

Time



CALEDONIA  
INVESTMENTS

Well

Invested

Caledonia is a FTSE 250 self-managed investment trust company with a long track record of delivering returns and progressive annual dividend payments to shareholders.

Our aim is to generate compounding real returns that outperform inflation by 3% to 6% over the medium to long term, and the FTSE All-Share index over 10 years.



Find out more  
[SCAN QR CODE](#)

## Strategic report

At a glance	2
What sets us apart?	4
Chair's statement	10
Chief Executive Officer's review	12
Our value creation model	16
Stakeholder engagement	18
Our group strategy & KPIs	22
Investment review	24
Financial review	38
Sustainability	42
Risk management	56
Going concern and viability	61

## Governance

Chair's introduction	63
Board of directors	64
Corporate governance report	66
Nomination Committee report	71
Audit and Risk Committee report	73
Governance Committee report	78
Directors' remuneration report	79
Directors' report	100
Responsibility statements	104

## Financial statements

Independent auditor's report	106
Financial statements	112
Material accounting policies	116
Notes to the financial statements	121

## Other information

Company performance record	147
Investments summary	147
Glossary of terms and alternative performance measures	148
Valuation methodology	150
Information for investors	152
Directors and advisers	153

## Our performance

The past year has again demonstrated the strengths of Caledonia's distinctive model and approach. Despite a volatile backdrop for the global economy we have delivered positive NAV growth, with contributions from all three of our investment pools. While market conditions impacted overall returns, we remain confident

in our high-quality, diversified portfolio and our ability to deliver over the long term. Through this period of market dislocation, the strength of our balance sheet is a clear advantage. We have the flexibility to deploy capital where we see compelling opportunities for long-term value creation.

# £3.0bn

Net asset value ('NAV')  
 (31 March 2025: £2.9bn)

# 5.4%

NAV per share total return<sup>1,2</sup>  
 (31 March 2025: 3.3%)

# 7.68p

Dividend per share<sup>2</sup>  
 (31 March 2025: 7.36p)

# 4.4%

Dividend growth  
 (31 March 2025: 4.5%)

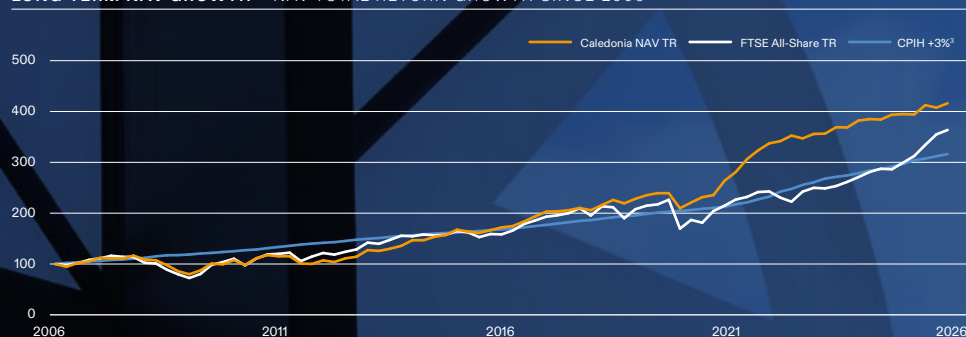
# 321p

Share price<sup>2</sup>  
 (31 March 2025: 354p)

# (7.1)%

Total shareholder return<sup>1</sup>  
 (31 March 2025: 10.2%)

LONG-TERM NAV GROWTH – NAV TOTAL RETURN GROWTH SINCE 2006



1. Alternative Performance Measure ('APM') – see page 148 for details.
2. On 25 July 2025, the company executed a 10:1 sub-division of its ordinary shares which reduced the nominal value from 5p to 0.5p. As a result of the increased number of ordinary shares now in issue, all net asset per share and dividend per share figures have been restated for the prior year comparatives.
3. Inflation measure is Consumer Prices Index including owner occupiers' housing costs ('CPIH').

# What sets us apart?

Shaped by experience, guided by discipline and focused on the long term, we are different by design. The permanent nature of our balance sheet, combined with an approach grounded in Time Well Invested, means that everything we do is built on the foundation of:

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1 Our successful track record

PAGE 4 [→](#)

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2 Our globally diverse portfolio

PAGE 6 [→](#)

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3 Our expert in-house team

PAGE 8 [→](#)

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## At a glance



Time  
Well  
Invested

### Our manifesto

We are investors, not traders, driven by fundamentals, not trends. We think in decades, not quarters, and invest time to make confident, well-balanced compounding investments and build rewarding partnerships.



Find out more

→ SCAN QR CODE

### Our history

Caledonia traces its history back to the Cayzer family's shipping business, founded in the late 1800s. Towards the end of the boom in shipping, Caledonia was converted into a broader investment holding company, and later to an investment trust. As significant shareholders, the family's long-term perspective underpins how Caledonia is run today.



Find out more

→ SCAN QR CODE

## At a glance *continued*

### Our purpose

As trusted stewards of shareholder capital, our purpose is to protect and grow capital across generations - through high-quality investments that outperform inflation and public markets over the long term.

£3bn

NAV as at March 2026

59

Years of consecutive dividend growth

Chief Executive Officer's review

➔ PAGE 12

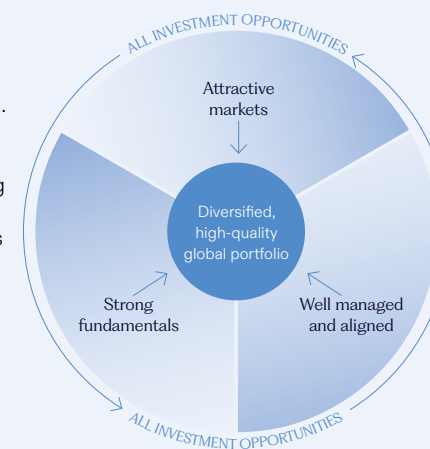


### Our perspective

Driven by long-term investments in high-quality companies with the ability to compound value over time.

#### Our investment approach

We focus on identifying businesses and fund managers that meet three essential criteria. These principles are applied consistently across all three of our investment pools, reinforcing our disciplined, high-conviction approach and building portfolios designed to deliver resilient, long-term returns.



Our value creation model

➔ PAGE 16

### Our portfolio

We invest in both listed and private markets across three pools: Public Companies, Private Capital and Funds. Each has a strategic allocation of capital, investment strategy and target return. The result is a well-balanced, diversified portfolio of investments with a global reach.

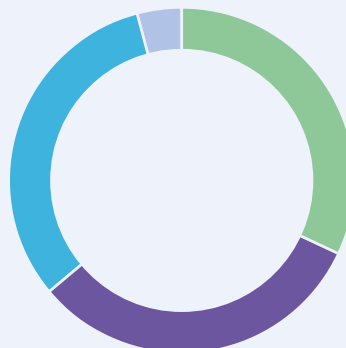
#### Long-term investors

Each investment pool is managed by a specialist team investing in well-managed businesses that combine long-term growth characteristics with, in many cases, an ability to deliver increasing levels of income.

Investment review

➔ PAGE 24

PORTFOLIO BY POOL



Public Companies: 32%	£952m
Private Capital: 32%	£955m
Funds: 32%	£941m
Cash & other: 4%	£132m

#### Our strategic objectives

We harness the power of time to deliver sustainable real returns and progressive dividends for shareholders.

Our performance is measured against four strategic objectives:



**Outperform inflation**  
Over the medium to long term



**Outperform FTSE All-Share**  
Over 10 years



**Pay progressive dividends**  
Increasing by inflation or more over the longer term



**Manage investment risk**

Our group strategy & KPIs

➔ PAGE 22

What sets us apart?

# Compounding through cycles

9.2% p.a.  
10-year NAVTR

59 years  
Of consecutive dividend growth

1

**Our successful track record**  
Delivering long-term real  
returns for our stakeholders.

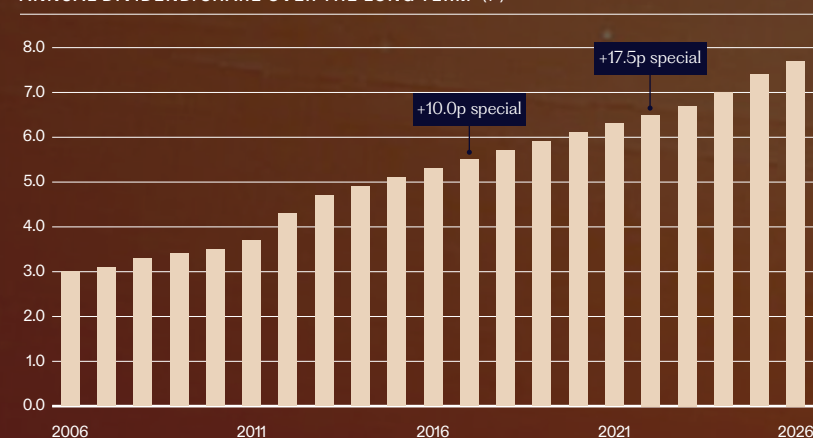
## Delivering long-term real returns

We have a track record of generating long-term real returns, outperforming inflation and the FTSE All-Share Index over the past decade. This performance reflects the strength of our disciplined, high-conviction investment approach, our long-term mindset and the resilience of our portfolio, enabling us to look through market cycles and remain focused on value creation.

