



Templeton Emerging
Markets Investment Trust
Your future is **emerging**



Annual Report and Accounts to 31 March 2026

Introducing TEMIT

Launched in June 1989, Templeton Emerging Markets Investment Trust plc ('TEMIT' or the 'Company') is an investment trust that invests principally in emerging markets companies with the aim of delivering capital growth to shareholders over the long term. While the majority of the Company's shareholders are based in the UK, shares are traded on both the London and New Zealand stock exchanges. From its launch to 31 March 2026, TEMIT's net asset value ('NAV') total return was +6,438.0% compared to the benchmark total return of +2,285.3%.

The Company is governed by a Board of Directors that is committed to ensuring that shareholders' best interests, considering the wider community of stakeholders, are at the forefront of all decisions. Under the guidance of the Chairman, the Board of Directors is responsible for the overall strategy of the Company and monitoring its performance.



Winner 2023 and 2024

Morningstar Low Carbon Designation:
Low Carbon

2

Your future is emerging

TEMIT offers you easy access to the dynamic growth potential of emerging markets.

Access to growth markets

TEMIT offers investors a simple way to invest in the growth potential of dynamic economies in Asia, Latin America, the Middle East, Africa and Europe. Emerging markets currently generate 65% of global growth and that is forecast to increase^(a).



36-year track record

TEMIT is the first emerging markets investment trust and has delivered a NAV total return of +6,438.0% over its 36-year life. It is also the largest with £2.5 billion of net assets.



Best ideas portfolio

TEMIT's portfolio is diversified across approximately 90 high quality companies that include the very best investment opportunities.



Investment expertise

With over 100 investment professionals spread across 17 countries our Investment Managers can identify investment opportunities beyond the mainstream, often before they are recognised by the broader market.



ESG analysis

Structured analysis of Environmental, Social and Governance ('ESG') factors is part of the research process.



Shareholder-friendly features

As a stock market listed investment trust, this offers additional features and benefits for shareholders including dividends, gearing, and independent board governance.



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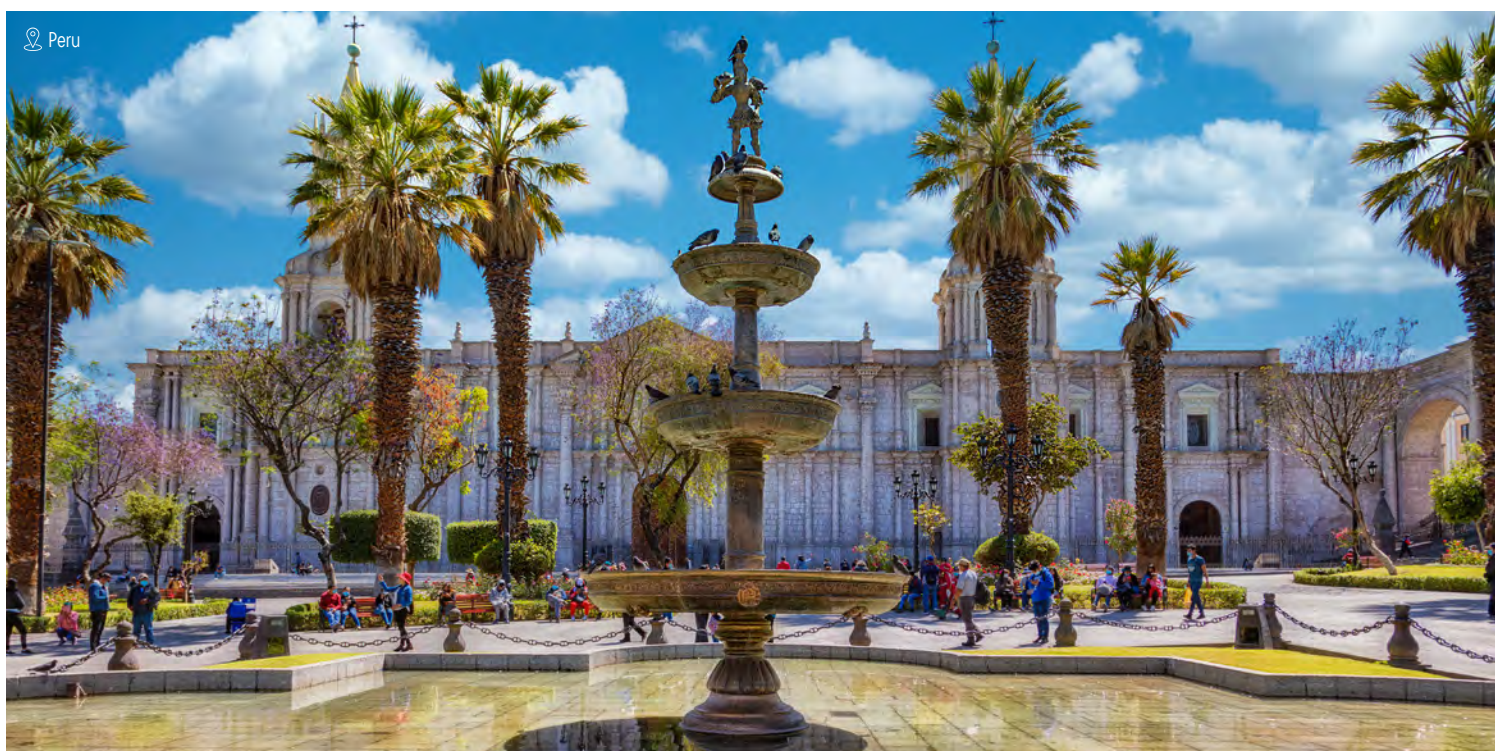
Receive all the latest information direct to your email inbox every month. Our newsletter provides you with all the updates, announcements and information on emerging markets like our stock story and manager update videos, factsheets and insights.

(a) Source: IMF WEO, April 2025, the latest available.

All other data sourced: Franklin Templeton as at 31 March 2026.

Financial highlights

	2026	2025	3 Years Cumulative	5 Years Cumulative	10 Years Cumulative
Net Assets Value Total Return (cum-income) ^(a)	41.3%	8.8%	65.7%	38.2%	220.3%
Share Price Total Return ^(a)	48.6%	13.3%	76.6%	39.9%	250.4%
MSCI Emerging Markets Index ^{(a)(b)}	26.8%	5.8%	42.0%	25.4%	131.0%
Proposed Total Ordinary Dividend ^{(c)(d)(e)}	5.25p	5.25p	15.25p	23.85p	40.67p



(a) A glossary of terms and alternative performance measures is included on pages 114 and 115.

(b) Source: MSCI. The Company's benchmark is the MSCI Emerging Markets (Net Dividends) Index.

(c) An annual ordinary dividend of 5.25 pence per share for the year ended 31 March 2026 has been proposed. This comprises the interim dividend of 2.00 pence per share paid by the Company on 30 January 2026 and the proposed final dividend of 3.25 pence per share.

(d) 3, 5 and 10 year cumulative dividends include ordinary dividends that shareholders were entitled to in those periods. 10 year cumulative figure excludes the special dividend of 0.52 pence per share for the year ended 31 March 2020 and the special dividend of 2.00 pence per share for the year ended 31 March 2021.

(e) Financial years 2016 to 2021 have been retrospectively adjusted following the sub-division of each existing ordinary share of 25 pence into five ordinary shares of 5 pence each on 26 July 2021.



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01. Strategic Report

Strategic report

The Directors present the Strategic Report for the year ended 31 March 2026, which incorporates the Chairman's Statement, and has been prepared in accordance with the Companies Act 2006.

The aim of the Strategic Report is to provide shareholders with the ability to assess how the Directors have performed in their duty to promote the success of the Company for shareholders' collective benefit, and having regard for the interests of all stakeholders, by bringing together in one place key information about the Company's strategy, the risks it faces, how it is performing and the outlook.

Financial Summary 2025-2026

	Year Ended 31 March 2026	Year Ended 31 March 2025
Net Asset Value Total Return (Cum-Income) ^(a)	41.3%	8.8%
Share Price Total Return ^(a)	48.6%	13.3%
MSCI Emerging Markets (Net Dividends) Index Total Return ^(a)	26.8%	5.8%
Total Net Assets (£ millions)	2,525.6	1,985.4
Net Asset Value (Pence per Share)	267.3	193.7
Share Price (Pence per Share)	245.5	169.6
Share Price Discount to Net Asset Value at Year End ^(a)	8.2%	12.4%
Average Share Price Discount to Net Asset Value Over the Year ^(a)	9.7%	13.8%
Ordinary Dividend ^(b) (Pence per Share)	5.25	5.25
Revenue Earnings ^(c) (Pence per Share)	5.39	5.41
Net Gearing ^(a)	1.2%	0.2%
Ongoing Charges Ratio ^(a)	0.86%	0.95%

Source: Franklin Templeton and FactSet.

(a) A glossary of terms and alternative performance measures is included on pages 114 and 115.

(b) An annual ordinary dividend of 5.25 pence per share for the year ended 31 March 2026 has been proposed. This comprises the interim dividend of 2.00 pence per share (2025: 2.00 pence per share) paid by the Company on 30 January 2026 and a proposed final dividend of 3.25 pence per share (2025: 3.25 pence per share).

(c) The revenue earnings per share figures are shown in the Statement of Comprehensive Income on page 83 and Note 7 of the Notes to the Financial Statements.

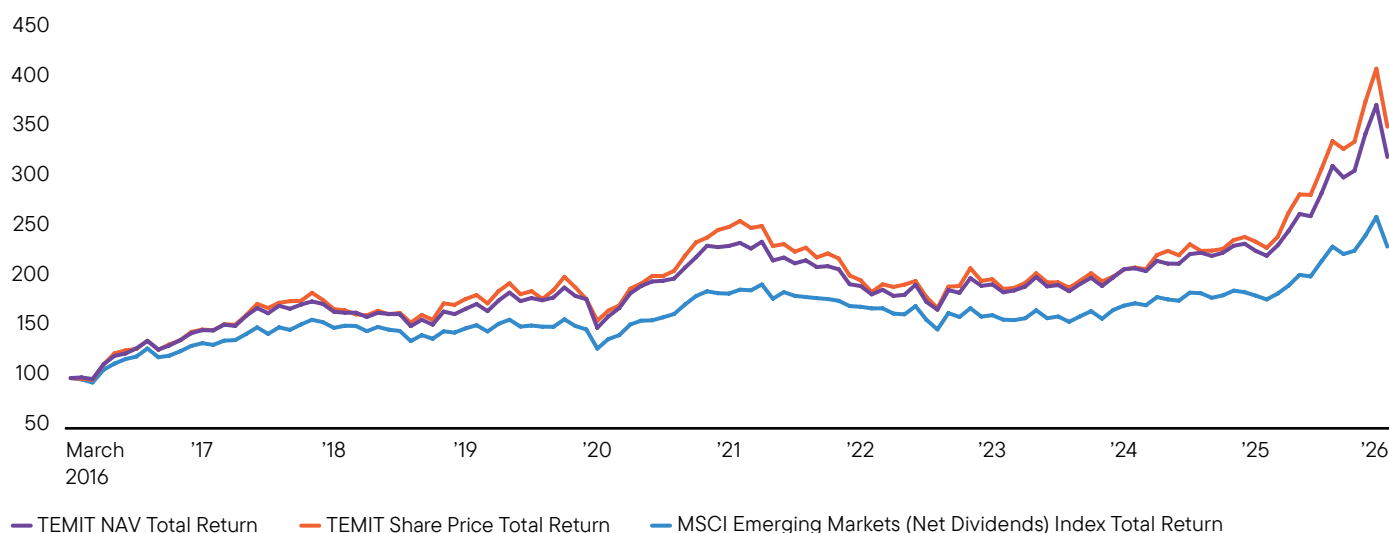
10 year record

2016-2026

Year Ended	Total Net Assets (£m)	Annual Dividend (£m)	Buy backs (£m)	NAV ^(a) (Pence per Share)	Share Price ^(a) (Pence per Share)	Year-End Discount ^(b) (%)	Annual Dividend ^(a) (Pence per Share)	Ongoing Charges Ratio ^(b) (%)
31 March 2016	1,562.3	24.1	93.6	104.8	90.8	13.4	1.65	1.22
31 March 2017	2,148.1	23.1	89.4	152.6	132.3	13.3	1.65	1.20
31 March 2018	2,300.8	40.0	72.5	169.2	148.6	12.2	3.00	1.12
31 March 2019	2,118.2	40.2	147.5	168.5	153.2	9.1	3.20	1.02
31 March 2020	1,775.7	45.9 ^(c)	69.9	146.5	131.4	10.3	3.80 ^(c)	1.02
31 March 2021	2,591.3	44.9 ^(c)	49.6	219.4	202.4	7.7	3.80 ^(c)	0.97
31 March 2022	2,100.4	44.8	3.6	178.2	156.4	12.2	3.80	0.97
31 March 2023	2,017.5	57.8	29.2	174.1	152.2	12.6	5.00	0.98
31 March 2024	2,034.9	55.4	65.9	182.5	154.4	15.4	5.00	0.97
31 March 2025	1,985.4	54.0	149.2	193.7	169.6	12.4	5.25	0.95
31 March 2026	2,525.6	49.7 ^(d)	166.7	267.3	245.5	8.2	5.25 ^(d)	0.86

10 Year Performance

2016-2026

NAV, Share Price and Benchmark Total Return^(e)

Source: Franklin Templeton and FactSet.

(a) Comparative figures for financial years 2016 to 2021 have been retrospectively adjusted following the sub-division of each existing ordinary share of 25 pence into five ordinary shares of 5 pence each on 26 July 2021.

(b) A glossary of terms and alternative performance measures is included on pages 114 and 115.

(c) Excludes the special dividend of 0.52 pence per share for the year ended 31 March 2020 and the special dividend of 2.00 pence per share for the year ended 31 March 2021.

(d) Based on a proposed annual ordinary dividend of 5.25 pence per share for the year ended 31 March 2026. This comprises a proposed final dividend of 3.25 pence per share calculated using shares in issue as at 21 May 2026 and the interim dividend of 2.00 pence per share paid 30 January 2026.

(e) Rebased to 100 at 31 March 2016.

Chairman's statement



‘The Board would like to congratulate our Investment Managers for another excellent year.’

Angus Macpherson
Chairman

Performance^(a)

During the year to 31 March 2026 the performance of TEMIT was unusually strong, with a net asset value (‘NAV’) total return of +41.3% and a share price total return of +48.6%. These returns were well ahead of the benchmark’s +26.8% and the Board would like to congratulate our Investment Managers for another excellent year.

We have always believed that emerging markets should be treated as a long-term investment and we caution that not too much emphasis should be placed on any one year. Over five and ten years, TEMIT has produced NAV total returns of +38.2% and +220.3% respectively, in both cases beating the benchmark returns which were +12.8% and +89.3%. The Managers long-term track record was recognised in May 2025 when Chetan Sehgal and Andrew Ness were awarded Citywire’s highest rating of AAA, noting their consistent performance in managing TEMIT’s portfolio.

The year has not been without its geopolitical challenges. US President Trump’s “Liberation Day” was declared on the second day of the financial year. The announcement of the intention to impose widespread tariffs on imports into the United States from most countries was expected but both the levels and number of countries affected were much higher than predicted, leading to considerable investor anxiety and market volatility. By a year later, most of the tariffs have been struck down by the US Supreme Court but the situation, and the US government’s next

steps, remain far from clear. China was clearly the key target of the US President but arguably it is too integrated into the global economy for economic sanctions to profit any party and, as seems increasingly apparent, it has the ability to play the long game whilst becoming less dependent on the US both as a supplier of technology and as a market for its products. As a result of the geopolitical tensions, both the NAV of the Company and its share price initially fell sharply but subsequently increased substantially over the summer, leading to a strong overall return for the first half of our accounting year, to the end of September.

Performance over the second half of our accounting year was, again, largely strong but towards the end of the period geopolitics again played a major part. The US and Israeli military attacks on Iran precipitated a sell-off in markets as it became apparent that Iran would continue to be able to impair the flow of oil from the region. Asia is particularly dependent on oil from the Middle East. As a result, over the month of March our NAV declined, tempering returns but still leaving us well ahead for the year.

Share price rating

Shareholders will also be pleased that the discount has again narrowed over the year, adding to the total return achieved. As has been stated previously the Board finds the persistence and scale of the discount at which the Company’s shares have traded to their underlying NAV in recent years to be

(a) See glossary of terms and alternative performance measures on pages 114 and 115.

unsatisfactory. As previously noted, the Board's premise is that, whilst there are significant benefits to a closed ended vehicle, the fact that we are not required to return capital to shareholders does not mean that we should not do so, provided that this does not compromise the ability of the Company to meet its objectives such that, two years ago, we announced a series of measures with the intention of improving liquidity and returns for holders of TEMIT's shares and we have subsequently maintained this approach which is, in summary, commitments to:

- At least maintain the level of annual dividend of 5.00 pence per share;
- Repurchase up to £200 million of shares over the following 12 to 24 months;
- A conditional tender offer, under which TEMIT will tender for up to 25% of its shares if it underperforms its benchmark index over five years to March 2029; and
- A phased reduction in AIFM fees, which will result in fees of 1% on the first £1billion and 0.5% of any assets above that level with effect from 1 July 2026. Based on the NAV at the year end, the blended fee rate from 1 July would then be just under 0.7%.

In the year to 31 March 2026, TEMIT spent £166.7 million on share buybacks. Shares were bought back at an average discount of 10.2%, resulting in an aggregate increase in the NAV per share for remaining shareholders of 0.8%.

It is the Board's intention to repurchase up to £300 million of shares in the next twelve to twenty four months. This increased commitment reflects the increased market capitalisation of the Company.

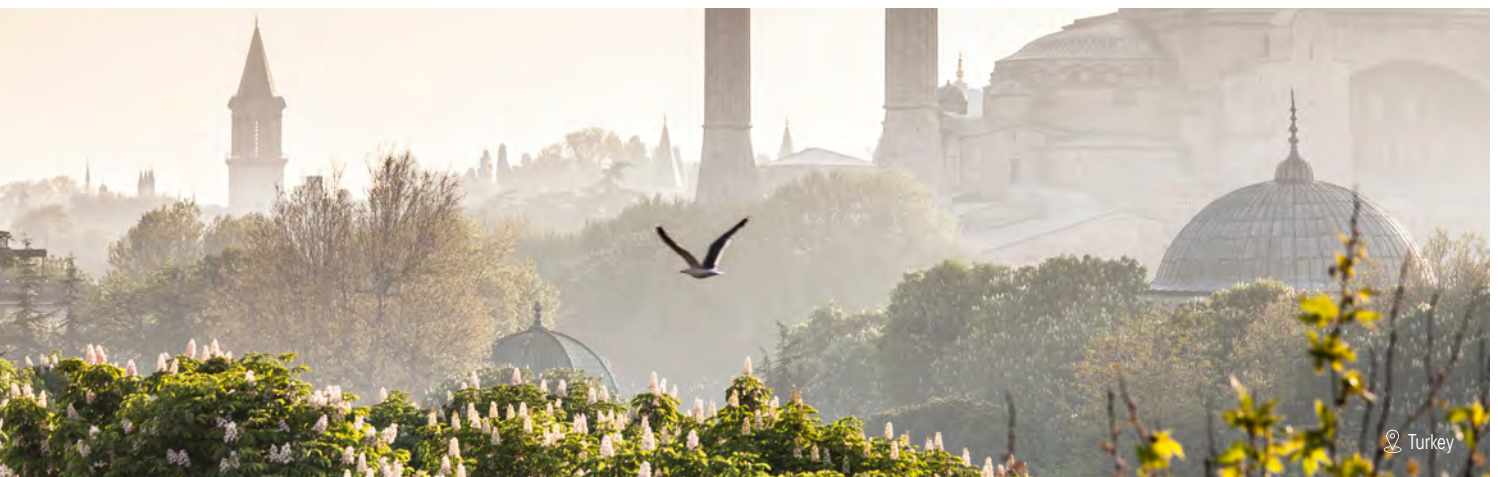
In last year's Annual Report we noted that the discount had closed from 15.4% at the end of financial year 2024 to 12.4% at the end of March 2025. I am pleased to report that at the 31 March 2026 year-end the discount had further closed to 8.2%, despite the pressure on share prices and ratings in March resulting from the war in Iran.

I have stated in recent reports that the Board does not believe that share buybacks alone will eliminate the discount, but they will enhance liquidity and earnings to the benefit of all shareholders. For the discount to narrow, we believe that there are three important factors: renewed investor enthusiasm for emerging market equities; a company structure with investment performance that makes it attractive relative to other investment vehicles; and an enhanced profile through marketing that increases awareness amongst new investors.

There is some evidence that investors' attention is moving towards emerging markets and away from the US. Valuations in the US market, particularly of the so-called 'magnificent 7' technology stocks, have become stretched and there is recognition that US isolationism may ultimately lead to the country being a less attractive place to invest. Meanwhile, it remains the case that the 'magnificent 7' have a market capitalisation that is more than double that of the entire MSCI Emerging Markets Index. Not only is this a stark illustration of relative valuation levels but given the prevalence of 'passive' investment strategies tracking such indices, it also suggests a mismatch between investment flows and world GDP and growth.

Should these apparent valuation and weightings anomalies re-balance, renewed interest in emerging markets may be the driver of the strong absolute returns that TEMIT enjoyed over the last year and the further improvement in the share price rating.

TEMIT has for many years committed a sizeable budget to marketing the Company's shares, which is matched by a contribution from Franklin Templeton. TEMIT has a first-class website and regular updates and Franklin Templeton continues to develop effective new ways to communicate with existing and potential investors, including broadcast channels, digital media, print, press and social media, as well as direct communications. We were pleased TEMIT was again awarded "Best Marketing Campaign" by the Association of Investment Companies this year, with the citation: "The judges were impressed with the winning entry's imaginative and meaningful multi-channel campaign. The scientific approach and measurable results showed the effectiveness of the campaign and the impact on shareholders."



Revenue and dividends

Revenue earnings for the year under review were 5.39 pence per share. At the half-year stage we paid an unchanged interim dividend of 2.00 pence per share and we are also proposing an unchanged final dividend of 3.25 pence per share which will be subject to shareholder approval at the Annual General Meeting ('AGM'). The total dividend for the year will then be 5.25 pence per share and so again above the minimum commitment set out above and fully covered by revenue earned during the year.

Gearing

In January 2026 TEMIT renewed its £122 million multi-currency revolving credit facility with The Bank of Nova Scotia, London branch. The new loan facility is a rolling agreement and commercial terms will be reviewed every three years. It provides flexible debt which can be drawn in sterling, US dollars ('USD') and offshore renminbi (Chinese Yuan, 'CNH'). As at the end of March 2026, drawings were £40 million, USD 50 million (equivalent to £38 million) and CNH 300 million (equivalent to £33 million).

In mid-September 2025, the Board announced that it had authorised the Investment Managers to invest in equity options and equity Contracts for Difference. These investments will enable more flexibility and potentially lower costs in managing the portfolio's geared exposure to equities. To accommodate this, minor changes were made to the Company's investment policy which did not require approval by shareholders. The revised investment policy can be found in this report on page 38 or on TEMIT's website at www.temit.co.uk/resources/literature. As at the end of March, the Portfolio Manager had made three investments in covered call options and these are described on page 40.

Stewardship

Since TEMIT was launched over 36 years ago, our Investment Managers have always focused on the corporate governance of investee companies, which we believe has helped many companies to understand and attract international investors. Over the years, the level of investor attention on sustainability has grown and investment managers' broader approach to the stewardship of investors' capital and the companies in which they invest has come under increasing scrutiny. Our report on this subject starts on page 33. For those interested in exploring the subject in more depth, our Investment Managers have in recent years produced a comprehensive, dedicated Stewardship Report for TEMIT. This year's report is published simultaneously with this Annual Report and is available to download at www.temit.co.uk.

The Board

David Graham will retire at this year's AGM, having served as a Director for nine years and in line with our policy on Directors'

tenure. David's wide-ranging experience in international investment management has proven invaluable to the Board and, on behalf of myself and my colleagues, I would like to thank him for his many thoughtful insights, his incisive questioning and the enthusiasm that he has brought to his role over the last nine years.

At the time of writing, we are in the process of recruiting a new Non-Executive Director and an announcement will be made in due course.

Annual General Meeting ('AGM')

I am pleased to extend an invitation to all shareholders to join us for our Annual General Meeting on 9 July 2026 at The Minster Building, 21 Mincing Lane, London EC3R 7AG.

The AGM is the central component of the governance of your Company where you have the opportunity of holding the Directors and Managers to account. The Board values any and all interactions with investors and it is disappointing that the AGM is attended by so few people.

This year we have taken some steps to make the AGM more accessible and to enhance the content with the objective of encouraging more people to attend. If these prove successful, we shall build on this in future years.

Firstly, as well as a presentation on emerging markets and our portfolio by the Investment Managers, this year we have also arranged a guest speaker, the highly respected financial journalist, Jeff Prestridge. Until recently, Jeff was the Money Editor-at-Large at the Daily Mail and Mail on Sunday, a position that he held since 2023. He previously served as Personal Finance Editor, having first joined the publication in 1994. His published articles have covered a broad range of personal finance topics including investments and investment strategy, pensions, tax and savings, mortgages, protection insurance and investment trusts. In addition to his work at the Mail titles, Jeff is a columnist and contributor to This is Money, Interactive Investor and FT Adviser.

Secondly, this year, for the first time, the AGM will be available live via an online streaming service. The Notice of AGM can be found on page 108. Shareholders will be able to follow proceedings and also to ask questions online. We will also make a recording available on our website for those shareholders who are not available at the time of the meeting.

Lastly, in common with many other listed companies, voting at the AGM will be by means of a poll. This will make the formal part of the meeting much more speedy and efficient than the traditional show of hands for each vote, giving us more time for presentations from our Portfolio Managers and guest speaker. Whether or not you intend to attend the meeting in person, you are strongly encouraged to submit your votes on the AGM resolutions in advance of the meeting. Submitting votes by proxy does not preclude you attending the meeting or changing your vote if you do subsequently decide to attend

the AGM. If you have any questions, please send these by email to temitcosec@franklintempleton.com or via www.temit.co.uk/investor/contact-us in advance of the meeting. You are also welcome to use these contact details should you have a question at any other time. Any questions that we receive will be considered and, if appropriate, responses will be provided on our website www.temit.co.uk.

Outlook

The Board and our Investment Managers believe that emerging markets should form a larger part of both market indices and investors' portfolios. According to the World Economic Forum, the markets in which TEMIT invest represent around half of the world's GDP^(a) and provide 65% of total economic growth^(b).

Sir John Templeton wrote "When I first started the Templeton Growth Fund in 1954, I already instinctively knew that international investing was the way to find the best bargain stocks with the most appreciation potential, and to protect myself from losses by being diversified". The rebalancing of economic power from the traditionally developed economies appears, in the long term, to be inexorable. Against this background an investment in emerging markets may well move from being viewed as a useful diversifier of risk to a key element of an investor's portfolio, with the risk being missing a multi-generational opportunity.

Whilst we acknowledge that there will be setbacks and returns will certainly not be linear, the renewed interest in emerging markets that I mention above could well be an early indicator of the opportunities presented by emerging markets beginning to bear fruit.

In memoriam

In April 2026 we were deeply saddened to learn of the passing of Dr. Mark Mobius, a pioneer of emerging markets investing and the founder of TEMIT.

Mark's vision and leadership were instrumental in shaping the Company from its launch in 1989, helping to establish it as the UK's leading emerging markets investment trust. Over many years, his disciplined, on-the-ground approach to investing and unwavering belief in the long-term potential of developing economies defined the Company's philosophy and success. Widely regarded as "the father of emerging markets investing", Mark built not only a remarkable investment legacy, but also a global perspective that continues to guide the Company today. His commitment to deep research, local insight and long-term value creation remains embedded in our approach.

Beyond his professional achievements, Mark was deeply respected for his intellectual curiosity, cultural openness and generosity of spirit. He inspired colleagues, investors and the broader investment community alike.

We were also saddened to hear of the passing of two former Directors of TEMIT. Sir Ronnie Hampel was a former Chairman of TEMIT, leading the Company following a reconstruction in 2003 to December 2007. He will be more widely remembered as a leading light in British Industry, having chaired ICI and leading a report which was widely acknowledged as bringing a pragmatic approach to modernising the function of company boards of directors.

Hamish Buchan will be remembered as a major figure in the investment trust industry. Having started work as an analyst in the sector in 1969, he dedicated his career not only to developing a deep understanding but also doing much to improve investment trusts, in particular the information available to investors. It is no surprise that later in his career he was in high demand as a non-executive director and TEMIT was fortunate to be able to secure his services.

Angus Macpherson
Chairman

2 June 2026

(a) See glossary of terms and alternative performance measures on pages 114 and 115.

(b) Source: IMF World Economic Outlook, April 2025.

The investment managers

TEMIT's investment management is delegated to Franklin Templeton Investment Management Limited ('FTIML') and Templeton Asset Management Ltd ('TAML') (together, the 'Investment Managers'). Portfolio Managers from FTIML and TAML form part of the wider Templeton Global Investments ('TGI')^(a). TGI have managed the portfolio since TEMIT's inception and are pioneers in emerging markets equity investing. They bring more than 18 years of average industry experience along with local knowledge from over 100 investment professionals, based in 17 countries around the world.

The team has a collaborative investment process where all analysts and portfolio managers work together to contribute to investment returns. They meet regularly, both formally and informally, to debate and exchange ideas, investment themes and enrich their understanding of the markets by drawing on local insights to build a global perspective and context to their thinking. They also benefit from the broader resources available throughout Franklin Templeton.

The Portfolio Managers for TEMIT, Chetan Sehgal (lead) and Andrew Ness, are senior executives in TGI.

Portfolio Managers



Chetan Sehgal
CFA

Chetan is the lead Portfolio Manager of TEMIT and is based in Singapore.

As part of his broader responsibilities in TGI, Chetan is also the director of portfolio management. In this capacity, he is responsible for the overall Global Emerging Markets strategies, providing guidance and thought leadership, co-ordinating appropriate resources and coverage, and leveraging the group's expertise to add value across products within the strategies.

Chetan joined Franklin Templeton in 1995 from Credit Rating Information Services of India Ltd, where he was a senior analyst.

Chetan holds a B.E. Mechanical (Hons) from the University of Bombay and a postgraduate diploma in Management from the Indian Institute of Management in Bangalore, where he specialised in finance and business policy and graduated as an institute scholar. Chetan speaks English and Hindi and is a Chartered Financial Analyst ('CFA') Charterholder.



Andrew Ness
ASIP

Andrew Ness is a Portfolio Manager of TEMIT and is based in Edinburgh. He also serves as Deputy Director of Research for Templeton Global Investments.

Prior to joining Franklin Templeton in September 2018, Andrew was a Portfolio Manager at Martin Currie, an Edinburgh based asset manager. He began his career at Murray Johnstone in 1994 and worked with Deutsche Asset Management in both London and New York before joining Scottish Widows Investment Partnership in 2007.

Andrew holds a B.A. (Hons) in Economics and an MSc in Business Economics from the University of Strathclyde in the UK. He is an Associate Member of the UK Society of Investment Professionals and a member of the CFA Institute.

^(a) In 2022, Templeton Global Investments ('TGI') was formed, integrating the trading, investment risk, Asia research and business development functions of Franklin Templeton Emerging Markets and Templeton Global Equity Group. Effective September 2025, the research teams of both groups were also fully integrated under TGI.

The investment managers' report

Review of performance^(a)

Emerging markets advanced over the 12 months ended 31 March 2026. Most of the financial year was fraught with negativity and volatility, however emerging markets managed to overcome this. The MSCI Emerging Markets (Net Dividends) Index returned 26.8% in the 12-month period under review, while TEMIT delivered a net asset value total return of 41.3% (all performance figures are net total return in sterling terms)^(b). Full details of TEMIT's performance can be found on page 4.

The reporting period started with Liberation Day, when the US imposed tariffs on most of its trading partners. This was a sweeping 10% baseline tariff, alongside "reciprocal" duties reaching as high as 50% for specific trading partners. Trade negotiations commenced, with China notably reacting with a "tit-for-tat" strategy, retaliating with matching tariffs. Most nations managed to lower their levies. In February 2026, the US Supreme Court then ruled that these tariffs were unconstitutional, and as of end February 2026, a 10% tariff rate was implemented across the board. Unlike the immediate aftermath of Liberation Day, where governments were scrambling to negotiate the level of tariffs with the United States, US trading partners are now avoiding clashes over the new tariffs.

Geopolitical tensions remained elevated over the past 12 months. US-China trade frictions were more pronounced in the early part of the period alongside the ongoing Russia-Ukraine conflict, with the Middle East unrest now emerging as the main flashpoint. On the last day of February 2026, the United States and Israel launched co-ordinated air strikes inside Iran targeting leadership, military infrastructure and strategic sites. Iran responded with missile and drone attacks, including on several Gulf countries, pulling the wider region directly into the conflict.

The closure of the Strait of Hormuz, which serves as a crucial maritime chokepoint, has impacted oil prices and international trade. This has resulted in higher risk aversion, pushed oil prices higher and raised the broader economic risk premium attached to Middle Eastern assets. In totality, these conflicts have increased geopolitical risks in recent years and, beyond their direct impact, have also contributed to volatility in commodity prices.

We remain watchful of these risks and incorporate them carefully into our investment decisions.

Artificial intelligence ('AI') continued to thrive in the 12-month period under review. AI is rapidly proliferating across sectors and is expected to drive strong demand for AI computing for many years to come, which should be structurally positive for the entire AI server supply chain. Some of the best performing emerging markets for this period were the technology-heavy markets of South Korea and Taiwan, where market expectations of returns from expenditure on AI had a major part to play.

All EM regions, as measured by the MSCI Emerging Markets Index, advanced. The reasons behind each country's equity market performance are detailed below for TEMIT's largest-weighted country exposures.

