Â	**Â**	**Â**	**Â**	**Â2,378**	**Â0.6**
Morrisons	Â	Consumer Goods	UK	Â	Â
5.5% 04 Nov 2027 (SNR)	B1/B+/B	Â	Â	Â1,284	0.3
4.75% 04 Nov 2027 (SNR)	B1/B+/B	Â	Â	Â1,087	0.3
Â	**Â**	**Â**	**Â**	**Â2,371**	**Â0.6**
Societe Generale	Â	Financials	France	Â	Â
FRN Perpetual (AT1)	Ba2/BB/BB	Â	Â	Â931	0.2
7.875% Cnv FRN Perpetual (AT1)	Ba2/BB/BB	Â	Â	Â1,394	0.4
Â	**Â**	**Â**	**Â**	**Â2,325**	**Â0.6**
Inspired Entertainment	Â	Consumer Services	UK	Â	Â
7.875% 01 Jun 2026 (SNR)	B2/NR/B	Â	Â	**Â2,288**	**0.6**
Beazley	Â	Financials	Ireland	Â	Â
5.875% 04 Nov 2026	NR/NR/BBB	Â	Â	**Â2,285**	**0.6**
RAC Bond	Â	Consumer Goods	UK	Â	Â
FRN 04 Nov 2046 (SNR)	NR/B+/B	Â	Â	Â484	0.1
Var 06 May 2046	NR/BBB/BBB	Â	Â	Â1,785	0.5
Â	**Â**	**Â**	**Â**	**Â2,269**	**Â0.6**
Cidron Aida Finco	Â	Health Care	Luxembourg	Â	Â
6.25% 01 Apr 2028 (SNR)	B2/Bâ€“/B	Â	Â	**Â2,224**	**0.6**
Heathrow Finance	Â	Financials	UK	Â	Â
4.125% 01 Sep 2029 (SNR)	B1/NR/B	Â	Â	Â915	0.3
6.625% 01 Mar 2031 (SNR)	B1/NR/B	Â	Â	Â1,267	0.3
Â	**Â**	**Â**	**Â**	**Â2,182**	**Â0.6**
John Lewis	Â	Consumer Services	UK	Â	Â
4.25% 18 Dec 2034 (SNR)	NR/NR/NR	Â	Â	Â1,143	0.3
6.125% 21 Jan 2025 (SNR)	NR/NR/NR	Â	Â	Â1,000	0.3
Â	**Â**	**Â**	**Â**	**Â2,143**	**Â0.6**
Lancashire	Â	Financials	Bermuda	Â	Â
5.625% 18 Sep 2041 (FRN)	Baa3/BB+/BB	Â	Â	**Â2,099**	**Â0.6**
Mobico Group	Â	Consumer Services	UK	Â	Â
FRN Perpetual	B1/NR/B	Â	Â	**Â2,086**	**Â0.6**
Tullow Oil	Â	Oil and Gas	UK	Â	Â
10.25% 15 May 2026 (SNR)	Caa1/Bâ€“/CCC	Â	Â	**Â2,026**	**Â0.5**
Nationwide	Â	Financials	UK	Â	Â
7.5% Cnv FRN Perpetual (AT1)	Baa3/BB+/BBB	Â	Â	Â1,361	0.4
10.25% Perpetual (CCDS)	NR/NR/NR	Â	Â	Â650	0.2
Â	**Â**	**Â**	**Â**	**Â2,011**	**Â0.6**
Benteler International	Â	Consumer Services	Austria	Â	Â
10.5% 15 May 2028	Ba3/BBâ€“/BB	Â	Â	Â534	0.1
9.375% 15 May 2028	Ba3/BBâ€“/BB	Â	Â	Â1,458	0.4
Â	**Â**	**Â**	**Â**	**Â1,992**	**Â0.5**
Volkswagen Financial Services	Â	Consumer Goods	Netherlands	Â	Â
6.5% 18 Sep 2027 (SNR)	A3/BBB+/BBB	Â	Â	Â1,430	0.4
7.875% FRN Perpetual	Baa2/BBBâ€“/BBB	Â	Â	Â552	0.1
Â	**Â**	**Â**	**Â**	**Â1,982**	**Â0.5**
BP Capital	Â	Financials	UK	Â	Â
4.25% FRN Perpetual	A3/BBB/A	Â	Â	**Â1,976**	**Â0.5**
Galaxy Bidco	Â	Financials	UK	Â	Â
8.125% 19 Dec 2029 (SNR)	B2/B/B	Â	Â	**Â1,954**	**Â0.5**
Motion Finco	Â	Consumer Services	Luxembourg	Â	Â
7.375% 15 Jun 2030	B2/B/B	Â	Â	**Â1,948**	**Â0.5**
True Potential	Â	Financials	Jersey	Â	Â
6.5% 15 Feb 2027 (SNR)	B1/B+/B	Â	Â	**Â1,932**	**Â0.5**
Eutelsat	Â	Telecommunications	France	Â	Â
9.75% 13 Apr 2029 (SNR)	Ba3/B/BB	Â	Â	**Â1,924**	**Â0.5**
La Doria	Â	Consumer Goods	Italy	Â	Â
FRN 12 Nov 2029	B1/B/B	Â	Â	**Â1,910**	**Â0.5**
NatWest	Â	Financials	UK	Â	Â
Cnv FRN 6 Jun 2033	Baa1/BBBâ€“/BBB	Â	Â	Â940	0.2
8% FRN Perpetual (AT1)	Baa3/BBâ€“/BBB	Â	Â	Â969	0.3
Â	**Â**	**Â**	**Â**	**Â1,909**	**Â0.5**
TGS ASA	Â	Oil and Gas	Norway	Â	Â
8.5% 15 Jan 2030 (SNR)	Ba3/BBâ€“/BB	Â	Â	**Â1,828**	**Â0.5**
Banco Sabadell	Â	Financials	Spain	Â	Â
5% FRN Perpetual (AT1)	NR/BBâ€“/BB	Â	Â	Â648	0.2
5.75% FRN Perpetual (AT1)	NR/BBâ€“/BB	Â	Â	Â1,162	0.3
Â	**Â**	**Â**	**Â**	**Â1,810**	**Â0.5**
Enel	Â	Utilities	Netherlands	Â	Â

7.75% 14 Oct 2052 (SNR)	Baa1/BBB/BBB	Â	Â	**Â1,794**	**Â0.5**
Marb Bondco	Â	Consumer Services	UK	Â	Â
3.95% 29 Jan 2031 (SNR)	NR/BB+/BB	Â	Â	**Â1,789**	**Â0.5**
New Frigoglass Group	Â	Industrials	Netherlands	Â	Â
Common Stock	NR/NR/NR	Â	Â	Â5	0.0
11% PIK 27 Mar 2026	NR/NR/NR	Â	Â	Â969	0.3
11% 20 Apr 2028	NR/NR/NR	Â	Â	Â788	0.2
Â	**Â**	**Â**	**Â**	**Â1,762**	**Â0.5**
IM Group	Â	Consumer Services	France	Â	Â
8% 01 Mar 2028 (SNR)	Caa1/CCC+/CCC	Â	Â	**Â1,759**	**Â0.5**
Petroleos Mexicanos	Â	Oil and Gas	Mexico	Â	Â
9.5% 15 Sep 2027 (SNR)	B3/BBB/B	Â	Â	Â825	0.2
6.75% 21 Sep 2047 (SNR)	B3/BBB/B	Â	Â	Â385	0.1
6.95% 28 Jan 2060 (SNR)	B3/BBB/B	Â	Â	Â496	0.2
Â	**Â**	**Â**	**Â**	**Â1,706**	**Â0.5**
Stora Enso	Â	Industrials	Finland	Â	Â
7.25% 15 Apr 2036	Baa3/NR/BBB	Â	Â	**Â1,690**	**Â0.5**
AA Bond Co	Â	Consumer Services	Jersey	Â	Â
7.375% 31 Jul 2050 (SNR)	NR/BBB/BBB	Â	Â	Â1,321	0.4
8.45% 31 Jul 2050 (SNR)	NR/BBB/BBB	Â	Â	Â363	0.1
Â	**Â**	**Â**	**Â**	**Â1,684**	**Â0.5**
Morgan Stanley	Â	Financials	USA	Â	Â
Depositary Shares (AT1)	Baa3/BBBâ€"/BBB	Â	Â	**Â1,678**	**Â0.4**
Monitchem	Â	Basic Materials	Luxembourg	Â	Â
8.75% 01 May 2028 (SNR)	B3/B/B	Â	Â	**Â1,662**	**Â0.4**
Bertrand Franchise	Â	Consumer Goods	France	Â	Â
FRN Perpetual (SNR)	B2/B/B	Â	Â	**Â1,660**	**Â0.4**
Zenith	Â	Consumer Services	UK	Â	Â
6.5% 30 Jun 2027 (SNR)	Caa1/B/CCC	Â	Â	**Â1,642**	**Â0.4**
NewDay BondCo	Â	Financials	UK	Â	Â
13.25% 15 Dec 2026	B2/B+/B	Â	Â	**Â1,620**	**Â0.4**
SasolÂ Financing USA	Â	Financials	USA	Â	Â
8.75% 03 May 2029 (SNR)	Ba1/BB+/BB	Â	Â	**Â1,609**	**Â0.4**
Telecom Italia	Â	Telecommunications	Italy	Â	Â
7.875% 31 Jul 2028 (SNR)	Ba3/BB/BB	Â	Â	Â1,011	0.3
7.721% 04 Jun 2038 (SNR)	Ba3/BB/BB	Â	Â	Â538	0.1
Â	**Â**	**Â**	**Â**	**Â1,549**	**Â0.4**
Premier Entertainment	Â	Consumer Services	USA	Â	Â
5.875% 01 Sep 2031 (SNR)	Caa1/CCC/CCC	Â	Â	Â559	0.2
5.625% 01 Sep 2029 (SNR)	Caa1/CCC/CCC	Â	Â	Â925	0.2
Â	**Â**	**Â**	**Â**	**Â1,484**	**Â0.4**
Preem	Â	Oil and Gas	Sweden	Â	Â
12% 30 Jun 2027 (SNR)	B2/BBâ€"/B	Â	Â	**Â1,398**	**Â0.4**
Vattenfall	Â	Utilities	Sweden	Â	Â
6.875% FRN Perpetual (SUB)	Baa2/BB+/BB	Â	Â	**Â1,373**	**Â0.4**
GTCR	Â	Financials	Netherlands	Â	Â
8.5% 15 Jan 2031 (SNR)	Ba3/BB/BB	**Â**	**Â**	**Â1,362**	**Â0.4**
BCP V Modular Services	Â	Consumer Services	UK	Â	Â
6.125% 30 Nov 2028	B2/B/B	Â	Â	**Â1,343**	**Â0.4**
Rolls Royce	Â	Industrials	UK	Â	Â
5.75% 15 Oct 2027 (SNR)	Baa3/BBB/BBB	Â	Â	**Â1,335**	**Â0.4**
Fiber Bidco	Â	Industrials	Italy	Â	Â
FRN 15 Jan 2030 (SNR)	B2/B/B	Â	Â	**Â1,320**	**Â0.4**
Coventry Building Society	Â	Financials	UK	Â	Â
8.75% Cnv FRN Perpetual (AT1)	Ba1/NR/BB	Â	Â	**Â1,315**	**Â0.4**
Bellis	Â	Consumer Goods	UK	Â	Â
4.5% 16 Feb 2026 (SNR)	B1/NR/B	Â	Â	**Â1,301**	**Â0.3**
Ecclesiastical Insurance Office	Â	Financials	UK	Â	Â
8.625% Preference	NR/NR/NR	Â	Â	**Â1,300**	**0.3**
Altice	Â	Telecommunications	France	Â	Â
5.875% 01 Feb 2027 (SNR)	Caa1/CCC/CCC	Â	Â	Â330	0.1
4.25% 15 Oct 2029 (SNR)	Caa1/CCC/CCC	Â	Â	Â933	0.2
Â	**Â**	**Â**	**Â**	**Â1,263**	**Â0.3**
Asmodee	Â	Consumer Goods	Sweden	Â	Â
FRN 15 Dec 2029	B2/NR/B	Â	Â	**Â1,254**	**Â0.3**
OEG Finance	Â	Oil and Gas	UK	Â	Â
7.25% 27 Sep 2029 (SNR)	B1/NR/B	Â	Â	**Â1,235**	**Â0.3**
CIRSA Finance	Â	Financials	Luxembourg	Â	Â
7.875% 31 Jul 2028 (SNR)	B2/B+/B	Â	Â	**Â1,229**	**Â0.3**
Loxam SAS	Â	Consumer Services	France	Â	Â
5.75% 15 Jul 2027	NR/B/B	Â	Â	**Â1,193**	**Â0.3**
Aegon	Â	Financials	Bermuda	Â	Â
5.625% FRN Perpetual	Baa3/BB+/BB	Â	Â	**Â1,177**	**Â0.3**
Travis Perkins	Â	Industrials	UK	Â	Â
3.75% 17 Feb 2026 (SNR)	NR/NR/BB	Â	Â	**Â1,170**	**Â0.3**
Dynamo	Â	Consumer Goods	Germany	Â	Â
6.25% 15 Oct 2031 (SNR)	B2/B/B	Â	Â	**Â1,157**	**Â0.3**