## A progressive dividend

Our progressive dividend policy reflects the strength of our balance sheet across economic cycles. We have delivered 59 consecutive years of dividend growth – reinforcing our position as a trusted steward of capital and our commitment to grow capital and income in real terms.

ANNUAL DIVIDEND/SHARE OVER THE LONG TERM<sup>1</sup> (P)



1. On 25 July 2025, the company executed a 10:1 sub-division of its ordinary shares which reduced the nominal value from 5p to 0.5p. As a result of the increased number of ordinary shares now in issue, all net asset per share and dividend per share figures have been restated for the prior year comparatives.

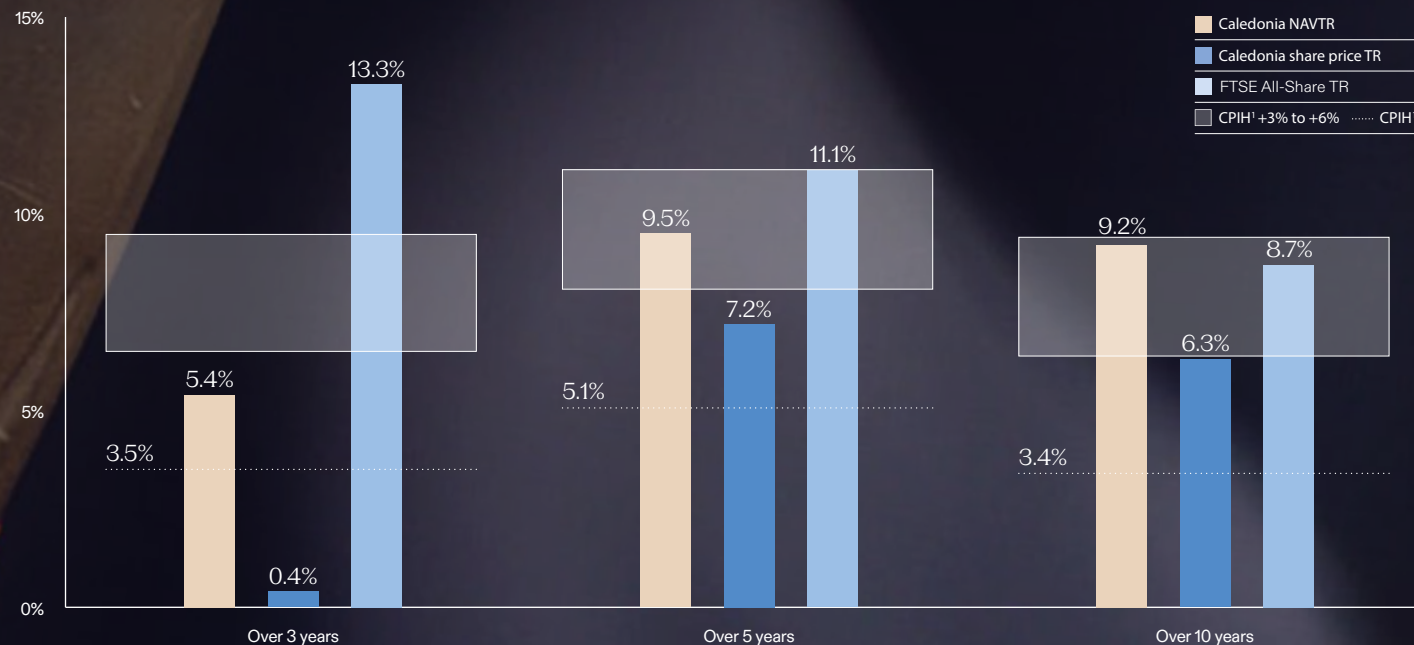
## What sets us apart? continued

### Our track record

Our strategy has generated attractive returns over time, supported by selective capital allocation and rigorous fundamental analysis.

## Long-term performance

Annualised medium and long-term performance to 31 March 2026



1. Inflation measure is Consumer Prices Index including owner occupiers' housing costs ('CPIH').



“ We are proud of increasing the dividend every year for 59 years, demonstrating our commitment as trusted stewards to grow capital and income in real terms. ”

Mat Masters  
Chief Executive Officer

**5.8% p.a.**  
NAV outperformance  
of inflation over 10 years

**5.3%**  
Dividend annualised growth  
over 59 years

What sets us apart? continued

# Enabling focused investing

2

**Our globally diverse portfolio**  
Providing our shareholders  
access to three pools of capital.

### Accessing three investment pools

As a long-term investor across both listed and private markets, providing shareholders with access to three distinct investment pools: Public Companies, Private Capital and Funds.

Together, these complementary pools broaden opportunity, enhance diversification and strengthen our ability to compound value over time.

### Strategic allocation of capital

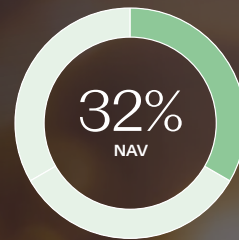
Each investment pool has a clearly defined strategic allocation of capital, distinct investment strategy and target return profile. Together, they create a well-balanced, globally diversified portfolio.

### Permanent balance sheet

Investing from Caledonia's permanent balance sheet enables us to dedicate our time and attention entirely to identifying and investing in high-quality businesses at the right time.

#### Public Companies

- Two concentrated portfolios of 15 – 20 companies in each
- Highly liquid



Target return:

10% 7%

p.a. Capital p.a. Income

Strategic allocation:

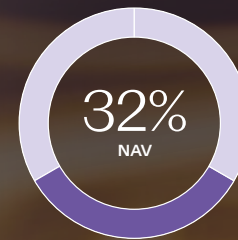
30%-40%

9.1% p.a.

10-year return

#### Private Capital

- Focused on up to 10 high-quality, UK mid-market companies
- Significant owners working in partnership with management to create value



Target return:

14%

p.a.

Strategic allocation:

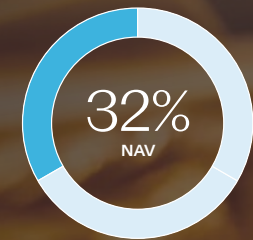
25%-35%

12.2% p.a.

10-year return

#### Funds

- Proven private equity managers in North America lower mid-market and Asia
- Highly diversified



Target return:

12.5%

p.a.

Strategic allocation:

25-35%

13.1% p.a.

10-year return

## What sets us apart? *continued*

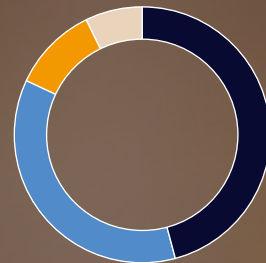
### Diversification

The charts on the right demonstrate the diversification of our portfolio by region, sector and currency.

## A diverse global portfolio

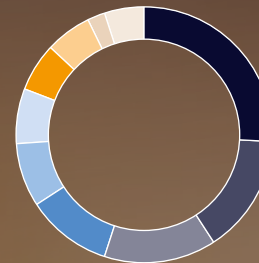
Driven by long-term investments in quality companies

### GEOGRAPHY BY REGION (HEADQUARTERED)



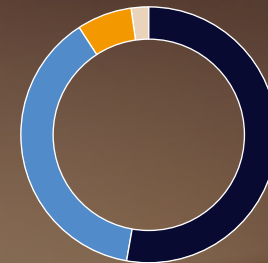
North America	46%
UK & Channel Islands	36%
Asia	11%
Europe	7%

### SECTOR



Industrials <sup>1</sup>	26%
Financials <sup>2</sup>	15%
Consumer discretionary	14%
Information technology	11%
Healthcare	8%
Funds of funds	7%
Consumer staples	6%
Materials	6%
Communication services	2%
Other sectors	5%

### CURRENCY EXPOSURE



US dollar	53%
Pound sterling	38%
Euro	7%
Other currencies	2%

1. Includes Private Capital investments in AIR-serv Europe, DTM and Cooke Optics.
2. Includes Private Capital investment in Stonehage Fleming and Public Companies investments in Charles Schwab, Moody's Corporation, Polar Capital and Sabre Insurance.



“ Our portfolio gives our shareholders access to a broad opportunity set, the combination of, would be difficult to access directly on their own. ”

Rob Memmott  
Chief Financial Officer

# 6.1%

Portfolio return  
as at 31 March 2026

What sets us apart? **continued**

# Combining experience & expertise

3

## Our expert in-house team

An experienced investment team incentivised to be fully aligned with shareholders.

### Expert team

Our expert team brings long-standing knowledge of the companies and sectors in which we invest, supported by many years of experience at Caledonia. This depth of insight and continuity strengthens our disciplined and selective investment process.

### Fully focused on investing

As we do not manage external capital or undertake fundraising, we are free from the constraints of fund cycles and short-term capital pressures. This structure allows us to be patient, selective and remain fully focused on investing.

### Aligned with shareholders

Alignment with shareholders is fundamental to our model. A meaningful proportion of remuneration is in Caledonia shares, vesting over three and five years, subject to performance. This structure ensures that our people think and act like owners, with incentives directly linked to long-term performance – fully aligned with shareholders.