China/Hong Kong

Portfolio weighting 23.4%^(c) Benchmark weighting 25.5%^(c)

TEMIT's largest market exposure, although the portfolio remained underweight relative to the benchmark. Chinese and Hong Kong equities rose by a net 1.5% in sterling terms over the 12-month period. The first six months started out strong, when outperformance was mainly driven by the notable easing of trade tensions with the United States, optimism in AI-related stocks and a drive to relieve production overcapacity in several industries (also known as anti-involution). However, fortunes changed in the last six months. The Politburo signalled a more restrained approach on 2026 stimulus, and the anti-involution drive lost momentum. Internet companies also weakened as accelerating AI investments pressured near-term free cash flows amid uncertain return profiles.

Our approach to Chinese equities continues to be selective. Reviewing the macroeconomic background, we have not yet observed any meaningful change in demand; and the declining and ageing population remains a key structural challenge. Our largest exposure to Chinese equities remains in internet platforms, which have strong cash generating core businesses and are available at attractive valuations. Most of these platforms are now investing in AI to drive additional growth as well as for cost efficiencies, although this will have an impact on medium term cash flows for these companies. Over the period, we have also increased our exposure to industrial companies. The global demand for power continues to rise, a trend accelerated by the energy needs of data centres supporting the AI boom. This has created a surge in demand for related infrastructure including energy storage batteries and related power equipment. We have added to Chinese industrial companies that are at the forefront of this trend, demonstrating leadership and experiencing strong growth in both their domestic market and, increasingly, through exports. Similarly, Chinese Electric Vehicle ('EV') manufacturers are leveraging their technological advantages to gain international market share, a trend that is anticipated to continue throughout 2026.



(a) All benchmark performance as per the MSCI Emerging Markets (Net Dividends) Index.

(b) See glossary of terms and alternative performance measures on pages 114 and 115.

(c) As at 31 March 2026.

Taiwan

Portfolio weighting 23.0%^(a)

Benchmark weighting 22.5%^(a)

TEMIT's second-largest market exposure, where the portfolio was overweight versus the benchmark. The Taiwanese equity market performed well and ended the 12-month period with an impressive gain of 70.4% in sterling terms. The Taiwanese equity market has a tilt towards the technology sector, and the strong global AI rally lent a helping hand.

The largest holding in TEMIT's portfolio is Taiwan Semiconductor Manufacturing Company ('TSMC'), the global leader in semiconductor foundry. We have also added to other companies in the AI Supply chain, such as makers of power supply units and of printed circuit boards.



South Korea

Portfolio weighting 22.0%^(a)

Benchmark weighting 15.5%^(a)

TEMIT's third-largest market exposure, where the portfolio was overweight versus the benchmark. South Korean equities surged by 117% in sterling terms during the reporting period. This outperformance was led by the two leading semiconductor memory companies, driven by strong demand and rising memory prices. Leading automotive companies provided further support, bolstered by receding US tariff headwinds and optimism on their robotics businesses. Geopolitical tensions outside South Korea resulted in increased military spending globally, and this flowed to the optimism on the country's defence companies. The industrials sector was the second-best performing sector for the year.

The appointment of South Korea's new president kicked off several market reforms, which were conducive to the country's equity market performance. These included amendments to the Commercial Act to boost corporate governance and increase stock market valuation. This added to an earlier government-led initiative that was launched in 2024, the 'Value-Up' Programme, which encourages listed companies to strengthen their shareholder return policies. The programme has been improved and strengthened since, which expanded corporate governance disclosure among other points.

Our overweight position in South Korea includes companies that are positioned to capture longer-term structural growth drivers in the form of semiconductors and AI (Samsung Electronics and SK Hynix), the green transition (Samsung SDI and LG Corp), next-generation mobility and robotics (Hyundai Motor) and the country's dominant internet search platform integrating e-commerce, payments and digital content (NAVER).



(a) As at 31 March 2026.

Brazil

Portfolio weighting 9.5%^(a)

Benchmark weighting 5.1%^(a)

TEMIT's fourth-largest market exposure, Brazil, delivered a robust 53% return over the reporting period driven by the anticipation of the beginning of an interest rate cut cycle, which commenced in March 2026, and low starting valuations. The country's leading oil producer, Petrobras (one of the top ten holdings in TEMIT's portfolio), also saw a surge in its share price towards the end of the period along with the increase in oil prices. However, the recent surge in oil prices could dampen the pace of interest rate cuts.



India

Portfolio weighting 8.5%^{(a)(b)}

Benchmark weighting 12.6%^(a)

TEMIT's fifth-largest market exposure. India's equity market declined by over 15% during the period as it faced several headwinds. US policy actions, notably doubled import levies and increased non-immigration visa fees, weighed heavily on the market. The fee hikes on visas combined with concerns over AI disruption to labour-intensive models pressured software services equities. Furthermore, the Middle East conflict drove oil prices higher, exacerbating fears of a widened current account deficit, margin compression and rising headline inflation.

Despite these challenges, India's underlying macroeconomic fundamentals improved. While energy prices posed external risks, domestic core inflation remained manageable and economic growth remained among the strongest across major economies. The market also saw brief, policy-driven rallies, supported by structural reforms such as the government's overhaul of the GST regime.

As valuations moderated over the past year, we capitalised on attractive entry points to initiate new positions in the portfolio. While India remains one of TEMIT's largest absolute country allocations, it is still underweight relative to the benchmark.



Other emerging markets

The emerging Europe, Middle East and Africa ('EMEA') region navigated a period of elevated geopolitical volatility in the past year. Escalating tensions in the Middle East disrupted key shipping corridors and drove energy prices higher, weighing heavily on equities in the Gulf states.

While these disruptions keep broader inflation risks in focus, the portfolio's limited Middle East exposure and diversified positioning mitigates idiosyncratic regional risk. We have historically maintained an underweight position to the Middle East given its inherent sensitivity to volatile oil cycles. That positioning remains in place.

Mexican equities gained from a combination of factors such as a weaker US dollar and rising commodity prices. Its central bank kept up with monetary easing during the year.

(a) As at 31 March 2026.

(b) TEMIT has indirect exposure to India through its holdings in Genpact and Cognizant Technology Solutions. If indirect exposure was included, TEMIT's total exposure to India would be 10.5%.

Investment strategy, portfolio changes and performance attribution

The following sections highlight the drivers of TEMIT's performance over the 12-month period. We continue to emphasise that our investment process selects companies based on their individual attributes and ability to generate attractive risk-adjusted returns.

Our investment philosophy is centred on seeking companies with sustainable earnings power trading at a discount to their intrinsic worth and to other investment opportunities in the market. We see high levels of leverage as a risk, avoiding companies with weak balance sheets.

As a bottom-up manager, the value-add that the team provides to its clients stems from superior stock selection. We focus on original, in-depth research of individual companies, drawing rich investment insights from the full breadth and depth of the investment platform, and we expect the dominant driver of the portfolio to be stock-specific risk. Therefore, all of our active decisions are made at the individual stock level, with sector and regional weightings a residual of this process.

Our well-resourced on the ground analysts are a key competitive advantage. Their local knowledge and language skills are instrumental in identifying emerging trends in markets including China, Brazil, and India. This local presence gives us greater insight into business models, supply chains, and competitive dynamics.

Input from our analysts is an integral part of the investment process. Their conversations with regulators and company management, views on industry trends and insights on management capabilities are incorporated into our estimates of a company's earnings power. They also enable us to separate short-term noise from long-term trends.

In the portfolio, we remain positioned in long-term themes including AI-related supply chains, digitalisation, healthcare and consumption. We remain focused on seeking and investing in companies which reflect our investment philosophy.

Performance Attribution Analysis %

Year to 31 March

This table sets out the results of a detailed analysis of the returns produced by the TEMIT portfolio, how this compares with the theoretical returns available from the benchmark index and factors affecting the comparison with the returns of the benchmark index.

	2026	2025	2024	2023	2022
Net Asset Value Total Return ^(a)	41.3	8.8	7.9	0.8	(17.3)
Expenses Incurred	0.9	0.9	1.0	1.0	1.0
Gross Total Return ^(a)	42.2	9.7	8.9	1.8	(16.3)
Benchmark Total Return ^(a)	26.8	5.8	5.9	(4.9)	(7.1)
Excess Return^(a)	15.4	3.9	3.0	6.7	(9.2)
Stock Selection	9.8	2.7	0.3	7.3	(10.2)
Sector Allocation	4.9	1.6	2.1	(0.4)	0.8
Currency	0.7	(0.7)	0.3	(0.2)	0.2
Share Buyback Impact	0.8	1.2	0.5	0.2	0.0
Residual Return ^(a)	(0.8)	(0.9)	(0.2)	(0.2)	–
Total Contribution	15.4	3.9	3.0	6.7	(9.2)

Source: FactSet and Franklin Templeton.

(a) A glossary of terms and alternative performance measures is included on pages 114 and 115.

Top 10 Contributors and Detractors to Relative Performance by Security (%)^(a)

This table sets out the results of a detailed analysis of the returns produced by individual securities in the TEMIT portfolio, and how this has affected the overall returns produced by the portfolio compared with theoretical returns available from the benchmark index.

	Top Contributors	Contribution to portfolio relative to MSCI Emerging Markets Index	Top Detractors	Contribution to portfolio relative to MSCI Emerging Markets Index
Overweight (TEMIT holds more than the index weight)	SK Hynix	6.2	ICICI Bank	(1.7)
	TSMC	1.7	Prosus	(1.4)
	Hyundai Motor	1.5	Genpact	(1.0)
	Samsung Life Insurance	1.2	Cognizant Technology Solutions	(0.8)
	Samsung Electronics	0.9	Budweiser Brewing Company APAC	(0.7)
	Grupo Financiero Banorte	0.9	Delivery Hero	(0.6)
	Itaú Unibanco	0.6	Bajaj Holdings & Investment	(0.5)
			China Merchants Bank	(0.5)
Underweight (TEMIT has no holding or a holding smaller than the index weight)	Meituan	1.0	ReNew Energy Global	(0.4)
	Xiaomi	0.9	Delta Electronics	(0.8)
	Tencent	0.8		

An overweight allocation to **SK Hynix** served the portfolio well. SK Hynix is a leading semiconductor memory manufacturer in a highly consolidated industry. Strong operating performance, rising memory prices and expectations of strong demand growth for high bandwidth memory ('HBM') used in AI chips boosted the stock price. We expect this trend to continue and hence maintain our conviction in the company.

A long-term holding of the portfolio, **TSMC**, was also among the top contributors for the period. TSMC is a global leader in advanced semiconductor logic chips which are used in a wide variety of solutions, including AI servers, smartphones, personal computers, automotive and industrial equipment. Its share price advanced on strong earnings growth and optimism over the company's business outlook driven by growing demand for AI chips. TSMC's unrivalled leadership in advanced chip manufacturing makes it a key beneficiary of the growth in demand for AI chips.

Also finishing higher was **Hyundai Motor**, a South Korea-based automobile company. It manufactures, sells and exports passenger cars, trucks and commercial vehicles. Risks to its operating environment dwindled due to a reduction in US tariffs on South Korean automobiles. Its robotics affiliate demonstrated advancements in humanoid robotics, which triggered a sharp surge in the group's share price. Our investment thesis in Hyundai Motor is backed by its resilient earnings and strong cash generation. It also offers exposure to the humanoid robotics thematic through its stake in Boston Dynamics.

ICICI Bank is a leading India-based private sector bank. The share price traded sideways for most of the year post a strong 2024, impacted by sector headwinds of lower loan growth and declining net interest margins. The share price further declined in March 2026 along with the broader Indian equity market due to macroeconomic headwinds driven by higher oil prices. A weaker Indian rupee also impacted performance during the period.

An off-benchmark holding in **Prosus**, a leading global investment company and the largest shareholder of Tencent (also held in the portfolio), was also a notable detractor. Prosus also owns multiple food delivery platforms, classified advertisements, payments and e-commerce companies. Its share price largely moved in line with Tencent's and fell over the year. Prosus' share price performance was also impacted by capital allocation concerns over some of its recent acquisitions.

Genpact is a US-listed technology services company that derives much of its earnings from services provided from India. The stock traded lower due to concerns around AI-related disruption. While the near-term outlook appears steady, there is uncertainty on the longer-term growth trajectory for the industry. Genpact has deep industry expertise and has been leveraging AI to develop new solutions as well as to lower costs. While valuations are attractive and seem to factor in much of the negativity, we remain watchful and continue to evaluate the impact of AI on companies in the software sector.

(a) For the period 31 March 2025 to 31 March 2026.

Contributors and Detractors to Relative Performance by Sector (%)^(a)

This table shows the contribution of the overall portfolio returns of the different sectors within the TEMIT portfolio relative to the MSCI Emerging Markets Index.

	Top Contributors	Contribution to portfolio relative to MSCI Emerging Markets Index	Top Detractors	Contribution to portfolio relative to MSCI Emerging Markets Index
Overweight (TEMIT holds more than the index weight)	Information Technology	8.5	Industrials	(1.3)
	Consumer Discretionary	3.0		
	Health Care	1.1		
Underweight (TEMIT has no holding or a holding smaller than the index weight)	Financials	1.7	Materials	(0.9)
	Communication Services	1.1	Utilities	(0.2)
	Energy	0.5		
	Real Estate	0.3		
	Consumer Staples	0.3		

Stock selection in the **information technology**, **consumer discretionary** and **financials** sectors were key drivers of these sectors' relative contribution, but an overweight allocation to information technology played a supporting role in boosting TEMIT's performance relative to the benchmark index during the 12-month period under review. The overweight exposure to information technology is largely due to the portfolio's holdings in semiconductor and AI supply chain companies. As the AI investment theme accelerated, surging demand for AI-specific chips and infrastructure provided a significant tailwind, driving price appreciation for these holdings. Hyundai Motor led gains in the consumer discretionary sector, while the financials sector saw several top contributors: South Korea's leading life insurance company Samsung Life Insurance, leading Mexican financial institution Grupo Financiero Banorte and Brazil retail-focused bank Itaú Unibanco.

In contrast, stock selection and allocations in the **industrials**, **materials** and **utilities** sectors dampened TEMIT's relative performance. An underweight allocation in materials also ate into returns. The weakness in the industrials sector was mainly due to the portfolio's off-benchmark holding in Genpact (described above). A key cause of weakness in the utilities sector was due to the portfolio's holding in ReNew Energy Global, a leading Indian green power company. Its share price dropped after a member of the buyout consortium withdrew its offer, leading to the cancellation of the proposal deal to take the company private and delist it from US exchanges.

(a) For the period 31 March 2025 to 31 March 2026.

Contributors and Detractors to Relative Performance by Country (%)^(a)

This table shows the contribution of the overall portfolio returns by country relative to the MSCI Emerging Markets Index.

	Top Contributors	Contribution to portfolio relative to MSCI Emerging Markets Index	Top Detractors	Contribution to portfolio relative to MSCI Emerging Markets Index
Overweight (TEMIT holds more than the index weight)	South Korea	7.7	United States	(1.8)
	Taiwan	1.2	Thailand	(0.5)
Underweight (TEMIT has no holding or a holding smaller than the index weight)			Philippines	(0.2)
	China/Hong Kong	2.4	South Africa	(0.3)
	India	2.0	United Arab Emirates	(0.1)
	Saudi Arabia	1.1		

By market, stock selection and allocations in **South Korea** (overweight) and **China/Hong Kong** (underweight) added to a positive contribution from an underweight allocation to India. Besides SK Hynix and Hyundai Motor, other South Korea-based contributors included the country's leading life insurance company Samsung Life Insurance and Samsung Electronics, one of the largest memory semiconductor manufacturers in the world.

The largest relative detractor was the **United States**, due to the portfolio's holdings in Cognizant Technology Solutions and Genpact. These companies are both US-listed companies that derive much of their earnings from services provided from India. We discussed Genpact above; Cognizant's share price decline was due to concerns around AI-related disruption. Other detractors included **Thailand** and the **Philippines**, largely due to stock selection, albeit to a smaller extent than the United States.

(a) For the period 31 March 2025 to 31 March 2026.

Outlook for emerging markets

The outlook for emerging markets equities is balanced between structural tailwinds and persistent geopolitical risks, resulting in a more selective and differentiated opportunity set rather than a broad-based rally.

Geopolitical risks remain elevated and are increasingly influential in shaping capital flows, commodity prices, and investor sentiment. Growth dynamics also vary significantly across regions and sectors.

In the past 12 months, we have experienced tensions in Asia (between China and the West), the Middle East, and Europe (Russia and Ukraine). The portfolio is relatively insulated to the direct effects of turmoil in the Middle East and Europe region due to our underweight exposure.

Visible supply chain disruptions, concerns over inflation and underlying regional economic growth are some obstacles that pertain to EM economies. Emerging Asia, in particular, is home to several nations which are heavily reliant on energy imports. Nations such as Indonesia, Thailand and the Philippines are experiencing surging fuel subsidy costs to keep prices stable and India, which is vulnerable to energy supply shocks, is facing risks of higher inflation. However, these are issues that the rest of the world faces as well, albeit to different extents.

US-China tensions remain a persistent feature of the external backdrop. We believe that while there may be ups and downs in the relationship between both countries, disagreements will continue to feature. China, however, has shown that it has been able to manage the strained relationship well, but we think that the relationship is likely to remain fragile.

On the positive side, structural growth themes are evident, with Artificial intelligence ('AI') being one of the key drivers. While there have been bouts of volatility in the AI trade, demand continues to expand. This is driven by increased uptake, improvements in model performance and widening productivity gains.

AI-related investment continues to support the broader information technology sector. We believe that AI will continue to have a strong investment case across major EMs, benefiting companies across the supply chain including semiconductors, electronics manufacturing services, power supply and printed circuit board companies. This conviction drives our overweight position in the information technology sector. These companies are primarily in South Korea and Taiwan.

Besides traditional information technology enablers, companies across many sectors are utilising AI to enhance productivity and competitive positioning. Notably, Chinese online platform companies are transitioning away from legacy digital models, embedding proprietary AI tools directly into their core e-commerce and entertainment offerings to drive a more optimal user experience.

The electric power demands of AI are necessitating further investments in grid infrastructure, power generation, and energy storage. Chinese industrial companies across power transmission equipment, energy storage, and data centre engines are well-positioned to benefit from this cycle.

Domestically, several countries have implemented policies or are in the midst of reforms. We believe that these could provide us with an insight for the short and/or medium terms. We list our outlooks for the larger EM countries below.

China

China's central bank expects to ease its monetary policy in 2026 to support growth and domestic demand. China's gross domestic product ('GDP') growth target for 2026 is between 4.5% and 5%, and boosting domestic demand remains a top priority. This has taken the form of renewal of consumer goods trade-in programmes, and policies to support private investment and consumer spending. However, structural headwinds in China remain. These include a shrinking population and an aging society. In addition, the anti-involution campaign has lost momentum somewhat. Worries over excessive competition in several sectors, particularly e-commerce and food delivery, remain.

Brazil

Brazil's anticipated monetary easing cycle commenced in March, validating a core pillar of our macro recovery thesis. However, the recent surge in the prices of oil and other commodities could impact the pace of rate cuts. Beyond structurally reducing corporate borrowing costs and alleviating debt-servicing burdens, declining rates fundamentally diminish the entrenched appeal of local fixed income investments, catalysing a much-needed domestic capital rotation back into risk assets. This dynamic could support capital flow back into equities. Valuations remain attractive.

India

In 2025, the Indian government introduced a mix of monetary easing and fiscal/tax measures to support demand, including interest rate reductions and a major reform in its Goods and Services Tax ('GST') regime, which resulted in lower tax rates on consumer goods. With these moves, India has a suite of pro-growth policies that should yield their full effects in 2026. However, the Indian economy currently faces headwinds from higher oil prices, which remains a key risk.

The Indian economy is characterised by its large domestic market and limited dependence on trade exports. It has favourable demographics, rising income levels and evolving consumption patterns, which will drive discretionary spending and demand for more premium offerings. However, there is also a risk that technological advances in AI could adversely affect job opportunities in the country. We remain selective as we balance both the risks and opportunities in India.

Conclusion

In many ways, the uncertainties that we reported 12 months ago have remained. These topics continue to dictate broader market behaviour, resulting in near-term volatility and short-term price dislocations. The macroeconomic environment has been, and remains, decidedly tricky and intertwined with a multitude of headwinds and risks.

We continue to abide by our investment approach and seek opportunities across equity markets, focusing on companies that, in our assessment, have long-term earnings power.

Top 10 Holdings

As at 31 March 2026

Holding	Portfolio		Benchmark %	Over/(Under) weight %
	£'000	%		
<p>TSMC</p> <p>The world's largest semiconductor foundry company, which is based in Taiwan. Optimism regarding the growth potential from AI and a recovery in the demand for technology products have sent its share price soaring. We maintain a positive long-term view on TSMC and the semiconductor industry. AI can continue to experience strong growth, which should benefit semiconductor companies as they make up a key component of the AI supply chain. Beyond AI, semiconductors are essential components used in a myriad of industries.</p>	425,276	16.6	13.3	3.3
<p>SK Hynix</p> <p>A South Korean semiconductor company and a maker of memory chips used globally across a wide range of solutions. The company remains in a competitive position in high bandwidth memory ('HBM') chips, which are expected to continue to enjoy strong demand. We maintain our conviction, due to memory market tightness and SK Hynix's leadership position in the latest generation of the HBM market. The AI-driven memory cycle has led to a situation of dynamic random access memory ('DRAM') and HBM demand outpacing supply. This underpins strong pricing power and margin expansion. SK Hynix's execution and technology leadership has positioned the company to capture growth via adjusting its product mix and capital expenditure. Together, these reinforce long-term capacity and competitiveness.</p>	184,060	7.2	2.8	4.4
<p>Samsung Electronics</p> <p>One of the largest memory semiconductor manufacturers in the world, based in South Korea. It also manufactures a wide range of consumer and industrial electronics and equipment. It is one of the key manufacturers in the highly consolidated memory semiconductor industry and is benefitting from strong growth in demand for HBM chips for AI accelerators. It also appears to be increasing its share in the newer generation of memory chips for AI applications. At the same time, its foundry business has seen improving order flows, reflecting rising customer engagement.</p>	166,512	6.5	5.7	0.8
<p>Prosus</p> <p>A leading global investment company and the largest shareholder of Tencent, a Chinese technology company. We see Prosus as a good proxy for Tencent exposure and it is available at a discount to its NAV. Besides Tencent, Prosus also owns multiple food delivery platforms, classified advertisements, payments and e-commerce companies. Management's efforts to narrow the share price discount to NAV via share buybacks should also support returns.</p>	83,012	3.2	–	3.2
<p>ICICI Bank</p> <p>A leading India-based private sector bank. Its share price had seen sustained appreciation over a longer-term horizon but dropped in the last 12 months alongside the Indian equity market. Despite recent fluctuations, the stock has delivered significant gains over a five-year period. We believe that its strong franchise positioning leaves it well-placed to capture India's structural economic expansion.</p>	67,284	2.6	0.7	1.9
<p>Grupo Financiero Banorte</p> <p>Grupo Financiero Banorte is a leading financial institution in Mexico. Given the large percentage of unbanked population and rising digital payment penetration, we remain optimistic on the growth prospects of Mexico's banking sector. The bank generates positive economic value via a structurally high return on equity driven by its scale in Mexican retail and government banking, low-cost core deposits, disciplined pricing, and strong fee generation. Shareholder returns are also compelling with a high dividend yield.</p>	65,173	2.5	0.3	2.2

Holding	Portfolio		Benchmark %	Over/(Under) weight %
	£'000	%		
<p>MediaTek</p> <p>MediaTek is a Taiwan-based chip designer for smartphones, computer peripherals, application-specific integrated circuits ('ICs') and multimedia ICs. MediaTek has a solid position in mobile computing chips and we believe that it should benefit from growth in demand for chips from IoT ('Internet of Things'), automotive, industrial, and wi-fi applications. The company is also expanding its operations into a diversified compute-chip provider, with additional growth potential from its emerging AI chip business via its partnership with Google (not a portfolio holding) and other potential customers.</p>	61,418	2.4	0.7	1.7
<p>Itaú Unibanco</p> <p>Itaú Unibanco is a Brazilian retail-focused bank providing a broad range of services such as cards, loans and insurance. In our view, the bank has a high-quality franchise and strong management team. The low penetration of financial products in Brazil provides an opportunity for the bank to increase its market share via its strong distribution network. In a competitive market, Itaú Unibanco has advantages thanks to its scale and is investing aggressively in technology to stay ahead of the competition.</p>	57,790	2.3	0.4	1.9
<p>Petrobras</p> <p>Petrobras is a Brazilian energy company engaged in the exploration, production, and distribution of oil and gas. The company is recognised worldwide for its oil exploration technology in ultra-deep waters. Our conviction hinges on the company's efficient asset base, characterised by a long reserve life and industry-leading production costs. These operational advantages result in strong free cash flow and a high dividend yield.</p>	55,550	2.2	0.8	1.4
<p>Tencent</p> <p>The largest gaming, communication and social entertainment platform in China. It has a major presence in online games, digital advertising, video, music and live-streaming, fintech, and other businesses such as cloud computing. We believe that the company should be one of the key beneficiaries of AI across its business segments in China. Tencent has built its own ecosystem, leveraging its user traffic, customer relationships, content and capital strength. AI is expected to enhance Tencent's existing core businesses of online games, advertisements and fintech. The company's AI strategy seems pragmatic, with a clear path to monetisation.</p>	55,525	2.2	3.9	(1.7)

Portfolio Changes by Country

Country	31 March 2025 Market Value £m	Purchase £m	Sales £m	Market Movement £m	31 March 2026 Market Value £m	Total Return in Sterling	
						TEMIT %	MSCI Emerging Markets Index %
China/Hong Kong	549	154	(115)	13	601	6.5	1.5
Taiwan	335	52	(50)	253	590	78.3	70.4
South Korea	332	51	(211)	391	563	136.4	117.3
Brazil	172	20	(18)	68	242	49.9	53.1
India	293	83	(107)	(51)	218	(21.5)	(15.3)
South Africa	46	17	–	17	80	37.8	48.1
Mexico	43	5	(8)	25	65	72.6	53.8
United States	72	–	(3)	(17)	52	(23.8)	–
Thailand	64	2	(37)	4	33	13.5	39.8
Chile	20	–	–	9	29	49.0	39.4
Others	77	35	(32)	9	89	–	–
Total Investments	2,003	419	(581)	721	2,562		

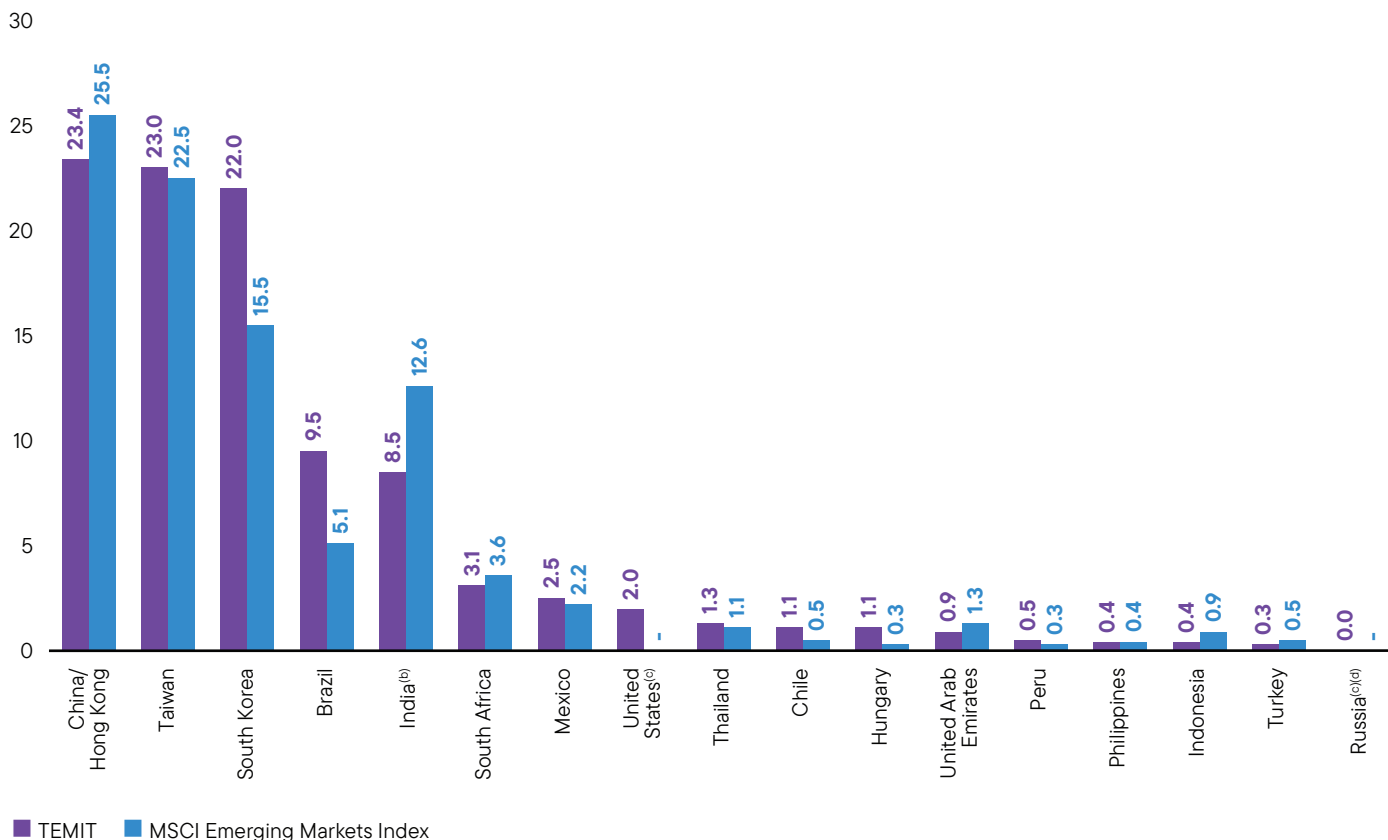


 South Africa

Geographic Asset Allocation

As at 31 March 2026

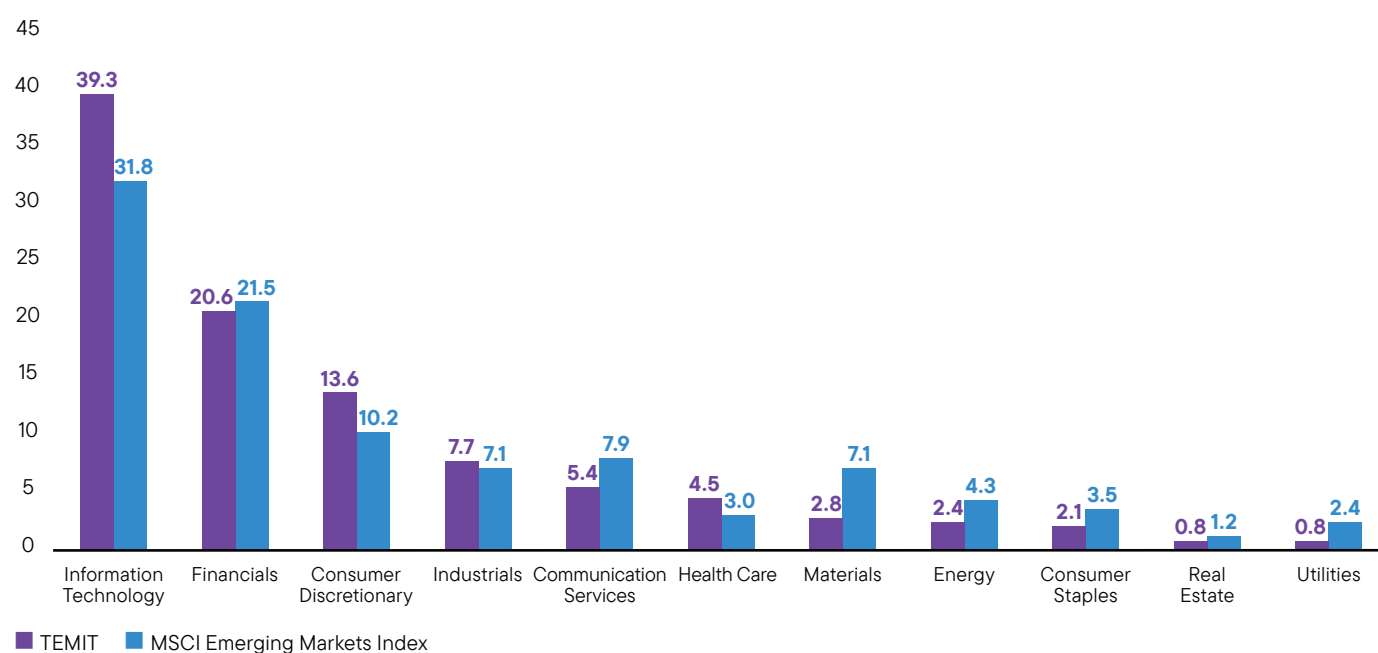
Country Weightings vs Benchmark (%)^(a)



Sector Asset Allocation

As at 31 March 2026

Sector Weightings vs Benchmark (%)



(a) Other countries included in the benchmark are Colombia, Czech Republic, Egypt, Greece, Kuwait, Malaysia, Poland, Qatar, Romania and Saudi Arabia.

(b) TEMIT has indirect exposure to India through its holdings in Genpact and Cognizant Technology Solutions. If indirect exposure was included, TEMIT's total exposure to India would be 10.5%.

(c) Countries not included in the MSCI Emerging Markets Index.

(d) All companies held by TEMIT in this country are valued at zero.