Quilter	Â	Financials	UK	Â	Â
8.625% FRN 18 Apr 2033	NR/NR/BBB	Â	Â	**Â 1,118**	**Â 0.3**
Centrica	Â	Utilities	UK	Â	Â
7% 19 Sep 2033 (SNR)	Baa2/BBB/BBB	Â	Â	**Â 1,096**	**Â 0.3**
Verisure	Â	Industrials	Sweden	Â	Â
9.25% 15 Oct 2027 (SNR)	B1/B+/B	Â	Â	**Â 1,076**	**Â 0.3**
CCO Holdings	Â	Telecommunications	USA	Â	Â
5.125% 01 May 2027 (SNR)	B1/BBâ€“/BB	Â	Â	**Â 979**	**Â 0.3**
Alpha Services & Holdings	Â	Consumer Goods	Greece	Â	Â
11.875% Cnv FRN Perpetual (AT1)	B2/NR/B	Â	Â	**Â 929**	**Â 0.2**
La FinanciÃ¨re ATALIAN	Â	Consumer Services	France	Â	Â
8.5% PIK 30 Jun 2028	Caa3/CCC+/CCC	Â	Â	**Â 928**	**Â 0.2**
AXA	Â	Financials	France	Â	Â
6.379% FRN Perpetual	A3/BBB+/BBB	Â	Â	**Â 855**	**Â 0.2**
Castle UK (Miller Homes)	Â	Industrials	UK	Â	Â
FRN 15 May 2028	B1/B/B	Â	Â	**Â 830**	**Â 0.2**
B&M	Â	Consumer Services	Luxembourg	Â	Â
4% 15 Nov 2028 (SNR)	Ba1/BB+/BB	Â	Â	**Â 814**	**Â 0.2**
US Treasury Note	Â	Government Bonds	USA	Â	Â
3.875% 15 Aug 2033	Aaa/AA+/AA	Â	Â	**Â 762**	**Â 0.2**
National Bank Of Greece	Â	Financials	Greece	Â	Â
Cnv FRN 28 Jun 2035	Ba2/NR/BB	Â	Â	**Â 745**	**Â 0.2**
HP	Â	Consumer Services	USA	Â	Â
5.5% 15 Jan 2033 (SNR)	Baa2/BBB/BBB	Â	Â	**Â 720**	**Â 0.2**
CNP Assurances	Â	Financials	France	Â	Â
4.875% FRN Perpetual	Baa2/BBB/BBB	Â	Â	**Â 706**	**Â 0.2**
Zurich Finance	Â	Financials	Ireland	Â	Â
5.125% FRN 23 Nov 2052	A1/A+/A	Â	Â	**Â 679**	**Â 0.2**
PGH Capital	Â	Financials	UK	Â	Â
5.375%Â 06 Jul 2027	NR/NR/BBB	Â	Â	**Â 661**	**Â 0.2**
Phoenix	Â	Financials	UK	Â	Â
FRN Perpetual	NR/NR/BBB	Â	Â	**Â 614**	**Â 0.2**
Cerved	Â	Consumer Services	Italy	Â	Â
6% 15 Feb 2029 (SNR)	B3/Bâ€“/B	Â	Â	Â 282	0.1
FRN 15 Feb 2029 (SNR)	B3/Bâ€“/B	Â	Â	Â 321	0.1
Â	**Â**	**Â**	**Â**	**Â 603**	**Â 0.2**
Spectrum Management	Â	Telecommunications	USA	Â	Â
4.5% 15 Sep 2042 (SNR)	Ba1/BBBâ€“/BBB	Â	Â	**Â 537**	**Â 0.1**
Rothesay Life	Â	Financials	UK	Â	Â
8% 30 Oct 2025	Baa1/NR/BBB	Â	Â	**Â 509**	**Â 0.1**
Peel Land & Property Investments	Â	Financials	UK	Â	Â
8.375% Var 30 Apr 2040	NR/BBB/BBB	Â	Â	**Â 497**	**Â 0.1**
Hammerson	Â	Financials	UK	Â	Â
5.875% 08 Oct 2036	Baa2/NR/BBB	Â	Â	**Â 478**	**Â 0.1**
British Airways	Â	Consumer Services	USA	Â	Â
8.375% 15 Nov 2028	NR/A/BBB	Â	Â	**Â 455**	**Â 0.1**
Nyrstar	Â	Basic Materials	Malta	Â	Â
0% 31 Jul 2026 (SNR)	NR/NR/NR	Â	Â	**Â 432**	**Â 0.1**
MAHLE	Â	Consumer Goods	Germany	Â	Â
6.5% 02 May 2031 (SNR)	Ba2/BB/BB	Â	Â	**Â 405**	**Â 0.1**
Kosmos Energy	Â	Oil and Gas	USA	Â	Â
7.75% 01 May 2027 (SNR)	B3u/B/B	Â	Â	**Â 387**	**Â 0.1**
FAGE International	Â	Consumer Goods	Luxembourg	Â	Â
5.625% 15 Aug 2026 (SNR)	Ba3/BB/BB	Â	Â	**Â 328**	**Â 0.1**
Permanent TSB	Â	Financials	Ireland	Â	Â
13.25% 26 Apr 2071 (AT1)	Ba2/NR/BB	Â	Â	**Â 280**	**Â 0.1**
UBS	Â	Financials	Switzerland	Â	Â
4.5% FRN Perpetual (AT1)	NR/NR/NR	Â	Â	Â 36	0.0
9.75% FRN Perpetual (AT1)	NR/NR/NR	Â	Â	Â 81	0.0
Â	**Â**	**Â**	**Â**	**Â 117**	**â€“**
Total investments held at fair value	**Â**	**Â**	**Â**	**Â**	**Â**
through profit or loss	**Â**	**Â**	**Â**	**376,963**	**100.3**

Derivative Instruments â€“ Credit Default Swaps

Â Â Company	**Â Â Nominal**	**Â Coupon %**	**Â Â Maturity Date**	**Market Value Â£â€™000**	**Â % of Portfolio**
iTraxx Europe Crossover	Â	Â	Â	Â	Â
Series 42 5% 5 Year	â‚¬ 4,500,000	5.00	20 Dec 2029	(297)	(0.1)
Series 42 5% 5 Year	â‚¬ 5,000,000	5.00	20 Dec 2029	(331)	(0.1)
Series 42 5% 5 Year	â‚¬ 9,000,000	5.00	20 Dec 2029	(595)	(0.1)
Total derivatives held at fair value	**Â**	**Â**	**Â**	**Â**	**Â**
through profit or loss	**Â**	**Â**	**Â**	**(1,223)**	**(0.3)**
Total investments and derivatives held	**Â**	**Â**	**Â**	**Â**	**Â**
at fair value through profit or loss	**Â**	**Â**	**Â**	**Â 375,740**	**100.0**

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(1)Â Moodyâ€™s/Standard & Poorâ€™s (S&P)/Equivalent average rating.

Abbreviations used in the above valuation:
Cnv:Â Convertible
FRN:ÂFloating Rate Note
SNR:ÂSenior
SUB:ÂSubordinated Notes
PIK:Â Payment in Kind
Var:Â Variable
CCDS:ÂCore Capital Deferred Shares
AT1:ÂAdditional Tier 1 bond

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Directorsâ€™ Responsibilities Statement

The Directors are responsible for preparing the Companyâ€™s Annual Financial Report in accordance with applicable laws and regulations.

The Companies (Jersey) Law 1991 requires the Directors to prepare financial statements for each financial period. Under that law the Directors have elected to prepare the financial statements in accordance with International Financial Reporting Accounting Standards as issued by the International Accounting Standards Board (â€˜IFRS Accounting Standardsâ€™) as adopted by the European Union. The financial statements are required by law to 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.

International Accounting Standard 1 requires that financial statements present fairly for each financial year the Companyâ€™s financial position, financial performance and cash flows. This requires the faithful representation of the effects of transactions, other events and conditions in accordance with the definitions and recognition criteria for assets, liabilities, income and expenses set out in the International Accounting Standards Boardâ€™s â€˜Framework for the preparation and presentation of financial statementsâ€™. In virtually all circumstances, a fair presentation will be achieved by compliance with all applicable IFRSs.

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

â€“Â properly select and apply accounting policies and then apply them consistently;

â€“Â present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;

â€“Â provide additional disclosures when compliance with specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entityâ€™s financial position and financial performance; and

â€“Â make an assessment of the Companyâ€™s ability to continue as a going concern.