26

Number of employees  
in the investment team



£265m

Invested into our portfolio  
in FY26

£257m

Realisations from our  
portfolio in FY26

“ Caledonia’s structure means we can be wholly focused on investment, with the combination of permanent capital and no benchmark enabling us to take advantage of market opportunities without worrying about flows or short-term noise. ”

Ben Archer  
Co-Head Public Companies

## What sets us apart? *continued*

### Our culture

Our culture is rooted in values that guide every aspect of our business. We invest in time - taking the care to be insightful in our decisions, supportive in our relationships, responsible in our actions, considered in our strategies and unwaveringly committed to a long-term vision.



“ It is not just what we do - it's the way we go about it that sets us apart. How we work together is a big part of what makes us effective. We are thoughtful, grounded and focused on doing things the right way. ”

Jamie Cayzer-Colvin  
Head of Funds

[Our people and culture](#)

➔ [PAGE 52](#)

### Our values

Our values are the foundation of who we are. They guide our actions, shape the way we operate and inspire us to build meaningful relationships; both internally and with our external stakeholders.

#### **Insightful & supportive**

Through our extensive network of contacts, we identify and select companies and funds with strong fundamentals. We maintain effective and constructive relationships with the people, companies and funds in which we invest.

#### **Flexible & responsible**

We invest from our balance sheet which allows us to be flexible. Our disciplined investment process, with ESG factors considered, aligns with our risk appetite. We are fully aligned with shareholders' interests.

#### **Considered & long term**

Our independence and reputation enable us to take the long-term view, which is key to our goal of building generational wealth and delivering a steady and rising income for our shareholders.



## Chair's statement

Caledonia delivered another year of positive performance, with NAVTR of 5.4%, extending our track record of generating long-term real returns with annualised NAVTR of 9.2% over the last decade, outperforming inflation by 5.8% p.a.. The portfolio is constructed with a broad opportunity set and a long-term return objective. Whilst NAVTR was below the FTSE All-Share total return over the short term, we outperformed the index over 10 years.

### Income and dividend

Total net investment income from the revenue account increased from £53.6m to £64.7m and total net revenue profit was £40.4m, sufficient to fully cover the dividend for the year. As previously reported, we expect a gradual reduction in investment income as we maintain our focus on total returns and, over time, anticipate that net distributions from our fund investments will play a more material role in dividend cover.

We remain committed to a progressive dividend policy which aims to increase annual dividends by at least the rate of inflation over the long term. The board has recommended a final dividend of 4.00p per share for the year ended 31 March 2026 which, if approved by shareholders, will be payable on 6 August 2026 to ordinary shareholders on the register on 3 July 2026. This represents a full-year dividend of 7.68p per share, an increase of 4.4% when compared to the previous year, and 59 consecutive years of increased annual dividends.

### Discount and total shareholder return

Over the year the average share price discount to net asset value ('NAV') was 34.0%, widening significantly in March and ending the year at 43.4%, in part due to the Iranian conflict. This movement resulted in a disappointing total shareholder return for the year of -7.1%.

“I have been very proud to serve as Chair and, as I step down at this year's AGM, I do so with confidence in Caledonia's future.”

David Stewart  
Chair

10:1

Share split, making Caledonia shares more accessible to a wider range of investors

4.4%

Increase in dividends  
(31 March 2025: 4.5%)



## Chair's statement *continued*

Whilst the discount narrowed to 37.1% at the end of April, we believe that the share price continues to undervalue the quality of our portfolio and our long-term performance track record.

The board regularly considers what additional steps could be taken to address the discount, which to date have included the following initiatives:

### Dividend re-profiling

To provide shareholders with a more predictable and balanced income stream, during the year we re-profiled the interim dividend to 50% of the prior year's total.

### Share split

To improve accessibility for a wider range of shareholders, following shareholder approval at last year's annual general meeting, a 10:1 share split was implemented on 25 July 2025. This reduced the nominal value of ordinary shares from 5p to 0.5p. The combination of the share split and the re-profiling of the dividend has made dividend re-investment easier.

### Share buybacks

Alongside continued allocation to our investment strategy and our progressive dividend policy, we continue to invest in our own portfolio via share buybacks, which represents a lower-risk way to enhance NAV per share. In considering whether to undertake share buybacks, the board will continue to take into account the liquidity of the company's shares, the need to remain appropriately invested in the portfolio and the level of any discount at which the shares trade relative to NAV per share.

During the year, we allocated £34.6m to purchase and cancel 9,465,511 ordinary shares at an average discount of 34.7%, generating 3.49p of NAV per share accretion. The board is cognisant that share buybacks increase the percentage of voting rights held by the Cayzer family concert party (the 'Cayzer Concert Party'). The Cayzer Concert Party remains a long-term shareholder and the source of Caledonia's strong culture and long-term outlook. As at 31 March 2026, its holding in the company was 51.05%.

### Investor communications

To ensure that our investment proposition is understood and more appropriately rated, we have continued to evolve our investor communications during the year. Our series of successful 'spotlight' events focused on each of our investment pools was a particular highlight, showcasing the quality of our portfolio, our differentiated investment approach and, importantly, the calibre of our people. We made further investment in our brand, successfully launching a new website in late 2025 and increased our participation in investor focused events. This enhanced level of engagement is expected to continue.

### Board changes

There have been several changes to the composition of the board and its committees during the year. Lynn Fordham resigned as a non-executive director on 31 August 2025. I would like to thank her for the considerable contribution that she made during her time on the board. Farah Buckley was appointed as a member of the Audit and Risk Committee and subsequently succeeded Lynn as Chair of that Committee on 1 September 2025. We also welcomed Michael McLintock as a new non-executive director on 16 February 2026, bringing extensive investment management and listed company knowledge and experience to Caledonia.

Charles Cayzer, after a little over four decades of service, has decided not to stand for re-election as a non-executive director at this year's annual general meeting ('AGM'). Charles has been a significant asset to Caledonia during his long tenure and I, together with board colleagues past and present, have benefitted from his diligence and wise counsel.

My tenure as company Chair will end at the AGM. The board has appointed Will Wyatt as my successor. Will successfully led Caledonia as Chief Executive for over a decade until becoming a non-executive director in July 2022. He is a member of the Cayzer family and has a deep understanding of Caledonia's culture, investment strategy and long-term approach. Will's appointment follows the completion of a formal, rigorous and transparent process undertaken by the Nomination Committee

led by Guy Davison, Caledonia's Senior Independent Director. Major shareholders, who were consulted in advance, confirmed their broad support for his appointment.

### Annual general meeting

Each year I look forward to meeting fellow shareholders in person at our AGM, which once again takes place in London, on 15 July 2026. This year, shareholders are also invited to meet me and my board colleagues informally ahead of the meeting.

### Outlook

I have been very proud to serve as Chair and, as I step down at this year's AGM, I do so with confidence in Caledonia's future. The external

environment remains unsettled and is likely to continue to present further uncertainty. However, I believe Caledonia is well placed to navigate these challenges, supported by a high-quality portfolio, a robust balance sheet and a strong, experienced team.

I wish Will every success as he takes on the role of Chair and I would like to thank my board colleagues, the management team and colleagues across the business for their commitment and support.

**David Stewart**

Chair  
18 May 2026

## Enhancing our shareholder communications

### INVESTING IN OUR BRAND

#### New website launched providing greater insight

Our refreshed website strengthens how we communicate with shareholders, offering clearer insight into our strategy, investment activity and performance. It provides a more accessible platform for timely updates, deeper portfolio information and more consistent engagement with shareholders throughout the year.



Find out more  
→ SCAN QR CODE

### SPOTLIGHT EVENTS

#### Sharing industry insight and expertise

Our 'spotlight' events were designed for investors and analysts to provide detailed insight into each of the three investment pools. They offered a platform to share perspectives from across Caledonia's investment network, highlighting portfolio companies, market themes and long-term thinking.



Find out more  
→ SCAN QR CODE

## Chief Executive Officer's review

Our thoughtful, long-term compounding investments delivered another year of positive performance.

# Time Well Invested

5.4%

NAV total return  
as at 31 March 2026

9.2% p.a.

NAV total return over 10 years

## Chief Executive Officer's review continued



“While having a high-quality portfolio matters, it is nothing without the quality of the people behind it. It is important to surround yourself with great people — the teams we back and my colleagues at Caledonia.”

**Mat Masters**  
Chief Executive Officer

## Q&A

**Mat Masters** shares his perspective on our strategy, market environment and lessons from his 20 years' service at Caledonia.

**Q: How would you describe Caledonia's performance this year?**

**A:** We delivered a solid performance of 5.4% NAVTR in what was a highly unsettled environment – against a backdrop of geopolitical uncertainty, volatile markets and rapid shifts in sentiment, particularly the impact of artificial intelligence ('AI'). All three of our investment pools contributed positively to growth, which speaks to the resilience and diversification of the portfolio.

More broadly, the year demonstrated the strengths of our model. We are not trying to predict every short-term market move; we are focused on owning high-quality businesses, backing experienced managers and allocating capital prudently. That long-term, disciplined approach, combined with a strong balance sheet and significant liquidity, means we are well placed not only to withstand uncertainty but also to take advantage of opportunities as they arise.