Portfolio by Fair Value

Holding	Sector	Fair Value £'000 ^(a)	% of Portfolio
Brazil			
Itaú Unibanco ^{(b)(c)}	Financials	57,790	2.3
Petrobras ^(b)	Energy	55,550	2.2
Vale	Materials	47,735	1.9
Banco Bradesco ^{(b)(c)}	Financials	43,447	1.7
TOTVS	Information Technology	14,958	0.6
Hypera	Health Care	12,759	0.5
XP	Financials	9,651	0.3
		241,890	9.5
Chile			
Banco Santander Chile ^(c)	Financials	29,061	1.1
		29,061	1.1
China/Hong Kong			
Prosus ^(d)	Consumer Discretionary	83,012	3.2
Tencent	Communication Services	55,525	2.2
Alibaba	Consumer Discretionary	54,846	2.1
China Merchants Bank	Financials	51,583	2.0
BYD	Consumer Discretionary	51,382	2.0
Techtronic Industries ^(e) (Shares and Options)	Industrials	43,419	1.7
WuXi Biologics	Health Care	42,241	1.6
NARI Technology	Industrials	31,006	1.2
Ping An Insurance	Financials	28,085	1.1
Baidu	Communication Services	25,254	1.0
Budweiser Brewing Company APAC	Consumer Staples	21,843	0.9
NetEase	Communication Services	21,350	0.8
Trip.com	Consumer Discretionary	17,224	0.7
Weichai Power	Industrials	15,787	0.6
Haier Smart Home	Consumer Discretionary	13,029	0.5
Uni-President China	Consumer Staples	12,307	0.5
Kuaishou Technology	Communication Services	9,875	0.4
COSCO SHIPPING Ports	Industrials	7,034	0.3
JD.com	Consumer Discretionary	5,894	0.2
Daqo New Energy ^(c)	Information Technology	4,857	0.2

Holding	Sector	Fair Value £'000 ^(a)	% of Portfolio
China/Hong Kong			
Greentown Service Group	Real Estate	3,269	0.1
Weifu High-Technology	Consumer Discretionary	2,018	0.1
		600,840	23.4
Hungary			
Gedeon Richter	Health Care	26,269	1.0
Wizz Air Holdings	Industrials	1,171	0.1
		27,440	1.1
India			
ICICI Bank	Financials	67,284	2.6
HDFC Bank	Financials	37,325	1.5
Eternal ^(b)	Consumer Discretionary	16,301	0.6
Bajaj Holdings & Investment	Financials	14,862	0.6
Infosys	Information Technology	12,413	0.5
ReNew Energy Global	Utilities	11,931	0.5
Pine Labs	Financials	8,737	0.3
Dr. Reddy's Laboratories	Health Care	8,670	0.3
Niva Bupa Health Insurance	Financials	7,002	0.3
MakeMyTrip	Consumer Discretionary	6,934	0.3
Ather Energy	Consumer Discretionary	6,234	0.2
ACC	Materials	6,036	0.2
Federal Bank	Financials	5,869	0.2
Brigade Enterprises	Real Estate	5,469	0.2
Asahi India Glass	Consumer Discretionary	1,864	0.1
Hemisphere Properties	Real Estate	1,234	0.1
HDB Financial Services	Financials	246	0.0
		218,411	8.5
Indonesia			
Astra International	Industrials	10,501	0.4
		10,501	0.4
Mexico			
Grupo Financiero Banorte	Financials	65,173	2.5
		65,173	2.5

Holding	Sector	Fair Value £'000 ^(a)	% of Portfolio
Peru			
Intercorp Financial Services	Financials	11,779	0.5
		11,779	0.5
Philippines			
BDO Unibank	Financials	10,736	0.4
		10,736	0.4
Russia			
LUKOIL ^(g)	Energy	0.0	0.0
Sberbank of Russia ^(g)	Financials	0.0	0.0
		0.0	0.0
South Africa			
Discovery	Financials	40,846	1.6
Netcare	Health Care	20,714	0.8
Harmony Gold Mining	Materials	18,130	0.7
		79,690	3.1
South Korea			
SK Hynix	Information Technology	184,060	7.2
Samsung Electronics	Information Technology	166,512	6.5
Hyundai Motor	Consumer Discretionary	50,597	2.0
LG Corp	Industrials	39,432	1.5
NAVER	Communication Services	26,486	1.0
Doosan Bobcat	Industrials	21,151	0.9
Samsung Life Insurance	Financials	19,054	0.8
Delivery Hero	Consumer Discretionary	14,092	0.6
KakaoBank	Financials	10,636	0.4
Misto ^(h)	Consumer Discretionary	9,994	0.4
Hanmi Pharm	Health Care	8,715	0.3
Samsung SDI	Information Technology	8,557	0.3
Hankook Tire	Consumer Discretionary	2,879	0.1
KT Skylife	Communication Services	1,014	0.0
		563,179	22.0

Holding	Sector	Fair Value £'000 ^(a)	% of Portfolio
Taiwan			
TSMC	Information Technology	425,276	16.6
MediaTek	Information Technology	61,418	2.4
Hon Hai Precision Industry	Information Technology	46,106	1.8
Lite-On Technology	Information Technology	31,994	1.2
Zhen Ding Technology	Information Technology	25,219	1.0
		590,013	23.0
Thailand			
Minor International	Consumer Discretionary	11,849	0.5
Kiatnakin Phatra Bank	Financials	9,999	0.4
Thai Beverage	Consumer Staples	5,630	0.2
Star Petroleum Refining	Energy	5,291	0.2
		32,769	1.3
Turkey			
BIM Birlesik Magazalar	Consumer Staples	8,442	0.3
		8,442	0.3
United Arab Emirates			
Emaar Development	Real Estate	10,092	0.4
Emirates Central Cooling Systems	Utilities	6,862	0.3
Spinneys	Consumer Staples	3,914	0.2
		20,868	0.9
United States			
Genpact ^(f)	Industrials	26,805	1.0
Cognizant Technology Solutions ^(g)	Information Technology	24,766	1.0
		51,571	2.0
Total Investments at Fair Value		2,562,363	100.0

(a) Total portfolio fair value comprises equity investments of £2,562,364,000 less derivative liabilities of £1,000 per the Statement of Financial Position on page 84.

(b) Preferred shareholders are entitled to dividends before ordinary shareholders.

(c) US listed American Depository Receipt.

(d) Prosus is an investment group whose net asset value is predominately driven by its holding in Tencent.

(e) The gross asset exposure of Techtronic Industries is £43,471,000, respectively, comprising market exposure to equity investments of £43,420,000, plus market exposure to derivative instruments of £51,000.

(f) Zomato was renamed Eternal.

(g) This company is fair valued at zero as a result of its trading being suspended on international stock exchanges. At 31 March 2026, the Company held 888,726 shares in LUKOIL and 10,954,600 shares in Sberbank of Russia.

(h) Fila was renamed Misto.

(i) This company, listed on a stock exchange in a developed market, has significant exposure to operations from emerging markets.

TEMIT Market Capitalisation Breakdown %	Less than £1.5bn	£1.5bn to £5bn	£5bn to £25bn	Greater than £25bn
31 March 2026	3.4	7.7	26.2	62.7
31 March 2025	3.6	9.2	27.7	59.5

Benchmark Market Capitalisation Breakdown % ^(a)	Less than £1.5bn	£1.5bn to £5bn	£5bn to £25bn	Greater than £25bn
31 March 2026	0.0	5.6	35.9	58.5
31 March 2025	–	9.3	37.6	53.1

Chetan Sehgal
Lead Portfolio Manager

2 June 2026



Source: FactSet Research System, Inc.

(a) The MSCI Emerging Markets (Net Dividends) Index.

The investment managers' process



Investment philosophy and approach

TGI's long-term approach is driven by the 3 S's, seeking **Structural** growth opportunities in emerging markets, investing in businesses with **Sustainable** earnings power at a discount to intrinsic worth, and believing in responsible **Stewardship** of clients' capital. TGI seeks to capture the growth potential of emerging market companies and believes that this is best achieved by employing a bottom-up and fundamental security selection process. TGI conducts in-depth proprietary company research with a long-term and independent perspective. TGI believes in the responsible stewardship of clients' capital and that governance and sustainability issues create risks and opportunities for companies. ESG analysis is therefore integrated as a key element of fundamental bottom-up analysis.

TEMIT's performance in different market environments

TGI's approach aims for outperformance over the long term. The investment strategy tends to produce stronger performance when company fundamentals are the primary driver for stock returns, where a focus on stock selection should produce superior results. Performance may be less strong in highly sentiment-driven market environments, when investors focus more on the overall economic picture rather than company fundamentals.

This can also be the case when the market is overly short-term oriented, and rewards companies driven by what TGI views as unsustainable factors such as short-term demand/supply imbalances or inorganic growth.

Investment process

The three broad stages of TGI's investment process comprise: idea generation, stock research, and portfolio construction and management; with governance and sustainability considerations and risk management fully integrated at all stages.

1 | Idea generation

The key source of idea generation is TGI's team of over 100 analysts and portfolio managers located around the globe. Their experience and expertise allow them to identify trends which they may want to explore further through company research. In addition, TGI's local presence, network and understanding of local dynamics may help to identify trends and opportunities that other market participants may filter out through standard quantitative screens. TGI analysts speak the local language and are part of the local culture and fabric of the countries where they conduct research.

2 | Stock research

TGI analysts conduct rigorous analysis to assess whether a company has sustainable earnings power, and to establish a proprietary estimate of its intrinsic worth. By integrating ESG analysis with traditional business and financial analysis, TGI seeks to gain insights into the quality and risks of companies. TGI's research platform currently has coverage of over 1,200 companies of which over 700 are in emerging markets countries using a proprietary and rigorous bottom-up research approach, along with extensive knowledge of the wider investment universe.

TGI's research analysts form detailed views of companies by collecting and analysing a variety of information. The team conducts detailed quantitative financial analysis by building in-depth company models to evaluate financial strength and profitability, and to project future earnings and cash flow. Industry demand and supply models are incorporated in the analysis, as well as country and currency macro considerations. TGI has a strong emphasis on qualitative assessment.

The assessment of a company's ability to sustain stable or growing economic profits over time is typically driven by a combination of factors, including (i) sound business models; (ii) sustainable competitive advantages; (iii) management foresight; and (iv) low debt levels. Earnings power is the demonstrable ability to generate sustainable economic profit into the future in areas which could be beyond the current scope of operations. The analysts look for real earnings growth by focusing on economic earnings and cash flows rather than reported earnings and differentiating between operational earnings and financial earnings. They evaluate internal versus external drivers to earnings and prefer companies with earnings which can be affected through management action.

A key element of earnings power is therefore quality, as signified by (i) products and services with low regulatory and macro risk; (ii) financial strength; and (iii) management strength.

Each research recommendation may incorporate several valuation methods extending typically over a three to five-year horizon. TGI aims to clarify the risk/reward balance of a company by conducting sensitivity analysis, stress-testing, and scenario analysis. It seeks to identify what the market consensus expectations are for a stock and how the team's fundamental views may differ.

3 | Portfolio construction

TGI seeks to build a high-conviction stock-centric portfolio that is primarily driven by company-specific factors and focused on the long term. A bottom-up approach to stock selection is used, with country and sector allocations a residual of this process.

Portfolio style and characteristics

The strategy typically displays the following characteristics:

Core style



The strategy aims to deliver outperformance irrespective of market direction. The portfolio construction process leads to the majority of active risk being focused on stock selection, not style or currency factors.

Quality and growth but not at excessive valuation levels



The philosophy typically leads to a portfolio with higher quality and growth than the aggregate of the benchmark index.

High conviction portfolio



The top 10 holdings typically account for over 45% of the portfolio which overall is well-diversified across the market cap spectrum.

Low turnover



TGI's high conviction and long-term approach means that the typical annual portfolio turnover is less than 20%.

Buy and sell discipline

TGI's buy discipline is primarily designed to ensure that the portfolio managers buy when they have both conviction in a business and it is trading below its intrinsic value; TGI's sell discipline is designed to capture the opposite. All holdings are regularly reviewed to ensure that analyst recommendations are up to date and accurately reflect any changes in company fundamentals. In this way, ongoing fundamental research drives all buy and sell decisions.

Investment risk management

Investment in emerging markets equities involves exposure to a volatile asset class and therefore entails a higher degree of risk. Franklin Templeton applies a comprehensive and integrated approach to risk management across its portfolios, which is embedded throughout all stages of the investment process.

Investment risks are intentionally taken and clearly identified rather than indiscriminately minimised. Risk management is implemented in close collaboration with dedicated resources from Franklin Templeton's Investment Risk Management Group, which operates independently from the portfolio management team. A range of risk management tools is employed to anticipate, measure and decompose the portfolio's active risk, supporting a clear understanding and ongoing management of the portfolio's active risk profile.



For additional information with respect to the AIFM risk management framework, please read the Investor Disclosure Document on our website (www.temit.co.uk).

Stewardship

Templeton Emerging Markets Investment Trust ('TEMIT') seeks to capture the growth potential of emerging markets companies by employing a bottom-up security selection process with a long-term perspective. We aim to be a responsible steward of our clients' capital—that is why we integrate Environmental, Social and Governance ('ESG') factors into our investment research process to understand the financial risks and opportunities that stem from governance and sustainability issues.

Whilst governance and sustainability issues are analysed in our research, the findings are not binding on the stock selection process. TEMIT does not pursue any particular sustainable targets (e.g., carbon reduction) or objectives.

Being responsible stewards of our clients' capital is reflected in:

How we **act as investors**

- ESG research integration
- Company engagement and proxy voting
- Policy advocacy



How we **treat our clients**

- Putting clients first
- Being responsible fiduciaries of our clients' capital

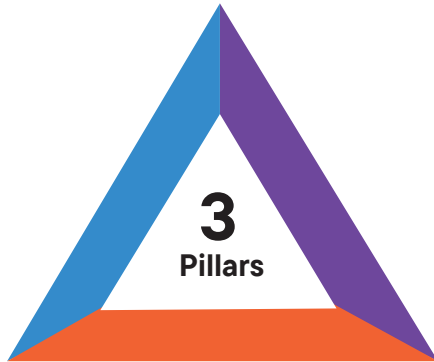
How we **behave as a business**

- Building relationships
- Working with integrity

Integrating ESG factors

As part of TEMIT's stock research process, ESG factors are researched alongside other important factors, such as company earnings power, competitive positioning and management quality. These factors are likely to impact materially on the operating performance or financial conditions of a company. This deepens our understanding of the companies we research; it also guides us in our engagement activities over a range of issues, better informing our research insights as we strive to protect shareholder value.

Our proprietary three-pillar ESG research framework is an assessment tool that has further enhanced our ability to identify financial risk and opportunities.



Operations

Assessing companies' commitment to managing material ESG risks and their long-term growth prospects and considering ESG factors in our valuation models.

Alignment

Assessing the alignment of companies' products and services to positive social and environmental outcomes.

Engagement

Identifying companies' potential for change and monitoring their incremental progress, using our on-the-ground capabilities and experience as active owners to foster positive change.

Please find below a case study of a company's commitment to manage the ESG footprint of its operating model from the full TEMIT Stewardship Report 2026 to give shareholders a snapshot of the typical operations analysis undertaken. Case studies of alignment and engagement can also be found in the full TEMIT Stewardship Report 2026 at www.temit.co.uk.

The case study in this section aims to showcase our ESG research, focusing on a company that is a larger weight in the portfolio.

Operations case study: Environmental

SK Hynix

South Korean semiconductor company SK Hynix is among the global leaders in memory chip production.



Materiality and Risk:

Natural resources and carbon footprints are financially material to semiconductor manufacturing. Advanced chip manufacturing requires significant volumes of electricity and ultra-pure water, increasing exposure to power price volatility, carbon regulation and water stress. As climate policy tightens and customers demand lower-carbon supply chains, companies face rising transition risks. These may include higher operating costs, additional capital expenditure and production disruptions.

ESG Thesis:

SK Hynix has a strong focus on climate transition and energy management, recognising carbon and electricity intensity as critical risk factors. It has implemented several initiatives to reduce operational emissions and improve energy efficiency^(a):

- SK Hynix has committed to achieving Net Zero by 2050 and maintaining Scope 1 and 2 emissions at the 2020 levels through to 2030, despite expected production growth driven by AI demand.
- The company is actively reducing high-GWP (Global Warming Potential) process gas usage through optimisation and alternative gas adoption. Abatement systems are also being improved, with scrubber enhancements pushing treatment efficiency up to 99%.
- Energy efficiency initiatives delivered 350 gigawatt-hour (GWh) of savings in 2024, exceeding internal targets. This was enabled by ISO 50001-certified energy management systems and AI-enabled optimisation.

SK Hynix has developed a robust strategy to manage climate transition risks, embedding oversight at the board and executive level while linking operational decarbonisation, renewable procurement and product energy efficiency improvements to long-term competitiveness.

Business Thesis:

SK Hynix is among the top two global DRAM memory leaders by sales volume. It commands strong competitiveness and technological leadership in High Bandwidth Memory (HBM), a critical component for AI data centers. While the memory industry remains structurally volatile given its history of supply-demand mismatches, consolidation across the DRAM and NAND markets is gradually improving industry structure. At the same time, DRAM is evolving towards customisation for specific customer requirements, alongside the rapid growth of HBM driven by AI applications. These trends are reinforcing each other and should support a more stable earnings outlook for the memory market.

(a) Source: SK Hynix Sustainability Report 2025.

TEMIT's research process includes a structured analysis of governance and sustainability issues. Whilst governance and sustainability issues are analysed in our research, the findings are not binding on the stock selection process. TEMIT does not pursue any sustainable targets (e.g., carbon reduction) or objectives.

Climate Change

Emerging market (EM) governments will need to adopt growth-enhancing fiscal and structural reforms that promote low-emission resilient investments, backed by productive and cost-effective climate policies, to achieve climate-compatible development. Against this backdrop, our objective to understand the climate commitments of our investee companies for company research incorporates both local and global perspectives, recognising that the pace of decarbonisation and the associated strategies will differ globally.

Our investment process incorporates top-down policy and industry studies, bottom-up company research and comprehensive ESG analysis including climate considerations, all of which help to

deepen our research insights. Factoring material environmental issues into our company forecasts can lead to adjustments in growth projections, margin expectations or discount rates. In addition, as active stewards of our clients' capital, engagement is a key tool that enables us to understand and facilitate a company's sustainability journey, where financially material, which is supported by a local footprint and access to management.

We do not rule out investing in companies in carbon intensive sectors, such as cement, steel, industrials and extractive industries. As a material sustainability issue, carbon emissions management can impact a company's business model in various ways, including carbon taxes, technology upgrades and compliance costs.

Climate Risk

The following case study discusses climate-related risks through our research of a large absolute carbon emitter.

Climate risk case study

Petrobras

Petrobras is a government-controlled oil and gas company in Brazil.



Materiality and Risk:

Climate risks are highly material for oil and gas companies. Given the sector's carbon-intensive nature and long-lived assets, climate-related developments, such as changes to climate policies, carbon pricing and technologies, have the potential to materially impact the financial performance, capital allocations, and asset viability of oil and gas companies over the medium to long term.

ESG Thesis:

Petrobras has implemented several initiatives to address its climate impact risks:^(a)

- Petrobras targets net zero operational emissions by 2050, net zero growth in operational emissions by 2030, and near net zero methane emissions by 2030. It links emissions performance to the variable compensation of all employees, including senior management. Additionally, it seeks to influence partners to adopt a 2050 net zero ambition for non-operating assets.
- Petrobras positions carbon capture and reinjection as a core strategic lever, targeting continued growth in offshore CO₂ reinjection capacity.

(a) Source: Petrobras Sustainability Report 2024.

- US\$16.3bn (15% of capital expenditure) was allocated to decarbonisation, exploring hydrogen, biofuels, renewables and CCUS (carbon capture, utilisation and storage) technologies. Low-carbon R&D is expected to hit 30% of total R&D by 2029.
- The company is meanwhile expanding into carbon-neutral gasoline and renewable diesel, while developing sustainable aviation fuel and bioenergy value chains.

Petrobras has demonstrated a strengthening commitment to addressing emissions across its value chain, notably through diversification into alternative fuels and the establishment of near- and long-term operational targets. This signals a recognition of transition risk and the need to align strategy with decarbonisation pathways. However, given that use-phase emissions (Scope 3 Category 11) constitute most of its overall footprint, a more explicit ambition for value chain emissions would enhance credibility. Setting quantified medium- to long-term targets linked to the company's outlook on affordability, availability and demand for alternative fuels would provide greater transparency on how its portfolio evolution is expected to translate into real-world emissions reductions.

Business Thesis:

Petrobras holds a portfolio of high-quality, long-life oil reserves supported by structurally-low lifting costs. This underpins strong cash generation resilience. The company benefits from leading deep and ultra-deepwater expertise, which sustains competitive production economics, alongside a sizeable and efficient refining system. It maintains a solid proven reserve base and has emerged from a multi-year turnaround and deleveraging phase with a strengthened balance sheet, positioning it to support disciplined capital allocation and attractive shareholder returns. The investment case assumes moderate long-term oil prices and modest production growth, supported by continued capital discipline. Compared to its oil and gas sector peers, Petrobras has strong disclosure of its environmental risks, which has been reflected in the discount rate applied to its discounted cash flow.

Effective engagement

We define effective engagement as a targeted dialogue with a company or regulator that seeks changes or improved outcomes related to financially material ESG topics as well as their disclosures. Each ESG engagement must have a specific and clearly-defined objective to measure progress against. This interaction entails a sustained, medium- to long-term dialogue, typically conducted through management meetings or written communications.

We may also reach out to gather ESG-related information, as part of our efforts to monitor investee companies' strategy and practices. Collectively, our engagement activities provide a strong foundation for TGI to build relationships with companies as co-owners, which will in turn inform our investment processes and drive long-term value creation for our clients.

ESG Discussion

Clarifying View

This is a targeted interaction to gather material ESG information through a company call, meeting or a one-time short-term discussion.

ESG Engagement

Seeking Change or Improved Disclosure

This is a targeted interaction to influence change related to financially material ESG topics and risks, including improved ESG disclosures. Each ESG engagement must have a specific and clearly defined objective to measure progress against. This interaction entails a sustained, medium-to long-term dialogue.

Our engagements are often with decision makers who can affect positive changes at the board or senior management level; subject-matter experts may also be involved. We adopt a non-adversarial engagement approach, aiming for mutually beneficial outcomes if possible.

Engagement statistics

We focus our time and efforts on material issues that affect the sustainability of earnings, and a company's operating model, including strategy. Our analysts are in continual dialogue with companies on a range of topics, including operational performance, competition landscape, business outlook and company financials, to name a few. There are also companies which we identify where we believe that dedicated discussions and engagements on ESG topics can impact long-term performance. Please see below a report on the nature and outcome of these meetings, where relevant. Given our long-term outlook, we build strong relationships with our investee companies as co-owners on our clients' behalf.

For the 12 months ended 31 March 2026, of the 353 company engagements (including repeated meetings with certain companies), there were 27 tagged ESG interactions (14 ESG discussions and 13 ESG engagements) where detailed interactions were conducted with an investee company.

Below is an ESG engagement example with an investee company in South Korea.

Company:	Objectives:
<p>Samsung SDI (Korea) Global leader in advanced battery and materials solutions</p>	<p>We have been engaging Samsung SDI on the potential disposal of its non-core holding, Samsung Display. While the disposal may be challenging to achieve without affecting the group structure, the stake is valued at approximately KRW5 trillion and may provide capital to support the company's expansion in the electric vehicle battery market, which may be accretive to shareholder returns.</p>
ESG engagement topic:	Outcome: Dialogue taking place between TGI and entity
<p>Corporate governance – Shareholder protection and rights</p>	<p>In March 2025, we wrote a letter to Samsung SDI, expressing our concerns regarding the dilutive impacts of new share issuance and encouraging the company to monetise its stake in Samsung Display. The company acknowledged that they were considering a stake sale. In October 2025, when we enquired about its plans for asset disposal, the company responded that there was no definitive timeline for the potential disposal, contrary to what was said in its 1Q25 earnings announcement. There was no progress following this exchange until the beginning of 2026, when the company shared that the disposal of its Samsung Display stake would remain a key priority. We will continue to engage the company on its progress here.</p>

Below is an ESG discussion example with an investee company in India.

Company:	Materiality
Eternal (India) Indian online food delivery and quick-commerce company	Fleet electrification is financially material to Eternal, which is dependent on a large delivery network, with fuel costs and regulatory exposure related to recent labour law reforms directly affecting its margins. Additionally, slow progress towards EV adoption may impact its emissions profile and the credibility of its climate commitments.
ESG discussion topic:	Discussion
Environmental – Transition risk	We sought an update from Eternal on its progress towards its stated target of transitioning to a 100% EV delivery fleet by 2030. Management indicated that EVs currently account for approximately 15% of its fleet, citing constraints including limited charging infrastructure, high upfront vehicle costs, and financing barriers that are slowing commercial adoption of electric two-wheelers. The current pace of adoption suggests execution risks relative to the 2030 target. We will continue to engage with Eternal to assess the credibility of its transition pathway, including interim milestones, capital allocation, and measures to address structural barriers to scaling up.

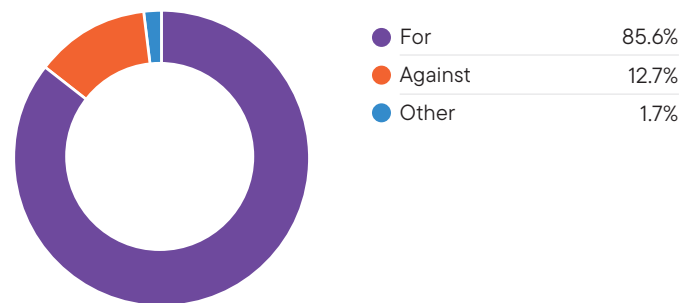
Proxy voting

In the year ended 31 March 2026, we voted on over 1,100 management proposals at annual and special general meetings for TEMIT. Most of the proposals which we voted on were related to companies' director appointments, routine business proposals and capital structure-related proposals.

Of the votable management proposals, we voted "For" proposals 86% of the time and "Against" in another 13%. By proposal category, as a percentage of votes within each category and where we had a total of more than 20 votes, our votes against

were largely concentrated on capital structure, management compensation, company articles and director-related matters. To ensure best practices, we referred to recommendations by third-party proxy voting services, such as ISS, where appropriate. However, we believe that we are also positioned to make our own assessments and judgements, in instances where we are better informed by our own research and interaction with management. We view votes against proposals as a formal way to communicate our views to management, and we do this based on our investment team's assessment of each motion, in line with our clients' best interests.

Voted on Over 1,100 Management Proposals



Percentage figures rounded to the nearest whole number.
Source: ISS

"Other" votes were instances where we have abstained a vote due to a lack of disclosure on director election candidates.

The number of resolutions proposed by shareholders (as distinct from a company's governing board) is increasing around the world, particularly on environmental and social issues, although they remain relatively uncommon in emerging markets. We encountered several governance-related shareholder proposals over the year. For TEMIT's portfolio, we voted "For" on 37 governance related shareholder proposals, representing 65% of all votable shareholder proposals. These were across several categories, such as director elections and company articles. We will continue to closely examine the merits of views raised by fellow shareholders and vote accordingly.

We encourage you to download the full TEMIT Stewardship Report 2026 from www.temit.co.uk for further, detailed information.

Business review

Strategy and business model

Company purpose and objective

TEMIT's purpose is to provide both private and institutional investors with the opportunity for capital appreciation via a professionally managed vehicle focused on listed equity investments in emerging markets.

The objective of TEMIT is to provide long-term capital appreciation via exposure to global emerging markets, supported by a culture of both strong customer service and corporate governance.

Investment policy

The Company seeks long-term capital appreciation through investment in companies in emerging markets or companies which earn a significant amount of their revenues in emerging markets but are domiciled in, or listed on, stock exchanges in developed countries ('Emerging Markets Companies').

It is expected that the majority of investments will be in listed equities. However, up to 10% of the Company's assets may be invested in unlisted securities. In addition, while it is intended that the Company will normally invest in equity instruments, the Investment Managers may invest in equity-related investments (such as convertibles or derivatives which are financial contracts whose value is linked to the price of shares and include equity options and equity contracts for difference) where they believe that it is advantageous to do so including for gearing purposes.

The portfolio may frequently be overweight or underweight in certain investments compared with the MSCI Emerging Markets (Net Dividends) Index (the 'Benchmark') and may be concentrated in a more limited number of sectors or geographical areas than the Benchmark. Investments may be made in Emerging Markets Companies outside the Benchmark that meet the investment criteria.

Whilst there are no specific restrictions on investment in any one sector or geographic area, the portfolio will be managed in a way which aims to spread investment risk. The portfolio will typically contain between 50 and 100 individual stocks but may, at times, contain fewer or more than this range. No more than 12% of the Company's assets will be invested in the securities of any one issuer at the time of investment, save that any investment in unlisted securities of any one issuer will be limited to no more than 2% of the Company's assets, measured at the time of investment.

The maximum borrowing (including any gearing generated through investing in derivatives) will be limited to 20% of the Company's net assets, measured at the time of borrowing.

No more than 10%, in aggregate, of the value of the Company's assets will be invested in other listed closed-ended investment funds.

In accordance with the UK Listing Rules, the Company will not make any material change to its published investment policy without the prior approval of the UK's Financial Conduct Authority ('FCA') and the approval of its shareholders by ordinary resolution. Any material change would be announced by the Company through a Regulatory Information Service.

Distribution policy

The Company will ensure that its total annual dividends will be paid out of the profits available for distribution under the provisions of the relevant laws and regulations and will be at least sufficient to enable it to qualify as an investment trust under the Corporation Tax Act 2010 and the ongoing requirements of The Investment Trust (Approved Company) (Tax) Regulations 2011. If the Company has received an exceptional level of income in any accounting year, the Board may elect to pay a special dividend. The primary focus of the investment policy is on generating capital returns, the Company does not target a particular level of income and there is no guarantee that dividend levels will be maintained from one year to the next.

The Company will normally pay two dividends per year, an interim dividend declared at the time when the half yearly results are announced, and a final dividend proposed at the time when the annual results are announced. The final dividend will be subject to shareholder approval at the AGM each year.

The Company may also distribute capital by means of share buybacks when the Board believes that it is in the best interests of shareholders to do so. The share buyback programme will be subject to shareholder approval at each AGM.

Business model

The Company has no employees and all of its Directors are non-executive. The Company delegates its day-to-day activities to third parties.

Since 1 October 2021, Franklin Templeton Investment Trust Management Limited ('FTITML', 'AIFM' or the 'Manager') has been the Company's AIFM and Company Secretary.

The Board is responsible for all aspects of the Company's affairs, including the setting of parameters for the monitoring of the investment strategy and the review of investment performance and policy. It also has responsibility for

overseeing all strategic policy issues, namely dividend, gearing, share issuance and buybacks, share price and discount/premium monitoring, corporate governance matters and engagement with all of the Company's stakeholders.

Strategy

The Company seeks to achieve its objective by following a strategy focused on the following:

Performance

At the heart of the strategy is the appointment and retention of capable investment management professionals, whose aim is to identify value and to achieve superior long-term growth for shareholders. TGI, under the leadership of Chetan Sehgal, continues to apply the same core investment philosophy that has driven TEMIT's performance since the Company's launch. The investment team aims to achieve long-term capital appreciation for shareholders seeking exposure to global emerging markets by investing in companies that they believe offer the potential for long-term sustainable growth and good value, combined with strong management and sound governance.

Investment Process and Environmental, Social and Governance ('ESG') Considerations

As part of TEMIT's stock research process, ESG factors are researched alongside other important factors, such as company earnings power, competitive positioning and management quality. These factors are likely to impact materially the operating performance or financial conditions of a company. This deepens our understanding of the companies we research; it also guides us in our engagement activities over a range of issues, better informing our research insights, as we strive to protect shareholder value.

As TEMIT is an investment trust, the key ESG consideration is the stewardship of its portfolio of investments. The Board has reviewed and fully supports TGI's approach to stewardship and receives regular reports on Franklin Templeton's policies and controls.

TEMIT has no greenhouse gas emissions to report from the operations of the Company, as all of its activities are outsourced to third parties. While as an investment trust TEMIT is exempt from disclosures recommended by the Task Force on Climate-related Financial Disclosures ('TCFD'), Franklin Templeton continues to develop metrics for our carbon footprint. Further information on our approach to stewardship and climate change can be found under Stewardship starting on page 33 of this report and in more detail in the full Stewardship Report, available on our website (www.temit.co.uk).

TEMIT has no employees and is not an organisation that provides goods or services as defined in the Modern Slavery Act 2015 and thus the Company considers that the Act does not apply. The Company's own supply chain consists predominantly of professional services advisers.

Culture and Values

The Board believes in a culture of openness and constructive challenge in its interactions with the Manager and other service providers. The Board aims to maintain open and regular communication with shareholders, as set out under Communication on page 42.

The Company is committed to acting professionally, fairly and with integrity in all of its business dealings and relationships. The Board has a zero-tolerance policy towards bribery and looks to ensure that its service providers and associated persons have effective policies and procedures designed to actively prevent bribery which are proportionate, and risk based. In relation to the corporate offence of failing to prevent tax evasion, it is the Company's policy to conduct all business in an honest and ethical manner. The Company also takes a zero-tolerance approach to any facilitation of tax evasion whether under UK law or under the law of any foreign country. The Board notes that the Manager has a robust whistleblowing policy in place.

Information on the Company's approach to Diversity is set out in the Directors' Report on page 54.

Liquidity

The shares issued by the Company are traded on the London and New Zealand stock exchanges. The Company has engaged Winterflood Securities and JP Morgan as joint financial advisers and stockbrokers.

Covered Call Options

The portfolio managers have the ability to invest for TEMIT in 'covered call options' with the aim of increasing returns for shareholders.

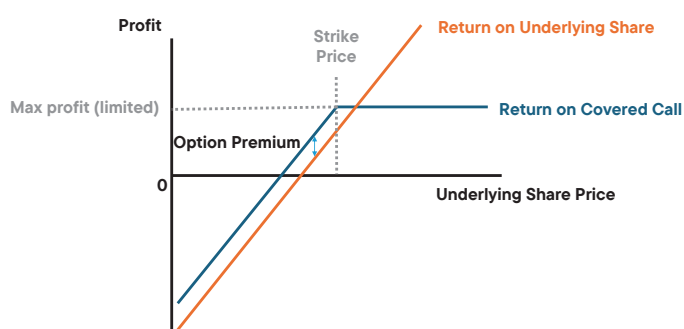
A call option gives the buyer the right to buy shares in an underlying company at a fixed price at some point in the future. The fixed price is called the 'strike price'. By selling (or 'shorting') a covered call option, TEMIT sells to a counterparty the right to buy some of the shares that it owns.