The financial statements have been prepared on a going concern basis. When considering this, the Directors took into account the annual shareholdersâ€™ continuation vote (as explained in detail on page 17) and the following: the Companyâ€™s investment objective and risk management policies, the nature of the portfolio and expenditure and cash flow projections. As a result, they determined that the Company has adequate resources, an appropriate financial structure, readily realisable fixed assets to repay current liabilities and suitable management arrangements in place to continue in operational existence for the foreseeable future.

The Directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Company and which enable them to ensure that the accounts comply with the Companies (Jersey) Law 1991. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Under applicable law and regulations, the Directors are also responsible for preparing a Corporate Governance Statement and a Directorsâ€™ Report that comply with that law and those regulations.

The Directors of the Company, who are listed on page 33, each confirm to the best of their knowledge that:

â€“Â the financial statements, which have been prepared in accordance with applicable accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company;

â€“Â this Annual Financial 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;

â€“Â this Annual Financial Report, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Companyâ€™s position and performance, business model and strategy; and

â€“Â there is no relevant audit information of which the Companyâ€™s auditor is unaware, and each Director has taken steps that they ought to have taken as a Director to make themselves aware of any relevant audit information and to establish that the Companyâ€™s auditor is aware of that information.

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Signed on behalf of the Board of Directors

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Heather MacCallum
Audit & Risk Committee Chair
2 April 2025

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a.ÂThe directors have delegated responsibility for the maintenance and integrity of the Invesco Bond Income Plus Limited website to the Manager; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

b. ÂLegislation in Jersey governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

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Statement of Comprehensive Income

Â			**Year ended**			**Year ended**	
Â			**31 December 2024**			**31 December 2023**	
Â	**Â**	**Revenue**	**Capital**	**Total**	**Revenue**	**Capital**	**Total**
Â	**Notes**	**Â£â€™000**	**Â£â€™000**	**Â£â€™000**	**Â£â€™000**	**Â£â€™000**	**Â£â€™000**
Net gains on investments held at fair value	Â	Â	Â	Â	Â	Â	Â
ÂÂthrough profit or loss	11	â€“	2,093	2,093	â€“	6,856	6,856
Net gains on derivative instruments â€“	Â	Â	Â	Â	Â	Â	Â

ÂÂcurrency hedges and CDS	13	â€“	943	943	â€“	3,197	3,197
Exchange differences	Â	â€“	1,965	1,965	â€“	1,998	1,998
Income	4	26,370	â€“	26,370	24,424	â€“	24,424
Investment management fee	5	(1,090)	(1,090)	(2,180)	(941)	(941)	(1,882)
Other expenses	6	(856)	(40)	(896)	(802)	(3)	(805)
Profit before finance costs and taxation	Â	24,424	3,871	28,295	22,681	11,107	33,788
Finance costs	7	(826)	(826)	(1,652)	(984)	(984)	(1,968)
Profit before taxation	Â	23,598	3,045	26,643	21,697	10,123	31,820
Tax on ordinary activities	8	(61)	â€“	(61)	â€“	â€“	â€“
Profit after taxation	Â	23,537	3,045	26,582	21,697	10,123	31,820
Return per ordinary share	9	12.08p	1.57p	13.65p	12.23p	5.71p	17.94p

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The total columns of this statement represent the Companyâ€™s statement of comprehensive income, prepared in accordance with International Financial Reporting Standards as adopted by the European Union. The profit after taxation is the total comprehensive income. The supplementary revenue and capital columns are both prepared in accordance with the Statement of Recommended Practice issued by the Association of Investment Companies. All items in the above statement derive from continuing operations of the Company. No operations were acquired or discontinued in the year.

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Statement of Changes in Equity

Â Â Â	**Â Â Notes**	**Stated Capital Â£â€™000**	**Capital Reserve Â£â€™000**	**Revenue Reserve Â£â€™000**	**Â Total Â£â€™000**
At 31 December 2022	Â	305,062	(32,141)	Â8,168	281,089
Profit after taxation	Â	â€“	10,123	21,697	31,820
Dividends paid	10	(341)	â€“	(20,011)	(20,352)
Net proceeds from issue of new shares	16	12,072	â€“	â€“	12,072
Â	Â	Â	Â	Â	Â
At 31 December 2023	Â	316,793	(22,018)	Â9,854	304,629
Profit after taxation	Â	â€“	Â3,045	23,537	26,582
Dividends paid	10	(514)	â€“	(21,660)	(22,174)
Net proceeds from issue of new shares	16	36,762	â€“	â€“	36,762
At 31 December 2024	Â	353,041	(18,973)	11,731	345,799

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Balance Sheet

Â Â Â Â	**Â Â Â Notes**	**At 31 December 2024 Â£â€™000**	**At 31 December 2023 Â£â€™000**
Non-current assets	Â	Â	Â
ÂÂInvestments held at fair value through profit or loss	11	Â376,963	Â335,533
Â	Â	Â	Â
Current assets	Â	Â	Â
ÂÂOther receivables	12	9,939	8,552
ÂÂDerivative financial instruments â€“ receivable	13	Â415	1,589
ÂÂCash and cash equivalents	Â	8,153	8,138
Â	Â	18,507	18,279
Current liabilities	Â	Â	Â
ÂÂOther payables	14	(1,000)	(916)
ÂÂDerivative financial instruments â€“ payable	13	(2,321)	(199)
ÂÂSecurities sold under agreements to repurchase	15	(45,127)	(48,068)
Â	Â	(48,448)	(49,183)
Net current liabilities	Â	(29,941)	(30,904)
Total assets less current liabilities	Â	Â347,022	Â304,629
Non-current liabilities	Â	Â	Â
ÂÂDerivatives held at fair value through profit or loss	13	(1,223)	â€“
Net assets	Â	Â345,799	Â304,629
Capital and reserves	Â	Â	Â
ÂÂStated capital	16	Â353,041	Â316,793
ÂÂCapital reserve	17	(18,973)	(22,018)
ÂÂRevenue reserve	17	11,731	9,854
Total shareholdersâ€™ funds	Â	Â345,799	Â304,629
Net asset value per ordinary share	18	170.87p	168.58pÂ

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The financial statements were approved and authorised for issue by the Board of Directors on 2 April 2025.

Signed on behalf of the Board of Directors

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Heather MacCallum
Audit & Risk Committee Chair

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The accompanying accounting policies and notes are an integral part of these financial statements.

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Statement of Cash Flows

Â Â Â	**Year ended 31 December 2024**	**Year ended 31 December 2023**

Â	Â£â€™000	Â£â€™000
Cash flow from operating activities	Â	Â
Profit before finance costs and taxation	Â 28,295	Â 33,788
Tax on overseas income	(61)	Â -
Adjustment for:	Â	Â
Â Â Purchases of investments	(139,225)	(126,310)
Â Â Sales of investments	Â 99,926	115,465Â
Â	Â	Â
Â	(39,299)	(10,845)
Decrease from securities sold under agreements to repurchase	(2,941)	(5,683)
Profit on investments held at fair value	(2,093)	(6,856)
Net movement from derivative instruments â€“ currency hedges and CDS	Â 4,519	50
Increase in receivables	(1,336)	(1,355)
Increase in payables	101	67Â
Exchange differences on cash and cash equivalents	135	(937)
Net cash (outflow)/inflow from operating activities	(12,680)	Â 8,229
Cash flow from financing activities	Â	Â
Finance cost paid	(1,669)	(1,865)
Proceeds from issue of new shares â€“ note 16	36,856	Â 12,199
Dividends paid â€“ note 10	(22,174)	(20,352)
Cost of shares issued â€“ note 16	(183)	(92)
Net cash inflow/(outflow) from financing activities	Â 12,830	(10,110)
Net increase/(decrease) in cash and cash equivalents	150	(1,881)
Cash and cash equivalents at start of the year	Â 8,138	Â 9,082
Exchange differences	(135)	937
Cash and cash equivalents at the end of the year	Â 8,153	Â 8,138
Reconciliation of cash and cash equivalents to the Balance Sheet is as follows:	Â	Â
Cash held at custodian	Â 7,903	Â 6,038
Invesco Liquidity Funds plc â€“ Sterling	250	Â 2,100
Cash and cash equivalents	Â 8,153	Â 8,138
Cash flow from operating activities includes:	Â	Â
Â Â Dividends received	627	283
Â Â Interest received	Â 24,984	Â 24,341

Â

Reconciliation of net debt

Â Â Â Â	**At 1 January 2024 Â£â€™000**	**Â Cash flows Â£â€™000**	**Â Non-cash movement Â£â€™000**	**At 31 December 2024 Â£â€™000**
Cash and cash equivalents	8,138	150	(135)	8,153
Securities sold under agreements to repurchase	(48,068)	2,941	â€“	(45,127)
Total	(39,930)	3,091	(135)	(36,974)

Â

Notes to the Financial Statements

1.Â Principal Activity

The Company is a closed-end investment company incorporated in Jersey and operates under the Companies (Jersey) Law 1991. The principal activity of the Company is investment in a diversified portfolio of high-yielding fixed-interest securities as set out in the Companyâ€™s Investment Objective and Policy.

2.Â Principal Accounting Policies

The principal accounting policies describe the Companyâ€™s approach to recognising and measuring transactions during the year and the position of the Company at the year end.

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied during the current year and preceding year, unless otherwise stated. The financial statements have been prepared on a going concern basis as noted below.

(a)Â Basis of Preparation

Â **(i)Â Accounting Standards Applied**

The financial statements have been prepared on a historical cost basis, except for the measurement at fair value of investments and derivatives, and in accordance with the applicable International Financial Reporting Standards (IFRS) and interpretations issued by the International Financial Reporting Interpretations Committee as adopted by the European Union. The standards are those endorsed by the European Union and effective at the date the financial statements were approved by the Board.

Where presentational guidance set out in the Statement of Recommended Practice (SORP) â€˜Financial Statements of Investment Trust Companies and Venture Capital Trustsâ€™, updated by the Association of Investment Companies in July 2022, is consistent with the requirements of IFRS, the Directors have prepared the financial statements on a basis compliant with the recommendations of the SORP. The supplementary information which analyses the statement of comprehensive income between items of a revenue and a capital nature is presented in accordance with the SORP.

Â **(ii)Â Going Concern**

As explained on page 17, the Company has an Annual Continuation Vote and the Directors believe shareholders will vote for the Company to continue. Accordingly, the Directors have determined that the financial statements should and have been prepared on a going concern basis, which does not include any adjustments that might arise from cessation of the Company. The Articles of Association of the Company require that unless an ordinary resolution is passed at or before the Annual General Meeting (â€˜AGMâ€™) each year releasing the Directors from the obligation to do so, the Directors shall convene a general meeting within six months of the AGM at which a special resolution would be proposed to wind up the Company. The directors plan on presenting an ordinary resolution at the forthcoming AGM for which a 50% majority is needed for aÂ special resolution regarding continuance not to be held.

If a special resolution was held regarding a continuation vote a 75% majority of the shareholders need to vote for the Company not to continue.

Last year nearly 100% of the votes registered at the AGM were in favour of releasing the obligation to hold a continuation vote.