**Q: Caledonia has a majority shareholder in the Cayzer family – how does this benefit the rest of your shareholders?**

**A:** We are now in the 7<sup>th</sup> generation of the Cayzer family and that brings a genuinely long-term perspective. Caledonia was established to protect and grow multigenerational wealth – with a focus on compounding capital and income over time. Importantly, all shareholders invest on exactly the same terms. The family shareholding provides stability, reinforces our long-term perspective and allows us to stay focused on building value steadily.

**Q: TSR has been disappointing and despite positive NAV growth, the shares continue to trade at a significant discount. How are you addressing this?**

**A:** We recognise that TSR has been disappointing and that the discount remains wide. Addressing it is a clear priority for the board. During the year we allocated £35m to share buybacks, enhanced our investor engagement, implemented a share split to broaden accessibility and re-profiled the interim dividend to provide a more predictable income stream. Ultimately, we believe the best way to close that gap is to continue delivering strong long-term NAV growth while ensuring the quality of our investment proposition is better understood by the market.

**Q: What is your perspective on AI and its implications for Caledonia?**

**A:** AI is clearly an important long-term theme, but I would not characterise our approach as chasing it or fearing it. We are clearly very mindful of both the opportunities and the volatility it can create. It contributed to a significant re-rating in Oracle, where we took gains and managed our exposure, and reinforced the importance of staying disciplined amid fast-moving market sentiment. For Caledonia, the implication is that AI will continue to shape markets and create opportunities, but our focus remains on fundamentals, selective capital allocation and active risk management.

**Q: With substantial liquidity and a strong balance sheet, how are you thinking about capital allocation from here – between backing new opportunities, maintaining flexibility and continuing share buybacks where appropriate?**

**A:** Our first priority is to allocate capital selectively to the best opportunity. Because we invest our balance sheet, we have the flexibility to act decisively when attractive opportunities arise, without relying on fundraising.

Following completion of the Stonehage Fleming sale, Private Capital will be underinvested, so we would like to re-deploy a meaningful proportion of the proceeds to this pool. However, we are in no rush, being comfortable holding additional cash until we see opportunities that meet our return and quality thresholds. Share buybacks remain an important tool where they are clearly in shareholders' interests, but they must be balanced against staying well invested and retaining flexibility for future opportunities.

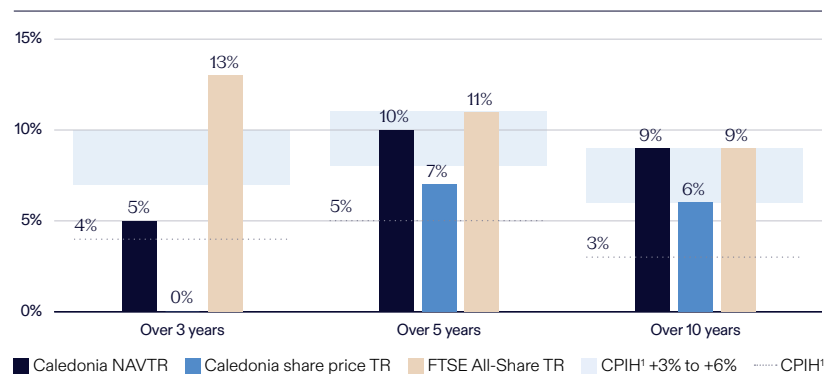
**Q: You recently celebrated 20 years' service at Caledonia, what have those two decades taught you?**

**A:** I have learned that successful long-term investing is as much about temperament as it is about judgement. Markets, technologies and geopolitics will always change, often in unpredictable ways, but the principles that matter most are more constant: backing high-quality businesses, maintaining a strong balance sheet, allocating capital prudently and staying focused on the long term. I have also learned that, while having a high-quality portfolio matters, it is nothing without the quality of the people behind it. I have come to appreciate just how important it is to surround yourself with great people – the teams we back and my colleagues at Caledonia. Those are the principles that have stood the test of time and are central to our success.

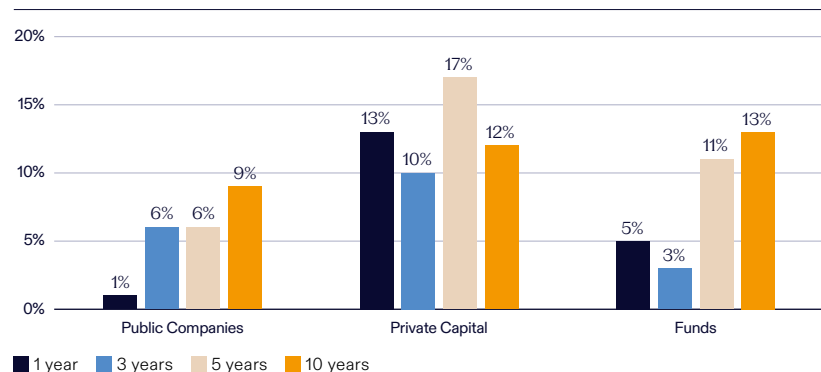
## Chief Executive Officer’s review continued

Caledonia’s long-term investment approach, embodied in our philosophy of ‘Time Well Invested’, continued to underpin another year of positive progress.

### ANNUALISED RETURNS



### ANNUALISED INVESTMENT POOL RETURNS



1. Inflation measure is Consumer Prices Index including owner occupiers’ housing costs (‘CPIH’).

We delivered a solid performance this year with NAVTR of 5.4%, against the backdrop of considerable macroeconomic and geopolitical uncertainty, with all three investment pools contributing positively to growth. This reflects the strength of our business model, the benefit of our diversified portfolio and the resilience of our investment approach. We continue to focus on investing in well-managed companies with strong fundamentals, operating in attractive markets. These characteristics position the portfolio to look through short-term noise and to navigate periods of disruption and uncertainty with confidence.

The year began with volatility following the US administration’s ‘Liberation Day’ announcement in April 2025, which led to a decline across global equity markets and provided us an opportunity to deploy capital into our Public Companies pool. We maintained discipline, taking advantage where we saw opportunity to invest and manage risk.

The rapid progress in AI and technology during the year fuelled both optimism and concern. Sentiment fluctuated over the course of the year, highlighting the pace of change and the uneven path of market expectations. A significant re-rating of our investment in Oracle took place during this period. We successfully risk managed the position, realising £65m, delivering a 96.3% return during the year, which compares favourably with the return that the stock delivered of 2.4% over the year.

In the Private Capital pool, we agreed the sale of Stonehage Fleming, delivering a fantastic result. More broadly, transaction volumes in private markets remained low, although we were encouraged to see some early signs of momentum returning during the year, particularly in our Asia funds.

Towards the end of the year, the Iranian conflict increased uncertainty leading to heightened market volatility in March, and the subsequent increase in inflation created a more challenging environment for investors and reduced our overall return for the year.

We recognise that shareholders will rightly be disappointed by the -7.1% total shareholder return due to the discount widening. There is no single solution to narrowing the discount and as set out in the Chair statement, during the year we have continued to pursue a number of measures to address it.

### Performance highlights

We invest across private and public markets. Overall, the portfolio generated a return of 6.1% in the year. This included adverse foreign exchange movements which negatively impacted returns by 0.9%.

Our Public Companies pool is invested in high-quality, well-managed businesses with strong market positions and pricing power. The global portfolio is split between capital and income investments, with the latter providing an important contribution to cover our cost base and dividend.

Performance was affected by the considerable market volatility as a result of the Iranian conflict nearing the end of the financial year. The pool delivered a 1.2% return in the year, down from 9.0% at the end of February.

**5.8% p.a.**  
NAV outperformance of inflation over 10 years

## Chief Executive Officer's review continued

Within Private Capital, the portfolio delivered an overall return of 13.1%. The agreed sale of Stonehage Fleming was a key contributor and marks an excellent outcome. It is a clear demonstration of our patient capital approach at work: backing an exceptional management team, supporting the development of an even stronger business over time, creating substantial value during our ownership and ultimately delivering an outstanding return for shareholders. AIR-serv Europe also delivered another year of strong performance, leading to a higher valuation.

The Funds pool performed well in the year, delivering a total return of 4.9% or 7.1% in local currency. Performance was supported by positive contributions from both North America and Asia, reflecting the quality of the underlying portfolios and meaningful realisations. While distributions continued to be subdued as expected, we are encouraged by a pick up in IPO and fundraising activity in Asia. The portfolios remain resilient, with exposure to domestic markets and attractive long-term growth sectors.

### Liquidity and balance sheet

A strong financial position is core to Caledonia's strategy. We ended the year with net cash of £90m, which, alongside our £325m revolving credit facility, provides significant liquidity to invest in attractive opportunities as they arise.

Proceeds of c.£290m from the agreed sale of Stonehage Fleming are expected in mid 2026. This will further enhance our liquidity and position us well to pursue opportunities that meet our selective investment criteria.

### People

Our people remain at the heart of our business and we are committed to fostering an environment in which exceptional talent can thrive. I would like to thank my colleagues for their unwavering enthusiasm and dedication which continue to drive our success.

I would also like to thank our Chair, David Stewart, and non-executive director, Charles Cayzer who will both step down at the conclusion of the forthcoming annual general meeting. We are very grateful for their leadership, counsel and support throughout their tenure.