When TEMIT sells a covered call option, it receives an amount (the 'premium') from the buyer in exchange for the buyer obtaining the right to buy the shares at the strike price.

A covered call option has a fixed life, with the final date of its life called the 'maturity date'.

- If on the maturity date the share price is below the option strike price, then the call option will expire. TEMIT will have received the option premium, enhancing investment returns, and will still own the underlying shares.
- If on the maturity date the share price is above the option strike price, then the owner of the option has the right to buy the shares under the option at the fixed strike price. If this happens, then TEMIT will have sold the return on the shares above the strike price, but it will have received the option premium.

The effect of covered call options then is that TEMIT receives an option premium but the upside on the returns on the underlying shares is limited to the option strike price as shown in the diagram.



If the price of the shares underlying a call option increases to the strike price or above, in practice TEMIT's fund managers will make a decision on whether to reinvest by (re)buying the shares. This will depend on their views on the likely further upside at the time and the company's prospects will be reassessed, as the prospects of all companies in the portfolio are regularly reassessed as new information comes to light.

As at 31 March 2026 TEMIT had written covered call options in Techtronic Industries. During the year the Company also wrote covered call options in Alibaba, which expired in March, and Baidu, which were bought back prior to maturity.

Gearing

Fixed Term Loan

On 31 January 2020, the Company entered into a five-year £100 million loan at a fixed rate of 2.089% with Scotiabank Europe plc. The loan was repaid in full at its maturity on 31 January 2025. The fixed term loan was denominated in pounds sterling and is disclosed in Note 11 of the Notes to the Financial Statements on pages 96 and 97.

Revolving Credit Facility

On 30 January 2026, the Company entered into a £122 million multi-currency revolving loan facility with The Bank of Nova Scotia, London Branch. This loan facility is a rolling agreement with the option to terminate after one year and commercial terms will be reviewed every three years. Drawings may be in sterling, US dollars ('USD') or Chinese renminbi ('CNH'). As at 31 March 2026, tranches of £40 million, USD 50 million and CNH 300 million were drawn down from this facility. Further details of the facility are set out in Note 11 of the Notes to the Financial Statements on pages 96 and 97.

The Company had no other debt as at 31 March 2026. The net gearing position was 1.2% (net of cash in the portfolio) at the year-end (2025: 0.2%)^(a).

The Board continues to monitor the level of gearing and currently considers borrowing of up to 20% of net assets to be appropriate, measured at the time of borrowing.

Affirmation of Shareholder Mandate

In accordance with the Company's Articles of Association, the Board must seek shareholders' approval every five years for TEMIT to continue as an investment trust. This allows shareholders the opportunity to decide on the long-term future of the Company. The last continuation vote took place at the AGM on 11 July 2024, when 99.3% of the votes cast were registered as votes in favour. The next continuation vote will take place at the 2029 AGM.

(a) A glossary of terms and alternative performance measures is included on pages 114 and 115.

Stability – Share Buybacks and Conditional Tender Offer

The Company has powers to buy back its shares as a discount control mechanism and when this is in the best interests of the Company's shareholders and has a Conditional Tender Offer. The share price discount to net asset value is discussed under Key Performance Indicators on page 46.

Under the Conditional Tender Offer, if over the five-year period from 31 March 2024 to 31 March 2029 the Company's net asset value total return fails to exceed the benchmark total return, the Board will put forward proposals to shareholders to undertake a tender offer for up to 25 per cent of the issued share capital of the Company, at the discretion of the Board.

Any such tender offer will be at a price equal to the then prevailing net asset value less two per cent (and less the costs of the tender offer). There will be no tender offer if the Company's net asset value total return exceeds the benchmark total return (MSCI Emerging Markets (Net Dividends) Index) over the five-year period. Any tender offer would take place following the Company's 2029 AGM and will also be conditional on shareholders approving the continuation vote in 2029 which is described under 'Affirmation of Shareholder Mandate' above.

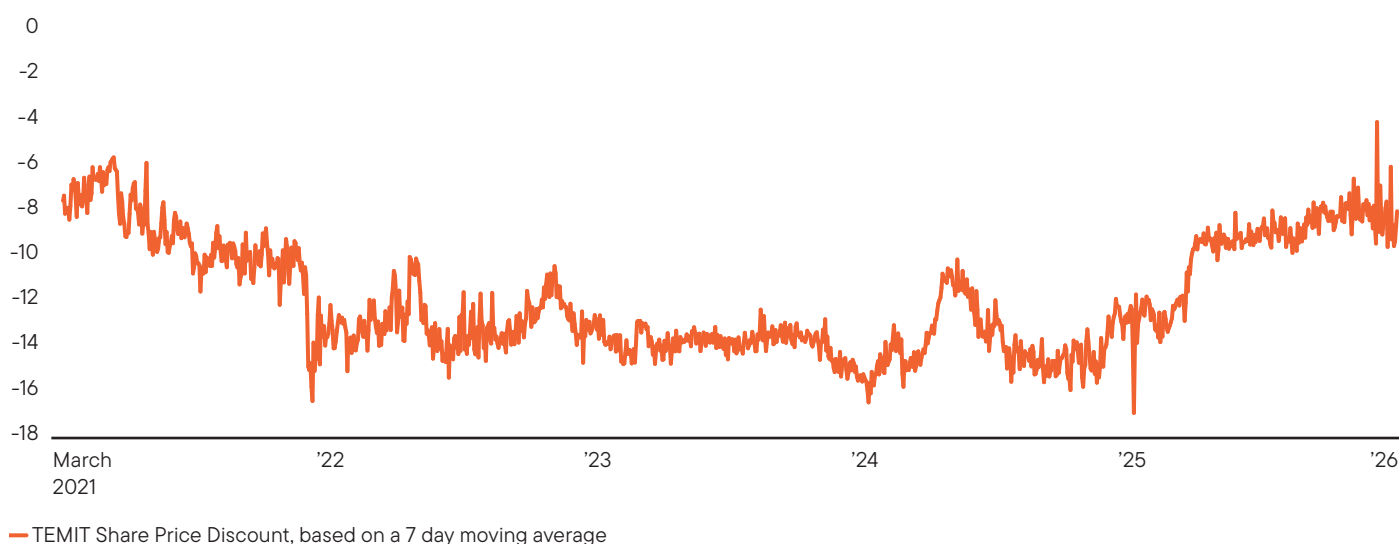
A key point in the Investment Managers' mandate is to take a long-term view of investments and one of the advantages of a closed-end fund is that the portfolio structure is not disrupted by large inflows or outflows of cash. However, the Board and the

Investment Managers recognise that the returns experienced by shareholders are in the form of movements in the share price, which are not directly linked to NAV movements, and the shares may trade at varying discounts or premiums to the prevailing NAV. Many shareholders, both professional and private investors, have expressed a view that a high level of volatility in the discount is undesirable and that the Company should continue its active share buyback programme. A less volatile discount, and hence share price, is seen as important to investors. For this reason, TEMIT uses share buybacks selectively with the intention of limiting volatility in the share price. Details of the share buybacks are included in the following table. All shares bought back in the year were cancelled, with none being placed in treasury. As at 31 March 2026, the Company held 60,000,000 shares in treasury (2025: 60,000,000 shares in treasury).

Discount management is reviewed regularly by the Board to ensure that it remains effective in the light of prevailing market conditions. The Conditional Tender Offer will not affect the Board's current approach to discount management. The Board will continue to exercise the Company's right to buy back shares when it believes this to be in shareholders' interests and with the aim of reducing volatility in the discount.

	2026	2025
Shares Bought Back and Cancelled During the Year	79,922,725	89,989,892
Proportion of Share Capital Bought Back and Cancelled	7.8%	8.1%
Total Cost of Share Buybacks	£166.7m	£149.2m
The Benefit to NAV	£18.4m	£23.7m
The Percentage Benefit to NAV	0.8%	1.2%

Share Price Discount to NAV



Communication

The Board and Manager aim to ensure that investors are kept updated regularly about the performance of TEMIT and of emerging markets through clear communication and updates. The Board is fully committed to TEMIT's marketing and communications programme. There is a substantial annual marketing and communication budget, and expenditure by TEMIT and the Manager makes a contribution to these costs.

TEMIT has received AIC Shareholder Communication awards for its effective campaigns and promotions in 2022, 2023, 2024 and 2025. Through innovative use of broadcast media and direct marketing, TEMIT's profile has been elevated, showcasing the Company's benefits and conveying the dynamic growth story of emerging markets to a wider audience. This follows a rebrand in January 2022, when TEMIT unveiled a fresh corporate identity, establishing a unique brand for the Company for the first time.

TEMIT seeks to keep shareholders updated on performance and investment strategy through its Annual and Half Yearly Reports, along with monthly factsheets and manager commentaries, which are available on the Company's website - temit.co.uk - offering a wealth of updates, stock story videos, articles, portfolio details, and essential documents. Connect with x.com/temit for ongoing updates and announcements as we expand our social media presence.

The Board encourages registration to our monthly email that keeps subscribers apprised of the latest performance, insights and announcements.

In addition, TEMIT has an active communications programme. Our Investment Managers provide topical and informative comments to journalists, host media briefings and events and publish articles on issues relevant to investing in emerging markets. The Investment Managers meet regularly with professional investors and analysts and host interactive webinars. At each AGM the Investment Managers make a presentation with the opportunity for all shareholders to ask questions.

The Chairman regularly meets major shareholders to discuss investment performance and developments in corporate governance. We try to engage with a wide spectrum of our shareholders and aim to address their concerns as far as practically possible. Shareholders are welcome to contact the Chairman or the Senior Independent Director at any time via temitcosec@franklintempleton.com.



Section 172 Report – Promoting the success of the Company

The Companies (Miscellaneous Reporting) Regulations 2018 require Directors to explain how they have discharged their duties under Section 172(1) of the Companies Act 2006 in promoting the success of their companies for the benefit of 'members as a whole' and having regard for all stakeholders.

Section 172 Matter	<ol style="list-style-type: none"> 1. The likely consequences of any decision in the long term. 2. The interests of the Company's employees. 3. The need to foster the Company's business relationships with suppliers, customers and others. 4. The impact of the Company's operations on the community and the environment. 5. The desirability of the Company maintaining a reputation for high standards of business conduct. 6. The need to act fairly between members of the Company.
Board's Statement	<ol style="list-style-type: none"> 1. The Board is focused on promoting the long-term success of the Company and regularly reviews the Company's long-term strategic objectives, including consideration of the impact of the Investment Managers' actions on the marketability and reputation of the Company and the likely impact on the Company's stakeholders of the Company's strategy. 2. The Company has no direct employees. 3. The Board's approach to its key stakeholders is set out below. 4. The Board's approach is set out in the section on Investment Process and ESG Considerations under Strategy and Business Model on page 38. 5. The Board's approach is set out in 'Culture and Values' on page 39. 6. The Board's approach to its key stakeholders is set out below.

In addition to the primary focus of the Board, and with due regard to its obligations under Section 172 of the Companies Act 2006, the following important matters were considered at Board meetings during the year:

- Changes to the risk matrix, monitoring such changes carefully and introducing alternative mitigating controls where necessary and practicable to support the operation of an effective control environment;
- Review of the marketing plan with the Manager;
- Review of the share buyback programme;
- Review of the dividend policy; and
- Review of the gearing facility and in particular the decision to enter into a new revolving credit facility.

The Board considers the main stakeholders in the Company to be its shareholders and its service providers, the principal one of which is its Manager, along with its investee companies. A summary of the key areas of engagement undertaken by the Board with its main stakeholders in the year under review and how Directors have acted upon this to promote the long-term success of the Company are set out in the following table.

Stakeholders	Area of Engagement	Consideration	Engagement	Outcome
Shareholders and Potential Investors	Company Objective	Delivering on the Company's objective to shareholders over the long term.	<p>The Company's objective and investment policy are set out on page 38.</p> <p>The Company's performance against its objective is regularly reviewed by the Board, taking account of views expressed by shareholders.</p> <p>The Company holds a continuation vote every five years to allow shareholders to decide on the long-term future of the Company.</p>	<p>The Investment Managers' Report commencing on page 14 gives a full commentary on the Company's portfolio as well as on the approach and considerations undertaken by the Investment Managers for stock selection in the portfolio.</p> <p>A continuation vote took place at the 2024 AGM, with 99.30% of votes cast in favour. The next continuation vote is scheduled to take place at the 2029 AGM.</p>
Shareholders and Potential Investors	Dividend	The objective of the Company is to provide long term capital appreciation, however, the Board recognises the importance of dividend income to many shareholders.	<p>The Board reviews regularly the level of dividends, taking account of the income generated by the Company's portfolio and the availability of reserves.</p> <p>In considering the sustainability of the dividend and of the Company, the Board reviews the models supporting the going concern assessment and viability statement.</p>	Dividend payments are discussed in the Chairman's Statement on page 9.
Shareholders and Potential Investors	Communication with Shareholders	The Board understands the importance of communication with its shareholders and maintains open channels of communication with shareholders.	Working closely with the Manager, the Board ensures that there is a variety of regular communication with shareholders.	<p>Full details of all Board and Manager communication are included on page 42.</p> <p>Shareholders are invited to submit questions for the Board to address at the Company's AGM. They are also welcome to contact the Chairman or other Board members at any time.</p>

Stakeholders	Area of Engagement	Consideration	Engagement	Outcome
Shareholders and Potential Investors	Discount Management	To smooth the volatility in the discount.	The Board monitors the discount closely and discusses discount strategy with the Investment Managers and the Company's joint stockbrokers at every regular Board meeting. The stockbrokers provide a summary of the discount and market conditions to the Board and Investment Managers at the close of each trading day in London. The Board also meets with the Investment Managers to discuss the Company's marketing strategy to ensure effective communication with existing shareholders and to consider strategies to create additional demand for the Company's shares.	<p>TEMIT continues to adopt an active buy back policy and has a Conditional Tender Offer. Details of these can be found under 'Stability – Share Buybacks and Conditional Tender Offer' on page 41.</p> <p>Further details of the current discount and discount management are detailed in the Chairman's Statement under 'Share price rating' on page 9.</p>
Manager	Communication Between the Board and the manager	The Board's oversight of the Manager is very important.	The Manager attends all regular Board meetings where it reviews and discusses performance reports, changes in the portfolio composition and risk matrix. The Board receives timely and accurate information from the Manager and engages with the Investment Managers and the Company Secretary between meetings as well as with other representatives of the Manager as and when it is deemed necessary.	The Board operates in a supportive and open manner, challenging the activity of the Manager and its results. The Board believes that the Company is well managed and the Board places great value on the experience of the Investment Managers to deliver superior long-term returns from investments and on the other functions of the Manager to fulfil their roles effectively.
Third-party Service Providers	Engagement with Service Providers	The Board acknowledges the importance of ensuring that the Company's service providers are delivering a suitable level of service, that the service level is sustainable and that they are fairly remunerated for their service.	As TEMIT is an investment company all services are outsourced to third-party providers. The Board considers the support delivered by service providers including the quality of the service, succession planning and any potential interruption of service or other potential risks.	The Manager maintains the overall day-to-day relationship with the service providers and the Board undertakes an annual review of the performance of the Company's service providers. This review also includes the levels of fees paid.
Investee Companies	Engagement with Investee Companies	The relationship between the Company and the investee companies is very important.	On behalf of the Company the Investment Managers engage with investee companies implementing corporate governance principles. They discuss the portfolio with the Board on a quarterly basis.	The Investment Managers have a dedicated research team that is employed in making investment decisions and when voting at shareholder meetings of investee companies.

Key performance indicators

The Board considers the following to be the key performance indicators ('KPIs') for the Company:

- Net asset value and share price total return over various periods, compared to its benchmark;
- Share price discount to net asset value;
- Dividend and revenue earnings; and
- Ongoing charges ratio.

The 10 Year Record of the KPIs is shown on page 8.

Net asset value and share price total return^(a)

Net asset value and share price total return data is presented within the Financial Highlights on page 4 along with the 10 Year Record on page 8.

The Chairman's Statement on pages 9 to 12 and the Investment Managers' Report on pages 14 to 30 include further commentary on the Company's performance.

Performance of the Company's portfolio is measured in pounds sterling (GBP) against the MSCI Emerging Markets (Net Dividends) Index (GBP).

Share price discount to net asset value^(a)

Details of the Company's share price discount to net asset value are presented in the Financial Summary on page 7.

On 21 May 2026, the latest practicable date for which information was available, the discount was 8.9%.

The Company has powers to buy back its shares as a discount control mechanism when the Board considers that this is in the best interests of the Company's shareholders and has a Conditional Tender Offer mechanism. These are described under 'Stability – Share Buybacks and Conditional Tender Offer' on page 41.

Dividend and revenue earnings

Total income earned in the year was £65.6 million (2025: £70.4 million) which translates into net revenue earnings of 5.39 pence per share (2025: 5.41 pence per share), slightly lower compared to the prior year.

The Company paid an interim dividend of 2.00 pence per share on 30 January 2026. The Board is proposing a final dividend of 3.25 pence per share, making total ordinary dividends for the year of 5.25 pence per share.

Ongoing charges ratio^(a) ('OCR')

The OCR reduced to 0.86% for the year ended 31 March 2026, compared to 0.95% in the prior year. This was driven by the reduction in the AIFM fee rate as detailed in the Directors' Report on page 58 and in the Chairman's Statement on page 10 and an uplift in the average net assets over the year. The OCR has been calculated in line with the Association of Investment Companies ('AIC') recommended methodology.

Costs associated with the purchase and sale of investments are taken to capital and are not included in the OCR.

Transaction costs are disclosed in Note 8 of the Notes to the Financial Statements on page 95.




(a) A glossary of terms and alternative performance measures is included on pages 114 and 115.

Principal and emerging risks

At least quarterly, the Board reviews with the AIFM and the Investment Managers a wide range of risk factors that may impact the Company. A full review of risks and internal controls is held every September by the Audit and Risk Committee. These reviews include 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. These are summarised in the table below.

Further explanation of the monitoring of risk and uncertainties is covered in the Report of the Audit and Risk Committee on page 67. Information on the risks that TEMIT is subject to, including additional financial and valuation risks, are also detailed in Note 16 of the Notes to the Financial Statements.

Due to the nature of the Company's business, investment risk is a key focus and is reviewed on an ongoing basis by the Investment Managers as part of every investment decision. Further information on this process is detailed on page 33.

	Principal Risk	Mitigation
 <p>Market, Geopolitical and Investment</p>	<p>Market risk arises from volatility in the prices of the Company's investments, from the risk of volatility in global markets arising from macroeconomic and geopolitical circumstances and conditions. Many of the companies in which TEMIT invests are, by reason of the locations in which they operate, exposed to the risk of political or economic change. In addition, sanctions, exchange controls, tax or other regulations introduced in any country in which TEMIT invests may affect its income and the value and the marketability of its investments. Emerging markets can be subject to greater price volatility than developed markets.</p> <p>Geopolitical risk arises from political instability, conflict, policy intervention and regulatory actions that inherently affect market access, investability, valuation and liquidity across emerging markets. Such developments can give rise to sanctions, trade and capital restrictions, supply chain disruption and changes in inflationary conditions, which can increase market volatility, impair investor sentiment and impact the operating environment of investee companies.</p> <p>Investment risk refers to the possibility that an investment's actual returns may differ from the expected returns, potentially resulting in financial loss. As well as market and geopolitical risk, this risk is impacted by the decisions made by portfolio managers regarding sector, country allocation, and stock selection.</p>	<p>The Board reviews regularly and discusses with the Investment Managers the portfolio, the Company's investment performance and the execution of the investment policy against the long-term objectives of the Company. The Manager's independent risk team performs systematic risk analysis, including country and industry specific risk monitoring, as well as stress testing of the portfolio's resilience to geopolitical shocks. The Manager's legal and compliance team monitors sanctions. Where TEMIT is affected, adherence to all sanctions and restrictions is ensured by this team. The Board also regularly reviews reports from the Manager's risk, legal and compliance teams.</p>
 <p>Technology</p>	<p>Failure or breach of the security of information technology systems of the Company's service providers may entail risk of financial loss, disruption to operations or damage to the reputation of the Company.</p>	<p>The Company benefits from Franklin Templeton's technology framework designed to mitigate the risk of a cyber security breach.</p> <p>For key third-party providers, the Audit and Risk Committee receives regular independent reports on their technology control environment.</p>
 <p>Concentration</p>	<p>Concentration risk arises from investing in relatively few holdings, few sectors or a restricted geographic area. NAV performance may be more volatile and dividend payment less predictable, than with a greater number of securities.</p>	<p>The Board reviews regularly the portfolio composition/asset allocation and discusses related developments with the Investment Managers and the independent risk management team. The Investment Compliance team of the Investment Managers monitors concentration limits and highlights any concerns to portfolio management for remedial action.</p>

	Principal Risk	Mitigation
 Key Personnel	<p>The ability of the Company to achieve its objective is significantly dependent upon the expertise of the Investment Managers and their ability to attract and retain suitable staff.</p>	<p>The Manager endeavours to ensure that the principal members of its management teams are suitably incentivised, participate in strategic leader programmes and monitor key succession planning metrics. The Board meets privately with the key personnel at least twice a year. The Board discusses this risk regularly with the Manager.</p>
 Foreign Currency	<p>Currency exchange rate movements may affect TEMIT's performance. In general, if the value of sterling increases compared with a foreign currency, an investment traded in that foreign currency will be worth less in sterling terms. This can have a negative effect on the Company's performance.</p>	<p>The Board monitors currency risk as part of the regular portfolio and risk management oversight. TEMIT does not hedge currency risk.</p>
 Discount Risk	<p>The discount/premium at which the Company's shares trade relative to its net asset value can change. The risk of a widening discount, and/or related volatility, could reduce shareholder returns and confidence in the Company.</p>	<p>The Board monitors the level of discount/premium at which the shares trade and has an active investor relations programme. The Company has authority to buy back its existing shares when deemed by the Board to be in the best interests of the Company and its shareholders.</p>
 Regulatory	<p>The Company is an Alternative Investment Fund ('AIF') and is listed on both the London and New Zealand stock exchanges. The Company operates in an increasingly complex regulatory environment and faces numerous regulatory risks. Breaches of regulations could lead to a number of detrimental outcomes and reputational damage.</p>	<p>The Board, with the assistance of the Manager, ensures that the Company complies with all applicable laws and regulation and its internal risk and control framework reduces the likelihood of breaches happening.</p>
 Sustainability and Climate Change	<p>The Company's portfolio, and also the Company's service providers and the Investment Managers, are exposed to risks arising from governance and sustainability issues, including climate change. To the extent that such a risk occurs, or occurs in a manner that is not anticipated by the Investment Managers, there may be a sudden, material negative impact on the value of an investment, and the operations or reputation of the Investment Managers.</p>	<p>The Investment Managers consider that sustainability risks are relevant to the returns of the Company. The Manager has implemented a policy in respect of the integration of sustainability and climate change risks in its investment decision making process. The Board receives regular reports on the policies and controls in place on ESG considerations. The Board has reviewed and fully supports the Franklin Templeton Stewardship Statement and its Sustainable Investing Principles and Policies.</p>
 Operational and Custody	<p>Like many other investment trust companies, TEMIT has no employees. The Company therefore relies upon the services provided by third parties and is dependent upon the control systems of the Investment Managers and of the Company's other service providers. The security, for example, of the Company's assets, dealing procedures, accounting records and maintenance of regulatory and legal requirements depends on the effective operation of these systems.</p>	<p>The Manager's systems are regularly tested and monitored and an internal controls report, which includes an assessment of risks together with an overview of procedures to mitigate such risks, is prepared by the Manager and reviewed by the Audit and Risk Committee.</p> <p>J.P. Morgan Europe Limited is the Company's depository. Its responsibilities include cash monitoring, safe keeping of the Company's financial instruments, verifying ownership and maintaining a record of other assets and monitoring the Company's compliance with investment limits and borrowing requirements. The depository is liable for any loss of financial instruments held in custody and will ensure that the custodian and any sub-custodians segregate the assets of the Company. The depository oversees the custody function performed by JPMorgan Chase Bank. The custodian provides a report on its key controls and safeguards (SOC 1/ SSAE 16/ ISAE 3402) that is independently reported on by its auditor, PwC.</p> <p>The Board reviews regular operational risk management reporting provided by the Investment Managers.</p>

Emerging risks

The Board and the Investment Managers continue to monitor emerging developments that may affect the Company's portfolio, investability or operating environment, including developments that could amplify the principal risks. Geopolitical uncertainty remains an important area of focus, particularly where political instability, conflict, policy fragmentation and regulatory intervention increase the likelihood of sudden changes in market access, sanctions, trade restrictions or capital restrictions. The Board also continues to monitor the potential implications of rapid technological change, including developments in artificial intelligence, which may affect competitive dynamics, valuation, market structure and operational resilience across sectors and geographies relevant to the portfolio.

Viability statement

The Board considers viability as part of its continuing programme of monitoring risk. In preparing the Viability Statement, in accordance with the UK Corporate Governance Code and the AIC Corporate Governance Code, the Directors have assessed the prospects of the Company over a longer period than the 12 months required by the 'Going Concern' provision.

The Board has considered the Company's business and investment cycles and is of the view that five years is a suitable time horizon to consider the continuing viability of the Company, balancing the uncertainties of investing in emerging markets securities against having due regard to viability over the longer term.

In assessing the Company's viability, the Board has performed a robust assessment of controls over the principal risks. The Board considers, on an ongoing basis, each of the principal and emerging risks as noted above and set out in Note 16 of the Notes to the Financial Statements. The Board evaluated various scenarios including a material increase in expenses and a continued significant and prolonged fall in emerging equity markets. The Board also considered the latest assessment of the portfolio's liquidity. The Board monitors income and expense projections for the Company, with the majority of the expenses being predictable and modest in comparison with the assets of the Company.

The Company foresees no issues with meeting interest payments and current liabilities relating to the £122 million multi-currency revolving credit facility. A significant proportion of the Company's expenses is the ad valorem AIFM fee, which would naturally reduce if the market value of the Company's assets were to fall.

Considering the above, and with careful consideration given to the current market situation, the ramifications of continuing geopolitical tensions and the challenges posed by climate change, the Board has concluded that there is a reasonable expectation that, assuming that there will be a successful continuation vote at the 2029 AGM, the Company will be able to continue to operate and meet its liabilities as they fall due over the next five years.

Future strategy

The Company was founded, and continues to be managed, based on a long-term investment strategy that seeks to generate superior returns from investments, principally in the shares of carefully selected companies in emerging markets.

The Company's results will be affected by many factors including political decisions, economic factors, the performance of investee companies and the ability of the Investment Managers to choose investments successfully as well as the current challenges.

The Board and the Investment Managers continue to believe in investment with a long-term horizon in companies that are undervalued by stock markets, but which are fundamentally strong and growing. It is recognised that, at times, extraneous political, economic and company-specific and other factors will affect the performance of investments, but the Company will continue to take a long-term view in the belief that patience will be rewarded.

By order of the Board

Angus Macpherson

2 June 2026



02. Governance

Directors' report

The Board is responsible for framing and executing the Company's strategy and for monitoring risks closely. The Board endeavours to run the Company in a manner which is responsible, honest, transparent and fully accountable. In the Board's view, good governance means managing the Company's business well and engaging effectively with investors and other stakeholders. The Board considers the practice of good governance to be an integral part of the way that it manages the Company and it is committed to maintaining the highest standards of financial reporting, transparency and business integrity.

The Directors submit their Annual Report, together with the Financial Statements of the Company, for the year ended 31 March 2026.

Board of Directors



Angus Macpherson

(Chairman of Board, Chairman of Management Engagement Committee and Chairman of Nomination and Remuneration Committee: 1 January 2024)

Date of appointment: 6 October 2023

Angus is chairman of Noble and Company (UK) Limited, an independent boutique Scottish corporate finance business. He was based in Asia between 1995 and 2004 in Singapore and Hong Kong, latterly as head of capital markets and financing for Merrill Lynch for Asia. He was previously Chairman of Pacific Horizon Investment Trust and of Henderson Diversified Income Trust. Angus brings to the Board extensive experience in corporate finance in Europe and in Asia and is an experienced chairman of investment trusts.

Other Current Appointments:

- The Scottish American Investment Company P.L.C. (Chairman)
- Schroder Japan Growth Fund plc (Non-Executive Director)
- Hampden & Co plc (Non-Executive Director)
- Noble and Company (UK) Limited (Chairman)

Angus is an independent Director.



Sarika Patel

(Chair of the Audit and Risk Committee: 11 July 2025)

Date of appointment: 1 January 2025

Sarika is an experienced Chair and non-executive Director with a strong track record across FTSE-listed investment trusts, regulated sectors and complex public institutions. She is a Chartered Accountant and a Chartered Marketer. She also is a Bachelor in Law (LLB) and a Bachelor in Commerce (BCom).

Other Current Appointments:

- abrdn Equity Income Trust plc (Chair)
- SDCL Energy Efficiency Income Trust plc (Chair of Audit and Risk Committee)
- Action for Children (Chair)

Sarika is an independent Director.



David Graham

Date of appointment: 1 September 2016

David is a Chartered Accountant whose career was in investment management, firstly as an Asian fund manager with Lazard and then building businesses across Asia Pacific, Europe, Middle East and Africa for BlackRock and predecessor firms (Merrill Lynch Investment Managers and Mercury Asset Management). David has worked in Hong Kong, Tokyo and Sydney and has been a Representative Director in domestic, joint venture, fund management companies in India, China, Thailand and Taiwan. David contributes extensive experience of Asia and other emerging markets.

Other Current Appointments:

- JPMorgan China Growth & Income plc (Chair of the Audit Committee)
- Jio-Blackrock Asset Management Private Limited (Non-executive Director)

David is an independent Director.

David will retire at the conclusion of the Annual General Meeting in July 2026.

Board of Directors



Magdalene Miller

Date of appointment: 10 May 2021

Magdalene is a former investment director who specialised in investments in global emerging markets. Based in London and Edinburgh, she spent 32 years managing listed equity portfolios, investing in Japanese, Asian Pacific and UK markets. Born in Hong Kong, Magdalene is fluent in Cantonese and Mandarin and has travelled extensively in China and Asia over the course of her career. She currently serves as a trustee for an educational endowment fund and participates in volunteering work.

Other Current Appointments:

- Baillie Gifford China Growth Trust plc (Non-Executive Director)

Magdalene is an independent Director.



Charlie Ricketts

(Senior Independent Director: 11 July 2025)

Date of appointment: 12 July 2018

With over 30 years' experience in the investment trust sector, Charlie brings a wealth of experience to the Board. He was Head of Investment Funds at Cenkos Securities for 8 years and prior to that was Managing Director, Head of Investment Companies at UBS Investment Bank. Since leaving full-time employment in 2014 Charlie has pursued both charitable and business interests including a now completed senior non-executive director appointment at Asia Dragon Trust plc and a present directorship with Cyclico, a board performance review company. Charlie has a wide-ranging understanding of the investment companies sector and draws on previous experience across corporate finance, corporate broking, marketing and risk management.

Other Current Appointments:

- Cyclico Limited (Director)
- Carefree (Chair)

Charlie is an independent Director.



Abigail Rotheroe

Date of appointment: 1 November 2022

Abigail is a CFA Charterholder with over 25 years' experience in the investment industry. During her fund management career, Abigail held roles at Schroder Capital Management, HSBC Asset Management and Columbia Threadneedle Investments, where she managed retail and pension fund assets across Asia and emerging markets. More recently, she was Investment Director at Snowball Impact Management. Abigail has experience in fund management, manager selection and sustainability.

Other Current Appointments:

- Baillie Gifford Shin Nippon plc (Non-Executive Director)
- Hydrogen Capital Growth plc (Non-Executive Director)
- Greencoat UK Wind plc (Non-Executive Director)

Abigail is an independent Director.

Details of the fees earned by each Director can be found on page 64. The Directors' interests in the Company's shares are noted on page 66.

Appointment and re-election of Directors

Directors are initially appointed by the Board after a rigorous selection process and each Director is then subject to annual re-election by the shareholders. At the first AGM following their appointment a Director is subject to election by the shareholders. Thereafter, a Director's reappointment is subject to a performance review carried out each year and the approval of shareholders at each AGM, in accordance with corporate governance best practice. When making a recommendation, the Board considers the ongoing requirements of the UK Corporate Governance Code (the 'UK Code'), including the need to refresh the Board and its Committees.

The terms and conditions of the Directors' appointments are set out in their Letters of Appointment, which are available for inspection on request at the registered office of the Company and at the AGM. The terms of appointment provide that a Director will be subject to re-election at each AGM. A Director may be removed from office following three months' notice. The Board has agreed that the Directors should stand down at the AGM after nine years from their initial appointment other than in exceptional circumstances. Directors are prepared to resign or take steps that could lead to a loss of office at any time in the interests of long-term shareholder value. The continuation of an appointment is contingent on satisfactory annual performance review. A Director may resign by notice in writing to the Board at any time and there is no notice period for resignation.

The Board

The primary focus of the Directors at regular Board meetings is the consideration of investment performance and outlook, market activity, discount management mechanisms including share buybacks, gearing, marketing, shareholder register analysis, investor relations, peer group information, top risks and investment risk management, regulatory updates, corporate governance and industry issues.

The Board has reviewed the effectiveness of the Company's system of internal controls for the year ended 31 March 2026. During its review the Board has not identified or been advised of any significant failings or weaknesses relating to the Company.

Further details of the Directors' responsibilities can be found in the Statement of Directors' Responsibilities on page 73.

Board performance review

The Board undertakes an annual review of its own performance and that of its Committees and individual Directors including the Chairman. The Board has also considered the independence of each Director, including the Chairman.