Based upon the current financial performance and financial position of the Company including the net current liability position at the balance sheet date along with the AGM vote outcome last year and ongoing dialogue with investors, the Directors do not have any concerns regarding the outcome of the forthcoming ordinary resolution and hence do not consider there to be a material uncertainty over going concern.

If a continuation vote was held and was unsuccessful, the basis of preparation would be switched at that date to a basis other than going concern and the NAV impacting adjustments would not be material as the majority of investments are LevelÂ 2, based on observable market prices and investments are classified as held at fair value through profit or loss.

Â **(iii)Â Adoption of New and Revised Standards**

There were no new nor revised standards and interpretations that became effective during the year having a significant impact on the amounts reported in these financial statements.

Â **(iv)Â Critical Accounting Estimates and Judgements**

The preparation of the financial statements may require the Directors to make estimations where uncertainty exists. It also requires the Directors to exercise judgement in the process of applying the accounting policies. The Directors, having taken into account the factors in note 2a(ii), judge it appropriate to continue to use the going concern basis to prepare the financial statements given the Annual Continuation Vote. In the current year, the valuation and classification of certain securities as Level 3 involve a higher degree of judgment or complexity, where assumptions and estimates are significant to the company. Further details can be found in note 20 on page 70.

(b)Â Foreign Currency

Â **(i)Â Functional and Presentation Currency**

The financial statements are presented in sterling, which is the Companyâ€™s functional and presentation currency and the currency in which the Companyâ€™s stated capital and expenses are denominated, as well as a certain proportion of its income, assets and liabilities.

Â **(ii)Â Transactions and Balances**

Transactions in foreign currency, whether of a revenue or capital nature, are translated to sterling at the rate of exchange ruling on the date of such transactions. Foreign currency assets and liabilities are translated to sterling at the rates of exchange ruling at the balance sheet date. Foreign exchange gains and losses relating to non investments are presented in the statement of comprehensive income within â€˜exchange differencesâ€™. Foreign exchange gains and losses relating to the financial assets and liabilities carried at fair value through profit or loss are presented in the statement of comprehensive income within â€™net gains on investments held at fair value through profit or lossâ€™. All profits and losses, whether realised or unrealised, are recognised in the statement of comprehensive income and are taken to capital reserve or revenue reserve, depending on whether the gain or loss is capital or revenue in nature.

(c)Â Financial Instruments

Â **(i)Â Recognition of Financial Assets and Financial Liabilities**

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. These are offset if the Company has a legally enforceable right to set off the recognised amounts and interests and intends to settle on a net basis.

Â **(ii)Â Derecognition of Financial Assets**

Financial assets are derecognised when the contractual rights to the cash flows from the asset expire, or it transfers the right to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in the transferred financial asset that is created or retained by the Company is recognised as an asset.

Â **(iii)Â Derecognition of Financial Liabilities**

Financial liabilities are derecognised when the Companyâ€™s obligations are discharged, cancelled or expired.

Â **(iv)Â Trade Date Accounting**

Purchases and sales of financial assets are recognised on trade date, being the date on which the Company commits to purchase or sell the assets.

Â **(v)Â Classification of Financial Assets and Financial Liabilities**

Financial assets

Investments are classified as held at fair value through profit or loss as the investments are managed and their performance evaluated on a fair value basis in accordance with the Companyâ€™s documented investment strategy and this is also the basis on which information about investments is provided internally to the Board.

Financial assets held at fair value through profit or loss are initially recognised at fair value, which is taken to be their cost, with transaction costs expensed in the statement of comprehensive income, and are subsequently valued at fair value. Changes in fair value including the related foreign exchange gains and losses are recognised in the statement of comprehensive income under net gains and losses on investments.

For investments that are actively traded in organised financial markets, fair value is determined by reference to stock exchange quoted bid prices at the balance sheet date. For investments that are not actively traded or where active stock exchange quoted bid prices are not available, fair value is determined by reference to a variety of valuation techniques including broker quotes and price modelling.

Financial Liabilities

Financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs and are subsequently measured at amortised cost using the effective interest method, where applicable.

(d) Â Derivatives and Hedging

Derivative instruments are valued at fair value in the balance sheet. Hedge accounting has not been adopted.

Forward currency contracts entered into for hedging purposes are valued at the appropriate forward exchange rate ruling at the balance sheet date and any profits and losses are recognised in the statement of comprehensive income and taken to capital.

The treatment of the returns from credit default swaps depends upon the nature of the transaction. Both motives and circumstances are used to determine whether returns should be treated as capital or revenue. The capital element is reflected within profit/(loss) on derivative instruments and the revenue or expense element is reflected within income or other expenses within the statement of comprehensive income.

(e)Â Cash and Cash Equivalents

Cash and cash equivalents may comprise cash (including short term deposits which are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value) as well as cash equivalents, including money market funds.

(f)Â Securities Sold Under Agreements to Repurchase (â€˜repo financingâ€™)

The Company participates in repo financing arrangements in connection with its investment portfolio. Under these arrangements, the Company sells fixed interest securities but is contractually obliged to repurchase them at a fixed price on a fixed date. Securities which are the subject of repoÂ financing arrangements are included in investments in the balance sheet at their fair value and the associated liability is recognised at amortised cost, being the capital amounts owing under the repo financing arrangements. The difference between sale and repurchase prices for such transactions is reflected in the statement of comprehensive income over the lives of the transactions, within finance costs which is allocated 50% to capital and 50% to revenue (2023: 50% capital; 50% revenue). This accounting has been adopted because the repurchase price results in a lenderâ€™s return for the transferee as the Company has retained substantially all the risks and rewards of ownership of the asset.

(g)Â Income Recognition

All income is recognised in the statement of comprehensive income. Interest income arising from fixed income securities classified as fair value through profit or loss is recognised in the statement of comprehensive income based on the contractual interest rate. Interest income is recognised as it accrues, using the coupon rate specified in the bond terms. Dividend income arises from equity investments held and is recognised on the date investments are marked â€˜ex-dividendâ€™. Deposit interest is taken into account on an accruals basis.

Special dividends are considered individually to ascertain the reason behind the payment. This will determine whether they are treated as income or capital in the income statement.

(h)Â Expenses and Finance Costs

All expenses are accounted for on an accruals basis and are recognised in the statement of comprehensive income. Investment management fees and finance costs are allocated 50% to capital and 50% to revenue (2023: 50% capital; 50% revenue) in accordance with the Boardâ€™s expected long-term split of returns, in the form of capital gains and income respectively, from the investment portfolio. Except for custodian dealing costs, all other expenses are charged through revenue.

(i)Â Taxation

Overseas interest and dividends are shown gross of withholding tax and the corresponding irrecoverable tax is shown as aÂ charge in the statement of comprehensive income.

(j)Â Dividends payable to shareholders

Interim dividends are recognised in the period in which they are paid and are dealt with in the statement of changes in equity.

(k)Â Stated Capital

Stated Capital represents the total number of shares in issue, including net issue proceeds resulting from share issuances and if appropriate, payments as a result of share buybacks. Stated Capital can be used for distributions under the Companies (Jersey) Law 1991.

Because the criteria in paragraphs 16C and 16D of IAS 32 Financial Instruments: Presentation, have been met, the stated capital of the Company is classified as equity even though there is a continuation vote.

3.Â Segmental Reporting

No segmental reporting is provided as the Directors are of the opinion that the Company is engaged in aÂ single segment of business of investing in debt and, to a significantly lesser extent, equity securities.

4.Â Income

This note shows the income generated from the portfolio (investment assets) of the Company and income received from any other source.

Â	**2024**	**2023**
Â	**Â£â€™000**	**Â£â€™000**
Income from investments	Â	Â
UK investment income â€“ interest	Â 12,412	Â 9,259
UK dividends	436	Â 189
Overseas investment income â€“ interest	Â 13,067	14,700
Overseas dividends	182	94Â
Â	Â 26,097	24,242
Other income	Â	Â
Deposit interest	212	Â 112
Other income	61	70
Â	273	Â 182
Total income	Â 26,370	24,424

Â

5.Â Investment Management Fee

This note shows the fees paid to the Manager, which are calculated quarterly on the basis of the value of the assets being managed.

Â	**2024**	**2023**	**Â**	**Â**	**Â**	**Â**
Â	**Revenue**	**Capital**	**Total**	**Revenue**	**Capital**	**Total**
Â	**Â£â€™000**	**Â£â€™000**	**Â£â€™000**	**Â£â€™000**	**Â£â€™000**	**Â£â€™000**
Investment management fee	Â 1,090	Â 1,090	Â 2,180	Â 941	941	Â 1,882

Â

At 31 December 2024, Â£562,000 (2023: Â£495,000) was accrued in respect of the investment management fee.

The investment management fees and finance costs are allocated 50% to capital and 50% to revenue (2023: 50% to capital and 50% to revenue).

The management fee is payable quarterly in arrears and is equal to 0.1625% of the value of the Companyâ€™s total assets under management less current liabilities at the end of the relevant quarter.

6.Â Other Expenses

The other expenses of the Company are presented below; those paid to the Directors and the auditor are separately identified.

Â	**2024**	**2023**	**Â**	**Â**	**Â**	**Â**
Â	**Revenue**	**Capital**	**Total**	**Revenue**	**Capital**	**Total**
Â	**Â£â€™000**	**Â£â€™000**	**Â£â€™000**	**Â£â€™000**	**Â£â€™000**	**Â£â€™000**
Directorsâ€™ fees(i)	Â 177	â€“	177	Â 173	â€“	Â 173
Auditorsâ€™ fees(ii):	Â	Â	Â	Â	Â	Â
Â â€“Â for audit of the Companyâ€™s	Â	Â	Â	Â	Â	Â
Â Â annual financial statements	57	â€“	57	54	â€“	54
Other expenses(iii)	Â 622	40	662	Â 575	Â 3	Â 578
Â	Â 856	40	896	Â 802	Â 3	Â 805

Â

(i)Â The maximum Directorsâ€™ fees authorised by the Articles of Association are Â£250,000 (2023: Â£250,000) per annum. The Directorsâ€™ Remuneration Report on page 44, provides further information on Directorsâ€™ fees.

(ii)Â Auditorâ€™s fees include out of pocket expenses.

(iii)Â Other expenses include:

Â â€¢Â custodian transaction charges of Â£3,600 (2023: Â£2,700). These are charged to capital.

Â â€¢Â legal and administrative fees of Â£36,000 related to the share placing (2023: nil). These were charged to capital.

â€¢Â amounts due to JTC Fund Solutions (Jersey) Limited who acted as Administrator and Company Secretary to the Company under an agreement starting from 10 December 2019. The fee paid for company secretarial and administration services in the current year was Â£139,000 (2023: Â£128,000).

Â â€¢Â A fee of Â£103,000 was paid to the Manager for marketing services on behalf of the Company (2023: Â£133,000).

Â â€¢Â A premium of Â£38,000 was paid during the year on credit default swaps (2023: nil).

7.Â Finance Costs

Finance costs arise on any borrowing facilities the Company has and comprise commitment fees on any unused facility as well as interest when the facility is used.