### Our approach to responsible investment

As we highlight in the Sustainability section, we have continued to build on our approach to responsible investment and consider the issues associated with climate change and its potential impact on our business and portfolio. Our Task Force on Climate-related Financial Disclosures report will be published alongside this annual report.



“ While uncertainty is likely to remain a feature of markets, Caledonia is well placed to continue delivering long-term value for shareholders. ”

**Mat Masters**  
Chief Executive Officer

### Looking forward

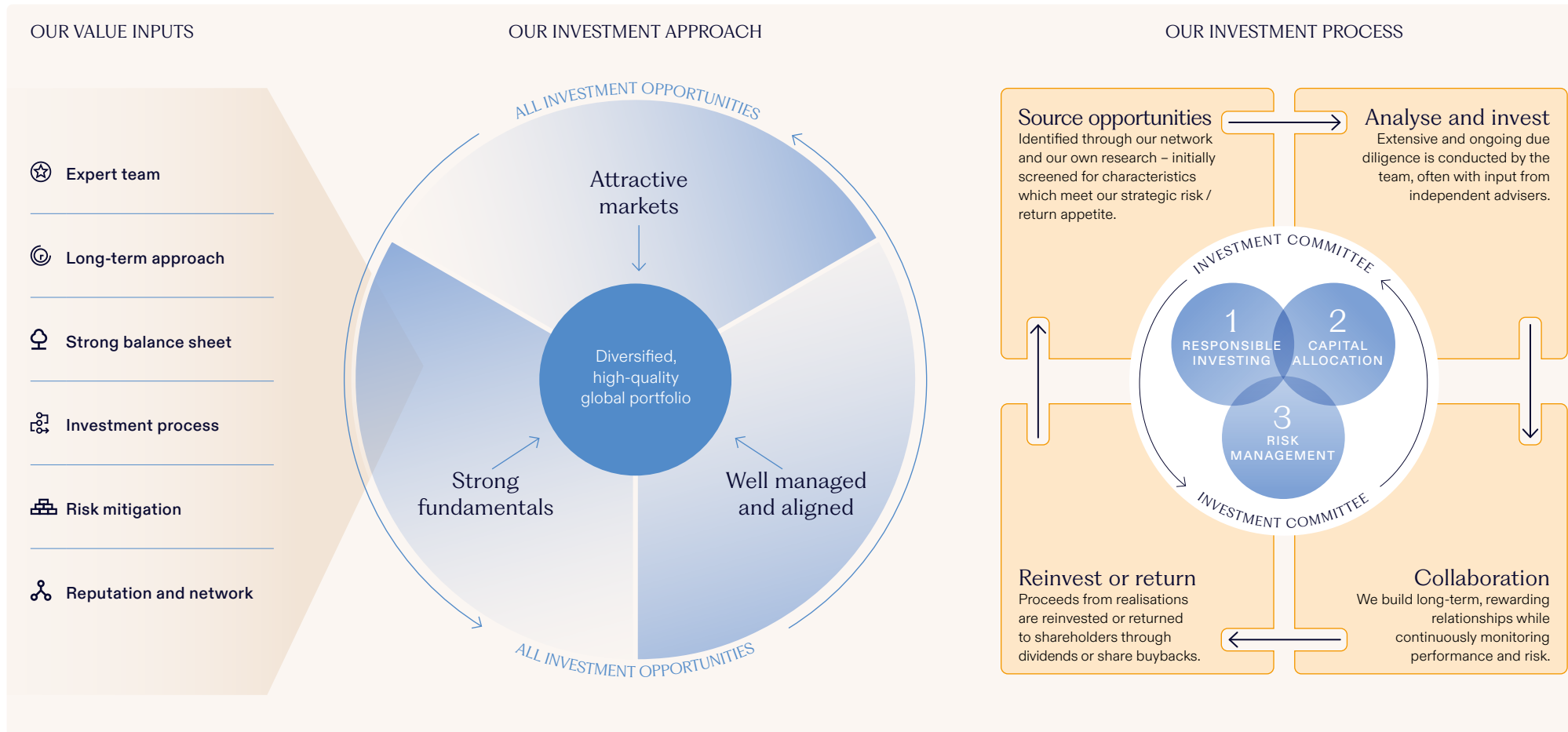
Looking ahead, we recognise that uncertainty in the economic and geopolitical backdrop is likely to remain a feature of markets in the year ahead. Nevertheless, we believe Caledonia is well placed to continue delivering long-term value for shareholders. The strength of our model, centred on investing in high-quality companies with lower levels of financial risk, gives us confidence in the resilience of the portfolio and its ability to perform over the long term. Our balance sheet and liquidity are strong, providing us with the ability to pursue opportunities as they arise. We remain focused on compounding NAV over the long term, while continuing our efforts to improve shareholder returns and ensure that the strength of our investment proposition is more fully reflected in the share price.

**Mat Masters**  
Chief Executive Officer  
18 May 2026

Our value creation model

# Driving long-term value

We invest in proven, well-managed businesses that combine long-term growth characteristics with an ability to deliver increasing levels of income.



## Our value creation model *continued*

By combining our balance sheet and disciplined investment process across our three pools of capital, we target positive returns for all of our stakeholders.

[Stakeholder engagement](#)

[➔ PAGE 18](#)

### OUR GLOBALLY DIVERSE PORTFOLIO

### OUR TARGETED RETURNS

### OUR STAKEHOLDER OUTPUTS

#### Public Companies



“We invest in high-quality businesses built to compound value for the long term.”

**Ben Archer and Alan Murrin**  
Co-Heads of Public Companies

#### KEY ATTRIBUTES

- Highly liquid
- Two concentrated portfolios – one team
- Long-term ownership mindset
- Invest patiently, act with conviction

#### TARGET RETURN

Capital portfolio

10% p.a.

Income portfolio

7% p.a.

[PAGE 26](#) ➔

#### Private Capital



“Our buy-to-own approach differentiates us from other managers.”

**Tom Leader**  
Head of Private Capital

#### KEY ATTRIBUTES

- Control or preferred minority positions in up to 10 UK mid-market companies
- Buy-to-own approach
- Active partnership model
- Prudent capital structures

#### TARGET RETURN

14.0% p.a.

[PAGE 30](#) ➔

#### Funds



“The team seeks to partner with proven managers in attractive markets.”

**Jamie Cayzer-Colvin**  
Head of Funds

#### KEY ATTRIBUTES

- Highly diversified
- Access to hard-to-reach markets
- Partnership with experienced, operationally focused managers

#### TARGET RETURN

12.5% p.a.

[PAGE 34](#) ➔



#### Our shareholders

Our shareholders provide Caledonia's permanent capital and it is for their benefit that the directors are required to promote the company's success.



#### Our portfolio companies and funds

We build rewarding relationships and a deep understanding of our investments.



#### Our people

Our employees are our most important asset and we invest time to foster their professional development and wellbeing.



#### Our communities

Through our Foundation, we have an ongoing commitment to the wider community.



#### Our suppliers

We build and value long-term relationships.

## Stakeholder engagement

# Our framework for stakeholder dialogue



Section 172 of the Companies Act 2006 (the 'Companies Act') requires each of our board directors, individually and collectively, to act in the way they consider, in good faith, would most likely promote the long-term success of the company for the benefit of its members as a whole. In doing this they are required to have regard, amongst other relevant matters, to the:

- a. Likely consequences of any decisions in the long term
- b. Interests of the company's employees
- c. Need to foster the company's business relationships with suppliers, customers and others
- d. Impact of the company's operations on the community and environment
- e. Desirability of the company maintaining a reputation for high standards of business conduct
- f. Need to act fairly as between members of the company

In discharging their duties, each director will seek to balance the interests, views and expectations of Caledonia's stakeholders, whilst recognising that every decision the board makes will not necessarily result in a positive outcome for all. However, the board's aim is to make sure that decisions are consistent and predictable. In so doing, it seeks to generate long-term compounding real returns that outperform inflation by 3%-6% over the medium to long term, and the FTSE All-Share index over 10 years. The company does not have customers. Rather, its shareholders are the stakeholders who most closely resemble customers.

In this section, we describe each of our key stakeholder groups, their importance and how we engaged with them during the year. Also provided are examples of the ways in which the board considered the interests of these stakeholders and had regard to the matters set out in section 172(1)(a) to (f) of the Companies Act when making its decisions.

Further details on how the board operates can also be found in the Corporate governance report on page 67 and at [caledonia.com](http://caledonia.com).

Stakeholder engagement *continued*

## How stakeholder insights shape our decisions

How the board spent its time in 2026

➔ PAGE 69

## 1 SHAREHOLDER INITIATIVES

## Addressing the discount

The board regularly considers what additional steps could be taken to address the discount.

**Context**

Over the year the average share price discount to net asset value ('NAV') was 34.0%, widening significantly in March 2026 and ending the year at 43.4%. Sentiment towards investment companies, and in particular those investing in private assets, continues to weigh on discounts across the sector.

**Board considerations**

The board believes that the share price continues to undervalue the quality of Caledonia's portfolio and its long-term performance track record. It regularly considers what additional steps could be taken to address the discount.