As required under corporate governance best practice of FTSE 350 companies a formal performance review of the Board, its Committees and the individual Directors is undertaken with an external agency every third year. In the year under review, the annual performance process was facilitated by the company secretary. The process included the completion of questionnaires. The company secretary prepared summary reports which were discussed by the Directors. The independence of each Director was checked considering the provisions of the UK Code. The experience, balance of skills, diversity, time commitment, tenure of each director, openness, spirit of debate and knowledge of the Board were considered as well as Board effectiveness, role and structure.

Charlie Ricketts, in his role as Senior Independent Director conducted the annual appraisal of Angus Macpherson, the Chairman, drawing on anonymised questionnaire responses from, and follow-up discussions with, Directors. The review confirmed the Board's strong support for the Chairman and recognised the experience, commitment and leadership that he brings to the role. The appraisal also provided an opportunity to reflect on the continued evolution of the Board process. Overall, the Board concluded that the Chairman continues to perform his role effectively and that the Company benefits significantly from his leadership.

The Chairman confirms that, following the annual performance review, each Director's performance continues to be effective, demonstrating commitment to their role and each independent Director is recommended for re-election at the AGM. David Graham is not seeking re-election and is stepping down from the Board at the conclusion of the AGM on 9 July 2026. The Chairman also confirms that each Committee's performance continues to be effective in fulfilling its responsibilities and duties. Formal Board performance reviews will continue to take place at least annually with the appointment of an external reviewer every three years.

Diversity

TEMIT's aim is to have an appropriate level of diversity in the boardroom.

The Nomination and Remuneration Committee considers diversity generally when making recommendations for appointments to the Board, considering gender, social and ethnic backgrounds, independent thought, experience and qualification. The prime responsibility, however, is the strength of the Board and the overriding aim in making any new appointments is always to select the best candidate based on objective criteria and merit.

In all of the Board's activities, there has been and will be no discrimination on the grounds of gender, race, ethnicity, religion, sexual orientation, age or physical ability.

The Board has made a commitment to consider diversity when reviewing the composition of the Board and notes the UK Listing Rules requirements (UKLR 6.6.6 R (9)) regarding the targets on board diversity:

- At least 40% of individuals on the Board are women;
- At least one senior Board position (chairman, chief executive officer ('CEO'), senior independent director or chief financial officer ('CFO')) is held by a woman; and

- At least one individual on the Board is from a minority ethnic background, defined to include those from an ethnic group other than a white ethnic group, as specified in categories recommended by the Office for National Statistics.

As required by the UK Listing Rules the reporting for TEMIT against these targets is set out in the tables below in the prescribed format. The data was collected on a self-identifying basis. The Board notes that as an externally managed investment trust there is no CEO or CFO and the Board considers the Chairman of the Company, the Chairman of any of the Company's Committees and the Senior Independent Director to be senior positions. David Graham will retire from the Board at the conclusion of the AGM on 9 July 2026. Following the conclusion of the AGM (i) the Board will consist of 2 men and 3 women and (ii) 3 Board members are White British and 2 Board members are Asian British.

Sex	Number of Board Members	Percentage of the Board	Number of Senior Positions on the Board
Men	3	50%	2
Women	3	50%	1
Not Specified/Prefer Not to Say	-	-	-

Ethnic Background	Number of Board Members	Percentage of the Board	Number of Senior Positions on the Board
White British or Other White (Including Minority White Groups)	4	67%	2
Mixed/Multiple Ethnic Groups	-	-	-
Asian/Asian British	2	33%	1
Black/African/Caribbean/Black British	-	-	-
Other Ethnic Group, Including Arab	-	-	-
Not Specified/Prefer Not to Say	-	-	-

Diversity at the Manager

The Board also takes a close interest in inclusion and diversity at the Manager. Franklin Templeton is committed to building a workforce that respects, includes, and values all of its employees, who span across generations, genders, preferences, capabilities, and cultural identification. The firm's culture embraces both the individual differences and wealth of perspectives within its global workforce. This is at the forefront of Franklin Templeton's mission both to attract and retain the best talent and to drive innovation and provide better client outcomes.

Franklin Templeton's global inclusion strategy is grounded in three pillars: people—by empowering diverse perspectives and attracting, retaining, and developing top talent at every level; practices—by supporting an inclusive culture that allows innovation and drives growth; and presence—by building strategic partnerships that expand reach and impact across the industry. The firm has allocated dedicated resources to achieve and support this strategy, including the establishment of a global governance structure and the implementation of research-based inclusion policies and procedures. To localise its global strategy and approach, the firm also formed three Regional Executive Inclusion Councils in the Americas, EMEA and APAC and supports nine Business Resource Groups across the global organisation.

Additionally, Franklin Templeton has positioned Inclusive Leadership as a strategic priority for FY26, recognising its essential role in driving innovation, enhancing agility, and fostering sustainable growth across the organisation. The programme is designed to build leadership capability at all levels, embed inclusive behaviours into daily decision-making, and align inclusion efforts with broader business goals.

The firm also partners with organisations that seek to promote principles of inclusion. In the UK, partnerships have continued with organisations like Black Professionals UK and the Business Disability Forum, the leading business membership organisation in disability inclusion. The firm remains an active partner and supporter of several organisations that promote inclusion and social mobility in the UK, such as Inclusion in Finance, 10,000 Interns Foundation, the Robertson Trust, Leonard Cheshire and Career Ready. We became a signatory of the Women in Finance Charter in 2018.

Additionally, Franklin Templeton sponsors thousands of volunteer activities each year through its global Involved programme which helps to provide better outcomes for local communities.

Succession planning and recruitment

When considering succession planning, the Nomination and Remuneration Committee bears in mind the tenure, balance of skills, knowledge, experience and diversity existing on the Board.

The recruitment process is underway to find another Director to be appointed after David Graham retires at the conclusion of the AGM on 9 July 2026. The recruitment process is being led by Angus Macpherson as Chairman and commenced in March 2026. The process is being facilitated by Odgers Berndtson as the appointed external agency. Odgers Berndtson does not undertake any other services for TEMIT and has no connection with any of the Directors.

The succession plan agreed by the Nomination and Remuneration Committee includes an emergency succession plan identifying contingency arrangements.

The Nomination and Remuneration Committee also reviews and recommends to the Board the reappointment of the Directors. The recommendation is not automatic and will follow a process of evaluation of each Director's performance and consideration of the Director's independence. The Nomination and Remuneration Committee also considers the mix of skills and experience of the current Board members.

Meetings and committees

The Board delegates certain responsibilities and functions to Committees. Five Directors are members of all Committees. The Chairman is not a member of the Audit and Risk Committee, but he attends the Audit and Risk Committee meetings by invitation.

The table below details the number of Board and Committee meetings attended by each Director. During the year, there were four Board meetings, three Audit and Risk Committee meetings, one Management Engagement Committee meeting and one formal Nomination and Remuneration Committee meeting.

	Board	Audit and Risk Committee	Management Engagement Committee	Nomination and Remuneration Committee
David Graham	4/4	3/3	1/1	1/1
Simon Jeffreys ^(a)	1/1	1/1	0/0	0/0
Angus Macpherson ^(b)	4/4	3/3	1/1	1/1
Magdalene Miller	4/4	3/3	1/1	1/1
Sarika Patel	4/4	3/3	1/1	1/1
Charlie Ricketts	4/4	3/3	1/1	1/1
Abigail Rotheroe	4/4	3/3	1/1	1/1

The **Audit and Risk Committee** is chaired by Sarika Patel. The formal Report of the Audit and Risk Committee is on pages 67 to 72.

The **Management Engagement Committee** is chaired by the Chairman of the Board and all Directors are members of the committee. The primary role of the committee is to review the performance of, and the contractual arrangements with, the Manager. The Management Engagement Committee held one meeting during the year and undertook a formal review of the Manager and of the Investment Managers.

The review considered investment strategy, investment process, performance and risk, and was carried out through meetings between the Management Engagement Committee and members of the investment and risk management teams of the Manager. When assessing the performance of the Manager and of the Investment Managers, the Committee believes that it is appropriate to make this assessment over a medium to long-term timeframe, which is in accordance with the long-term approach taken to investment. As a result of the performance review performed by the Management Engagement Committee, the Board confirms that it is satisfied that the continuing appointment of the Manager is in the interests of shareholders as a whole.

The **Nomination and Remuneration Committee** is chaired by the Chairman of the Board and all Directors are members of the Committee. The Nomination and Remuneration Committee held one formal meeting during the year and discussed the annual review process for the Board, the individual Directors and the Chairman and succession planning. The role of the Nomination and Remuneration

Committee is to review regularly the Board structure, size and composition and make recommendations to the Board with regard to any adjustments that are appropriate, to consider the rotation and renewal of the Board, approve the candidate specification for all Board appointments, approve the process by which suitable candidates are identified and short-listed, and to nominate candidates for consideration by the full Board, whose responsibility it is to make appointments. The Nomination and Remuneration Committee also considers the effectiveness of individual Directors and makes recommendations to the Board in respect of re-elections. The Nomination and Remuneration Committee keeps under review the balance of skills, independence, knowledge of the Company and experience and length of service of the Directors.

The Nomination and Remuneration Committee annually reviews the level of fees paid to the Chairman, the Chair of the Audit and Risk Committee, the Senior Independent Director and other Directors relative to other comparable companies and in the light of the Directors' responsibilities. The Committee may engage independent external advisors if it considers this to be necessary.

The terms of reference for the Audit and Risk Committee, Management Engagement Committee and Nomination and Remuneration Committee are available to shareholders on the TEMIT website (www.temit.co.uk) or upon request via email to temitcosec@franklintempleton.com.

(a) Retired from the Board on 10 July 2025.

(b) Attended three out of three meetings of the Audit and Risk Committee by invitation including when the Annual Report and Half Yearly Report were being drafted and the Company's risk matrix was being reviewed.

Conflicts of interest

The Company maintains a register of Directors' interests which has been disclosed to, and approved by, the Board. The list of interests of each Director is reviewed at every Board meeting. Directors who have potential conflicts of interest will not take part in any discussions which relate to that particular conflict. The Board confirms that at 31 March 2026 and the date of this report there were no conflicts of interest.

Indemnification and insurance

The Company has entered into deeds of indemnity with each of the Directors. These are qualifying third-party indemnity provisions and are in force as at the date of this report. This information is disclosed in accordance with Sections 236(2) and 236(3) of the Companies Act 2006. The Company maintains appropriate insurance cover in respect of legal action against the Directors.

The Company

Principal activity and investment company status in the UK

The Company is a public limited company in terms of the Companies Act 2006 and is an investment company under Section 833 of the Companies Act 2006.

The Company has been accepted as an approved investment trust by HM Revenue & Customs for accounting periods commencing on or after 1 April 2012, subject to continuing to meet the eligibility conditions of Section 1158 of the Corporation Tax Act 2010 and the ongoing requirements of The Investment Trust (Approved Company) (Tax) Regulations 2011. The Directors are satisfied that the Company intends to direct its affairs to ensure its continued approval as an investment trust.

Results and dividends

The capital profit for the year was £705.8 million (2025: profit of £95.8 million) and the revenue profit was £52.7 million (2025: £57.9 million).

The full results for the Company are disclosed in the Statement of Comprehensive Income on page 83.

The Directors propose a final ordinary dividend of 3.25 pence per share. Including the interim dividend of 2.00 pence per share, which was paid by the Company on 30 January 2026, this represents an annual ordinary dividend of 5.25 pence per share (2025: 5.25 pence per share) and, if approved by shareholders at the AGM on 9 July 2026, the final dividend will be payable on 31 July 2026 to shareholders on the register at close of business on 26 June 2026.

Financial

Share capital and gearing

Changes in the share capital of the Company are set out in Note 13 of the Notes to the Financial Statements.

As part of the Company's objective and current investment policy, the Company may borrow up to 20% of its net assets. The current gearing is discussed in the Business Review on page 40.

Share buybacks

The Board is again seeking shareholder permission to continue its programme of share buybacks as outlined under 'Stability – Share Buybacks and Conditional Tender Offer' on page 41.

Auditor

Ernst & Young LLP was appointed in 2019 as the Company's auditor. Ernst & Young LLP has expressed a willingness to continue in office as auditor and a resolution proposing its reappointment will be submitted at the AGM. Further details of the assessment of the auditor can be found in the Report of the Audit and Risk Committee on page 70.

The Directors who held office at the date of approval of this Directors' Report confirm that, so far as they are each aware, there is no relevant information of which the Company's auditor was unaware and that each Director had taken all steps that they ought to have taken as a Director to make themselves apprised of any relevant audit information and to establish that the Company's auditor was notified of that information. This confirmation is given, and should be interpreted in accordance with, the provisions of Section 418 of the Companies Act 2006.

Substantial shareholdings

As at 31 March 2026 and 31 March 2025, the Company had been notified that the following were interested in 3% or more of the issued share capital of the Company.

Name	31 March 2026 Number of Shares	%	31 March 2025 Number of Shares	%
City of London Investment Management Company Limited	179,990,124	19.1	284,423,711	27.8
Lazard Asset Management LLC Group	91,828,495	9.7	97,872,005	9.6
Rathbone Brothers PLC	62,392,578	6.6	32,144,309	3.1
Allspring Global Investments, LLC	47,891,321	5.1	77,574,353	7.6
Evelyn Partners	48,609,096	5.1	41,145,053	4.0
RBC Brewin Dolphin	40,239,385	4.3	44,937,794	4.4
Quilter Cheviot Investment Management (previously Old Mutual Plc)	39,168,368	4.2	40,393,918	3.9

On 29 April 2026 the Company was notified that City of London Investment Management Company Limited holds 169,585,898 shares representing 18.0% of the Company's issued share capital at that date.

Principal service providers

Alternative Investment Fund Manager, Secretary and Administrator

FTITML is the Alternative Investment Fund Manager, Secretary and Administrator with the role of investment management delegated to FTIML and TAML. Portfolio Managers from FTIML and TAML form part of the wider TGI as described on page 13.

The main secretarial duties involve compliance with statutory and regulatory obligations which the Company must observe. All Directors have access to the advice of the Company Secretary, who is responsible for advising the Board on all governance matters. The appointment of the Company Secretary was discussed and approved by the Board and the secretarial activity is reviewed on an annual basis.

With effect from 1 July 2025 the annual fee rate for the services provided by FTITML, including investment management, risk management, secretarial and administration services, was reduced to:

- 1% of the first £1 billion of net assets;
- 0.6% of net assets between £1 billion and £2 billion; and
- 0.5% of net assets over £2 billion.

The previous fee structure was 1% of net assets up to £1 billion, 0.7% of net assets between £1 billion and £2 billion, and 0.5% of net assets over £2 billion.

With effect from 1 July 2026 the fee for all assets above £1 billion will be 0.5%.

The agreement between the Company and FTITML may be terminated by either party giving one year's notice, but in certain circumstances the Company may be required to pay compensation to FTITML of an amount up to one year's fee in lieu of notice. No compensation is payable if at least one year's notice of termination is given.

Details of the remuneration policy of the AIFM and amounts attributable to the Company are available to existing shareholders upon request at the registered office of the Company. FTITML's remuneration disclosures are set out on page 106.

The Board considers the arrangements for the provision of investment management services to the Company on an ongoing basis, and a formal review is conducted annually by the Management Engagement Committee. In the opinion of the Directors, the continuing appointment of FTITML is in the best interests of the shareholders as a whole.

Depositary and custodian

J.P. Morgan Europe Limited performs the role of depositary and JPMorgan Chase Bank performs the role of custodian. The agreements in place may be terminated by either party giving the other 90 days' notice.

A detailed list of service providers, along with addresses, can be found in the General Information section on page 112.

Corporate governance

The Company is committed to high standards of corporate governance. The Board is accountable to the shareholders for good governance and this statement describes how governance principles have been applied.

Association of investment companies code of corporate governance

The Board has considered the Principles and Provisions of the 2024 AIC Corporate Governance Code ('AIC Code'). The AIC Code addresses the Principles and Provisions set out in the 2024 UK Corporate Governance Code ('UK Code'), as well as setting out additional provisions on issues that are of specific relevance to the Company as an investment company.

The Board considers that reporting against the Principles and Provisions of the AIC Code, which has been endorsed by the FRC, provides the relevant information to shareholders.

The Company has complied with the Principles and Provisions of the AIC Code which also meets the obligations under the UK Code (and associated disclosure requirements under paragraph 6.6.6 R of the UK Listing Rules). The AIC Code is available on the AIC website (www.theaic.co.uk). It includes an explanation of how the AIC Code adapts the Principles and Provisions set out in the UK Code to make them relevant for investment companies.

A statement explaining TEMIT's compliance with the AIC Code principles can be found at www.temit.co.uk.

Supporting charitable causes

Last year we notified shareholders of the extensive research we had undertaken into our shareholder ownership, part of which was to establish 'dormant shareholders' for whom contact had been lost pre-2008. We were successful in re-uniting many shareholders with their holdings and for the remaining unidentified shareholdings, we commenced a legal forfeiture and disposal exercise. As per the UK Government backed Dormant Assets Scheme, we were able to donate a proportion of the unlocked assets for important UK social and environmental initiatives. Each year we will report briefly on one of the four selected beneficiaries.

Carefree (carefreespace.org) transforms vacant hotel rooms into vital breaks for unpaid carers. Unpaid carers (of whom there are 1.7 million in the UK providing over 50 hours of care per week) are disproportionately overworked, isolated, financially stressed and physically and mentally challenged. Carefree partners with social services and with hotel groups willing to donate vacant rooms for carer stays.

Last year Carefree provided nearly 6,500 carer breaks. It now has over 50,000 unpaid carers registered on its database and has delivered over 20,000 breaks in total. 40 new hotels partnered with Carefree last year and Community Partnerships across the UK grew to 66 in total. Independent research from Just Economics quantified the incredible impact made by Carefree; every £1 invested in the Charity creates a return of over £21 for society and every break delivered saves the public purse £294 in

avoided care costs. As a digital, increasingly AI driven charity, Carefree embraces technology to deliver real social impact.

Additional information for New Zealand shareholders

As a result of a requirement for Overseas Issuers listed on the New Zealand Stock Exchange, the following should be noted by New Zealand shareholders:

- The corporate governance rules and principles in TEMIT's home exchange jurisdiction of the United Kingdom may materially differ from the New Zealand Stock Exchange ('NZX') corporate governance rules and the principles of the NZX Corporate Governance Code;
- Investors may find more information about the corporate governance and principles of TEMIT's home exchange in the United Kingdom in the above Corporate Governance statement and online at www.frc.org.uk/corporate/ukcgcode.cfm;
- The Company relies on the Financial Markets Conduct (Overseas FMC Reporting Entities) Exemption Notice 2021, issued by the New Zealand Financial Markets Authority, which exempts it from certain financial reporting obligations under the Financial Markets Conduct Act 2013; and
- The Company relies on the Financial Markets Conduct (Climate-related Disclosures for Foreign Listed Issuers) Exemption Notice 2025, which exempts it from Part 7A of the New Zealand Financial Markets Conduct Act 2013 such that the Company is exempt from climate-related disclosure requirements under New Zealand law. Any climate statements prepared by the Company from time to time are made available, free of charge, on the Company's website at www.temit.co.uk.

Schedule of Reserved Matters

The Board has formally adopted a Schedule of Reserved Matters, which details the matters which the Board has agreed are specifically reserved for its collective decision. These matters include, inter alia, approval of the Half Yearly and Annual Financial Statements, the approval of interim and special dividends, recommendation of the final dividend, approval of any preliminary results announcements of the Company, approval of any proposed changes to the Company's objective and/or investment policy, appointment or removal of the Company's Manager or Investment Managers, gearing, Board membership and Board Committee membership and any major changes to the objective, philosophy or investment policy of the Company, other than any such changes delegated to the Investment Managers under the Investment Management Agreement.

The day-to-day investment management of the portfolio of the Company is delegated to the Investment Managers, who manage the portfolio in accordance with the objectives of the Company as set by the Board.

Articles of association

The Company may change its Articles of Association by special resolution of its shareholders.

Internal control

Details of the Company's system of internal controls can be found on page 72.

Annual General Meeting

The AGM will be held on Thursday 9 July 2026 at The Minster Building, 21 Mincing Lane, London EC3R 7AG. Further details regarding the AGM are set out in the Notice of Meeting on page 108.

This year we have arranged a guest speaker, the highly respected financial journalist, Jeff Prestridge. Until recently Jeff was the Money Editor-at-Large of the Daily Mail and Mail on Sunday. The Portfolio Managers will also be presenting and there will be the opportunity to ask them, Jeff and the TEMIT Directors questions and join them all over lunch for informal discussion.

Whether you intend to attend the meeting in person or not, you are strongly encouraged to submit your votes on the AGM resolutions in advance of the meeting. Submitting votes by proxy does not preclude you attending the meeting or changing your vote if you attend the AGM, but your votes will be counted if you have submitted a proxy vote in advance and if you are then unable to attend the AGM.

Additionally, for the first time, the event will be available live via an online streaming service. If you cannot attend the event in person, we encourage you to register to attend online, all information about the event and how to register is included on the TEMIT website www.temit.co.uk. The event will also be recorded and will be available on TEMIT's website after the event.

Ordinary business

The formal business of the Meeting will begin with resolution 1 which seeks shareholders' approval to receive and adopt the Directors' and Auditor's Reports and Financial Statements for the year ended 31 March 2026.

Resolution 2 seeks approval of the Directors' Remuneration Policy at this year's AGM. Shareholders are invited to approve the Directors' Remuneration Policy as set out on page 63, which sets the Company's forward-looking policy on Directors' Remuneration. This policy was last approved by shareholders at the AGM in 2023.

Resolution 3 seeks shareholders' approval of the Directors' Remuneration Report for the year ended 31 March 2026. Approval of the Directors' Remuneration Report is sought at each AGM and this year's report is set out in full on pages 62 to 66 of the 2026 Annual Report.

Resolution 4 seeks shareholders' approval to declare a final dividend of 3.25 pence per share, payable on 31 July 2026 to shareholders on the register as at close of business on 26 June 2026.

Resolutions 5.1 to 5.5 seek shareholders' approval to re-elect Abigail Rotheroe, Charlie Ricketts, Magdalene Miller, Angus Macpherson and Sarika Patel as Directors. David Graham is not seeking re-election and is stepping down from the Board at the conclusion of the AGM on 9 July 2026.

The Board recommends that each director is re-elected or elected as appropriate, as set out under Board Performance Review on page 53.

In accordance with the provisions of the UK Corporate Governance Code, all independent Directors will offer themselves for election at the first AGM following their appointment and for re-election at each subsequent AGM.

Resolutions 6 and 7 seek shareholders' approval to re-appoint Ernst & Young LLP as auditor of the Company, and to authorise the Directors to determine the auditor's remuneration. Following the recommendation of the Company's Audit and Risk Committee, shareholders will be asked to approve the re-appointment of Ernst & Young LLP as the Company's auditor, to hold office until the conclusion of the Company's 2027 Annual General Meeting. Shareholders will be asked to grant authority to the Board to determine the remuneration of the auditor.

Special business

The Special Business to be dealt with at the AGM is:

Authority for the Allotment of New Shares

The resolutions to allot shares are set out in resolutions 8 (ordinary resolution) and 9 (special resolution) in the Notice of Annual General Meeting. These resolutions, if passed, will give your Directors power to allot for cash equity securities of the Company and/or to sell equity securities held as treasury shares up to a maximum aggregate nominal amount of £2,345,000 (being an amount equal to 5% of the issued share capital of the Company as at 21 May 2026) as if Section 561 of the Companies Act 2006 ('the Act') did not apply (this section requires, when shares are to be allotted for cash or shares held as treasury shares are sold, that such shares first be offered to existing shareholders in proportion to their existing holdings of shares, this entitlement being known as 'pre-emption rights'). The authorities contained in resolutions 8 and 9 will continue until the AGM of the Company in 2027 and your Directors envisage seeking the renewal of this authority in 2027 and in each succeeding year. Such authorities will only be

used when your Directors believe that it would be in the best interests of the Company to do so and only at a price which is at or above the prevailing NAV per share at the time of issue.

(i) Authority to Purchase Own Shares

At the AGM of the Company held on 10 July 2025, a Special Resolution was passed authorising the Company to purchase its shares in the market, limited to a maximum of 14.99% of the shares in issue on 10 July 2025 equivalent to 148,577,932 shares. The present authority expires at the conclusion of the AGM on 9 July 2026.

Under Resolution 10, the Directors are seeking renewal of the authority to purchase the Company's shares in the market, limited to a maximum of 14.99% of the Company's issued ordinary share capital, excluding treasury shares, at the date of the passing of this resolution (equivalent to 140,635,636 ordinary shares of 5 pence per share as at 21 May 2026).

Any shares purchased pursuant to this authority may be cancelled or held in treasury pursuant to the Companies (Acquisition of Own Shares) (Treasury Shares) Regulations 2003. Purchases will only be made for cash, provided that:

- (a) the maximum price which may be paid is the higher of:
- 5% above the average market value of the shares for the five business days before the purchase is made;
 - the higher of the last independent trade price and the highest current independent bid price on the London Stock Exchange;
- (b) the minimum price payable for the shares will be the nominal value of 5 pence per share; and
- (c) shares will only be purchased at a price which is at a discount to the prevailing net asset value per share at the time of purchase.

The authority to purchase shares (whether for cancellation or to be held in treasury) will only be exercised if to do so would be in the best interests of shareholders generally and would result in an increase in the net asset value per share for the remaining shareholders. The purpose of holding some shares in treasury is to allow the Company to re-issue those shares quickly and cost-effectively, thus providing the Company with flexibility in the management of its capital base. Whilst in treasury, no dividends are payable on, or voting rights attach to, these shares. No shares will be purchased by the Company during periods when the Company would be prohibited from making such purchases by the rules of the FCA. As at the date of this report, there are no warrants or options outstanding to subscribe for equity shares in the Company.

The Directors envisage seeking the renewal of the relevant authority in 2027 and in each succeeding year.

(ii) Notice period for general meetings

At the AGM of the Company held on 10 July 2025, a Special Resolution was passed authorising the Company to call general meetings (other than Annual General Meetings) on 14 days' clear notice, up to the conclusion of the AGM in 2026. The Directors are seeking renewal under Resolution 11 of the authority to call general meetings (other than Annual General Meetings) on 14 days' clear notice.

This resolution is required to reflect the Act which requires that all general meetings must be held with at least 21 days' notice unless shareholders agree to a shorter notice period.

The Directors only intend to call a general meeting on less than 21 days' notice where the proposals are time sensitive, and the short notice would clearly be in the best interests of the shareholders as a whole.

The approval will be effective until the Company's AGM in 2027, when it is intended that a similar resolution will be proposed. The Company will also be required to meet the requirements for electronic voting under section 307A of the Act before it can call a general meeting on 14 clear days' notice.

Recommendation

The Directors believe that all the resolutions proposed are in the best interests of the Company and the shareholders as a whole and recommend that all shareholders vote in favour of all the resolutions.

The results of the votes on the resolutions at the AGM will be published on the Company's website.

Going concern

The Company's assets consist of equity shares in companies listed on recognised stock exchanges and in most circumstances are realisable within a short timescale. Having made suitable enquiries, including considerations of the Company's objective, the nature of the portfolio, net current assets, current liabilities relating to the £122 million multi-currency revolving credit loan facility, expenditure forecasts, compliance with the loan covenants, the principal and emerging risks and uncertainties described within the Annual Report, the Directors are satisfied that the Company has adequate resources to continue to operate as a going concern for the period to 31 March 2028, which is at least 12 months from the date of approval of these Financial Statements, and are satisfied that the going concern basis is appropriate in preparing the Financial Statements.

By order of the Board

Angus Macpherson

2 June 2026

Directors' remuneration report

This report has been prepared in accordance with the requirements of Section 420-422 of the Companies Act 2006, with subsequent amendments. The Directors' Remuneration Policy is subject to a triennial binding shareholder vote and the Directors' Remuneration Report is subject to an annual non-binding shareholder vote, both as ordinary resolutions.

The law requires the Company's auditor to audit certain of the disclosures provided. Where disclosures have been audited, they are indicated as such. The auditor's opinion is included in its report on pages 75 to 82.

All Directors are non-executive, appointed under the terms of Letters of Appointment, and none has a service contract. These letters are available for inspection by shareholders at the Company's registered address or at the AGM. The Directors' Report includes, on page 53, details of the Directors' terms of appointment.

The Company has no employees. Details of the Nomination and Remuneration Committee can be found on page 56 in the Directors' Report.



Directors' remuneration policy

This Policy provides details of the remuneration policy for the Directors of the Company.

A resolution proposing the approval of the Directors' remuneration policy was put to the shareholders at the 2023 AGM and passed by 748,951,673 (99.95%) of shareholders voting in favour of the resolution, 404,878 (0.05%) voting against and 156,977 abstaining from voting.

The Policy as set out below has not changed and will be subject to shareholders approval at the AGM to be held on 9 July 2026.

The Board's policy, which has been designed to support the Company's strategy and promote long-term sustainable success, is that the remuneration of non-executive Directors should reflect the responsibilities of the Board, Directors' time spent on the Company's business, the experience of the Board as a whole, and be fair and comparable to that of other investment trusts similar in size, capital structure and objective. The Chairman of the Board, Chair of the Audit and Risk Committee and Senior Independent Director are paid higher fees than the other Directors, reflecting the greater amount of time spent on the Company's business.

The review process involves an analysis of fees paid to Directors of other companies having similar profiles to that of the Company. This review is submitted to the Nomination and Remuneration Committee and the Directors' fees are agreed for the next year. The Company has no Chief Executive Officer and no employees and therefore there was no consultation of employees and there is no employee comparative data to provide, in relation to the setting of the remuneration policy for Directors.

Directors' and Officers' liability insurance cover is maintained by the Company, at its expense.

Directors' remuneration is not linked to the performance of the Company and Directors are not eligible for bonuses, pension benefits, share options, long-term incentive schemes or other benefits.

The independent non-executive Directors are entitled to reclaim reasonable expenses incurred to perform their duties as non-executive Directors for the Company. Directors are not entitled to payment for loss of office and may be removed from office by the Company on three months' notice.

The Nomination and Remuneration Committee considers any comments received from shareholders on the remuneration policy on an ongoing basis and takes account of those views.

Directors' remuneration implementation report

The Directors' Remuneration Report, which includes details of the Directors' Remuneration Policy and its implementation, is subject to an annual shareholders' vote and an ordinary resolution to approve the Remuneration Policy will be put to shareholders at the forthcoming AGM. A review was carried out during the financial year to 31 March 2026 and this review recommended increases in fees as set out in the table below for the forthcoming financial year. These changes to remuneration are in line with the Directors' Remuneration Policy as set out above. The involvement of remuneration consultants has not been deemed necessary as part of this year's review.

Role	Component	Current Annual Fee	Proposed Annual Fee
Independent Directors	Annual Fee	£43,000	£44,500
Chairman	Additional Fee	£33,000	£34,000
Chair of the Audit and Risk Committee	Additional Fee	£16,000	£16,500
Senior Independent Director	Additional Fee	£3,500	£3,500

Directors' fees for the year

Fees paid to each Director for the financial year to 31 March 2026 are set out below. A non-binding ordinary resolution proposing adoption of the Directors' Remuneration Report was put to shareholders at the Company's AGM held on 10 July 2025 and was passed by 633,748,498 (99.83%) of shareholders voting in favour of the resolution, 1,047,742 (0.17%) voting against and 279,759 abstaining from voting.

The Directors who served during the year received the following fees, which represented their total remuneration from the Company:

Audited Information	2026			2025		
	Annual Fee £	Taxable Benefits ^(a) £	Total £	Annual Fee £	Taxable Benefits ^(a) £	Total £
David Graham	43,000	–	43,000	42,000	–	42,000
Simon Jeffreys ^(b)	15,769	37	15,806	60,500	738	61,238
Angus Macpherson	76,000	–	76,000	74,500	4,498	78,998
Magdalene Miller	43,000	5,783	48,783	42,000	3,787	45,787
Charlie Ricketts ^(c)	45,530	4,095	49,625	42,000	6,741	48,741
Abigail Rotheroe	43,000	–	43,000	42,000	57	42,057
Sarika Patel ^(d)	54,565	407	54,972	10,500	–	10,500
Total	320,864	10,322	331,186	313,500	15,821	329,321

Annual percentage change in Directors' fees

The table below shows the annual percentage change in Directors' fees over the five financial years preceding the year to 31 March 2026:

Component		% Change from 2025		% Change from 2024		% Change from 2023		% Change from 2022		% Change from 2021		
		2026 £	to 2026	2025 £	to 2025	2024 £	to 2024	2023 £	to 2023	2022 £	to 2022	2021 £
Independent Directors	Annual fee	43,000	2.4	42,000	2.4	41,000	2.5	40,000	2.6	39,000	2.6	38,000
Chairman	Additional fee	33,000	1.5	32,500	1.6	32,000	3.2	31,000	3.3	30,000	3.4	29,000
Chairman of the Audit and Risk Committee	Additional fee	16,000	3.2	15,500	3.3	15,000	11.1	13,500	3.8	13,000	4.0	12,500
Senior Independent Director	Additional fee	3,500	16.7	3,000	20.0	2,500	–	2,500	–	2,500	100	–

(a) Taxable benefits relate to the reimbursement of expenses incurred in connection with the performance of the Directors' duties and attendance at Board and Committee meetings. The figures are shown gross of relevant taxes.