Â	2024			2023		
Â	**Revenue**	**Capital**	**Total**	**Revenue**	**Capital**	**Total**
Â	**Â£â€™000**	**Â£â€™000**	**Â£â€™000**	**Â£â€™000**	**Â£â€™000**	**Â£â€™000**
Interest due under repo financing	Â826	Â826	Â1,652	Â980	980	Â1,960
Overdraft interest	â€“	â€“	â€“	4	Â4	8
Â	Â826	Â826	Â1,652	Â984	984	Â1,968

Â

The Company has repo financing arrangements in place which were used during the year. For repos that are denominated in currencies where the interest rate is negative, the interest is receivable and has been netted against repo interest payable within finance costs, as they relate to borrowing costs.

8Â Taxation

As a Jersey investment company no tax is payable on capital gains and, as the Company principally invests in assets which do not result in a revenue tax, the only overseas tax arises on assets domiciled in countries with which Jersey has no double-taxation treaty.

Â	2024	2023
Â	**Â£â€™000**	**Â£â€™000**
Overseas taxation	61	â€“

Â

The Company is subject to Jersey income tax at the rate of 0% (2023: 0%). The overseas tax charge consists of irrecoverable withholding tax suffered.

9.Â Return per Ordinary Share

Return per ordinary share is the amount of gain generated for the financial year divided by the weighted average number of ordinary shares in issue.

The basic revenue, capital and total return per ordinary share is based on each of the returns on ordinary activities after taxation and on 194,765,138 (2023: 177,389,718) ordinary shares, being the weighted average number of ordinary shares in issue throughout the year.

10.Â Dividends on Ordinary Shares

Dividends are usually paid from the income less expenses. Dividends are paid as an amount per ordinary share held.

The fourth interim dividend shown below is based on shares in issue at the record date or, if the record date has not been reached, on shares in issue on the date the balance sheet is signed. The fourth interim dividend was paid after the balance sheet date.

Â	2024		2023	
Â	**Pence**	**Â£â€™000**	**Pence**	**Â£â€™000**
Dividends paid and recognised in the year:	Â	Â	Â	Â
ÂÂFourth interim	Â2.8750	Â5,212	Â2.8750	Â5,008
ÂÂFirst interim	Â2.8750	Â5,554	Â2.8750	Â5,087
ÂÂSecond interim	Â2.8750	Â5,625	Â2.8750	Â5,112
ÂÂThird interim	Â2.8750	Â5,783	Â2.8750	Â5,145
Â	Â11.5000	22,174	Â11.5000	20,352

Â

Dividends paid in the year have been charged to revenue except for Â£514,000 (2023: Â£341,000) which was charged to stated capital. This amount is equivalent to the income accrued on the new shares issued in the year (see note 16).

Set out below are the dividends that have been declared in respect of the financial years ended 31 December:

Â	2024		2023	
Â	**Pence**	**Â£â€™000**	**Pence**	**Â£â€™000**
Dividends payable in respect of the year:	Â	Â	Â	Â
ÂÂFirst interim	Â2.8750	Â5,554	Â2.8750	Â5,087
ÂÂSecond interim	Â2.8750	Â5,625	Â2.8750	Â5,112
ÂÂThird interim	Â2.8750	Â5,783	Â2.8750	Â5,145
ÂÂFourth interim	Â3.0625	6,206	Â2.8750	Â5,212
Â	11.6875	23,168	Â11.5000	20,556

Â

The fourth interim dividend for 2024 was paid on 20 February 2025 to shareholders on the register on 17 January 2025.

11.Â Investments Held at Fair Value Through Profit and Loss

The portfolio is principally made up of investments which are listed and traded on regulated stock exchanges. Profits and losses are either:

â€¢Â realised, usually arising when investments are sold; or

â€¢Â unrealised, being the difference from cost of those investments still held at the year end.

Â **(a)Â Analysis of investment profits in the year**

Â	2024	2023
Â	**Â£â€™000**	**Â£â€™000**
Opening book cost	352,292	Â349,196Â
Opening investment holding gains	(16,759)	(31,326)
Opening valuation	335,533	317,870Â
Movements in year:	Â	Â
ÂÂPurchases at cost	139,225	126,310
ÂÂSales â€“ proceeds	(99,888)	(115,503)
Net gains on investments in the year	Â2,093	Â6,856
Closing valuation	376,963	335,533

Closing book cost	386,556	352,292
Closing investment unrealised loss	(9,593)	(16,759)
Closing valuation	376,963	335,533Â

Â

The Company received Â£99,888,000 (2023: Â£115,503,000) from investments sold in the year. The book cost of these investments when they were purchased was Â£104,961,000 (2023: Â£123,927,000) realising a loss of Â£5,073,000 (2023: loss of Â£8,424,000). 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.

Â **(b)Â Registration of investments**

Â The investments of the Company are registered in the name of the Company or in the name of nominees and held to the account of the Company.

Â **(c)Â Securities sold under agreements to repurchase**

Â Included in the valuation above are securities under agreements to repurchase which had a market value of Â£51,461,000 (2023: Â£56,297,000). Included within current liabilities are Securities sold under agreements to repurchase Â£45,127,000 (2023 Â£48,068,000), further details are shown in note 15.

12.Â Other Receivables

Other receivables are amounts which are due to the Company, such as income which has been earned (accrued) but not yet received and monies due from brokers for investments sold.

Â **Â**	**2024** **Â£â€™000**	**2023** **Â£â€™000**
Amounts due from brokers	â€“	38
Margin held at brokers	Â 2,783	Â 2,129
Proceeds due from issue of new shares	260	Â 171Â
Income tax recoverable	â€“	3
Prepayments and accrued income	Â 6,896	Â 6,211
Â	Â 9,939	Â 8,552

Â

13.Â Derivative Financial Instruments

Derivative financial instruments are financial instruments that derive their value from the performance of another item, such as an asset or exchange rates. They are used to manage the risk associated with fluctuations in the value of certain assets and liabilities. The Company can use derivatives to manage its exposure to fluctuations in foreign exchange rates.

Derivative financial instruments comprise forward currency contracts and credit default swaps.

Â **Net derivative financial instruments**	**2024** **Â£â€™000**	**2023** **Â£â€™000**
Forward currency contracts:	Â	Â
Forward currency contracts â€“ receivable	415	Â 1,589
Forward currency contracts â€“ payable	(2,321)	(199)
Â	(1,906)	Â 1,390

Â **Â**	**2024** **Â£â€™000**	**2023** **Â£â€™000**
Credit default swaps (â€˜CDSâ€™):	**Â**	**Â**
Opening CDS assets held at fair value through profit or loss	â€“	â€“
Opening CDS liabilities held at fair value through profit or loss	â€“	â€“
Opening net CDS assets held at fair value as shown in balance sheet	â€“	â€“
Movements in year:	Â	Â
Purchases at cost	(1,356)	â€“
CDS holding gains	Â 156	â€“
Less: Net income arising on derivatives	(23)	â€“
Closing net CDS liabilities held at fair value shown in balance sheet	(1,223)	â€“

Â

Net gains on derivative instruments â€“ forward currency contracts and CDS consists of:

Â Â	**2024** **Â£â€™000**	**2023** **Â£â€™000**
Movement in derivative holding gains â€“ forward currency contracts	(3,296)	(50)
Movement in derivative holding gains â€“ CDS	156	â€“
Net realised gains on derivative instruments â€“ forward currency contracts	4,083	3,247
Net gains on derivative instruments â€“ forward currency contracts and CDS	943	3,197

Â

14.Â Other Payables

Other payables are amounts which must be paid by the Company, and include amounts owed to suppliers, such as the Manager and auditor, and any amounts due to brokers for the purchase of investments.

Â **Â**	**2024** **Â£â€™000**	**2023** **Â£â€™000**
Amounts payable relating to issue of new shares	Â 1	1Â
Accruals	999	Â 915Â
Â	Â 1,000	Â 916

Â

15.Â Securities sold under agreements to repurchase

Â Â	**2024** **Â£â€™000**	**2023** **Â£â€™000**
Securities sold under agreements to repurchase	45,127	48,068

Â

During the year, the Company entered into repo financing arrangements whereby securities are sold under agreements to repurchase. Included within Investments Held at Fair Value Through Profit and Loss (note 11) are securities under agreements to repurchase which had a market value of Â£51,461,000 (2023: Â£56,297,000). Further details are shown in note 2(f) and noteÂ 19.3.

16.Â Stated Capital

The stated capital represents the total number of shares in issue. Stated capital can be used for distributions under Jersey Law.

Â Â	2024 Number	2023 Â£â€™000	Â Number	Â Â£â€™000
Allotted ordinary shares of no par value:	Â	Â	Â	Â
Brought forward	180,702,596	316,793	173,302,596	305,062
Net issue proceeds	Â 21,676,727	36,762	Â 7,400,000	12,072
Dividends paid from stated capital	â€“	(514)	â€“	Â (341)
Â	202,379,323	353,041	180,702,596	316,793

Â

At 31 December 2024, the Companyâ€™s stated capital consisted of 202,379,323 ordinary shares of no par value, allotted and fully paid.

At a general meeting of the Company every member has one vote on a show of hands and on a poll one vote for each share held. The notice of general meeting will specify deadlines for exercising voting rights either by proxy or in person in relation to resolutions to be passed at the meeting.

The Directors may restrict voting powers where shareholders fail to provide information with respect to interests in voting rights when so requested, may refuse to register any transfer of a share in favour of more than four persons jointly and can require certain US holders of shares to transfer their shares compulsorily.

Save for the foregoing, 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 agreements which the Company is party to that might affect its control following a successful takeover bid.

For the year to 31 December 2024, 21,676,727 (2023: 7,400,000) new ordinary shares were issued to the Companyâ€™s corporate broker, Winterflood Securities Limited, for onward transmission to their clients. These shares were issued in tranches of various quantities throughout the year to satisfy secondary market demand. The gross issue proceeds were Â£36,946,000 (2023: Â£12,225,000), at an average price of 170.44p (2023: 165.21p), and the net proceeds after issue costs were Â£36,762,000 (2023: Â£12,072,000). The net proceeds included an aggregate amount of Â£18,000 (2023: Â£92,000) which arose from the income accrued component of the net asset value at the date of issue of the new shares.

Subsequent to the year endÂ 1,975,000 ordinary shares were issued at an average price of 172.87p.

Because the criteria in paragraphs 16C and 16D of IAS 32 Financial Instruments: Presentation, have been met, the stated capital of the Company is classified as equity even though there is a continuation vote.

17.Â Reserves

This note explains the different reserves attributable to shareholders. The aggregate of the reserves and stated capital (see previous note) make up total shareholdersâ€™ funds.

The capital reserve includes unrealised investment holding profits and losses, being the difference between cost and market value at the balance sheet date, as well as realised profits and losses on disposal of investments. In addition, costs allocated to capital are recognised in the capital reserve. The revenue reserve shows the net revenue after payment of any dividend from the reserve. Both the capital and revenue reserves are distributable.