The board remains committed to a progressive dividend policy which aims to increase annual dividends by at least the rate of inflation over the long term. To improve accessibility to a wider range of investors, a share split was completed in the year. The interim dividend was re-profiled to provide shareholders with

a more predictable and balanced income stream. Both these measures make dividend re-investment easier.

In considering whether to undertake share buybacks, the board takes into account the liquidity of the company's shares, the need to remain appropriately invested in the portfolio and the level of any discount at which the shares trade relative to NAV per share.

**Outcome**

The board has recommended a final dividend of 4.00p per share for the year ended 31 March 2026 which, if approved by shareholders, represents a full-year dividend of 7.68p per share. This is an increase of 4.4% when compared to the previous year, meaning 59 consecutive years of increased annual dividends. In 2025 we re-profiled the interim dividend to 50% of the prior year's total and implemented a 10:1 share split. During the year, £34.6m was allocated to purchase and cancel 9,465,511 ordinary shares at an average discount of 34.7%, generating 3.49p of NAV per share accretion.

**RELEVANT STAKEHOLDERS**

 Our shareholders

## 2 ENHANCED COMMUNICATIONS

## Investing in our brand, digital presence and communications

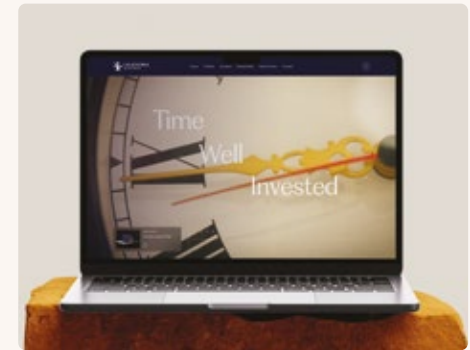
To ensure our investment proposition is well understood and recognised by the market.

**Context**

Building on improvements made to our investor relations and communications activities in 2025, in November 2025 we launched a refreshed Caledonia brand and digital presence, designed to better reflect who we are today and how we deliver value for tomorrow. The new visual identity, website and communications framework were shaped by feedback from stakeholders, ensuring our brand is clear, accessible and aligned with our long-term strategy.


**Board considerations**


The board considered the approach being taken to modernise Caledonia's brand and digital channels, recognising that effective communication is essential to long-term value creation. The investment required was balanced with the benefits of increased stakeholder engagement, improved accessibility and a stronger competitive position.

**Outcome**

Our programme of 'spotlight' events for investors and analysts provided insights on the investment philosophy, strategy and portfolio of each of our three investment pools. The refreshed brand and digital presence have already strengthened our engagement with shareholders, portfolio companies and wider stakeholders. The updated website offers greater clarity and accessibility, while the new brand identity has enhanced visibility and consistency across all channels.

**RELEVANT STAKEHOLDERS**

 Our shareholders

 Our portfolio companies and funds

 Our suppliers

## Stakeholder engagement *continued*

# How we engage with our key stakeholders



## Our shareholders

### Why we engage

Shareholders provide Caledonia's permanent capital and it is for their benefit that the directors are required to promote the company's success. We remain committed to a proactive and constructive dialogue with them to ensure:

- There is a good understanding of the company's purpose, performance and approach to environmental, social and governance matters
- The board is aware of issues that are important to them

### How we engage

We communicate with investors through numerous channels:

- Our Chief Executive Officer and Chief Financial Officer hold regular meetings with institutional investors, private client stockbrokers and fund managers, particularly following the publication of our half-year and annual results
- A programme of 'spotlight' events for investors and analysts continued during the year, with events held on the Private Capital pool in January 2025, the Public Companies pool in June 2025 and the Funds pool in January 2026
- Our refreshed website was launched in November 2025
- Investor conferences attended by retail investors and fund managers
- Regular market announcements, including monthly NAV announcements, half-year and annual results webcasts, keep shareholders apprised of performance

Relations with shareholders

➔ PAGE 69

### How the board engages

- The Chair and other non-executive directors are available to attend shareholder meetings if requested
- Caledonia's annual general meeting is an important part of our communications programme, providing directors with the opportunity to meet shareholders in person and to hear their opinions
- During the year, our Senior Independent Director led a consultation with major shareholders ahead of the appointment of Will Wyatt as David Stewart's successor as company Chair. These shareholders were also provided with the opportunity to meet Will as part of this process
- Views put forward by shareholders and analysts provided to the board, with periodic reports and presentations from the company's brokers and management on shareholder feedback and general market perception of the company

### Outcomes

- Shareholder perspectives and ongoing engagement are considered as part of strategy and other discussions. The outcomes for the year of the share buyback programme and progressive dividend policy are set out on page 100
- A 10:1 share split was implemented on 25 July 2025, reducing the nominal value of our ordinary shares from 5p to 0.5p and improving affordability and accessibility for smaller shareholders
- During the year, enhancements to our investor relations and communications activities continued to ensure our investment proposition is well understood and recognised by the market
- Major shareholders expressed broad support for Will Wyatt's appointment as Chair through the consultation process



## Our portfolio companies and funds

### Why we engage

Our portfolio companies, both public and private, provide the source of returns to our shareholders.

### How we engage

Our focus remains on long-term, careful stewardship to create value for our shareholders. We seek to build rewarding relationships with, and a deep understanding of, our investments.

#### Public Companies

- We use in-house and third-party research to closely monitor the performance of companies in the Income and Capital portfolios
- Meetings with management teams are an important part of our ongoing stewardship activities
- We make considered use of our voting rights at all shareholder meetings

#### Private Capital

- Our employees serve as non-executive directors on the boards of portfolio companies in which we hold a significant investment, providing oversight and helping to ensure that our board is kept apprised of key developments and the views of a broader group of stakeholders

#### Funds

- Alongside proactive monitoring of fund performance, we are represented by employees on numerous advisory committees established by the managers of the funds in which we invest
- A regular programme of meetings with fund general partners, other limited partners and investee businesses enables us to gain real insight into the ongoing management of our portfolio

### How the board engages

Decision-making is supported by comprehensive regular reporting to the board by the Heads of Public Companies, Private Capital and Funds, supported by members of their respective teams. The board also receives presentations from the leadership of portfolio companies, providing directors additional insight to assist with investment decision-making.

### Outcomes

#### Public Companies

- Over the course of the year, the team attended over 50 meetings with portfolio company management and used their voting rights at all shareholder meetings

#### Private Capital

- Our active partnership model means we maintain regular, close engagement with our Private Capital companies throughout the year
- In January 2026, the directors attended a conference and dinner with portfolio company management, which included business presentations and provided the opportunity to meet a broader group of senior management

#### Funds

- Over the course of the year, the team attended in excess of 180 meetings with our portfolio fund managers, including annual meetings, advisory board meetings, in-person meetings in the UK, Asia or North America and virtual meetings held online

Our stewardship activities

➔ PAGE 45

## Stakeholder engagement *continued*

### Our people

#### Why we engage

Our team is key to delivering long-term performance.

Recruiting, retaining and developing engaged and experienced employees who share our values and culture is central to delivering Caledonia's purpose.

#### How we engage

We encourage honest and open communication, both formally and informally, to ensure employees remain closely involved with the success of the business. We carry out a biennial colleague engagement survey to help us better understand the views of our employees and how we can continue to develop and improve. In our most recent survey in 2025, 96% of employees who responded recommended Caledonia as a "great place to work".

#### How the board engages

- Caledonia has a small number of employees which enables regular formal and informal access to board directors, irrespective of seniority, together with frequent colleague involvement in board and committee meetings. As such, the board believes that these existing arrangements are effective and therefore the methods for workforce engagement suggested by the UK Corporate Governance Code are not necessary
- Formal periodic reports on employee related matters, including any instances of concerns or grievances raised and suggestions for improvement, assist the board in understanding the views of employees

#### Outcomes

- Our all-employee share incentive plan was launched in summer 2025, offering all employees, irrespective of seniority, the opportunity to build up a tax efficient equity stake in the company
- We implemented pension salary sacrifice in 2025, enabling employees to make personal pension contributions in a more tax efficient way

Our people and culture

 PAGE 52

### Our communities

#### Why we engage

We look to support the communities in which the company and our investee companies operate and charities which resonate with our history, values, culture and team. We support advancing new talent and social mobility within the investment management industry.

#### How we engage

The Caledonia Investments Charitable Foundation ('Foundation') is the focus for Caledonia's charitable activity, providing support to many good causes each year. The company made a grant of £300,000 to the Foundation during the year.

As part of our ongoing charitable commitment and to further encourage employees to support the Foundation, together with other charities and good causes, we provide up to two additional days of leave each year to employees so they can volunteer their time.

Our intern and alumni programme, supported by an independent facilitator and with involvement from employees across the business, provides participants with an invaluable insight into Caledonia and the investment management industry and helps build skills for their future careers.

#### How the board engages

The Foundation reports formally on its activities to the board annually. Each year, one of our non-executive directors is invited to participate in an event in which our interns pitch

their investment ideas at the end of their month-long programme.