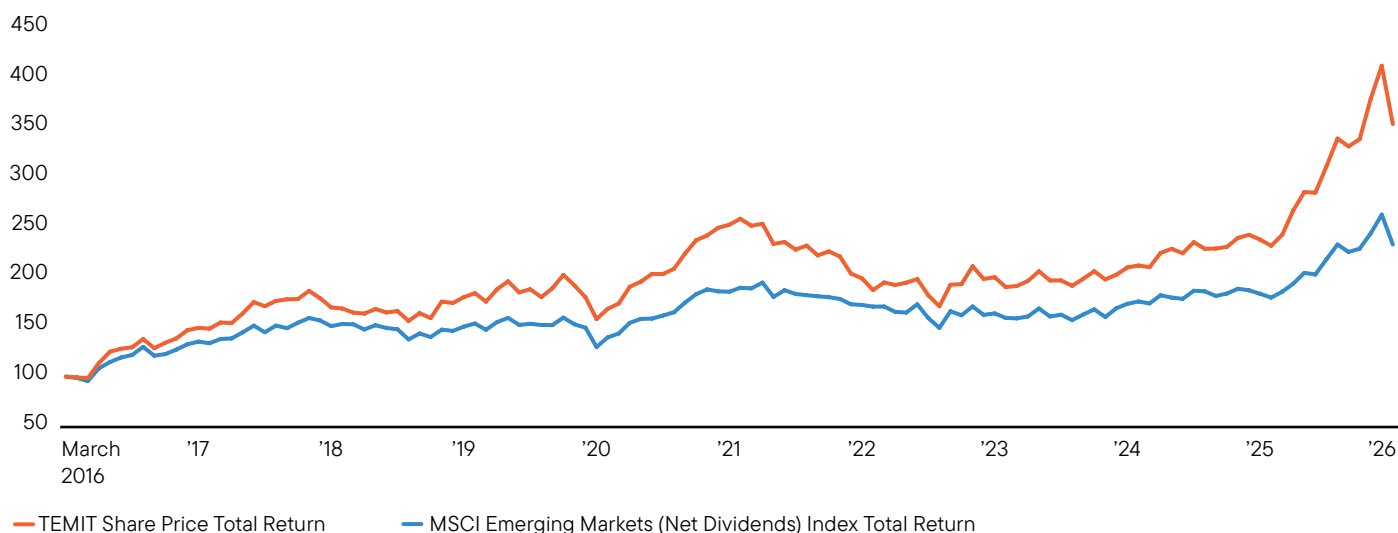
(b) Retired from the Board on 10 July 2025.

(c) Took on the role of Senior Independent Director on 11 July 2025.

(d) Took over as Chair of the Audit and Risk Committee on 11 July 2025.

Performance graph^(a)

The line graph below details TEMIT's share price total return against TEMIT's benchmark, the MSCI Emerging Markets (Net Dividends) Index total return over the past 10 years.



Relative cost of Directors' fees

The table below shows the Company's expenditure on Directors' fees compared to distributions to shareholders:

	2026 £'000	2025 £'000
Directors' Remuneration ^(b)	355	344
Distribution to Shareholders:		
Dividends	49,666 ^(c)	53,494
Share Buybacks	166,706	149,230

The items detailed in the above table are as required by the Large and Medium-size Companies and Groups (Accounts and Reports) 2013.

(a) Figures rebased to 100 at 31 March 2016.

(b) Directors' Remuneration comprises Directors' fees of £320,864 and Employer National Insurance Contributions of £34,030 for the financial year 2026 (2025: £313,500 and £30,411 respectively).

(c) Based on a proposed final dividend of 3.25 pence per share calculated using shares in issue as at 21 May 2026 and the interim dividend of 2.00 pence per share paid 30 January 2026.

Statement of Directors' shareholdings

The Directors' interests (including any family interests) existing as at 31 March in the Company's shares were as follows:

Audited Information	2026 Number of Shares	2025 Number of Shares
David Graham	111,977	110,737
Angus Macpherson	68,000	68,000
Magdalene Miller	20,000	20,000
Sarika Patel	15,399	–
Charlie Ricketts	25,000	25,000
Abigail Rotheroe	27,110	27,110

The Company has not received any other notifications of changes in the above interests as at 21 May 2026.

Approval

The Directors' Remuneration Report was approved by the Board of Directors on 2 June 2026.

Angus Macpherson
2 June 2026

Report of the audit and risk committee

As Chair of the Audit and Risk Committee, I am pleased to present this report to shareholders. The report contains details of the Audit and Risk Committee's activities and responsibilities along with the evaluation of effectiveness of the external and internal audit process for the year ended 31 March 2026.

Composition

As of 31 March 2026, the Audit and Risk Committee comprised Sarika Patel (Chair), David Graham, Magdalene Miller, Charlie Ricketts and Abigail Rotheroe, all independent non-executive Directors.

The Board considers that the members of the Audit and Risk Committee have sufficient recent and relevant financial experience for it to perform its functions effectively, noting in particular that the Audit and Risk Committee Chair is a Chartered Accountant. David Graham is also a Chartered Accountant. The Directors' biographies are given on pages 51 and 52.

Role and responsibilities

The Audit and Risk Committee plays an important role in the appraisal and supervision of key aspects of the Company's business. The Committee carried out the following activities to accomplish its principal objectives and reported to the Board on how it discharged its responsibilities:

- Provided advice to the Board on whether the Annual Report and Financial Statements, taken as a whole, are fair, balanced and understandable, and provide the information necessary for shareholders to assess the Company's position and performance, business model and strategy;
- Monitored the integrity of the Financial Statements including the review of and agreeing the appropriateness of the Company's accounting policies, accounting estimates and judgements, treatment and disclosures of tax, alternative performance measures and compliance with the appropriate reporting requirements;
- Oversaw the relationship with the external auditor, including monitoring of any non-audit services in accordance with the policy;

- Reviewed and monitored the external auditor's effectiveness, objectivity and independence, and the effectiveness of the audit process, taking into consideration relevant UK professional and regulatory requirements;
- Monitored, reviewed and confirmed the effectiveness of the internal financial controls and internal controls and risk management systems on which the Company is reliant;
- Reviewed the effectiveness of the internal audit function of Franklin Templeton and its reports, and was satisfied with the results;
- Reviewed the internal and external audit plans and the findings of the audits, including the external Auditor's Report;
- Reviewed and confirmed that the value and quality of services provided to the Company by third parties were satisfactory;
- Reviewed in detail the contents of the Company's risk matrix;
- Received regular updates from the Manager's tax team on ongoing claims for recoverable taxes; and
- Reviewed other ad hoc items referred to the Audit and Risk Committee by the Board.

This report summarises how the Committee discharged its role and responsibilities, the work carried out by the Committee and the conclusions reached.

Activities during the year

The Committee met formally three times during the year.

The Chair and other members of the Committee, also:

- Reviewed and challenged the scenarios presented by the Manager to support the use of the going concern basis and the ongoing viability assessment. Upon review and discussion with the Manager the Committee concluded that the scenarios were appropriate to support the use of the going concern basis and the ongoing viability statement;
- Met with the Manager to discuss its approach to ESG considerations including the continued evolution of the Stewardship Report for TEMIT;
- Held meetings with the Manager to discuss with those responsible all relevant matters relating to financial reporting, company secretarial, taxation, internal audit and risk and control framework;
- Discussed with the investment and risk teams the ongoing geopolitical tensions and their impacts on the portfolio as well as any potential restrictions on the ability to invest in certain companies;
- Discussed with the Investment Managers' risk team improvements to the design and content of the Company's risk matrix; and
- Discussed with the Manager the classification of the special dividends received throughout the year and agreed the capital and revenue split. The Committee concluded that the treatment applied in the Statement of Comprehensive Income was appropriate and therefore no significant judgement was required.

The Committee maintains a programme of agenda items to ensure that its workload is balanced across the year and that matters are addressed at appropriate times.

Performance review

The Board undertakes an annual review of performance of the Audit and Risk Committee and of its individual Directors, further details of this review can be found on page 53. The Board is satisfied with the performance and effectiveness of the Audit and Risk Committee.

Annual Report and Financial Statements

A primary responsibility of the Audit and Risk Committee is to review the appropriateness of the Annual and Half Yearly Reports. During the year, the work of the Committee included the following significant activities in relation to the Financial Statements:

Portfolio Valuation

The Directors received regular portfolio reports, liquidity information and presentations from the Manager and the Investment Managers. The Committee reviewed valuation reports from the Manager and is satisfied that valuations are compliant with the accounting policies commencing on page 88.

Misappropriation of Assets and Counterparty Risk

The Committee considered the risk of counterparty failure. The Company has appointed an independent custodian (JPMorgan Chase Bank) to hold its investments. The Manager reconciled the investment portfolio to the custodian's records on a regular basis and any material variances are reported to the Committee. In addition, the Committee received from the Manager an annual review evaluating JPMorgan Chase Bank's global custody and sub-custody network including the results of an ISAE 3402 report on internal controls by PricewaterhouseCoopers. The results were satisfactory.

Going Concern and Viability

The Committee considered that the Company's assets consist of equity shares in companies listed on recognised stock exchanges which in most circumstances are realisable within a short timescale. Having made suitable enquiries, including consideration of the Company's objective, the nature of the portfolio, net current assets, current liabilities relating to the £122 million multi-currency revolving credit facility, expenditure forecasts, compliance with the loan covenants, the principal and emerging risks and uncertainties described in the Annual Report, the Committee was satisfied that the Company has adequate resources to continue to operate as a going concern for the period to 31 March 2028, which is at least 12 months from the date of approval of these Financial Statements. The Committee therefore concluded that it was appropriate to prepare the Financial Statements on a going concern basis and made its recommendations to the Board. The scenarios considered include the liquidity of the portfolio, a sustained increase in the value of the portfolio (which would result in an increase in running costs, particularly the AIFM fee), a significant drop in value of the assets and a similar decrease in dividend income and confirms that the Company could continue as a going concern. The Committee also considered such scenarios over a five-year period, including for this purpose the continuation vote due to be held in 2029, to support the Company's ongoing viability as noted in the Viability Statement on page 49.

Recognition of Investment Income

Each quarter the Committee received and reviewed annual income forecast reports which detailed the income received and the estimated income due to be received in the financial year. These forecasts included details of material variances compared with prior forecasts. The Committee is satisfied with these analyses.

Compliance with Section 1158 of the Corporation Tax Act 2010

The Company has been accepted as an approved investment trust by HM Revenue & Customs for accounting periods commencing on or after 1 April 2012, subject to continuing to meet the eligibility conditions of Section 1158 of the Corporation Tax Act 2010 and the ongoing requirements of The Investment Trust (Approved Company) (Tax) Regulations 2011. The Committee is satisfied that the Company complies with these conditions and intends to direct its affairs to ensure its continued approval as an investment trust.

Areas of audit focus

The Committee reviewed and agreed the external audit plan including the level of audit materiality which it challenged and concluded was appropriate. The external auditor determined the scope of their work and the Committee also discussed with them key matters which they wanted to be covered and which included the following:

- Ownership and valuation of the portfolio given that the majority of the Company's assets are invested in its portfolio companies. The external auditor validated the ownership and valuations to its independent sources and concluded that the results of their procedures did not identify any material misstatements;
- Income recognition to confirm that income was correctly recorded and received. The external auditor recalculated all dividend income from independent sources and tested a sample to bank statements, and assessed the classification of special dividends as revenue or capital items in the Statement of Comprehensive Income. The external auditor concluded that the results of their procedures did not identify any material misstatements; and
- Although not a key audit matter as determined by the external auditor the Committee focused on Compliance with S1158 regulations in order to ensure that the Company is meeting its minimum distribution obligations. The external auditor concluded that the Company was in compliance with S1158 regulations as at the balance sheet date.

The Committee notes that there was no significant accounting judgement required in relation to the classification of special dividends received.

Further information on these key audit matters and the external auditor's observations reported to the Committee are detailed within their audit report on pages 75 to 82. The Committee reviewed and were satisfied with the conclusions presented by the external auditor for each of these matters.

Conclusion

As a result of the work undertaken by the Committee as noted on page 68 and from the conclusions presented by the external auditor, the Committee has concluded that the Financial Statements for the year ended 31 March 2026, taken as a whole, are fair, balanced and understandable and provide the information necessary for shareholders to assess the Company's position and performance, business model and strategy, and has reported on these findings to the Board. The Board's conclusions in this respect are set out in the Statement of Directors' Responsibilities on page 73.

External auditor

Assessment of effectiveness and independence of the external audit process

To assess the effectiveness and independence of the external audit process, the auditor is asked, on an annual basis, to set out the steps that it has taken to ensure objectivity and independence. The auditor's performance, behaviour and effectiveness during the exercise of its duties are monitored during the year by the Audit and Risk Committee. The Audit and Risk Committee considered the annual independent Audit Quality Inspection report by the FRC, which monitors audit quality of the major audit firms in the UK and discussed with the external auditor the results of its FRC audit quality review. Ernst & Young LLP presented its detailed audit plan for the 2026 financial year end at the November 2025 Audit and Risk Committee meeting. The Audit and Risk Committee also reviewed Ernst & Young LLP's policies and procedures including quality assurance procedures and independence and concluded that they were satisfactory.

The outcome of these reviews and discussions with the Senior Statutory Auditor were that the Committee is satisfied that Ernst & Young LLP has a suitable culture, control environment and risk framework to enable it to deliver a high-quality audit.

In assessing the quality of the audit, the Committee considered areas where the auditor had demonstrated professional scepticism and challenged management. They noted that this had been demonstrated around the disclosure of the revolving credit facility loans as current payables under IAS1 whereby the auditor asked management to fully justify and explain the classification, with the conclusion being that current payables was appropriate on the basis of the lenders right to terminate within a 12 month period from reporting date.

Taking into consideration all the above and its review and discussions with the key parties the Committee concluded that the external auditor had delivered a quality audit for the financial year ended 31 March 2026.

Auditor rotation

The regulations on mandatory auditor rotation require an audit tender to take place every ten years. An audit tender took place during 2019 and shareholders approved the appointment of Ernst & Young LLP as the Company's external auditor at the Annual General Meeting held on 11 July 2019. The year ended 31 March 2026 was the fourth year for which Ashley Coups (Senior Statutory Auditor) has served as audit partner for TEMIT.

Non-audit services

Performance of any non-audit services by the external auditor must be approved in advance by the Committee and must comply with the guidelines set out in the FRC's Revised Ethical Standard 2024. The Committee concluded that the non-audit service fees were appropriate relative to fees paid for audit services. An engagement letter is issued for all non-audit work and is reviewed by the Committee to ensure that the independence and objectivity of the auditor is safeguarded.

During the year, Ernst & Young LLP was engaged to perform a review of the Half Yearly Report. This is assurance related and the Committee believes that Ernst & Young LLP is best placed to provide this service for the shareholders.

The fees paid to the Auditor in the year were as follows:

Audited Information	2026	2025
Audit Services	£56,500	£56,200
Non-Audit Services		
- Review of Half Yearly Report	£11,230	£10,850
Percentage of Audit Services	19.9%	19.3%

The Committee therefore confirms that the non-audit work undertaken by the auditor satisfies and does not compromise the tests of the auditor's independence, objectivity, effectiveness, resources and qualification.

Internal control

The Committee monitors the risk management and system of internal controls on an ongoing basis and engages Franklin Templeton's internal audit function to carry out a review of specific areas that the Audit and Risk Committee considers appropriate.

The Committee met representatives of the Manager and Investment Managers, including its internal auditor, risk manager and its compliance officer, who reported as to the proper conduct of business in accordance with the regulatory environment in which both the Company and the Manager operate. Certain meetings held with the internal auditors are conducted on a private basis, with no representatives of the Manager present.

The Committee reviewed the Company's risk matrix that explains in detail the key risks identified by the Company, assessing the likelihood of each risk materialising and the impact that this would have on the Company. The Committee also confirmed the effectiveness of the key operational procedures and oversight by the Manager and the Board.

Other areas

TEMIT is able to rely on the Financial Markets Conduct (Overseas FMC Reporting Entities) Exemption Notice 2021, that exempts it from requirements to prepare audited Financial Statements in accordance with the New Zealand Financial Market Conduct Act 2013. This exemption recognises that companies with a primary listing in the United Kingdom prepare Financial Statements and are audited in accordance with UK requirements. This exempts TEMIT from the New Zealand requirement that firms be audited by a New Zealand unlimited liability entity.

TEMIT is in compliance with the provisions of 'The Statutory Audit Services for Large Companies Market Investigation' (Mandatory Use of Competitive Tender Processes and Audit Committee Responsibilities) Order 2014 as issued by the Competition & Markets Authority.

The Committee confirms that for the year ended 31 March 2026, it has complied with the Audit Committees and External Audit: Minimum Standard.

Sarika Patel

Audit and Risk Committee Chair

2 June 2026

Statement of directors' responsibilities

In respect of the Annual Report and the Financial Statements

The Directors are responsible for preparing the Annual Report and the Financial Statements in accordance with applicable law and regulations. Details of the Directors and members of the Committees are reported on pages 51 and 52.

Company law requires the Directors to prepare Financial Statements for each financial year. Under that law the Directors are required to prepare the Financial Statements in accordance with UK adopted International Accounting Standards.

Under company law the Directors must be satisfied that the Financial Statements give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for the period.

In preparing these Financial Statements, International Accounting Standard 1 requires that Directors:

- Properly select and apply accounting policies;
- Present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- Provide additional disclosures when compliance with the specific requirements of UK adopted International Accounting Standards is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- Assess the Company's ability to continue as a going concern.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the Financial Statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website (www.temit.co.uk). Legislation in the United Kingdom governing the preparation and dissemination of Financial Statements may differ from legislation in other jurisdictions.

Responsibility statement

Each of the Directors, who are listed on pages 51 and 52, confirms that to the best of their knowledge:

- The Financial Statements, which have been prepared in accordance with UK adopted International Accounting Standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company for the year ended 31 March 2026; and
- The Chairman's Statement, Strategic Report and the Report of the Directors include a fair review of the information required by 4.1.8R to 4.1.11R of the FCA's Disclosure Guidance and Transparency Rules; and
- The Annual Report and Audited Financial Statements, taken as a whole, are fair, balanced and understandable and provide the information necessary for shareholders to assess the Company's position and performance, business model and strategy, and include a description of the principal risks and uncertainties.

By order of the Board

Angus Macpherson

2 June 2026



03.
**Financial
Review**

Independent auditor's report

to the members of Templeton Emerging Markets Investment Trust plc

Opinion

We have audited the Financial Statements of Templeton Emerging Markets Investment Trust plc (the 'Company') for the year ended 31 March 2026 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows, and the related notes 1 to 22 to the Financial Statements, including material accounting policy information.

The financial reporting framework that has been applied in their preparation is applicable law and UK adopted International Accounting Standards.

In our opinion, the Financial Statements:

- give a true and fair view of the Company's affairs as at 31 March 2026 and of its profit for the year then ended;
- have been properly prepared in accordance with UK adopted International Accounting Standards; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Independence

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the Financial Statements in the UK, including the FRC's Ethical Standard as applied to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

The non-audit services prohibited by the FRC's Ethical Standard were not provided to the Company and we remain independent of the Company in conducting the audit.

Conclusions relating to going concern

In auditing the Financial Statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the Financial Statements is appropriate. Our evaluation of the Directors' assessment of the Company's ability to continue to adopt the going concern basis of accounting included;

- Confirming our understanding of the Company's going concern assessment process by engaging with the Directors and the Company Secretary to determine if all key factors were considered in their assessment.
- Inspecting the Directors' assessment of going concern, including the revenue forecast, for the period to 31 March 2028 which is at least 12 months from the date the Financial Statements were authorised for issue. In preparing the revenue forecast, the Company has concluded that it is able to continue to meet its ongoing costs as they fall due.
- Review of the factors and assumptions, including the impact of the current economic environment, as applied to the revenue forecast and the liquidity assessment of the investments. We considered the appropriateness of the methods used to calculate the revenue forecast and the liquidity assessment and determined, through testing of the methodology and calculations, that the methods, inputs and assumptions utilised were appropriate to be able to make an assessment for the Company.
- In relation to the Company's borrowing arrangements, we inspected the Directors' assessment of the risk of breaching the debt covenants as a result of a reduction in the value of the Company's portfolio. We recalculated the Company's compliance with debt covenants in the scenarios assessed by the Directors and reviewed the Directors' reverse stress testing in order to identify and challenge the factors which would lead to the Company breaching the financial covenants.
- Reviewing the Company's going concern disclosures included in the Annual Report in order to assess that the disclosures were appropriate and in conformity with the reporting standards.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period assessed by the Directors, being the period to 31 March 2028 which is at least 12 months from when the Financial Statements were authorised for issue.

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

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Company's ability to continue as a going concern.

Overview of our audit approach

Key audit matters



- Risk of incomplete or inaccurate revenue recognition
- Risk of incorrect valuation or ownership of the investment portfolio

Materiality



- Overall materiality of £25.26m (2025: £19.85m) which represents 1% of shareholders' funds.

An overview of the scope of our audit

Tailoring the scope

Our assessment of audit risk, our evaluation of materiality and our allocation of performance materiality determine our audit scope for the Company. This enables us to form an opinion on the Financial Statements. We take into account size, risk profile, the organisation of the Company and effectiveness of controls, the potential impact of climate change and changes in the business environment when assessing the level of work to be performed. All audit work was performed directly by the audit engagement team.

Climate change

Stakeholders are increasingly interested as to how climate change will impact companies. The Company has determined that the impact of climate change could affect the Company's portfolio. This is explained in the principal and emerging risks section on page 48, which forms part of the "Other information" rather than the audited Financial Statements. Our procedures on these disclosures therefore consisted solely of considering whether they are materially inconsistent with the Financial Statements or our knowledge obtained in the course of the audit or otherwise appear to be materially misstated.

Our audit effort in considering climate change was focused on the adequacy of the Company's disclosures in the Financial Statements as set out in note 1(a) and conclusion that there was no further impact of climate change to be taken into account as the investments are valued based on market pricing as required by UK adopted International Accounting Standards. In line with UK adopted International Accounting Standards, investments are valued at fair value, which for the Company are quoted bid prices for investments in active markets. Investments which are designated as level 3 are priced using market-based valuation approaches. All investments therefore reflect the market participants' view of climate change risk on the investments held by the Company. We also challenged the Directors' considerations of climate change in their assessment of viability and associated disclosures.

Based on our work we have not identified the impact of climate change on the Financial Statements to be a key audit matter or to impact a key audit matter.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Financial Statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the Financial Statements as a whole, and in our opinion thereon, and we do not provide a separate opinion on these matters.

Risk	Our response to the risk	Key observations communicated to the Audit and Risk Committee
<p>Incomplete or inaccurate revenue recognition (as described on page 70 in the Report of the Audit and Risk Committee and as per the accounting policy set out on page 89).</p> <p>The total revenue for the year to 31 March 2026 was £66.77m (2025: £74.34m), being £63.50m dividend income (2025: £69.30m), £0.91m derivative income (2025: £0m) and £2.36m (2025: £5.04m) other income.</p> <p>There is a risk of incomplete or inaccurate recognition of revenue through the failure to recognise proper income entitlements or to apply an appropriate accounting treatment.</p> <p>Additionally, in accordance with the AIC SORP, special dividends received by the Company can be included in either the revenue or capital columns of the Income Statement depending on the commercial circumstances behind the payments.</p>	<p>We performed the following procedures:</p> <p>We obtained an understanding of the Administrator's processes and controls surrounding revenue recognition by performing walkthrough procedures.</p> <p>For 100% of dividends received and accrued, we recalculated the dividend income by multiplying the investment holdings at the ex-dividend date, traced from the accounting records, by the dividend per share, which we agreed to an independent data vendor. We agreed a sample of dividend receipts to bank statements.</p> <p>For 100% of dividends accrued, we reviewed the investee company announcements to assess whether the dividend entitlements arose prior to 31 March 2026.</p> <p>To test completeness of recorded income, we verified that all expected dividends for each investee company held during the year have been recorded as revenue with reference to investee company announcements obtained from an independent data vendor.</p> <p>For all investments held during the year, we inspected the type of dividends paid with reference to an external data vendor to identify those which were special dividends. The Company received nine special dividends of which none exceeded our testing threshold. We assessed the appropriateness of managements classification for a sample of one special dividend as revenue by reviewing the underlying rationale of the distribution.</p>	<p>The results of our procedures identified no material misstatement in relation to incomplete or inaccurate revenue recognition.</p>

Risk	Our response to the risk	Key observations communicated to the Audit and Risk Committee
<p>Incorrect valuation or ownership of the investment portfolio (as described on page 70 in the Report of the Audit and Risk Committee and as per the accounting policy set out on page 90).</p> <p>The valuation of the portfolio at 31 March 2026 was £2,562.36m (2025: £2,002.62m) consisting of level 1 listed investments, and two nil valued Russian securities designated as level 3 investments (2025: two nil valued Russian securities).</p> <p>The fair value of financial instruments at the year-end date is, ordinarily, based on the latest quoted bid price at, or before, the US market close (without deduction for any of the estimated future selling costs), if the instrument is held in active markets.</p> <p>For all financial instruments not traded in an active market or where market price is not deemed representative of fair value, valuation techniques are employed to determine fair value.</p>	<p>We performed the following procedures:</p> <p>We obtained an understanding of the Administrator's processes and controls surrounding investment pricing and legal title by performing walkthrough procedures.</p> <p>For 100% of investments in the portfolio, we verified the market prices and exchange rates to an independent pricing vendor and recalculated the investment valuations as at the year-end. For the Russian securities we have assessed the reasonableness and appropriateness of them being designated as level 3. We have reviewed the appropriateness of valuing the remaining Russian securities (Sberbank and Lukoil) at nil.</p> <p>We made inquiries of the Administrator who confirmed there were no investments with stale prices as at the year-end. We challenged this by reviewing the daily valuation of each investment for five business days before and after 31 March 2026 to identify any stale prices. Our testing did not identify any stale prices.</p> <p>We compared the Company's investment holdings at 31 March 2026 to independent confirmations received directly from the Company's Custodian and Depository.</p>	<p>The results of our procedures identified no material misstatement in relation to the risk of incorrect valuation or ownership of the investment portfolio.</p>

Our application of materiality

We apply the concept of materiality in planning and performing the audit, in evaluating the effect of identified misstatements on the audit and in forming our audit opinion.

Materiality

The magnitude of an omission or misstatement that, individually or in the aggregate, could reasonably be expected to influence the economic decisions of the users of the Financial Statements. Materiality provides a basis for determining the nature and extent of our audit procedures.

We determined materiality for the Company to be £25.26m (2025: £19.85m), which is 1% (2025: 1%) of shareholders' funds. We believe that shareholders' funds provides us with materiality aligned to the key measurement of the Company's performance.

Performance materiality

The application of materiality at the individual account or balance level. It is set at an amount to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality.

On the basis of our risk assessments, together with our assessment of the Company's overall control environment, our judgement was that performance materiality was 75% (2025: 75%) of our planning materiality, namely £ 18.94m (2025: £14.89m). We have set performance materiality at this percentage due to our past experience of the audit that indicates a lower risk of misstatements, both corrected and uncorrected.

Given the importance of the distinction between revenue and capital for investment trusts we also applied a separate testing threshold for the revenue column of the Statement of Comprehensive Income of £2.90m (2025: £3.13m) being 5% (2025: 5%) of profit before tax.

Reporting threshold

An amount below which identified misstatements are considered as being clearly trivial.

We agreed with the Audit and Risk Committee that we would report to them all uncorrected audit differences in excess of £1.26m (2025: £0.99m), which is set at 5% of planning materiality, as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds.

We evaluate any uncorrected misstatements against both the quantitative measures of materiality discussed above and in light of other relevant qualitative considerations in forming our opinion.

Other information

The other information comprises the information included in the Annual Report other than the Financial Statements and our auditor's report thereon. The Directors are responsible for the other information contained within the Annual Report.

Our opinion on the Financial Statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the Financial Statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the Directors' report for the financial year for which the Financial Statements are prepared is consistent with the Financial Statements; and
- the strategic report and Directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or Directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

Corporate Governance Statement

We have reviewed the Directors' statement in relation to going concern, longer-term viability and that part of the Corporate Governance Statement relating to the Company's compliance with the provisions of the UK Corporate Governance Code specified for our review by the UK Listing Rules.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the Corporate Governance Statement is materially consistent with the Financial Statements or our knowledge obtained during the audit:

- Directors' statement with regards to the appropriateness of adopting the going concern basis of accounting and any material uncertainties identified set out on page 61;
- Directors' explanation as to its assessment of the Company's prospects, the period this assessment covers and why the period is appropriate set out on page 49;
- Director's statement on whether it has a reasonable expectation that the Company will be able to continue in operation and meets its liabilities set out on page 61;
- Directors' statement on fair, balanced and understandable set out on page 70;
- Board's confirmation that it has carried out a robust assessment of the emerging and principal risks set out on pages 47 to 49;
- The section of the Annual Report that describes the review of effectiveness of risk management and internal control systems set out on page 72; and
- The section describing the work of the Audit and Risk Committee set out on pages 67 and 68.

Responsibilities of Directors

As explained more fully in the Directors' responsibilities statement set out on page 73, the Directors are responsible for the preparation of the Financial Statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the Company and management.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Company and determined that the most significant are UK adopted International Accounting Standards, the Companies Act 2006, the UK Listing Rules, the UK Corporate Governance Code and the AIC Corporate Governance, the Statement of Recommended Practice for the Financial Statements of Investment Trust Companies as issued by the Association of Investment Companies, Section 1158 of the Corporation Tax Act 2010, and The Companies (Miscellaneous Reporting) Regulations 2018.
- We understood how the Company is complying with those frameworks through discussions with the Audit and Risk Committee and Company Secretary, review of the board and committee minutes and review of papers provided to the Audit and Risk Committee.
- We assessed the susceptibility of the Company's Financial Statements to material misstatement, including how fraud might occur by testing specific accounting journal entries and considering the key risks impacting the Financial Statements.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved review of the reporting to the Directors with respect to the application of the documented policies and procedures and review of the Financial Statements to ensure compliance with the reporting requirements of the Company.

A further description of our responsibilities for the audit of the Financial Statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Other matters we are required to address

- Following the recommendation from the Audit and Risk Committee, we were appointed by the Company on 11 July 2019 to audit the Financial Statements for the year ending 31 March 2020 and subsequent financial periods.

The period of total uninterrupted engagement including previous renewals and reappointments is seven years, covering the years ending 31 March 2020 to 31 March 2026.

- The audit opinion is consistent with the additional report to the Audit and Risk Committee.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Ashley Coups
(Senior Statutory Auditor)

for and on behalf of Ernst & Young LLP,
Statutory Auditor
London

2 June 2026



Statement of comprehensive income

For the year ended 31 March 2026

	Note	Year Ended 31 March 2026			Year Ended 31 March 2025		
		Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Net Gains/(Losses) on Investments and Foreign Exchange							
Net Gains on Investments at Fair Value	8	–	721,419	721,419	–	115,856	115,856
Net Gains on Derivative Instruments	9	–	105	105	–	–	–
Net Losses on Foreign Exchange		–	(3,848)	(3,848)	–	(403)	(403)
Income							
Dividends	2	62,296	1,204	63,500	65,353	3,944	69,297
Derivative Income	2	905	–	905	–	–	–
Other Income	2	2,360	–	2,360	5,038	–	5,038
		65,561	718,880	784,441	70,391	119,397	189,788
Expenses							
AIFM Fee	3	(4,547)	(13,640)	(18,187)	(4,792)	(12,620)	(17,412)
Other Expenses	4	(2,259)	–	(2,259)	(2,294)	–	(2,294)
		(6,806)	(13,640)	(20,446)	(7,086)	(12,620)	(19,706)
Profit Before Finance Costs and Taxation							
		58,755	705,240	763,995	63,305	106,777	170,082
Finance Costs	5	(816)	(2,448)	(3,264)	(700)	(1,885)	(2,585)
Profit Before Taxation							
		57,939	702,792	760,731	62,605	104,892	167,497
Tax (Expense)/Income	6	(5,206)	3,011	(2,195)	(4,682)	(9,119)	(13,801)
Profit for the Year							
		52,733	705,803	758,536	57,923	95,773	153,696
Profit Attributable to Equity Holders of the Company							
		52,733	705,803	758,536	57,923	95,773	153,696
Earnings per Share	7	5.39p	72.15p	77.54p	5.41p	8.95p	14.36p

Under the Company's Articles of Association, the capital element of return is not distributable.

The total column of this statement represents the profit and loss account of the Company. The revenue and capital columns represent supplementary information prepared in accordance with the Statement of Recommended Practice ('SORP') issued by the Association of Investment Companies ('AIC').

The Company does not have any other comprehensive income and, accordingly, profit attributable to equity holders of the Company, as disclosed above, is the same as the Company's total comprehensive income.

The accompanying notes on pages 88 to 105 are an integral part of the Financial Statements.

Statement of financial position

As at 31 March 2026

	Note	As at 31 March 2026 £'000	As at 31 March 2025 £'000
Non-Current Assets			
Investments at Fair Value Through Profit or Loss	8	2,562,364	2,002,617
Current Assets			
Amounts Held at Brokers		235	–
Trade and Other Receivables	10	9,538	8,374
Cash and Cash Equivalents		78,641	75,549
Total Current Assets		88,414	83,923
Current Liabilities			
Derivative Instrument Liabilities	9	(1)	–
Bank Loans	11	(110,683)	(80,000)
Other Payables	11	(5,495)	(4,406)
Provisions	12	(399)	(416)
Total Current Liabilities		(116,578)	(84,822)
Net Current Liabilities		(28,164)	(899)
Non-Current Liabilities			
Capital Gains Tax Provision	6	(8,615)	(16,276)
Total Assets Less Liabilities		2,525,585	1,985,442
Share Capital and Reserves			
Equity Share Capital	1(k), 13	50,245	54,241
Capital Redemption Reserve	1(k)	32,424	28,428
Capital Reserve	1(k)	1,873,826	1,334,729
Special Distributable Reserve	1(k)	433,546	433,546
Revenue Reserve	1(k)	135,544	134,498
Equity Shareholders' Funds		2,525,585	1,985,442
Net Asset Value Pence per Share ^(a)		267.3	193.7

The accompanying notes on pages 88 to 105 are an integral part of the Financial Statements.

The Financial Statements of Templeton Emerging Markets Investment Trust plc (company registration number SC118022) on pages 83 to 105 were approved for issue by the Board and signed on 2 June 2026.

Angus Macpherson

Chairman

Sarika Patel

Director

(a) Based on shares in issue excluding shares held in treasury.