18.Â Net Asset Value per Ordinary Share

The Companyâ€™s total net assets (total assets less total liabilities) are often termed shareholdersâ€™ funds and are converted into net asset value per ordinary share by dividing by the number of shares in issue.

The net asset value per share and the net asset values attributable at the year end were as follows:

Â Â	Net asset value per ordinary share		Net assets attributable	
Â **Â**	**2024** **Pence**	**2023** **Pence**	**2024** **Â£â€™000**	**2023** **Â£â€™000**
Ordinary shares	Â 170.87	168.58	345,799	304,629

Â

Net asset value per ordinary share is based on net assets at the year end and on 202,379,323 (2023: 180,702,596) ordinary shares, being the number of ordinary shares in issue (excluding treasury) at the year end.

19.Â Risk Management: Financial Assets and Liabilities

Financial instruments comprise the Companyâ€™s investment portfolio and derivative financial instruments (for the latter see note 13) as well as any cash, borrowings (i.e. securities sold under agreements to repurchase otherwise known as â€˜repo financingâ€™), other receivables and other payables. The following note explains the risks that affect the Companyâ€™s financial instruments and looks at the Companyâ€™s exposure to these various risks.

Â **Risk Management Policies and Procedures**

The Business Review details the Companyâ€™s approach to investment management risks on page 14 and the accounting policies in note 2 explain the Companyâ€™s valuation basis for investments and currency.

As an investment company, the Company invests in loan stocks, corporate bonds, government stocks, preference shares and equities which are held for the long-term in order to achieve the Companyâ€™s Investment Objective in accordance with its Investment Policy. In pursuing these, the Company is exposed to a variety of risks that could result in either a reduction in the Companyâ€™s net assets or a reduction in the profits available for payment as dividends.

The Companyâ€™s principal financial instruments at risk comprise its investment portfolio. Other financial instruments at risk include cash and cash equivalents, borrowings (including repo financing), other receivables and other payables that arise directly from the Companyâ€™s operations.

The Company may enter into derivative transactions, including credit default swaps, for efficient portfolio management. Derivative instruments can be highly volatile and expose investors to a high risk of loss. Where used to hedge risk there is a risk that the return on a derivative does not exactly correlate to the returns on the underlying investment, obligation or market sector being hedged against. If there is an imperfect correlation, the Company may be exposed to greater loss than if the derivative had not been entered into. During the year the only derivatives entered into were forward currency contracts and credit default swaps. As at the year end, credit default swaps with a market value of Â£(1,223,000) were held by the Company (2023: none).

These risks and the Directorsâ€™ approach to managing them are set out below, and have not changed from those applied in the comparative year.

Risk management is an integral part of the investment management process. The Manager controls risk by ensuring that the Companyâ€™s portfolio is appropriately diversified and the portfolio managers actively monitor both the ratings and liquidity of the fixed-interest securities taking into account the Companyâ€™s financing requirements. In-depth and continual analysis of market and security fundamentals give the portfolio managers the best possible understanding of the risks associated with a particular security. The portfolio managers assess the exposure to market risk when making each investment decision, and monitor the overall level of market risk on the whole of the portfolio on an ongoing basis.

High-yield fixed-interest securities are subject to a variety of risks, including credit risk (note 19.3).

The day to day management of the investment activities, borrowings and hedging of the Company has been delegated to the Manager, and is the responsibility of the portfolio managers to whom the Board has given discretion to operate within set guidelines. Any proposed variation outside those guidelines is referred to the Board and the guidelines themselves are reviewed at every board meeting.

19.1ÂMarket Risk

Market risk arises from changes in the fair value or future cash flows of a financial instrument. Market risk comprises three types of risk: currency risk (note 19.1.1), interest rate risk (note 19.1.2) and other price risk (note 19.1.3).

Â **19.1.1Â Currency Risk**

The Company has assets, liabilities and income which are denominated in currencies other than sterling and movements in exchange rates will affect the sterling value of those items.

Management of the Currency Risk

The Board meets at least quarterly to assess risk and review investment performance. The portfolio managers monitor the Companyâ€™s exposure to foreign currencies on aÂ daily basis and is reviewed by Directors at each Board meeting. The Company may use forward currency contracts to mitigate currency risk. In addition, non-sterling credit default swaps will either mitigate or increase currency risk depending on whether the Company has sold or bought the credit default swap as well as exchange movements. Repo financing is matched to the currency of the underlying assets, which minimises currency risk on the movement of exchange rates affecting the underlying investments. Non-sterling investments that are not pledged under repo financing can be hedged using forward currency contracts. All borrowings and derivative contracts are limited to currencies and amounts commensurate with asset exposure to those currencies.

Income denominated in foreign currencies is converted to sterling on receipt. The Company does not use financial instruments to mitigate the currency exposure in the period between the time that income is included in the financial statements and its receipt.

Currency Exposure

The following table shows the fair values of the Companyâ€™s monetary items that have foreign currency exposure at 31Â December. Where the Companyâ€™s investments (which are not monetary items) are priced in a foreign currency, they have been included separately in the analysis to show the overall level of exposure.

Â Â Â	**Â Euro Â£â€™000**	**US Dollar Â£â€™000**
31 December 2024	Â	Â
Investments at fair value through profit or loss that are monetary items	Â	Â
ÂÂ(fixed and floating interest)	90,634	82,395
Forward currency contracts	(40,357)	(78,983)
Other receivables (due from brokers and dividends)	3,606	1,406
Cash and cash equivalents	5,623	1,147
Derivative liabilities held at fair value through profit or loss	(1,223)	â€“
Other payables (due to brokers and accruals)	(243)	â€“
Securities sold under agreement to repurchase	(45,127)	â€“
Foreign currency exposure on net monetary items	12,913	5,965
Investments at fair value through profit or loss (preference shares and equities)	2,795	1,678
Total net foreign currency	15,708	7,643

Â Â Â	**Â Euro Â£â€™000**	**US Dollar Â£â€™000**
31 December 2023	Â	Â
Investments at fair value through profit or loss that are monetary items	Â	Â
ÂÂ(fixed and floating interest)	Â99,776	Â66,032
Forward currency contracts	(38,317)	(52,111)
Other receivables (due from brokers and dividends)	2,291	Â1,035
Cash and cash equivalents	2,882	Â2,360
Other payables (due to brokers and accruals)	(284)	â€“
Securities sold under agreement to repurchase	(48,068)	â€“
Foreign currency exposure on net monetary items	Â18,280	Â17,316
Total net foreign currency	Â18,280	Â17,316

Â

The above may not be representative of the exposure to risk during the year reported because the levels of monetary foreign currency exposure may change significantly throughout the year.

Currency Sensitivity

The effect on the Statement of Comprehensive Income and the net asset value that changes in exchange rates have on the Companyâ€™s financial assets and liabilities is based on the following currencies. These changes have been calculated by reference to the volatility of exchange rates during the period using the standard deviation of currency fluctuations against the mean.

Â	**2024**	**2023**
Â£/Euro	Â±1.2%	Â±1.2%
Â£/US Dollar	Â±1.7%	Â±2.2%

Â

The following sensitivity analysis is based on the Companyâ€™s monetary foreign currency financial instruments held at the balance sheet date, taking account of any forward foreign exchange contracts that offset the effects of changes in currency exchange rates, and the income receivable in foreign currency in the year.

If sterling had strengthened by the changes in exchange rates shown above, this would have had the following effect:

Â Â Â	**Â Euro Â£â€™000**	**US Dollar Â£â€™000**
2024	Â	Â
Effect on Statement of Comprehensive Income â€“ profit/(loss) after taxation	Â	Â
Revenue loss	(89)	(103)
Capital loss	(140)	(104)
Total loss after taxation for the year	(229)	(207)
Effect on net asset value	â€“0.1%	â€“0.1%

Â	**Â**	**US**

Â	Euro Â£â€™000	Dollar Â£â€™000
Â		
2023	Â	Â
Effect on Statement of Comprehensive Income â€“ profit/(loss) after taxation	Â	Â
Revenue loss	(87)	(118)
Capital loss	(195)	(359)
Total loss after taxation for the year	(282)	(477)
Effect on net asset value	â€“0.1%	â€“0.2%

Â

If sterling had weakened by the same amounts, the effect would have been the converse.

In the opinion of the Directors, the above sensitivity analysis is not representative of the year as a whole, since the level of exposure changes frequently as part of the currency risk management process of the Company.

Â **19.1.2Â Interest Rate Risk**

The Company is exposed to interest rate risk in a number of ways. Movements in interest rates may affect the fair value of fixed-interest rate securities, income receivable on cash deposits and floating rate securities, and interest payable on variable rate borrowings, including repo financing. Interest rate risk is related above all to long-term financial instruments.

Whilst a significant proportion of the portfolio at both current and prior financial year ends contains securities designated as floating rate, many of these securities include a fixed interest rate period resulting in a more predictable income stream than their technical designation would suggest.

Management of Interest Rate Risk

The possible effects on fair value and cash flows that could arise as a result of changes in interest rates are taken into account as part of the portfolio management and borrowings processes of the Manager. The Board reviews on a regular basis the investment portfolio and borrowings. This encompasses the valuation of fixed-interest and floating rate securities.

When the Company has cash balances, they are held in variable rate bank accounts yielding rates of interest dependent on the base rate of the Custodian, the Bank of New York Mellon (International) Limited. Holdings in Invesco Liquidity Funds plc â€“ Sterling are subject to interest rate changes.

The Company has available repo financing arrangements it can use to finance investment activity, details of which are shown in note 7 and 15. The Company uses these at levels approved and monitored by the Board.

Interest Rate Exposure

The following table shows the Companyâ€™s exposure to interest rate risk at the balance sheet date arising from its monetary financial assets and liabilities.

Â Â Â	Within one year Â£â€™000	More than one year Â£â€™000	Â Total Â£â€™000
2024	Â	Â	Â
Exposure to floating interest rates:	Â	Â	Â
Investments held at fair value through profit or loss	â€“	164,673	164,673
Cash and cash equivalents(i)	Â 8,153	â€“	Â 8,153
Margin held at brokers (including collateral pledged on CDS)	Â 2,783	â€“	Â 2,783
Â	10,936	Â 164,673	Â 175,609
Exposure to fixed interest rates:	Â	Â	Â
Investments held at fair value through profit or loss	Â 1,509	199,749	201,258
Derivatives held at fair value through profit or loss	â€“	(1,223)	(1,223)
Securities sold under agreements to repurchase	(45,127)	â€“	(45,127)
Â	(43,618)	198,526	154,908
Net exposure to interest rates	(32,682)	Â 363,199	Â 330,517

Â Â Â	Within one year Â£â€™000	More than one year Â£â€™000	Â Total Â£â€™000
2023	Â	Â	Â
Exposure to floating interest rates:	Â	Â	Â
Investments held at fair value through profit or loss	â€“	130,215	130,215
Cash and cash equivalents(i)	Â 8,138	â€“	Â 8,138
Margin held at brokers (aka collateral pledged on Â Â futures contracts)	Â Â 2,129	Â â€“	Â Â 2,129
Â	Â 10,267	130,215	140,482
Exposure to fixed interest rates:	Â	Â	Â
Investments held at fair value through profit or loss	Â 1,124	201,283	202,407
Securities sold under agreements to repurchase	(48,068)	â€“	(48,068)
Â	(46,944)	201,283	154,339
Net exposure to interest rates	(36,677)	331,498	294,821

Â

(i)Â Includes Â£250,000 (2023: Â£2,100,000) held in Invesco Liquidity Fund plc - Sterling.