#### Outcomes


Numerous charities received varying levels of support over the year. Notable multi-year donations were provided to:

- The Royal Marines Charity to support the charity's mental health and addiction support services for both serving and former marines
- OCD Action to support their new initiative, The Bridge, which has been created to support people while they wait for treatment
- Been There, a charity that supports adults struggling with body image issues by connecting them with vetted, trained mentors through a mobile app
- The Countryside Education Trust to support the charity's long-term sustainability

Other notable donations included those to Joshua Orphan and Community Care, supporting community-driven sustainable projects in Malawi, and Westminster Chapel to enable construction to be undertaken at the Westminster Foodbank.

14 successful candidates who aspire to have a career in investment management participated in our annual internship programme in summer 2025. Our intern alumni programme continues to foster enduring relationships with those who have interned with us.

Our community activities

 PAGE 52

### Our suppliers

#### Why we engage

We value long-term supplier relationships built on transparency, reliability and quality to support our investment activities.

#### How we engage

We benefit from good relationships, often built over many years, with suppliers and advisers who share our values.

#### How the board engages

The board is informed on key supplier matters where relevant.





#### Outcomes



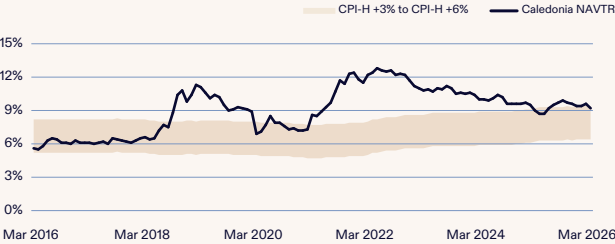


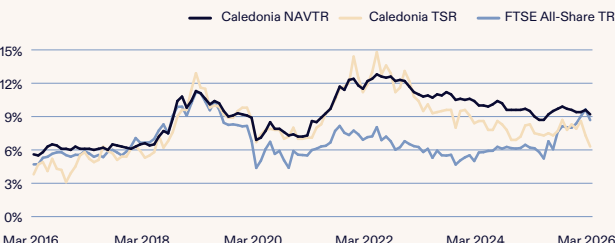
We operate clear payment practices to ensure fair and prompt payment for the goods and services we receive. We agree payment terms when contracting with suppliers and abide by them when we are satisfied that we have received the goods or services in accordance with the agreed terms and conditions. Whilst we are not a signatory of the UK Prompt Payment Code, we paid more than 87% of our supplier invoices within 30 days during the year (2025: 82%), with 96% paid within 60 days (2025: 94%).

## Our group strategy & KPIs

We harness the power of time to deliver sustainable real returns and progressive dividends for shareholders.

### OUR PERFORMANCE IS MEASURED AGAINST FOUR STRATEGIC OBJECTIVES:

 <p><b>Outperform inflation</b> Generate total returns that outperform inflation by 3% to 6% over the medium to long term.</p>	 <p><b>Outperform FTSE All-Share</b> Generate total returns that outperform the FTSE All-Share index over 10 years.</p>	 <p><b>Pay progressive dividends</b> Annual dividends increasing by inflation or more over the longer term.</p>	 <p><b>Manage investment risk</b> A diversified portfolio structured for long-term wealth creation.</p>
--	--	--	--

KPI	RATIONALE	PROGRESS IN THE YEAR	LINKS	METRIC
<p><b>1</b></p> <p>Net asset value total return ('NAVTR')</p>	<p>NAVTR is a measure of how the net asset value ('NAV') per share has performed over a period, taking into account both capital returns and dividends paid to shareholders</p> <p><a href="#">Alternative performance measure</a>   <a href="#">PAGE 148</a></p>	<ul style="list-style-type: none"> <li>The company has further extended its performance track record, reporting NAVTR of 5.4% in the year</li> <li>Over five and 10 years, the company has reported a NAVTR of 9.5% p.a. and 9.2% p.a. respectively, outperforming inflation by 4.4% and 5.8% over the same periods</li> <li>Over 10 years, the company's NAVTR has outperformed the FTSE All-Share TR index by 0.5% p.a.</li> </ul>	<p><b>KEY RISKS</b></p> <p>A B C D E F</p> <p><b>STRATEGIC OBJECTIVES</b></p> 	<p><b>NAVTR ANNUALISED 10-YEAR ROLLING PERFORMANCE</b></p> 
<p><b>2</b></p> <p>Total shareholder return ('TSR')</p>	<p>TSR measures the return to our shareholders through the movement in the share price and dividends paid during the measurement period</p> <p><a href="#">Alternative performance measure</a>   <a href="#">PAGE 148</a></p>	<ul style="list-style-type: none"> <li>The company's TSR for the year was -7.1% p.a.</li> <li>Over five and 10 years, the company's TSR was 7.2% p.a. and 6.3% p.a. respectively</li> <li>Over five years, the company's TSR has underperformed against the FTSE All-Share index by 3.9% p.a. and outperformed inflation by 2.1% p.a.</li> <li>Over 10 years, the company's TSR has underperformed against the FTSE All-Share index by 2.4% p.a. and outperformed inflation by 2.9% p.a.</li> </ul>	<p><b>KEY RISKS</b></p> <p>A B C D E F</p> <p><b>STRATEGIC OBJECTIVES</b></p> 	<p><b>TSR ANNUALISED 10-YEAR ROLLING PERFORMANCE</b></p> 

## Our group strategy & KPIs *continued*

### KEY RISKS:

- A Strategic risk      B Investment risk      C Market risk  
D Liquidity risk      E Operational risk      F ESG & climate change

Risk management

➔ PAGE 56

KPI	RATIONALE	PROGRESS IN THE YEAR	LINKS	METRIC																						
<p><b>3</b></p> <p>Dividend growth over time<sup>1</sup></p>	<p>A reliable source of income is important for our shareholders. Caledonia has a progressive dividend policy</p> <p>Annual dividend is the per share amount payable to shareholders out of profits for the year, excluding any special dividends</p>	<ul style="list-style-type: none"> <li>The company paid an interim dividend of 3.68p and has proposed a final dividend of 4.00p, taking total dividends to 7.68p per share, a 4.4% increase year on year, extending our record of growing annual dividends for 59 consecutive years</li> <li>Over the last five and 10 years, our dividend has grown by 4.1% p.a. and 3.9% p.a.</li> <li>Over the same period, inflation has increased by 5.1% p.a. and 3.4% p.a.</li> </ul>	<p><b>KEY RISKS</b></p> <p><span>A</span> <span>B</span> <span>C</span> <span>D</span> <span>E</span> <span>F</span></p> <p><b>STRATEGIC OBJECTIVES</b></p> <p>£</p>	<p><b>ANNUAL DIVIDEND/SHARE OVER 10 YEARS<sup>2</sup> (P)</b></p> <table border="1"> <tr><th>Year</th><td>2017</td><td>2018</td><td>2019</td><td>2020</td><td>2021</td><td>2022</td><td>2023</td><td>2024</td><td>2025</td><td>2026</td></tr> <tr><th>Value (P)</th><td>5.5</td><td>5.7</td><td>5.9</td><td>6.1</td><td>6.3</td><td>6.5</td><td>6.7</td><td>7.0</td><td>7.4</td><td>7.7</td></tr> </table>	Year	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	Value (P)	5.5	5.7	5.9	6.1	6.3	6.5	6.7	7.0	7.4	7.7
Year	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026																
Value (P)	5.5	5.7	5.9	6.1	6.3	6.5	6.7	7.0	7.4	7.7																
<p><b>4</b></p> <p>NAV per share<sup>1</sup></p>	<p>The measure of the company assets, calculated by dividing net assets by the fully diluted number of shares in issue</p> <p>See note 17 of the financial statements</p>	<ul style="list-style-type: none"> <li>At 31 March 2026, the company had net assets of £2,980m (568p per share), reporting a 3.7% NAV per share growth over the year</li> <li>Over five and 10 years, the company has reported a NAV per share growth of 7.3% p.a. and 7.0% p.a. respectively</li> <li>During the year to 31 March 2026, we allocated £34.6m to purchase and cancel 9,465,511 shares at an average discount of 34.7%, generating 3.49p or 0.6% of NAV per share accretion</li> </ul>	<p><b>KEY RISKS</b></p> <p><span>A</span> <span>B</span> <span>C</span> <span>D</span> <span>E</span> <span>F</span></p> <p><b>STRATEGIC OBJECTIVES</b></p> <p>📊 📈 🔄</p>	<p><b>NAV/SHARE OVER 10 YEARS (P)</b></p> <table border="1"> <tr><th>Year</th><td>2017</td><td>2018</td><td>2019</td><td>2020</td><td>2021</td><td>2022</td><td>2023</td><td>2024</td><td>2025</td><td>2026</td></tr> <tr><th>Value (P)</th><td>340</td><td>329</td><td>358</td><td>324</td><td>400</td><td>504</td><td>507</td><td>537</td><td>548</td><td>568</td></tr> </table>	Year	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	Value (P)	340	329	358	324	400	504	507	537	548	568
Year	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026																
Value (P)	340	329	358	324	400	504	507	537	548	568																

1. On 25 July 2025, the company executed a 10:1 sub-division of its ordinary shares which reduced the nominal value from 5p to 0.5p. As a result of the increased number of ordinary shares now in issue, all net asset per share and dividend per share figures have been restated for the prior year comparatives.

2. Excluding special dividends of 10.0p per share in 2017 and 17.5p per share in 2022.

## Investment review

# Built over time

Caledonia is a long-term investor in both listed and private markets via three pools: Public Companies, Private Capital and Funds, each managed by a specialist team.