Statement of changes in equity

For the year ended 31 March 2026

	Note	Equity Share Capital £'000	Capital Redemption Reserve £'000	Capital Reserve £'000	Special Distributable Reserve £'000	Revenue Reserve £'000	Total £'000
Balance at 31 March 2024		60,932	21,737	1,388,186	433,546	130,462	2,034,863
Profit for the Year		-	-	95,773	-	57,923	153,696
Equity Dividends	14	-	-	-	-	(53,887)	(53,887)
Purchase and Cancellation of Own Shares	13	(4,500)	4,500	(149,230)	-	-	(149,230)
Cancellation of Treasury Shares	13	(2,191)	2,191	-	-	-	-
Balance at 31 March 2025		54,241	28,428	1,334,729	433,546	134,498	1,985,442
Profit for the Year		-	-	705,803	-	52,733	758,536
Equity Dividends	14	-	-	-	-	(51,687)	(51,687)
Purchase and Cancellation of Own Shares	13	(3,996)	3,996	(166,706)	-	-	(166,706)
Balance at 31 March 2026		50,245	32,424	1,873,826	433,546	135,544	2,525,585

The accompanying notes on pages 88 to 105 are an integral part of the Financial Statements.

Statement of cash flows

For the year ended 31 March 2026

	Note	For the Year to 31 March 2026 £'000	For the Year to 31 March 2025 £'000
Cash Flows From Operating Activities			
Profit Before Taxation		760,731	167,497
Adjustments to Reconcile Profit Before Taxation to Cash Used in Operations:			
Bank and Deposit Interest Income Recognised		(2,360)	(5,015)
Dividend Income Recognised		(63,500)	(69,297)
Derivative Income Recognised		(905)	–
Finance Costs		3,264	2,585
Net Gains on Investments at Fair Value	8	(721,419)	(115,856)
Net Gains on Derivative Instruments	9	(105)	–
Net Losses on Foreign Exchange		3,848	403
(Increase)/Decrease in Debtors		(154)	85
Increase in Creditors		553	10
Cash Used in Operations		(20,047)	(19,588)
Bank and Deposit Interest Received		2,366	5,089
Dividends Received		63,650	69,421
Derivative Income Recognised		1,010	–
Amounts Held at Brokers		(235)	–
Bank Overdraft Interest Paid		–	(2)
Tax Paid		(9,714)	(7,614)
Net Realised Losses/(Gains) on Foreign Currency Cash and Cash Equivalents		(1,327)	(82)
Net Cash Inflow From Operating Activities		35,703	47,224
Cash Flows From Investing Activities			
Purchases of Non-Current Financial Assets		(419,031)	(402,009)
Sales of Non-Current Financial Assets		578,392	509,268
Cash Flows From Investing Activities		159,361	107,259
Cash Flows From Financing Activities			
Equity Dividends Paid	14	(51,687)	(53,887)
Purchase and Cancellation of Own Shares		(166,176)	(149,034)
Repayment of Bank Loans - Fixed Term Loan ^(a)		–	(100,000)
Repayment of Bank Loans – Revolving Credit Facility		(40,000)	–
Drawdown of Bank Loans – Revolving Credit Facility		68,567	80,000
Interest and Fees Paid on Bank Loans		(3,543)	(2,165)
Proceeds from Share Forfeiture		(17)	821
Refund of Unclaimed Dividends		–	220
Charity Donations		–	(625)

(a) The fixed term loan was repaid in full at its maturity on 31 January 2025.

Note	For the Year to 31 March 2026 £'000	For the Year to 31 March 2025 £'000
Net Cash Outflow From Financing Activities	(192,856)	(224,670)
Net Increase/(Decrease) in Cash	2,208	(70,187)
Cash and Cash Equivalents at the Start of the Year	75,549	145,736
Net Unrealised Gains on Foreign Currency Cash and Cash Equivalents	884	0
Cash and Cash Equivalents at the End of the Year^(a)	78,641	75,549

The accompanying notes on pages 88 to 105 are an integral part of the Financial Statements.

Changes in Liabilities Arising from Financing Activities

	Liabilities as at 31 March 2025 £'000	Cash Flows £'000	Profit & Loss £'000	Foreign Exchange Movement £'000	Liabilities as at 31 March 2026 £'000
Revolving Credit Facility	80,000	28,567	–	2,116	110,683
- Interest and Fees Payable	767	(3,543)	3,264	–	488
Total Liabilities From Bank Loans	80,767	25,024	3,264	2,116	111,171

	Liabilities as at 31 March 2024 £'000	Cash Flows £'000	Profit & Loss £'000	Foreign Exchange Movement £'000	Liabilities as at 31 March 2025 £'000
Revolving Credit Facility	–	80,000	–	–	80,000
- Interest and Fees Payable	–	(71)	838	–	767
Fixed Term Loan	100,000	(100,000)	–	–	–
- Interest and Fees Payable	349	(2,094)	1,745	–	–
Total Liabilities From Bank Loans	100,349	(22,165)	2,583	–	80,767

(a) Cash and cash equivalents at the end of the year comprises cash of £41.2 million (2025: £0.2 million) and cash equivalents of £37.4 million (2025: £75.3 million).

Notes to the financial statements

As at 31 March 2026

1 | Accounting Policies

(a) Basis of preparation

The Financial Statements of the Company have been prepared in accordance with UK adopted International Accounting Standards. The Financial Statements have also been prepared in accordance with the SORP for investment trusts issued by the AIC and updated in December 2025 insofar as the SORP is compatible with International Accounting Standards.

The principal accounting policies adopted are set out below.

Adoption of new and revised Accounting Standards

At the date of authorisation of these Financial Statements, the following standards were assessed to be relevant and are effective for annual periods beginning on or after 1 January 2025:

- IAS 21 Amendments: Lack of Exchangeability. This amendment clarifies when a currency is exchangeable and how to determine the exchange rate when it is not.

The amendments listed above did not have any impact on the amounts recognised in the current reporting period.

At the date of authorisation of these Financial Statements, the following standards and interpretations which have not been applied in these Financial Statements were in issue but not yet applicable:

Accounting Standards	Effective Date for Annual Periods Beginning On or After
Amendments to IFRS 9 and IFRS 7 - Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
IFRS 18 – Presentation and disclosure in financial statements	1 January 2027

The Directors expect that the amendments listed above will have no material impact to the Financial Statements of the Company in the next reporting periods.

Going concern

The Directors have a reasonable expectation that the Company has sufficient resources to continue in operational existence for the period to 31 March 2028, which is at least 12 months from the date of the approval of these Financial Statements. The Directors reviewed income forecasts covering the next two financial years, including interest and fees arising from the revolving credit loan facility. The Directors considered the principal and emerging risks and uncertainties disclosed on pages 47 to 49.

At 31 March 2026, the Company had net current liabilities of £28,164,000 (31 March 2025: net current liabilities of £899,000). In addition, the Company holds a portfolio of largely liquid assets that, if required, can be sold to maintain adequate cash balances to meet its expected cash flows, including current liabilities relating to the loans under the £122 million multi-currency revolving credit facility. The Directors also reviewed scenarios of a significant drop in value of the assets and noted that in those scenarios they would still be significantly higher than the Company's liabilities. They have also confirmed the resiliency of the Company's key service providers and are satisfied that their contingency plans and working arrangements are sustainable.

The Board has established a framework of prudent and effective controls performed periodically by the Audit and Risk Committee, which enable risks to be assessed and managed. Therefore, the going concern basis has been adopted in preparing the Company's Financial Statements. The Going Concern statement is set out on page 61.

Functional currency

As the Company is a UK investment trust, whose share capital is issued in the UK and denominated in sterling, the Directors consider that the functional currency of the Company is sterling.

Estimates, assumptions and judgements

There have been no significant estimates, assumptions or judgements for the year.

In preparing these Financial Statements, the Directors have considered the impact of climate change as a principal risk as set out on page 48 and have concluded that there was no further impact of climate change to be considered as the investments are valued based on market pricing. In line with UK adopted International

Accounting Standards the investments are valued at fair value, which for the Company are the bid prices quoted on the relevant stock exchange at the date of the Statement of Financial Position and therefore reflect market participants' views of climate change risk on the investments held.

(b) Presentation of statement of comprehensive income

To reflect accurately the activities of an investment trust company and in accordance with guidance issued by the AIC, supplementary information which analyses the Statement of Comprehensive Income between items of a revenue and capital nature has been presented within the Statement of Comprehensive Income. In accordance with the Company's Articles of Association, net capital profits may not be distributed by way of dividend. Additionally, the net revenue is the measure that the Directors believe appropriate in assessing the Company's compliance with certain requirements set out in Section 1158 of the Corporation Tax Act 2010.

(c) Income

Dividends receivable on equity shares are treated as revenue for the year on an ex-dividend basis. Where no ex-dividend date is available, dividends are recognised on their due date. Provision is made for any dividends not expected to be received.

Where the Company has elected to receive its dividends in the form of additional shares rather than in cash, the amount of the cash dividend is recognised in the revenue column of the Statement of Comprehensive Income. Any excess or shortfall in the value of the shares received over the amount of the cash dividend forgone is recognised in the capital column of the Statement of Comprehensive Income.

Special dividends receivable are treated as repayment of capital or as revenue depending on the facts of each particular case. Interest on bank deposits and collateral related to option contracts are recognised on an accrual basis.

Stock lending income is shown gross of associated costs and recognised in revenue as earned.

(d) Expenses

All expenses are accounted for on an accrual basis and are charged through the revenue and capital sections of the Statement of Comprehensive Income. Expenses are allocated to revenue except for:

- Expenses relating to the purchase or disposal of an investment are treated as capital. Details of transaction costs on purchases and sales of investments are disclosed in Note 8; and
- The AIFM fee and any finance costs, except for interest and fees on overdrafts, incurred are allocated 25% to revenue and 75% to capital in line with the Directors' expected long-term split of revenue and capital return from the Company's investment portfolio.

(e) Finance costs

Finance costs relating to bank loans are accounted for on an accrual basis using the effective interest method in the Statement of Comprehensive Income according to the Directors' expectations of future returns. Finance costs relate to interest and fees on bank loans and overdrafts.

(f) Taxation

The tax expense represents the sum of current and deferred tax. Tax receivables will be recognised when it is probable that the benefit will flow to the entity and the benefit can be reliably measured. In line with the recommendations of the SORP, the allocation method used to calculate tax relief on expenses presented against capital returns in the supplementary information in the Statement of Comprehensive Income is the 'marginal basis'. Under this basis, if taxable income is capable of being offset entirely by expenses presented in the revenue return column of the Statement of Comprehensive Income, then no tax relief is transferred to the capital return column.

Deferred taxation is recognised in respect of all taxable temporary differences that have originated but not reversed at the year-end date, where transactions or events that result in an obligation to pay more tax in the future or rights to pay less tax in the future have occurred at the year-end date.

This is subject to deferred tax assets only being recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised. Deferred tax assets and liabilities are measured at the rates applicable to the legal jurisdictions in which they arise.

Due to the Company's status as an investment trust company, and its intention to continue to meet the eligibility conditions of Section 1158 of the Corporation Tax Act 2010 and the ongoing requirements of The Investment Trust (Approved Company) (Tax) Regulations 2011, the Company has not provided deferred tax in respect of UK corporation tax on any capital gains and losses arising on the revaluation or disposal of investments. Where appropriate, the Company provides for deferred tax in respect of overseas taxes on any capital gains arising on the revaluation of investments.

The carrying amount of deferred tax assets is reviewed at each year-end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

(g) Investments held at fair value through profit or loss

The Company classifies its equity investments based on their contractual cash flow characteristics and the Company's business model for managing the assets. The Company's business is investing in financial assets with a view to profiting from their total return in the form of revenue and capital growth. This portfolio of financial assets is managed, and its performance evaluated on a fair value basis, in accordance with a documented investment strategy, and information about the portfolio is provided internally on that basis to the Company's Directors and other key management personnel. Equity investments do not meet the contractual cash flows test so are measured at fair value. Accordingly, upon initial recognition, all the Company's non-current asset investments are held at 'fair value through profit or loss'. They are included initially at fair value, which is taken to be their cost excluding expenses incidental to the acquisition.

Subsequently, the investments are valued at 'fair value', which is measured as follows:

The fair value of financial instruments at the year-end date is, ordinarily, based on the latest quoted bid price at, or before, the US market close (without deduction for any of the estimated future selling costs), if the instrument is held in active markets. This represents a Level 1 classification under IFRS 13. For all financial instruments not traded in an active market or where market price is not deemed representative of fair value, valuation techniques are employed to determine fair value. Valuation techniques include the market approach (i.e. using recent arm's length market transactions adjusted as necessary and reference to the market value of another instrument that is substantially the same) and the income approach (i.e., discounted cash flow analysis making use of available and supportable market data as possible).

Gains and losses arising from changes in fair value are included in the net profit or loss for the period as a capital item in the Statement of Comprehensive Income.

(h) Derivative instruments

When appropriate, permitted transactions in derivative instruments are used. Derivative transactions into which the Company may enter include written call option contracts. Derivatives are classified as other financial instruments and are initially accounted and measured at fair value on the date the derivative contract is entered into and subsequently measured at fair value as detailed below.

- Options – the quoted traded price for the contract.

Where transactions are used to protect or enhance income, if the circumstances support this, the income and expenses derived are included in net income in the revenue column of the Statement of Comprehensive Income. Where such transactions are used to protect or enhance capital, if the circumstances support this, the income and expenses derived are included in gains and losses on derivative instruments in the capital column of the Statement of Comprehensive Income. Any positions on such transactions open at the year end are reflected on the Statement of Financial Position at their fair value within current assets or current liabilities.

Option premiums earned from written call options are recognised as revenue in the Statement of Comprehensive Income over the maturity of the instrument. Option premium income is recognised net of fees or commissions related to option contracts.

The cash collateral related to option contracts is shown in 'Amounts Held at Brokers' in the Statement of Financial Position.

(i) Foreign currencies

Transactions involving foreign currencies are translated to sterling (the Company's functional currency) at the spot exchange rates ruling on the date of the transactions. Assets and liabilities in foreign currencies are translated at the rates of exchange at the year-end date. Foreign currency gains and losses are included in the Statement of Comprehensive Income and allocated as capital or income depending on the nature of the transaction giving rise to the gain or loss.

(j) Financial instruments

Cash comprises cash in hand and demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash that are subject to an insignificant risk of changes in value.

Bank loans are classified as financial liabilities at amortised cost. They are initially measured as the proceeds net of direct issue costs and subsequently measured at amortised cost. Interest payable on the bank loans is accounted for on an accrual basis in the Statement of Comprehensive Income. The amortisation of direct issue costs is accounted for on an accrual basis in the Statement of Comprehensive Income using the effective interest method.

All financial assets and financial liabilities are recognised (or derecognised) on the date of the transaction using 'trade date accounting'.

(k) Share capital and reserves

Equity Share Capital – represents the nominal value of the issued share capital. This reserve is not distributable.

Capital Redemption Reserve – represents the nominal value of shares repurchased and cancelled. This reserve is not distributable.

Capital Reserve – gains and losses on realisation of investments; changes in fair value of investments which are readily convertible to cash, without accepting adverse terms; realised exchange differences of a capital nature; changes in the fair value of investments that are not readily convertible to cash, without accepting adverse terms; and the amounts by which other assets and liabilities valued at fair value differ from their book value are within this reserve. Purchases of the Company's own shares are funded from the realised component of the Capital Reserve. The Company's Articles of Association preclude it from making any distribution of capital profits by way of dividend.

If treasury shares are subsequently cancelled, the nominal value is transferred out of Equity Share Capital and into the Capital Redemption Reserve.

Special Distributable Reserve – reserve created upon the transfer of the balances of the Share Premium Account and of the Capital Redemption Reserve in December 2008. This reserve is fully distributable.

Revenue Reserve – represents net income earned that has not been distributed to shareholders. This reserve is fully distributable.

Income recognised in the Statement of Comprehensive Income is allocated to applicable reserves in the Statement of Changes in Equity.

2 | Income

	2026			2025		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Dividends^(a)						
International Dividends	62,296	1,204	63,500	65,234	3,944	69,178
UK Dividends	–	–	–	119	–	119
	62,296	1,204	63,500	65,353	3,944	69,297
Derivative Income						
Option Income	905	–	905	–	–	–
	905	–	905	–	–	–
Other Income						
Bank and Deposit Interest	2,360	–	2,360	5,015	–	5,015
Stock Lending Income	–	–	–	23	–	23
	2,360	–	2,360	5,038	–	5,038
Total	65,561	1,204	66,765	70,391	3,944	74,335

3 | AIFM Fee

	2026			2025		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
AIFM Fee	4,547	13,640	18,187	4,792	12,620	17,412

The AIFM fee is paid monthly and based on the month end total net assets of the Company. The previous fee structure applied prior to 1 July 2024 was 1% of the first £1 billion of net assets, 0.75% of net assets between £1 billion and £2 billion, and 0.50% of net assets over £2 billion. From 1 July 2025, the AIFM fee applied to the middle rate band for net assets between £1 billion and £2 billion was reduced to 0.60%, while the other rate bands remained the same, 1% of the first £1 billion of net assets and 0.50% of net assets over £2 billion. This adjustment followed an earlier modification from 1 July 2024 when the AIFM fee was reduced to 0.70% for the same middle rate band.

75% of the annual AIFM fee has been allocated to the capital account.

(a) The Company received special dividends amounting to £2.8 million (2025: £8.6 million) of which £1.2 million (2025: £3.9 million) was classified as capital and £1.6 million (2025: £4.7 million) was classified as revenue.

4 | Other Expenses

	2026 £'000	2025 £'000
Custody Fees	523	502
Marketing Fees	403	352
Directors' Remuneration	355	344
Membership Fees	247	205
Depository Fees	198	169
Broker Fees	85	43
Auditor's Remuneration		
- Audit of the Annual Financial Statements	57	56
- Review of the Half Yearly Report	11	11
Tax Advisory Fees	160	175
Registrar Fees	45	172
Printing and Postage Fees	24	23
Other Expenses	151	242
Total	2,259	2,294

5 | Finance Costs

	2026			2025		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Fixed Term Loan	-	-	-	488	1,257	1,745
Revolving Credit Facility	816	2,448	3,264	210	628	838
Bank Overdraft Interest	-	-	-	2	-	2
Total	816	2,448	3,264	700	1,885	2,585

6 | Tax on Ordinary Activities

	2026			2025		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Irrecoverable Overseas Withholding Tax	5,206	–	5,206	4,682	–	4,682
Capital Gains Tax Paid	–	4,650	4,650	–	3,306	3,306
Total Current Tax	5,206	4,650	9,856	4,682	3,306	7,988
Capital Gains Tax Provision	–	(7,661)	(7,661)	–	5,813	5,813
Total	5,206	(3,011)	2,195	4,682	9,119	13,801
			2026 £'000			2025 £'000
Profit Before Taxation			760,731			167,497
Theoretical Tax at UK Corporation Tax Rate of 25%			190,183			41,874
Effects of:						
- Capital Element of Profit			(179,720)			(29,849)
- Irrecoverable Overseas Withholding Tax			5,206			4,682
- Excess Management Expenses			3,568			2,733
- Overseas Capital Gains Tax Paid			4,650			3,306
- Dividends Not Subject to Corporation Tax			(13,883)			(14,543)
- Movement in Overseas Capital Gains Tax Liability			(7,661)			5,813
- UK Dividends			–			(30)
- Overseas Tax Expensed			(148)			(185)
Actual Tax Charge			2,195			13,801

As at 31 March 2026 the Company had unutilised management expenses and non-trade deficits of £329.3 million carried forward (2025: £315.3 million). These balances have been generated because a large part of the Company's income is derived from dividends which are not taxed. Based on current UK tax law, the Company is not expected to generate taxable income in a future period in excess of deductible expenses for that period and, accordingly, is unlikely to be able to reduce future tax liabilities by offsetting these excess management expenses. These excess management expenses are therefore not recognised as a deferred tax asset of £82.3 million (2025: £78.8 million) based on a prospective corporation tax rate of 25% (2025: 25%).

Movement in Provision for Capital Gains Tax^(a)

	2026 £'000	2025 £'000
Balance Brought Forward	16,276	10,463
(Credit)/Charge For the Year	(3,011)	9,119
Capital Gains Tax Paid	(4,650)	(3,306)
Balance Carried Forward	8,615	16,276

(a) A provision for deferred capital gains tax has been recognised in relation to unrealised gains for holdings in India.

7 | Earnings per Share

	2026			2025		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Earnings	52,733	705,803	758,536	57,923	95,773	153,696
	2026			2025		
	Revenue pence	Capital pence	Total pence	Revenue pence	Capital pence	Total pence
Earnings per Share	5.39	72.15	77.54	5.41	8.95	14.36

The earnings per share is based on the profit attributable to equity holders and on the weighted average number of shares in issue, excluding shares held in treasury, during the year of 978,257,253 (year to 31 March 2025: 1,070,018,105). There were no dilutive shares in issue during the year (year to 31 March 2025: none).

8 | Financial Assets - Investments

	2026 £'000	2025 £'000
Opening Investments		
Book Cost	1,710,894	1,740,112
Net Unrealised Gains	291,723	255,120
Opening Fair Value	2,002,617	1,995,232
Movements in the Year		
Additions at Cost	419,311	399,390
Disposals Proceeds	(580,983)	(507,861)
Net Gains on Investments at Fair Value	721,419	115,856
	2,562,364	2,002,617
Closing Investments		
Book Cost	1,709,656	1,710,894
Net Unrealised Gains	852,708	291,723
Closing Investments	2,562,364	2,002,617

All investments have been recognised at fair value with gains and losses recorded through the Statement of Comprehensive Income.

Transaction costs for the year on purchases were £511,000 (2025: £404,000) and transaction costs for the year on sales were £1,110,000 (2025: £978,000). The aggregate transaction costs for the year were £1,621,000 (2025: £1,382,000).

The Company received £580,983,000 (2025: £507,861,000) from investments sold in the year. The book cost of these investments when they were purchased was £420,549,000 (2025: £428,608,000). These investments have been revalued over time and, until they were sold, any unrealised gains or losses were included in the fair value of the investments.

	2026 £'000	2025 £'000
Net Gains on Investments at Fair Value Comprise:		
Net Realised Gains on Sale of Investments at Fair Value	160,433	79,253
Net Movement in Unrealised Gains	560,986	36,603
Net Gains on Investments at Fair Value	721,419	115,856

9 | Derivative Instruments

	2026 £'000	2025 £'000
Net Gains on Derivative Instruments		
Net Change in Unrealised Gains on Options	105	–
	105	–

	2026 £'000	2025 £'000
Derivative Instruments Recognised in the Statement of Financial Position		
Derivative Instruments Liabilities		
Options	1	–
	1	–

10 | Trade and Other Receivables

	2026 £'000	2025 £'000
Dividends Receivable	8,003	8,153
Overseas Tax Recoverable	–	142
Sales Awaiting Settlement	1,357	55
Other Debtors	178	24
Total	9,538	8,374

11 | Current Payables

	2026 £'000	2025 £'000
Revolving Credit Facility Payable	110,683	80,000
AIFM Fee	1,740	1,446
Purchase of Investments for Future Settlement	1,328	1,048
Amounts Owed for Share Buybacks	1,188	658
Accrued Expenses	751	487
Interest and Fees on Revolving Credit Facility	488	767
Total	116,178	84,406

Revolving credit facility

On 31 January 2025, the Company entered into a £122 million multi-currency unsecured revolving credit facility (the 'facility') for a period of one year with The Bank of Nova Scotia, London Branch, which expired on 30 January 2026. On the same date, the Company entered into a new multi-currency revolving loan facility with the same entity. This is a rolling agreement with the option to terminate after one year and commercial terms will be reviewed every three years. Under the terms of the credit facility the lender has the right to terminate the credit facility within a period of less than 12 months from the reporting date therefore the bank loans are classed as current liabilities within the Statement of Financial Position.

From 30 January 2026, the commitment fee on unutilised commitments is a flat fee of 0.325% per annum. The previous fee was 0.40% per annum on undrawn balances.

Under the facility balances can be drawn down in GBP, USD or CNH. From 30 January 2026, the interest margin is 0.95% as follows: USD drawdowns incur interest at 0.95% per annum over the daily secured overnight financing rate ('SOFR') administered by the Federal Reserve Bank of New York, GBP drawdowns incur interest at 0.95% per annum over the daily sterling overnight index average ('SONIA') published by the Bank of England and CNH drawdowns incur interest at 0.95% per annum over the Hong Kong Interbank Offered Rate ('HIBOR') as quoted by the Hongkong and Shanghai Banking Corporation Limited. The previous fee structure was 1.10% per annum over the daily SOFR for USD drawdowns, 1.10% per annum over the daily SONIA for GBP drawdowns and 1.10% per annum over the HIBOR for CNH drawdowns.

Under the terms of the facility, the net assets cannot be less than £1,015 million and the adjusted net asset coverage to all borrowings cannot be less than 3.5:1.

As at 31 March 2026, £40 million, USD 50 million and CNH 300 million were outstanding loans drawn down from the revolving credit facility. Facility drawdowns are shown at amortised cost and revalued for exchange rate movements. Any gain or loss arising from changes in exchange rates is included in the capital reserves and shown in the capital column of the Statement of Comprehensive Income. Interest costs are charged to capital (75%) and revenue (25%) in accordance with the Company's accounting policies.

12 | Provisions

	2026 £'000	2025 £'000
Provision for claims arising from share forfeitures	399	416
Total	399	416

13 | Equity Share Capital

	2026		2025	
	£'000	Number	£'000	Number
Ordinary Shares In Issue				
Opening Ordinary Shares of 5 Pence	51,241	1,024,828,725	55,741	1,114,818,617
Purchase and Cancellation of Own Shares	(3,996)	(79,922,725)	(4,500)	(89,989,892)
Closing Ordinary Shares of 5 Pence	47,245	944,906,000	51,241	1,024,828,725
	2026		2025	
Ordinary Shares Held In Treasury	£'000	Number	£'000	Number
Opening Ordinary Shares of 5 Pence	3,000	60,000,000	5,191	103,825,895
Cancellation of Shares	–	–	(2,191)	(43,825,895)
Closing Ordinary Shares of 5 Pence	3,000	60,000,000	3,000	60,000,000
Total Ordinary Shares In Issue and Held In Treasury at the End of the Year	50,245	1,004,906,000	54,241	1,084,828,725

The Company's shares (except those held in treasury) have unrestricted voting rights at all general meetings, are entitled to all of the profits available for distribution by way of dividend and are entitled to repayment of all of the Company's capital on winding up.

During the year, 79,922,725 shares were bought back for cancellation at a cost of £166,706,000 (2025: 89,989,892 shares were bought back for cancellation at a cost of £149,230,200). All shares bought back in the year were cancelled, with none being placed in treasury (2025: no shares were placed into treasury).

In the prior year, 43,825,895 shares held in treasury were cancelled. Following cancellation, 60,000,000 shares remained in treasury.

14 | Dividends

	2026		2025	
	Rate (pence)	£'000	Rate (pence)	£'000
Declared and Paid in the Financial Year				
Dividend on Shares:				
Final Dividends for the Years Ended 31 March 2025 and 31 March 2024	3.25	32,513	3.00	32,906
Interim Dividends for the Six-Month Periods Ended 30 September 2025 and 30 September 2024	2.00	19,174	2.00	20,981
Total	5.25	51,687	5.00	53,887
Proposed for Approval at the Company's AGM				
Dividend on Shares:				
Final Dividend for the Year Ended 31 March 2026	3.25	30,492		

Dividends are recognised when the shareholders' right to receive the payment is established. In the case of the final dividend, this means that it is not recognised until approval is received from shareholders at the AGM. The proposed final dividend of 3.25 pence per share will be funded from the revenue reserve and the payment of this dividend will not threaten the going concern or viability of the Company.

15 | Related Party Transactions

There were no transactions with related parties, other than the fees paid to the Directors and the AIFM during the financial years ended 31 March 2026 and 31 March 2025 respectively, which have a material effect on the results or the financial position of the Company. Details of fees paid to the Directors are included on page 64 and details of the fee paid to the AIFM are included in Note 3.

16 | Risk Management

In pursuing the Company's objective, set out on page 38 of this Annual Report, the Company holds a number of financial instruments which are exposed to a variety of risks that could result in either a reduction in the Company's net assets or a reduction in the profits available for dividends.

The main risks arising from the Company's financial instruments are investment and concentration risk, market risk (which comprises market price risk, foreign currency risk and interest rate risk), liquidity risk and counterparty and credit risk.

The objectives, policies and processes for managing these risks, and the methods used to measure the risks, are set out below. These policies have remained unchanged since the beginning of the year to which these Financial Statements relate.

Investment and concentration risk

The Company may invest a greater portion of its assets than the benchmark in the securities of one issuer, securities of a particular country, or securities within one sector. As a result, there is the potential for an increased concentration of exposure to economic, business, political or other changes affecting similar issues or securities, which may result in greater fluctuation in the value of the portfolio. Investment risk and a certain degree of concentration risk is a known and necessary effect of the stated investment approach in line with the investment policy. The Directors regularly review the portfolio composition and asset allocation and discuss related developments with the Investment Managers. Security, country, and sector concentrations are monitored by the Manager's risk and compliance teams on a regular basis and any concerns are highlighted to the Investment Managers for remedial action and brought to the attention of the Directors.

Market price risk

Market risk arises mainly from uncertainties about future prices of financial instruments held. It represents the potential loss that the Company might suffer through holding market positions in the face of price movements.

The Directors meet quarterly to consider the asset allocation of the portfolio and to discuss the risks associated with particular securities, countries or sectors. The Investment Managers select securities in the portfolio in accordance with the investment policy, and the overall asset allocation parameters described above, and seek to ensure that individual stocks also meet the intended risk/reward profile.

The Company does not use derivative instruments to hedge the investment portfolio against market price risk. However, the Company invests in derivative instruments, such as written call options, for the purpose of generating additional returns.

100% (2025: 100%) of the Company's equity investment portfolio comprises securities listed on stock exchanges. The following market price sensitivity relates solely to these equity investments and excludes derivative positions. If share prices as at 31 March 2026 had decreased by 30% (2025: 30% decrease) with all other variables remaining constant, the Statement of Comprehensive Income capital return and the net assets attributable to equity shareholders would have decreased by £768,709,000 (2025: £600,785,000). A 30% increase (2025: 30% increase) in share prices would have resulted in a proportionate equal and opposite effect on the above amounts, on the basis that all other variables remain constant.

Foreign currency risk

Currency translation movements can significantly affect the income and capital value of the Company's investments, as the majority of the Company's assets and income are denominated in currencies other than sterling, which is the Company's functional currency.

The Investment Managers have identified three principal areas where foreign currency risk could affect the Company:

- Movements in rates affect the value of investments and derivative exposures;
- Movements in rates affect short-term timing differences; and
- Movements in rates affect the income received.

The Company does not hedge the sterling value of investments that are priced in other currencies. The Company may be subject to short-term exposure to exchange rate movements, for instance where there is a difference between the date on which an investment purchase or sale is entered into and the date on which it is settled.

The Company receives income in currencies other than sterling and the sterling values of this income can be affected by movements in exchange rates. The Company converts all receipts of income into sterling on or near the date of receipt. However, it does not hedge or otherwise seek to avoid rate movement risk on income accrued but not received.

The Company's financial liabilities might comprise positions in derivative instruments denominated in currencies other than its functional currency.

The fair value of the Company's items denominated in a foreign currency exposure at 31 March are shown below:

2026

Currency	Trade and Other Receivables £'000	Cash at Bank ^(a) £'000	Trade, Bank Loans, and Other Payables £'000	Total Net Foreign Currency Exposure £'000	Investment at Fair Value Through Profit or Loss £'000	Derivative Instrument Assets/ (Liabilities) £'000
Taiwan Dollar	1,920	–	–	1,920	590,013	–
Korean Won	3,530	–	(1,328)	2,202	549,087	–
Hong Kong Dollar	82	–	–	82	417,354	(1)
US Dollar	1,520	37,911	(37,784)	1,647	235,692	–
Indian Rupee	–	–	(8,615)	(8,615)	190,876	–
Other	2,306	2,999	(33,057)	(27,752)	578,170	–
Total	9,358	40,910	(80,784)	(30,516)	2,561,192	(1)

2025

Currency	Trade and Other Receivables £'000	Cash at Bank £'000	Trade, Bank Loans, and Other Payables £'000	Total Net Foreign Currency Exposure £'000	Investments at Fair Value Through Profit or Loss £'000	Derivative Instrument Assets/ (Liabilities) £'000
Hong Kong Dollar	51	–	–	51	390,136	–
Taiwan Dollar	1,165	–	(406)	759	335,133	–
Korean Won	5,373	–	–	5,373	310,143	–
Indian Rupee	–	–	(16,312)	(16,312)	280,837	–
US Dollar	889	–	(609)	280	198,907	–
Euro	–	–	–	–	132,880	–
Other	872	48	(1)	919	352,538	–
Total	8,350	48	(17,328)	(8,930)	2,000,574	–

The above tables are based on the currencies in which the shares are denominated rather than the country of listing.

As at 31 March 2026, 64.7% (2025: 70.2%) of the investments at fair value through profit or loss shown under US dollar and Hong Kong dollar exposure relate to Chinese companies whose shares are denominated in those currencies, notwithstanding that the underlying economic exposure of those businesses is to the Chinese yuan. The total exposure to Chinese yuan was £600.8 million (2025: £549.3 million), of which £82.6 million (2025: £42.2 million) comprised investments at fair value through profit or loss denominated in Chinese yuan and included within the 'Other currencies' category in the foreign currency exposure table above.

(a) Cash at Bank includes amounts held at brokers.

Foreign currency sensitivity

The following table illustrates the foreign currency sensitivity on the revenue and capital return. The revenue return impact represents the impact on total income (which is mainly comprised of dividend income) had sterling strengthened relative to all currencies by 10% throughout the year.