The nominal interest rates on the investments at fair value through profit or loss are shown in the portfolio list on pagesÂ 25 to 31. The weighted average effective interest rate on these investments is 7.6% (2023: 7.0%). The weighted average effective interest rate on cash and cash equivalents is 4.07% (2023: 4.08%).

Interest Rate Sensitivity

The following table illustrates the sensitivity of the profit or loss after taxation for the year to a 3.25% (2023: 3.25%) increase in interest rates in regard to the Companyâ€™s financial assets and financial liabilities. As future changes cannot be estimated with any degree of certainty, the sensitivity analysis is based on the Companyâ€™s financial instruments held at the balance sheet date, with all other variables held constant.

Â Â	2024 Â£â€™000	2023 Â£â€™000
Effect on Statement of Comprehensive Income â€“ profit after taxation	Â	Â
Revenue profit	355	334
Capital loss	(47,570)	(41,080)
Total loss after taxation for the year	(47,215)	(40,746)
Effect on NAV per ordinary share	(23.3p)	(22.5p)

Â

If interest rates had decreased by 3.25% (2023: 3.25%), this would have had an equal and opposite effect.

The above exposure and sensitivity analysis are not representative of the year as a whole, since the level of exposure changes frequently as borrowings, which are predominantly from repo financing arrangements, can vary throughout the year.

Â **19.1.3Â Other Price Risk**

Other price risk includes changes in market prices, other than those arising from currency risk or interest rate risk, which may affect the value of the investment portfolio, whether by factors specific to an individual investment or its issuer, or by factors affecting the wider market.

Management of Other Price Risk

It is the portfolio managersâ€™ responsibility to manage the portfolio and borrowings in accordance with the investment objective and policy, and in accordance with the investment policy guidelines set by the Board. The Board manages the market price risks inherent in the investment portfolio by meeting regularly to monitor on a formal basis compliance with these. The Board also reviews investment performance. Because the Companyâ€™s portfolio is the result of the portfolio managersâ€™ investment process, performance may not closely correlate with the markets in which the Company invests.

The Companyâ€™s exposure to other changes in market prices at 31 December on its investments is shown in the fair value hierarchy table on pages 70 and 71.

Concentration of Exposure to Other Price Risks

The Companyâ€™s investment portfolio is not concentrated in any single country of domicile, however, it is recognised that an investmentâ€™s country of domicile or listing does not necessarily equate to its exposure to the economic conditions in that country.

Other Price Risk Sensitivity

Excluding fixed interest securities and convertibles, at the year end the Company held other investments of Â£11,032,000 (2023: Â£2,912,000). The effect of a 10% increase or decrease in the fair values of these investments (including any exposure through derivatives) on the profit after taxation for the year is Â£1,103,000 (2023: Â£291,000). This level of change is considered to be reasonably possible based on the observation of market conditions during the financial year.

19.2ÂLiquidity Risk

This is the risk that the Company may encounter difficulty in meeting its obligations associated with financial liabilities i.e. when realising assets or raising/replacing repo financing to meet financial commitments. A lack of liquidity in the portfolio may make it difficult for the Company to realise assets at or near their purported value in the event of a forced sale.

Management of Liquidity Risk

Liquidity risk is not viewed by the Directors as a significant risk because the majority of the Companyâ€™s assets comprise readily realisable securities, although a lack of liquidity in non-investment grade securities may make it difficult to rebalance the Companyâ€™s investment portfolio as and when the portfolio managers believe it would be advantageous to do so. On a daily basis the portfolio managers ascertain the Companyâ€™s cash and borrowing requirements by reviewing future cash flows arising from purchases and sales of investments, interest and dividend receipts, expenses and dividend payments, and available financing (including repo financing).

Liquidity Risk Exposure

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

Â		2024			2023	
Â	**Less than three months**	**More than one year**	**Â Â Total**	**Less than three months**	**More than one year**	**Â Â Total**
Â	**Â£â€™000**	**Â£â€™000**	**Â£â€™000**	**Â£â€™000**	**Â£â€™000**	**Â£â€™000**
Other payables (note 14)	Â	Â	Â	Â	Â	Â
ÂÂAccruals	1,000	â€“	Â1,000	916	â€“	916
Derivative financial instruments â€“ payable	Â	Â	Â	Â	Â	Â
ÂÂ(note 13)	2,321	1,223	Â3,544	199	â€“	199
Securities sold under agreements to	Â	Â	Â	Â	Â	Â
ÂÂrepurchase (note 15)	Â45,127	â€“	45,127	Â48,068	â€“	Â48,068
Â	Â48,448	1,223	49,671	49,183	â€“	49,183

Â

19.3ÂCredit Risk

Credit risk is the risk that the failure of the counterparty to a transaction to discharge its obligation under that transaction could result in a loss to the Company. The Companyâ€™s principal credit risk is the risk of default on the non-investment grade debt. The Companyâ€™s other main credit risk arises from the repo financing arrangements whereby, if a counterparty failed to sell the required assets to the Company on the repurchase date, the Company would be left with the claim against the defaulting counterparty for the stock and, if applicable, any margin held by the counterparty and not returned.

At the year end 64.5% (2023: 70.4%) of the Companyâ€™s portfolio consisted of non-investment grade securities. To the extent that the Company invests in non-investment grade securities, the Company may realise a higher current yield than the yield offered by investment grade securities. On the other hand, investments in such securities involve a greater volatility of price and a greater risk of default by the issuers of such securities, with consequent loss of interest payments and principal. Non-investment grade securities are likely to be subject to greater uncertainties from exposure to adverse conditions and will be speculative with respect to an issuerâ€™s capacity to meet interest payments and repay principal in accordance with its obligations.

Investment grade and non-investment grade securities totalled 91.2% (2023: 95.8%) of the portfolio at the year end. Adverse changes in the financial position of an issuer of such high-yield fixed-interest securities or in general economic conditions may impair the ability of the issuer to make payments of principal and/or interest or may cause the liquidation or insolvency of an issuer.

The portfolio may be adversely affected if the Companyâ€™s custodian suffers insolvency or other financial difficulties. The appointment of a depositary has substantially lessened this risk. The Board reviews the custodianâ€™s annual controls report and the Managerâ€™s management of the relationship with the custodian.

Management of and Exposure to Credit Risk

Almost all of the Companyâ€™s assets are subject to credit risk. Where the portfolio managers make an investment in a bond, corporate or otherwise, the credit rating of the issuer is also considered when assessing the risk of defaults. Investments in bonds are across a variety of industrial sectors and geographical markets to avoid concentration of credit risk. Counterparties for derivative transactions are also a source of credit risk. Transactions involving derivatives are entered into only with banks whose credit ratings are taken into account to minimise default risk. The credit ratings of the derivatives counterparties range from Aa3 through to Baa1. In addition, the Company may use credit default swaps to offset the credit risk of the portfolio. At the year end, credit default swaps with a market value of Â£(1,223,000) were held by the Company (2023: none).

Details of the Companyâ€™s investments, including their credit ratings, are shown below. Credit risk for transactions involving derivatives and equity investments is minimised as the Company only uses approved counterparties.

Â	2024		2023	
	Â			
Â	%of	Cumulative	%of	Cumulative
Rating	Portfolio	Total %	Portfolio	Total %
Investment Grade:	Â	Â	Â	Â
AA+	Â0.2	Â0.2	Â0.2	Â0.2
AA	Â2.6	Â2.8	Â1.8	Â2.0
A+	Â0.2	Â3.0	Â0.7	Â2.7
A	Â0.1	Â3.1	â€“	Â2.7
Aâ€“	â€“	Â3.1	Â0.8	Â3.5
BBB+	Â0.6	Â3.7	Â1.8	Â5.3
BBB	Â19.0	Â22.7	Â14.7	Â20.0
BBBâ€“	Â4.0	Â26.7	Â5.4	Â25.4
Non-investment Grade:	Â	Â	Â	Â
BB+	Â7.5	Â34.2	Â8.1	Â33.5
BB	Â15.4	Â49.6	Â13.1	Â46.6
BBâ€“	Â13.6	Â63.2	Â17.0	Â63.6
B+	Â5.5	Â68.7	Â8.5	Â72.1
B	Â14.1	Â82.8	Â12.1	Â84.2
Bâ€“	Â4.9	Â87.7	Â6.7	Â90.9
CCC+	Â0.7	Â88.4	Â2.1	Â93.0
CCC	Â0.7	Â89.1	Â1.7	Â94.7
CC	Â2.1	Â91.2	â€“	Â94.7
D	â€“	Â91.2	Â1.1	Â95.8
NR (including equity and CDS)	Â8.8	Â100.0	Â4.2	Â100.0
Â	100.0	Â	100.0	Â
Summary of Analysis	Â	Â	Â	Â
Investment Grade	26.7	Â	25.4	Â
Non-investment Grade	64.5	Â	70.4	Â
NR (including equity)	8.8	Â	4.2	Â
Total	100.0	Â	100.0	Â

Â

The Company manages the credit risk inherent in repo financing by only dealing with good quality counterparties whose credit-standing is reviewed periodically by the Manager. There is aÂ maximum limit allowed with any one counterparty, and the repo entered into must have a maturity tenor of three months or less. The Company has exposure to credit risk on securities pledged under repo financing held, with 3 counterparties, as follows (2023: 3 counterparties):

Â				2024			2023	
Â	Â	Â	Â	Market	Â	Â	Market	Â
Â	Â	Â	Â	value of	Net	Â	value of	Net
Â	Â	Â	Amounts	securities	credit	Amounts	securities	credit
Â	Â	Â	borrowed	pledged	exposure	borrowed	pledged	exposure
Â	Â	Â	under	under	to	under	under	to
Â	Â	Â	repo	repo	counter	repo	repo	counter
Â	Â	Â	financing	financing	party	financing	financing	party
Counterparty	Rating	Location	Â£â€™000	Â£â€™000	Â£â€™000	Â£â€™000	Â£â€™000	Â£â€™000
BNP UK	A1/A+	UK	Â35,991	Â40,440	4,449	Â28,891	Â32,773	Â3,882
Morgan Stanley	A1/A-	UK	4,852	Â5,977	1,125	Â13,369	Â16,263	Â2,894
HSBC	A1/A+	UK	4,284	Â5,044	Â760	5,808	7,261	Â1,453
Â	Â	Â	Â45,127	Â51,461	6,334	Â48,068	Â56,297	Â8,229
Net credit exposure as % of net assets			Â	Â	1.8	Â	Â	2.7

Â

2024	Â	Receivable/	Cash collateral
Â	Counterparty	(payable) for	pledged/
Â	country of	derivatives	(received)
Name of counterparty	incorporation	Â£â€™000	Â£â€™000
Bank Of America	United States	(1,223)	2,021

Â

Cash balances are held with approved deposit takers only and are limited to a maximum of 4% of the Companyâ€™s net asset value with any one deposit taker. Balances held with Invesco Liquidity Funds plc, a triple-A rated money market fund, are limited to a maximum of 10% of the Companyâ€™s net asset value. At the balance sheet date the Company had Â£7.90 million (2023: Â£6.04Â million) held at the custodian and Â£0.25 million held in Invesco Liquidity Funds plc â€“ Sterling (2023: Â£2.10 million).

There are no financial assets that are past due or impaired at the year end (2023: none).

Â **Fair Values of Financial Assets and Financial Liabilities**

Financial assets are either carried in the balance sheet at their fair value (investments and derivatives), or the balance sheet amount is a reasonable approximation of fair value (due from brokers, dividends receivable, accrued income, due to brokers, accruals and cash).

Financial liabilities are carried at amortised cost except for derivatives, which as stated above are carried at fair value.

20.Â Classification Under Fair Value Hierarchy

The valuation techniques used by the Company are explained in the accounting policies note 2(c). The table that follows sets out the fair value of the financial instruments. The three levels set out in IFRSÂ 7 hierarchy follow:

Level 1 â€“ The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.

Level 2 â€“ Inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.

Level 3 â€“ Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

Categorisation within the hierarchy is determined on the basis of the lowest level input that is significant to the fair value measurement of each relevant asset/liability.

Normally investments would be valued using stock market active prices, with investments disclosed as Level 1 and this is the case for the quoted equity investments that the Company holds. However, the majority of the Companyâ€™s investments are non-equity investments. Evaluated prices from a third party pricing vendor are used to price these securities, together with a price comparison made to secondary and tertiary evaluated third party sources. Evaluated prices are in turn based on a variety of sources including broker quotes and benchmarks. As a result, the Companyâ€™s non-equity investments have been shown as LevelÂ 2 â€“ recognising that the fair values of these investments are not as visible as quoted equity investments and their higher inherent pricing risk. However, this does not mean that the fair values shown in the portfolio valuation are not achievable at point of sale.

Â	**Level 1**	**Level 2**	**Level 3**	**Total**
Â	**Â£â€™000**	**Â£â€™000**	**Â£â€™000**	**Â£â€™000**
2024	Â	Â	Â	Â
Financial assets designated at fair value	Â	Â	Â	Â
ÂÂthrough profit or loss:	Â	Â	Â	Â
ÂÂÂÂQuoted Investments:	Â	Â	Â	Â
ÂÂÂÂâ€“Â Fixed interest securities(1)	â€“	289,607	969	290,576
ÂÂÂÂâ€“Â Convertibles	â€“	64,897	â€“	64,897
ÂÂÂÂâ€“Â Government	â€“	10,458	â€“	10,458
ÂÂÂÂâ€“Â Preference	4,513	â€“	3,661	8,174
ÂÂÂÂâ€“Â Equities	63	5	2,790	2,858
ÂÂDerivative financial instruments:	Â	Â	Â	Â
ÂÂÂÂâ€“Â Currency hedges	â€“	(1,906)	â€“	(1,906)
ÂÂÂÂâ€“Â Credit default swaps	â€“	(1,223)	â€“	(1,223)
Total for financial assets	4,576	361,838	7,420	373,834

Â

A reconciliation of the fair value of Level 3 is set out below.

Â	**2024**
Â	**Â£â€™000**
Opening fair value	â€“
Securities resulting from restructure	6,913
Purchases at cost	3,694
Movement in holding gains / (losses)	(3,187)
Closing fair value of Level 3	7,420

Â

(1)Â Fixed interest securities include both fixed and floating rate securities. The directors consider the floating rate securities held by the Company to be fixed in nature due to their characteristics, including a predictable income stream.

Level 3 investments are investments for which inputs are unobservable (i.e. for which market data is unavailable). The Level 3 investments in the portfolio and their respective values at the year end were Haleon 9.5% Preference Â£3,661,000, Frigoglass 11% PIK 27 Mar 2026 Â£969,000, Codere A1 Shares Â£2,132,000 and Codere A2 Shares Â£658,000 (2023: none). Haleon 9.5% Preference price is based on a single private indicative broker quote with no publicly observable market price available, therefore as the price is unobservable this investment has been classified as Level 3. Frigoglass 11% PIK 27 Mar 2026 is valued at issue price with reference to other comparable Frigoglass traded debt securities. Judgement involved assessing the seniority of this security (regarded as â€œSuper Seniorâ€ in relation to the other Frigoglass traded debt securities) which would be a key consideration should the company fail, with a resultant higher price level compared to comparable Frigoglass traded debt securities, further justified by its short-term maturity. The Codere A1 and A2 investments have been classified as fair value Level 3, due to an initial recognition price of â‚¬23 being used as the fair valuation. The Codere securities, which were taken on as part of a second restructuring where the Portfolio Manager agreed to participate in short-term financing, are priced based on private indicative broker quotes as no publicly observable market price is currently available for these securities. Given the restricted nature of these quotes, being generally unobservable, that trading may not be visible due to trading taking place on the OTC market, a cautious judgement was applied, taking the lowest bid quote available.

Any non-actively traded investments are reviewed relative to appropriate supporting evidence. The Board reviews detailed portfolio valuations on a regular basis throughout the year and receives confirmation from the Manager that the pricing basis is appropriate and in line with relevant accounting standards as adopted by the Company.

The categorisation of an investment within the hierarchy is based upon the pricing transparency of the investment and does not necessarily correspond to the Directors' perceived risk of that investment.

Â	**Level 1**	**Level 2**	**Level 3**	**Total**
Â	**Â£â€™000**	**Â£â€™000**	**Â£â€™000**	**Â£â€™000**
2023	Â	Â	Â	Â
Financial assets designated at fair value	Â	Â	Â	Â
ÂÂthrough profit or loss:	Â	Â	Â	Â
ÂÂÂÂQuoted Investments:	Â	Â	Â	Â
ÂÂÂÂâ€“Â Fixed interest securities(1)	â€“	281,481	â€“	281,481
ÂÂÂÂâ€“Â Convertibles	â€“	44,200	â€“	44,200
ÂÂÂÂâ€“Â Government	â€“	6,941	â€“	6,941
ÂÂÂÂâ€“Â Preference	2,769	â€“	â€“	2,769
ÂÂÂÂâ€“Â Equities	142	â€“	â€“	142
ÂÂDerivative financial instruments:	Â	Â	Â	Â
ÂÂÂÂâ€“Â Currency hedges	â€“	1,390	â€“	1,390
Total for financial assets	2,911	334,012	â€“	336,923
A reconciliation of the fair value of Level 3 is set out below.	Â	Â	Â	Â
Â	Â	Â	Â	2023
Â	Â	Â	Â	Â£â€™000
Opening fair value	Â	Â	Â	1,165
Sales â€“ proceeds	Â	Â	Â	(1,159)
Sales â€“ net realised gains	Â	Â	Â	19
Unrealised loss (due to foreign exchange movement)	Â	Â	Â	(25)
Closing fair value of Level 3	Â	Â	Â	â€“

Â

(1)Â Fixed interest securities include both fixed and floating rate securities. The directors consider the floating rate securities held by the Company to be fixed in nature due to their characteristics, including a predictable income stream.

21.Â Capital Management

The Companyâ€™s capital, or equity, is represented by its net assets which are managed to achieve the Companyâ€™s investment objective set out on page 12.

The main risks to the Companyâ€™s investments are shown in the Business Review under the â€˜Principal and Emerging Risks and Uncertaintiesâ€™ section on pages 15 and 16. These also explain that the Company is able to gear and that gearing will amplify the effect on equity of changes in the value of the portfolio.

The Board can also manage the capital structure directly since it has taken the powers, which it is seeking to renew, to issue and buy-back shares and it also determines dividend payments.

The Board regularly monitors the level of borrowing used by the Company and has imposed limits within which borrowings should be managed.

Total equity at 31 December 2024, the composition of which is shown on the balance sheet on page 55, was Â£345,799,000 (2023: Â£304,629,000).

22.Â Contingencies, Guarantees and Financial Commitments

Liabilities the Company is committed to honour but which are dependent on a future circumstance or event occurring would be disclosed in this note if any existed.

There were no contingencies, guarantees or other financial commitments of the Company as at 31 December 2024 (2023: nil).

23.Â Related Party Transactions and Transactions with Manager

A related party is a company or individual who has direct or indirect control or who has significant influence over the Company.

Under International Financial Reporting Standards as adopted by the EU (â€˜IFRSâ€™), the Company has identified the Directors and their dependents as related parties. Directors fees paid have been disclosed in the Directorsâ€™ Remuneration Report on pages 44 and 45 with additional disclosure in note 6. Full details of Directorsâ€™ interests are set out in the Directorsâ€™ Remuneration Report on page 45. No other related parties have been identified.

Invesco Fund Managers Limited and Invesco Asset Management Limited, both of which are wholly owned subsidiaries of Invesco Limited, provided investment management and administration services to the Company. Invesco Limited or its subsidiaries are not considered related parties as they do not have direct or indirect control nor significant influence over the Company. Details of the services and fees are disclosed in the Business Review and management fees payable are shown in note 5.

24.Â Post Balance Sheet Events

Any significant events that occurred after the end of the reporting period but before the signing of the balance sheet will be shown here.

There are no significant events after the end of the reporting period requiring disclosure. Details of ordinary shares issued subsequent to the year end are set out in note 16 to the financial statements on page 63.

This annual financial report announcement is not the Companyâ€™s statutory accounts.Â Â The statutory accounts for the period ended 31 December 2024 have been audited and approved but are not yet filed.Â Â They received an audit report which is unqualified and does not include a reference to any matters to which the auditors drew attention by way of emphasis without qualifying the report.Â

The audited annual financial report will be posted to shareholders shortly.Â Â Copies may be obtained during normal business hours from the Companyâ€™s Registered Office, JTC Fund Solutions (Jersey) Limited, PO Box 1075, 28 Esplanade, St Helier, Jersey JE4 2QP or the Managerâ€™s website via the directory found at the following link:Â www.invesco.co.uk/bips.Â Â The Annual General Meeting of the Company will be held at 9.00am on 11 June 2025 at the Companyâ€™s Registered Office.

A copy of the annual financial report will beÂ submitted shortly to the National Storage Mechanism ("NSM") and will be available for inspection at the NSM, which is situated atÂ **https://data.fca.org.uk/#/nsm/nationalstoragemechanism.**

Hilary Jones

JTC Fund Solutions (Jersey) Limited

Company Secretary

Telephone: 01534 700000

2 April 2025

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