The capital return impact represents the impact of the financial assets and liabilities of the Company if sterling had strengthened by 10% relative to all currencies on the reporting date. With all other variables held constant, the revenue and capital return would have decreased by the below amounts.

	2026		2025	
	Revenue Return £'000	Capital Return £'000	Revenue Return £'000	Capital Return £'000
Taiwan Dollar	1,041	59,193	888	33,589
Korean Won	764	55,129	789	31,552
Hong Kong Dollar	190	41,744	72	39,013
US Dollar	50	23,734	54	19,979
Indian Rupee	193	18,226	243	26,452
Other	4,082	55,042	4,482	48,633
Total	6,320	253,068	6,528	199,218

A 10% weakening of sterling against all currencies would have resulted in an equal and opposite effect on the above amounts.

Interest rate risk

The Company is permitted to invest in interest bearing securities. Any change to the interest rates relevant to particular securities may result in income either increasing or decreasing, or the Investment Managers being unable to secure similar returns on the expiry of contracts or the sale of securities. In addition, changes to prevailing rates or changes in expectations of future rates may result in an increase or decrease in the value of the securities held and the interest payable on bank loans when interest rates are reset.

Interest rate risk profile

The exposure of the financial assets and liabilities to floating interest rate risks at 31 March is shown below:

	2026 £'000	2025 £'000
Cash	78,641	75,549
Amounts Held at Brokers	235	–
Revolving Credit Facility	(110,683)	(80,000)
Net Exposure at Year End	(31,807)	(4,451)

Exposures vary throughout the year as a consequence of changes in the make-up of the net assets of the Company. Cash balances are held on call deposit and earn interest at the bank's daily rate. The Company's net assets are sensitive to changes in interest rates on borrowings. There was no exposure to fixed interest investment securities during the year or at the year end.

Interest rate sensitivity

If the above level of cash, amounts held at brokers and revolving credit facility was maintained for a year and interest rates were 100 basis points higher or lower, the net profit after taxation would be impacted by the following amounts:

	2026		2025	
	100 Basis Points Increase in Rate £'000	100 Basis Points Decrease in Rate £'000	100 Basis Points Increase in Rate £'000	100 Basis Points Decrease in Rate £'000
Revenue	512	(512)	555	(555)
Capital	(830)	830	(600)	600
Total	(318)	318	(45)	45

Liquidity risk

The Company's assets comprise mainly securities listed on the stock exchanges of emerging economies. Liquidity can vary from market to market and some securities may take a significant period to sell. As a closed ended investment trust, liquidity risks attributable to the Company are less significant than for an open-ended fund.

The risk of the Company not having sufficient liquidity at any time to meet its obligations associated with financial liabilities is considered by the Board to be mitigated, given the large number of quoted equity investments held in the portfolio and the liquid nature of the portfolio of equity investments.

The Investment Managers review liquidity at the time of making each equity investment decision and monitor the evolving liquidity profile of the portfolio regularly.

The below table details the maturity profile of the Company's financial liabilities as at 31 March 2026, based on the earliest date on which payment can be required and current exchange rates as at the balance sheet date:

	2026			2025		
	In One Year or Less £'000	More Than One Year £'000	Total £'000	In One Year or Less £'000	More Than One Year £'000	Total £'000
Revolving Credit Facility	114,871	–	114,871	84,596	–	84,596
Other Payables	5,406	–	5,406	4,055	–	4,055
Total	120,277	–	120,277	88,651	–	88,651

Counterparty and credit risk

Certain transactions in financial instruments that the Company enters into expose it to the risk that the counterparty will not deliver the equity investment (purchase) or cash (in relation to sale or declared dividend or derivative instrument contracts) after the Company has fulfilled its responsibilities. The Company only buys and sells through brokers which have been approved by the Investment Managers as an acceptable counterparty. Limits are set as to the maximum exposure to any individual broker that may exist at any time. Total exposure is compared to monetary limits that vary based on the size and creditworthiness of the counterparty. Counterparty spreads and capital ratios are reviewed periodically. The amounts under trade and other receivables, amounts held at brokers and cash and cash equivalents shown in the Statement of Financial Position represent the maximum credit risk exposure at the year end.

The Company has an ongoing contract with its custodian (JPMorgan Chase Bank) for the provision of custody services.

As part of the annual risk and custody review, the Company reviewed the custody services provided by JPMorgan Chase Bank and concluded that, while there are inherent custody risks in investing in emerging markets, the custody network employed by TEMIT has appropriate controls in place to mitigate those risks, and that these controls are consistent with recommended industry practices and standards.

Securities held in custody are held in the Company's name or to its accounts. Details of holdings are received and reconciled monthly. Unrestricted cash is actively managed by Franklin Templeton and is typically invested in overnight time deposits in the name of TEMIT with an approved list of counterparties. Any excess unrestricted cash not invested will remain in a JPMorgan Chase interest bearing account. There is no significant risk on debtors and accrued income or tax at the year end.

There was no securities lending performed during the year (2025: the Company participated in a securities lending programme through the year. At 31 March 2025, the market value of the securities on loan and the corresponding collateral received were both nil.).

Fair value

Fair values are derived as follows:

- Where assets are denominated in a foreign currency, they are converted into the sterling amount using period-end rates of exchange;
- Investments held by the Company on the basis set out in the accounting policies included in Note 1; and
- Other financial assets and liabilities at the carrying value which is a reasonable approximation of the fair value.

The tables below analyse financial instruments carried at fair value by valuation method. The different levels have been defined as follows:

Level 1. Quoted prices (unadjusted) in active markets for identical assets and liabilities;

Level 2. Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (prices) or indirectly (derived from prices); and

Level 3. Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The hierarchy valuation of listed investments through profit and derivative instruments is shown below:

	31 March 2026				31 March 2025			
	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Listed Investments	2,562,364	–	–	2,562,364	2,002,617	–	–	2,002,617
Derivative Instrument Liabilities	1	–	–	1	–	–	–	–

The Company held two Level 3 securities as at 31 March 2026 (31 March 2025: two).

The investments in Russian securities, LUKOIL and Sberbank of Russia, continue to be fair valued at £nil (31 March 2025: £nil) and are classified as Level 3 due to the inability of the Company to access the local Moscow equity markets and the very limited access to the over-the-counter market. The fair value of these investments is based on a liquidity discount of 100% to the last traded price for an exit price of zero.

The following table presents the movement in Level 3 investments for the year ended:

	31 March 2026 £'000	31 March 2025 £'000
Opening Balance	–	–
Additions at Cost - Purchase of Level 3 Assets	–	37,952 ^(a)
Transfers from Level 3 Into Level 1	–	(55,095) ^(a)
Disposal Proceeds – Sale of Level 3 Assets	–	–
Net Gains on Investments at Fair Value	–	18,122
Net Losses on Foreign Exchange	–	(979)
Level 3 Closing Balance	–	–

17 | Significant Holdings in Investee Undertakings

As at 31 March 2026, TEMIT held 3% or more of the issued class of security in the following portfolio holding whose shares are admitted to trading:

Holding	31 March 2026		31 March 2025	
	% of Issued Security Class Held by TEMIT	Fair Value £'000	% of Issued Security Class Held by TEMIT	Fair Value £'000
Haier Smart Home	3.0	13,029	–	–

(a) Represents the investment in Swiggy which was acquired during the financial year ended 31 March 2025 and initially classified as Level 3 due to its unlisted status. Following an initial public offering and its subsequent listing on 13 November 2024, the holding in Swiggy was transferred from Level 3 to Level 1.

18 | Contingent Liabilities

No contingent liabilities existed as at 31 March 2026 or 31 March 2025.

19 | Contingent Assets

No contingent assets existed as at 31 March 2026 or 31 March 2025.

20 | Financial Commitments

No financial commitments existed as at 31 March 2026 or 31 March 2025.

21 | Capital Management Policies and Procedures

The Company's objective is to provide long-term capital appreciation for private and institutional investors seeking exposure to global emerging markets, supported by a culture of both strong customer service and corporate governance.

The Board monitors and regularly reviews the structure of the Company's capital on an ongoing basis. This review includes the investment performance and outlook, discount management mechanisms including share buybacks, gearing and the extent to which revenue in excess of that which is required to be distributed under the investment trust rules should be retained.

The Company's investment policy allows borrowing of up to 20% of net assets, measured at the time of borrowing.

As at 31 March 2026, the Company had share capital and reserves of £2,525,585,000 (31 March 2025: £1,985,442,000). The Company's policies and procedures for managing capital are consistent with the previous year.

22 | Events After the Reporting Period

Between 31 March 2026 and 21 May 2026, the net asset value of the Company rose 26.6% from £2,525,585,000 to £3,197,527,000 and the cum-income NAV per share rose 27.5% from 267.3p to 340.8p.

Between 1 April and 21 May 2026, the Company bought back and cancelled 3,312,050 ordinary shares at an average price of 305.9p per share.

The £40 million and CNH 300 million (equivalent to £33 million at the year-end) outstanding loans matured on 30 April 2026 and were subsequently rolled over to 30 July 2026.

The proposed final dividend has been disclosed in Note 14.

AIFMD report on remuneration - unaudited

Although FTITML does not directly employ staff it does utilise the services and employees of Franklin Templeton Global Investors Limited ('FTGIL') and its subsidiaries ('FTGIL Group') and as such the following remuneration disclosure relates to the FTGIL Group.

The purpose of this Disclosure is to provide investors with quantitative disclosures of FTGIL Group Remuneration (as it applies to FTITML and its activities relating to TEMIT) in accordance with the provisions in the UK implementing the Alternative Investment Fund Managers Directive ('AIFMD'), the European Commission Delegated Regulation implementing AIFMD and the "Guidelines on sound remuneration policies under the AIFMD" issued by the European Securities and Markets Agency.

The total remuneration disclosed below relates to those staff within the FTGIL Group who are fully or partly involved in the activities of TEMIT and includes those individuals within the FTGIL Group who perform risk and portfolio management functions in respect of TEMIT.

The remuneration indicated reflects the estimated proportion of total remuneration for these individuals that is attributable to the activities of FTITML in respect of TEMIT.

Total amount of fixed remuneration paid by the FTGIL Group to relevant staff during the year ended 30 September 2025 as it relates to the activities of FTITML in respect of TEMIT. ^(a)	£1,800,000
Total amount of variable remuneration paid by the FTGIL Group to relevant staff during the year ended 30 September 2025 as it relates to the activities of FTITML in respect of TEMIT. ^(a)	£1,200,000
Number of staff of the FTGIL Group who have a material impact on the risk profile of the Group as at 30 September 2025.	18
Total amount of compensation paid by the FTGIL Group to senior managers during the year ended 30 September 2025 as it relates to the activities of FTITML in respect of TEMIT. ^(a)	£146,000
Total amount paid by the FTGIL to other members of staff who have a material impact on the risk profile of the Company during the year ended 30 September 2025 as it relates to the activities of FTITML in respect of TEMIT. ^(a)	£421,000

(a) Total amount of compensation paid to the relevant FTGIL Group staff has been allocated to TEMIT based on its pro rata share of net assets of the AIFM for the year ended 30 September 2025.



04.
**Investor
Information**

Notice of meeting

Notice is hereby given that the Investor morning and Annual General Meeting ('AGM') will be held on Thursday 9 July 2026 at 11am at The Minster Building, 21 Mincing Lane, London EC3R 7AG.

This year we have arranged a guest speaker, the highly respected financial journalist, Jeff Prestridge. Until recently Jeff was the Money Editor-at-Large of the Daily Mail and Mail on Sunday. The Portfolio Managers will also be presenting and there will be the opportunity to ask them, Jeff and the TEMIT Directors questions and join them all over lunch for informal discussion.

Your vote is very important to us. Voting at the AGM this year will be on a poll and will reflect all proxy instructions duly received.

Additionally, for the first time, the event will be available live via an online streaming service. If you cannot attend the event in person, we encourage you to register to attend online, all information about the event and how to register is included on the TEMIT website www.temit.co.uk. The event will also be recorded and will be available on TEMIT's website after the event.

The AGM will transact the following business: To consider and, if thought fit, to pass the following resolutions. Resolutions 1 to 8 will be proposed as ordinary resolutions and resolutions 9 to 11 will be proposed as special resolutions.

Ordinary Business

1. To receive and adopt the Directors' and Auditor's Reports and Financial Statements for the year ended 31 March 2026.
2. To approve the Directors' Remuneration Policy.

3. To approve the Directors' Remuneration Report for the year ended 31 March 2026.
4. To declare a final dividend of 3.25 pence per share for the year ended 31 March 2026.
5. To appoint the Directors:
 - 5.1. To re-elect Abigail Rotheroe as a Director.
 - 5.2. To re-elect Charlie Ricketts as a Director.
 - 5.3. To re-elect Magdalene Miller as a Director.
 - 5.4. To re-elect Angus Macpherson as a Director.
 - 5.5. To re-elect Sarika Patel as a Director.
6. To re-appoint Ernst & Young LLP as auditor of the Company, to act until the conclusion of the next general meeting of the Company at which audited accounts are laid before the members.
7. To authorise the Directors to determine the auditor's remuneration.

Special Business Ordinary Resolution

8. That, in substitution for any existing authority, the Directors be generally and unconditionally authorised to allot equity securities (as defined in Section 560 of the Companies Act 2006 (the 'Act')) pursuant to Section 551 of the Act, up to an aggregate nominal amount of £2,345,490 (being an amount equal to 5% of the existing issued share capital of the Company as at 21 May 2026, being the latest practicable date before the date of this notice), provided that this authority shall, unless renewed, varied or revoked by the Company, expire on 30 September 2027 or, if earlier, the conclusion of the Company's AGM to be held in 2027 save that the Company may, before such expiry, make offers or agreements which would or might require equity securities to be allotted and the Directors may allot equity securities in pursuance of such offer or agreement notwithstanding that the authority conferred by this resolution has expired.

Special Resolutions

9. That, in substitution for any existing authority, subject to the passing of resolution 8, the Directors be given the general power pursuant to sections 570 and 573 of the Act to allot equity securities (as defined by Section 560 of the Act) for cash pursuant to the authority conferred by resolution 8, and/or to sell equity securities held as treasury shares for cash pursuant to Section 727 of the Act, in each case as if Section 561(1) of the Act did not apply to any such allotment or sale, provided that this power shall be limited to:

- (a) any such allotment and/or sale of equity securities in connection with an offer or issue by way of rights or other pre-emptive offer or issue, open for acceptance for a period fixed by the Directors, to holders of ordinary shares (other than the Company) on the register on any record date fixed by the Directors in proportion (as nearly as may be) to the respective number of ordinary shares deemed to be held by them, subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements, legal or practical problems arising in any overseas territory, the requirements of any regulatory body or stock exchange or any other matter whatsoever;
- (b) any such allotment and/or sale, otherwise than pursuant to sub paragraph (a) above, of ordinary shares having an aggregate nominal value, not exceeding the sum of £2,345,490 (being an amount equal to 5% of the Company's existing issued share capital, excluding treasury shares, as at 21 May 2026, being the latest practicable date before the date of this notice); and
- (c) any allotment pursuant to sub-paragraph (b) above being at a price which is at or above the prevailing NAV per share at the time of issue.

The power granted by this resolution will expire on 30 September 2027 or, if earlier, at the conclusion of the Company's AGM to be held in 2027 (unless renewed, varied or revoked by the Company prior to or on such date) save that the Company may, before such expiry, make offers or agreements which would or might require equity securities to be allotted or equity securities held as treasury shares to be sold after such expiry and the Directors may allot and/or sell equity securities and equity securities held as treasury shares in pursuance of any such offer or agreement notwithstanding that the power conferred by this resolution has expired.

10. That in substitution for any existing authority, the Company be and is hereby authorised in accordance with Section 701 of the Act to make market purchases (within the meaning of Section 693(4) of the Act), of its ordinary shares in issue, provided that:
- (i) the maximum number of ordinary shares hereby authorised to be purchased shall not exceed 14.99% of the Company's issued ordinary share capital, excluding treasury shares, at the date of the passing of this resolution;
 - (ii) the minimum price which may be paid for a share shall be the nominal value of an ordinary share (excluding expenses);
 - (iii) the maximum price which may be paid (excluding expenses) for a share shall not be more than the higher of: (a) an amount equal to 105 per cent of the average of the closing mid-market price for the ordinary shares (as derived from the Daily Official List of the London Stock Exchange) for the five business days immediately preceding the date of purchase; and (b) the higher of the last independent trade price and the highest current independent purchase bid price on the trading venue where the purchase is carried out;
 - (iv) unless renewed, the authority hereby conferred shall expire on 30 September 2027, or, if earlier, at the conclusion of the Company's AGM to be held in 2027, save that the Company may, and prior to such expiry, enter into a contract to purchase shares which will or may be completed wholly or partly after such expiry; and
 - (v) shares will only be purchased at a price which is at a discount to the prevailing NAV per share at the time of purchase.
11. That a general meeting, other than an AGM, may be called on not less than 14 clear days' notice, such authority to expire at the conclusion of the AGM in 2027.

By order of the Board

Angus Macpherson
2 June 2026

Registered Office: 5 Morrison Street,
Edinburgh, EH3 8BH

Notes:

1. THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to what action you should take, you are recommended to seek your own financial advice from your stockbroker or other independent financial adviser authorised under the Financial Services and Markets Act 2000 if you are resident in the UK or, if you reside elsewhere, another appropriately qualified financial adviser.
2. If you have sold or transferred all of your shares in the Company, please forward this document, together with the accompanying documents, as soon as possible either to the purchaser or transferee or to the person who arranged the sale or transfer so that they can pass these documents to the person who now holds the shares.
3. The Company specifies that only those members registered on the Company's register of members at 6.30 pm on 7 July 2026 shall be entitled to vote at the annual general meeting (the 'Meeting').
4. A member of the Company entitled to vote at the Meeting may appoint a proxy or proxies to vote thereat instead of them. A proxy need not be a member of the Company.
5. A member may appoint more than one proxy provided that each proxy is appointed to exercise rights attached to different shares held by that member. A member may not appoint more than one proxy to exercise rights attached to one share. Please contact the Company's registrar Equiniti, at Highdown House, Yeoman Way, Worthing, West Sussex BN99 6DA to appoint more than one proxy. In the case of joint holders, the vote of the senior holder who tenders a vote shall be accepted to the exclusion of the votes of the other joint holders. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first named being the most senior).
6. The right to appoint a proxy does not apply to persons whose shares are held on their behalf by another person and who have been nominated to receive communications from the Company in accordance with Section 146 of the Companies Act 2006 ('nominated persons'). Nominated persons may have a right under an agreement with the registered shareholder who holds the shares on their behalf to be appointed (or to have someone else appointed) as a proxy. Alternatively, if nominated persons do not have such a right, or do not wish to exercise it, they may have a right under such an agreement to give instructions to the person holding the shares as to the exercise of voting rights.
7. A proxy form is enclosed with copies of this Report which are sent to registered shareholders. A member can only appoint a proxy using the procedures set out in these notes and the notes to the proxy form.
8. A proxy form must be returned to the Company's registrar, Equiniti, Highdown House, Yeoman Way, Worthing, West Sussex BN99 6DA to arrive not later than 11am on 7 July 2026. New Zealand registered shareholders must return a proxy form to Computershare, Private Bag 92119, Victoria Street, Auckland 1142, New Zealand (if sent by post) or to Computershare, Level 2, 159 Hurstmere Road, Takapuna, Auckland 0622, New Zealand (if delivered in person or by courier) to arrive not later than 5.00pm on 6 July 2026 (New Zealand time).
9. A corporation which is a member can appoint one or more corporate representatives who may exercise, on its behalf, all of its powers as a member provided that no more than one corporate representative exercises powers over the same share.
10. As at 21 May 2026, the Company's issued share capital was 938,196,372 shares of 5 pence each. Each share carries the right to vote at an annual general meeting of the Company and, therefore, the total number of voting rights in the Company as at 21 May 2026 was 938,196,372.
11. Copies of the letters of appointment of the Directors of the Company and the Articles of Association are available for inspection at the Company's registered office at 5 Morrison Street, Edinburgh, EH3 8BH, and online at www.temit.co.uk until the close of the Meeting and at the Meeting (for 15 minutes prior to the Meeting and during the Meeting).
12. All resolutions will be put to vote on a poll. This will result in an accurate reflection of the views of shareholders by ensuring that every vote is recognised, including the views of all shareholders who are unable to attend the meeting but who appoint a proxy for the meeting. On a poll, each shareholder has one vote for every share held.
13. Electronic proxy appointment for CREST members (for UK only). CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the Meeting and any adjournment(s) thereof by using the procedures described in the CREST Manual which can be viewed at www.euroclear.com. CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a 'CREST Proxy Instruction') must be properly authenticated in accordance with Euroclear UK & Ireland Limited's ('EUI') specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the issuer's agent (RA19) by the latest time(s) for receipt of appointments specified in the Notice of Meeting or, in the event of an adjournment of the Meeting, 48 hours before the adjourned meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means. CREST members and, where applicable, their CREST sponsors or voting service providers should note that EUI does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5) (a) of the Uncertificated Securities Regulations 2001.
14. Electronic proxy appointment for non-CREST members (for UK only). Shareholders who prefer to register the appointment of their proxy electronically via the Internet can do so through the Equiniti website at www.shareview.co.uk where full instructions on the procedure are given on the Shareview website. You will need to create an online portfolio using your Shareholder Reference Number printed on your Form of Proxy. Alternatively, shareholders who have already registered with Equiniti's on-line portfolio service, Shareview, can appoint their proxy electronically by logging on to their portfolio at www.shareview.co.uk using their user ID and password. Once logged in, click 'View' on the 'My Investments' page, click on the link to vote then follow the on screen instructions. A proxy appointment made electronically will not be valid if sent to any address other than those provided or if received after 11am on 7 July 2026. Please note that any electronic communication found to contain a computer virus will not be accepted.
15. Proximity Voting - if you are an institutional investor you may be able to appoint a proxy electronically via the Proximity platform, a process which has been agreed by the Company and approved by the Registrar. For further information regarding Proximity, please go to www.proximity.io. Your proxy must be lodged by 11 am on 7 July 2026 in order to be considered valid. Before you can appoint a proxy via this process you will need to have agreed to Proximity's associated terms and conditions. It is important that you read these carefully as you will be bound by them and they will govern the electronic appointment of your proxy.
16. Electronic proxy appointment for New Zealand registered shareholders. New Zealand registered investors who prefer to register the appointment of their proxy electronically via the Internet can do so through the Computershare website at www.investorvote.co.nz, and enter the control number 104860 where full instructions on the procedure are given. Your CSN (Common Shareholder Number) and postal code will be required to use this electronic proxy appointment system. A proxy appointment made electronically will not be valid if sent to any address other than that provided or if received after 5.00pm (New Zealand time) on 6 July 2026. Please note that any electronic communication found to contain a computer virus will not be accepted. New Zealand registered investors cannot appoint more than one proxy when registering the appointment of their proxy electronically.
17. A member of the Company may make a request in accordance with Section 527 of the Companies Act 2006 to have a statement published on the Company's website setting out an audit concern. This allows a member or members having a right to vote at the Meeting and holding at least 5% of the total voting rights of the Company, or at least 100 members having a right to vote at the Meeting and holding, on average, at least £100 of the paid up share capital, to make a request so that the Company must publish on its website a statement setting out any matter that such members propose to raise at the Meeting relating to the audit of the Company's accounts (including the auditor's report and the conduct of the audit) that are to be laid before the Meeting. Where the Company is required to publish such a statement on its website: (i) it may not require the members making the request to pay any expenses incurred by the Company in complying with the request; (ii) it must forward the statement to the Company's auditor no later than the time at which the statement is made available on the Company's website; and (iii) the statement may be dealt with as part of the business of the Meeting. A member wishing to request publication of such a statement on the Company's website must send the request to the Company in hard copy form to the Company Secretary or by email to enquiries@franklintempleton.co.uk. The request must either set out the statement in full or, if supporting a statement sent by another member, clearly identify the statement which is being supported and be received by the Company at least one week before the Meeting. Please note that any electronic communication found to contain a computer virus will not be accepted.
18. Any member has the right to ask questions. Pursuant to Section 319A of the Companies Act 2006, the Company must provide an answer to any question which is put by a member relating to the business being considered, except if a response would not be in the interests of the Company or for the good order of the Meeting or if to do so would involve the disclosure of confidential information. The Company may, however, elect to provide an answer to a question within a reasonable period of days after the conclusion of the Meeting. The answers to questions raised by shareholders will be provided on our website.
19. In accordance with Section 311A of the Companies Act 2006, the contents of this Notice of Meeting, details of the total number of shares in respect of which members are entitled to exercise voting rights at the Meeting and, if applicable, any members' statements, members' resolutions or members' matters of business received by the Company after the date of this notice will be available on the Company's website, www.temit.co.uk.
20. You may not use any electronic address provided either in this Notice of Meeting or any related documents (including the Form of Proxy) to communicate with the Company for any purposes other than those expressly stated.

General information

REGISTERED OFFICE

5 Morrison Street
Edinburgh
EH3 8BH
UK
(Registered No. SC118022)

www.temit.co.uk

REGISTRAR – UK

Equiniti Limited
Highdown House
Yeoman Way
Worthing
West Sussex
BN99 3HH
UK

www.shareview.co.uk
Tel +44 (0)371 384 2505

REGISTRAR – NEW ZEALAND

Computershare Investor Services Limited
Level 2, 159 Hurstmere Road
Takapuna Auckland 0622
New Zealand

enquiry@computershare.co.nz
Tel +649 488 8777

ALTERNATIVE INVESTMENT

FUND MANAGER AND COMPANY SECRETARY

Franklin Templeton Investment Trust
Management Limited
5 Morrison Street
Edinburgh
EH3 8BH
UK

JOINT CORPORATE BROKER

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

JOINT CORPORATE BROKER

JPMorgan Cazenove Limited
25 Bank Street
Canary Wharf
London E14 5JP
UK

SOLICITOR

CMS Cameron McKenna Nabarro Olswang LLP
Saltire Court
20 Castle Terrace
Edinburgh
EH1 2EN
UK

SOLICITOR

Buddle Findlay
HSBC Tower
Level 18, 188 Quay Street
PO Box 1433
Auckland 1140
New Zealand

CUSTODIAN

JPMorgan Chase Bank
25 Bank Street
London
E14 5JP
UK

DEPOSITARY

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

AUDITOR

Ernst & Young LLP
25 Churchill Place
Canary Wharf
London
E14 5EY
UK

Shareholder information

How to invest

There are three main ways to invest in TEMIT:

1. Through an investment platform. A number of fund supermarkets or investment platforms allow you to buy, hold and sell shares in investment trusts such as TEMIT quickly and easily at a low cost. Many have no minimum investment requirements. There are a number of companies that offer these services and may also allow you to include TEMIT as an investment in an Individual Savings Account ('ISA') or Self-Invested Pension Plan ('SIPP'). Some of the most popular include Hargreaves Lansdown, Interactive Investor, Fidelity, Charles Stanley Direct and AJ Bell.

Please note that this is not a complete list of ISA or SIPP providers, and you should not consider this list to be a recommendation of the services which these providers offer.

The Association of Investment Companies ('AIC') provides an independent analysis of platform costs and charges on their website in the 'Ready to Invest' section.

2. Directly through the stock market. You can invest directly in TEMIT by purchasing shares in the stock market through a stockbroker or authorised Financial Adviser.
3. Through Equiniti, the Registrar, which offers an online or telephone service where you can buy shares in TEMIT as part of an Investment Account or an ISA.

Financial advice

We strongly recommend that you take independent financial advice before making any investment. If you have a financial adviser, then they will advise you on the best way to invest in TEMIT. If you currently do not have a financial adviser, there are a number of resources online to help you. For investors based in the UK, websites such as www.unbiased.co.uk or www.vouchedfor.co.uk will provide you with details of financial advisers in your area.

NAV publication and reference codes

The NAV is released every London Stock Exchange business day through the London and New Zealand stock exchanges. It is also published on our website: www.temit.co.uk and published in the Financial Times.

Codes

Ticker	TEM
ISIN	GB00BKPG0S09
SEDOL	BKPG0S0

Dividend Reinvestment Plan ('DRIP')

If you are a UK shareholder and your shares are held in your own name on the Company's share register, you can request that any dividend payments are used to purchase further shares in the Company. You can download and complete the relevant application forms through Equiniti's secure website www.shareview.co.uk/info/drip or you can contact Equiniti by phone on +44 (0)371 384 2505.

If you invest through a nominee or investment platform and wish to reinvest dividends you will need to contact them directly to find out what arrangements they offer.

Financial calendar

Final Dividend Ex-Date	25 June 2026
Final Dividend Record Date	26 June 2026
AGM	9 July 2026
Final Dividend Payment Date	31 July 2026
Half Year End	30 September 2026
Half Yearly Report Published	December 2026
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Year End	31 March 2027

Glossary of terms and alternative performance measures

Net asset value total return

A measure showing how the net asset value ('NAV') per share has performed over a period of time, considering both capital returns and dividends paid to shareholders in sterling terms. Total return measures allow shareholders to compare performance between investment trusts where the dividend yield may differ.

To calculate total return, it is assumed that dividends are reinvested into the assets of the Company at the prevailing NAV on the day that the shares first trade ex-dividend (see page 4). The NAVs include income for the current period ('cum-income').

NAV Total Return Calculation	2026	2025
a) Opening NAV (as at 31 March 2025/2024)	193.7	182.8
b) Closing NAV (as at 31 March 2026/2025)	267.3	193.7
c) Dividends Paid ^(a)	5.3	5.0
d) Effect of Dividend Reinvestment	1.1	0.1
e) Adjusted Closing NAV e = (b+c+d)	273.7	198.8
NAV Total Return (e-a)/a	41.3%	8.8%

Share price total return

A measure showing how the share price has performed over a period of time, considering both capital returns and dividends paid to shareholders in sterling terms. Total return measures allow shareholders to compare performance between investment trusts where the dividend yield may differ.

To calculate total return, it is assumed that dividends are reinvested into the shares of the Company at the prevailing share price on the day that the shares first trade ex-dividend (see page 4).

Share Price Total Return Calculation	2026	2025
a) Opening Share Price (as at 31 March 2025/2024)	169.6	154.4
b) Closing Share Price (as at 31 March 2026/2025)	245.5	169.6
c) Dividends Paid ^(a)	5.3	5.0
d) Effect of Dividend Reinvestment	1.2	0.3
e) Adjusted Closing Share Price e = (b+c+d)	252.0	174.9
Share Price Total Return (e-a)/a	48.6%	13.3%

(a) Dividends assumed to be reinvested on ex-date. 2026: Final dividend of 3.25p relating to financial year 2025 first traded ex-dividend on 26 June 2025 and interim dividend of 2.00p relating to financial year 2026 first traded ex-dividend on 18 December 2025 (2025: Final dividend of 3.00p relating to financial year 2024 first traded ex-dividend on 20 June 2024 and interim dividend of 2.00p relating to financial year 2025 first traded ex-dividend on 19 December 2024).

Share price discount to net asset value ('NAV')

If the share price is lower than the NAV per share, the shares are said to be trading at a discount. If the share price is higher than the NAV per share, the shares are said to be trading at a premium.

As at 31 March 2026 the Company's share price was 245.5 pence and the NAV per share was 267.3 pence, therefore the discount was $(245.5-267.3)/267.3 = 8.2\%$ (31 March 2025: 12.4%).

The average share price discount to NAV over the year is calculated using the daily NAV and market close share price.

Gearing/net gearing

A term used to describe the process of borrowing money for investment purposes in the expectation that the returns on the investments purchased using the borrowings will exceed the costs of those borrowings.

For example, a figure of 5% means that the shareholders funds are exposed to NAV returns by an additional 5%, positive or negative, as a result of borrowings (see page 7).

A net gearing figure of 0.0% means that the cash held in the Company is equal to or higher than the total bank loans.

Net Gearing Calculation	2026 £'000	2025 £'000
a) Bank Loans	110,683	80,000
b) Cash Held	78,641	75,549
c) Net Assets (Excluding Bank Loans)	2,636,268	2,065,442
Total Gearing = {(a-b)/c}	1.2%	0.2%

Ongoing charges ratio

The OCR represents the annualised ongoing charges (excluding finance costs, transaction costs and taxation) divided by the average daily net asset values of the Company for the period and has been prepared in accordance with the AIC's recommended methodology. Ongoing charges reflect expenses likely to recur in the foreseeable future. As at 31 March 2026 the OCR was 0.86% (31 March 2025: 0.95%).

Ongoing Charges Calculation	2026 £'000	2025 £'000
a) Total AIFM Fee and Other Expenses	20,050	19,439
b) Average Net Assets	2,324,733	2,042,653
Ongoing Charges (a/b)	0.86%	0.95%

Gross total return

Gross total return is net asset value total return before the deduction of expenses (see page 18).

Excess return

The difference between the gross total return of TEMIT and the benchmark total return (see page 18).

Residual return

A measure representing the difference between the actual excess return and the excess return explained by the attribution model. This amount results from several factors, most significantly the difference between the actual trade price of securities included in actual performance and the end of day price used by the benchmark indices and hence to calculate attribution (see page 18).

Benchmark return

The Company's benchmark is the MSCI Emerging Markets (Net Dividends) Index.

The benchmark is a recognised index of stocks which should not be taken as wholly representative of the Company's investment universe. The Company's investment strategy does not track this index and, consequently, there may be material divergence between the Company's performance and that of the benchmark.

Although not an alternative performance measure the total return of the benchmark is calculated on a closing market value to closing market value basis, assuming that all dividends net of local taxes received were reinvested into the shares of the relevant companies at the time at which the shares were quoted ex-dividend (see page 4).

Returns are converted by the index provider into sterling at prevailing exchange rates.

Benchmark performance source: MSCI.

Gross domestic product

Gross domestic product ('GDP') is the total monetary value of all finished goods and services produced within a country's borders during a specific period.

Basis point

The term basis points is widely used in financial analysis to describe small percentages or small changes. 1 basis point is 0.01%.



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*Source: IMF WEO, October 2025.

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