To ensure that we maintain a balanced portfolio, each of our investment pools has a strategic allocation range. At 31 March 2026, all of our investment pools were within their strategic allocation ranges.

#### Geographic, sector and currency exposure

➔ [PAGE 7](#)

#### Overall performance

At 31 March 2026, the investment portfolio was valued at £2,847.8m, generating a return of 6.1% during the year, with all investment pools contributing to growth. This was achieved against a continuing backdrop of uncertainty, economic headwinds and geopolitical volatility. We believe this performance reflects the resilience of our portfolio, which is built around high-quality, well-managed businesses, operating in attractive markets and supported by strong market fundamentals.

#### Investment activity

During the year, we invested a total of £265.2m into the portfolio, against which £257.1m of proceeds were received, resulting in a net outflow of £8.1m.

£2.8bn

Portfolio value

£8.1m

Net cash invested

6.1%

Portfolio return

#### Investment movements in the year

	31 March 2025 £m	Investments £m	Realisations £m	Accrued income £m	Gains/ (losses) £m	31 March 2026 £m	Income £m	Return <sup>3</sup> %
Public Companies	964.7	141.4	(142.3)	–	(11.6)	952.2	23.2	1.2
Private Capital	870.7	7.0	(0.5)	2.6	74.9	954.7	36.1	13.1
Funds	897.3	116.8	(114.3)	–	41.1	940.9	3.6	4.9
<b>Total pools</b>	<b>2,732.7</b>	<b>265.2</b>	<b>(257.1)</b>	<b>2.6</b>	<b>104.4</b>	<b>2,847.8</b>	<b>62.9</b>	<b>6.1</b>
Other investments <sup>1</sup>	10.9	–	–	–	(12.3)	(1.4)	8.9	
<b>Total investments<sup>2</sup></b>	<b>2,743.6</b>	<b>265.2</b>	<b>(257.1)</b>	<b>2.6</b>	<b>92.1</b>	<b>2,846.4</b>	<b>71.8</b>	
Net cash	151.3					90.0		
Other net assets	36.7					43.6		
<b>Net assets</b>	<b>2,931.6</b>					<b>2,980.0</b>		

1. Other investments include -£1.4m of non-pool provisions (31 March 2025: £10.9m non-pool investment).

2. Total investments as at 31 March 2026 includes £279.3m (31 March 2025: nil) relating to one investment that was classified as assets held for sale in the group's statement of financial position.

3. Returns for investments are calculated using the Modified Dietz methodology.

# Investment review continued

## Our top 10 investments

Our top 10 holdings represent a significant share of our portfolio.

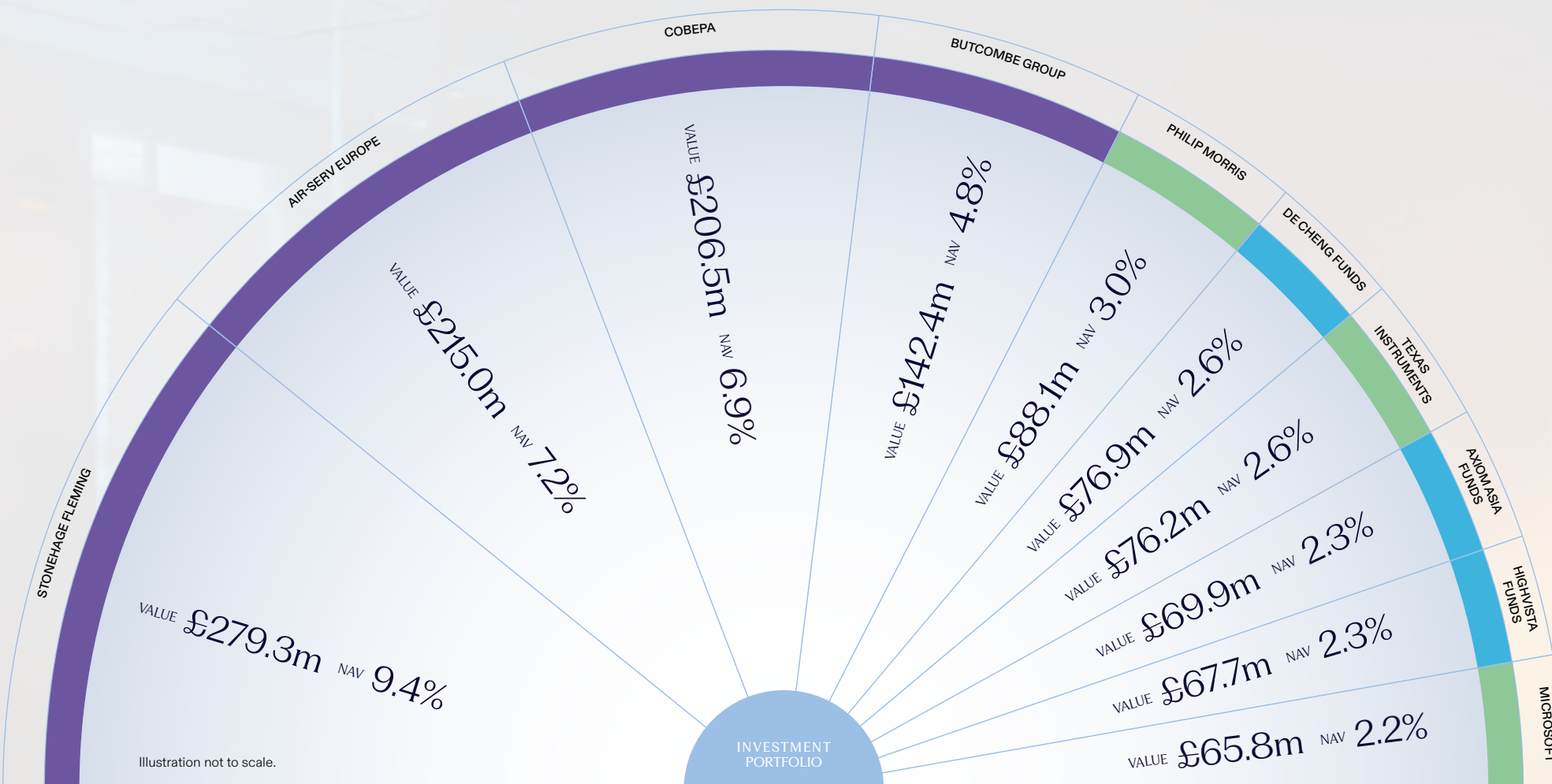
**£1,287.8m**

Top 10 investments total value

**43.3%**

Net assets represented

Public Companies Private Capital Funds



## Investment review continued

# Public Companies

Investing in high-quality companies where long-term ownership is rewarded.

## Strategy

The Public Companies pool provides Caledonia with exposure to a concentrated portfolio of high-quality businesses selected through the disciplined application of our quality framework. We focus on companies with durable competitive advantages, pricing power and management teams who think and act like long-term owners and are closely aligned with shareholders. We believe these characteristics support sustained compounding of value across market cycles.

The permanent nature of Caledonia's balance sheet is a defining advantage. Free from the need to manage subscriptions or redemptions, the team can act with patience and conviction – deploying capital when opportunities arise and holding investments through periods of dislocation.

The global portfolio comprises two complementary strategies: Capital and Income, each holding between 15 and 20 companies. The Income portfolio seeks an initial yield on invested cost of 3.5%, with total dividends growing ahead of inflation over time. The Capital portfolio is higher growth with no yield target, focusing on long-term value creation. Both portfolios are managed by a single team, fully focused on investing, applying the same research discipline, unconstrained by benchmarks and guided by a consistent long-term philosophy. This is reflected in the average holding periods of the companies in our portfolios: 8.4 years for the Capital portfolio and 6.3 years for the Income portfolio.

## Performance

During the year, the Public Companies pool delivered a modest total return of 1.2% (2.6% in local currencies) against the backdrop of considerable market volatility. Short-term market weakness following the US tariff measures announced in April 2025 on 'Liberation Day' added to that uncertainty and created opportunities for us to deploy capital decisively, reflecting the strength of our business model designed to take advantage in periods of dislocation. As the year progressed, evolving views on AI-related opportunities increasingly influenced share prices, while the conflict in Iran contributed to a weaker market environment. This had a particularly pronounced impact in March 2026, with a decline in returns of 7.8% in the month. In this context, fundamentals remain important and the underlying operating performance across our portfolio companies generally remained strong. Over the last 10 years the Public Companies pool has delivered returns of 9.1% p.a..

## WHAT SETS PUBLIC COMPANIES APART

# Highly selective, chosen for quality

## Our approach

Our differentiated investment strategy utilises the benefit of Caledonia's permanent capital.

### A long-term investment horizon

- Capital invested from our balance sheet
- Not measured against a benchmark

### Singular focus on investing

- No fundraising requirements
- Not subject to managing external inflows or redemptions

### High-conviction portfolios

- Two concentrated portfolios of 15–20 companies
- Fundamentally driven, bottom-up investment approach

### Commitment to quality

- Focus on businesses with durable competitive advantages
- Emphasis on metrics including pricing power and disciplined capital allocation

### Deep company engagement

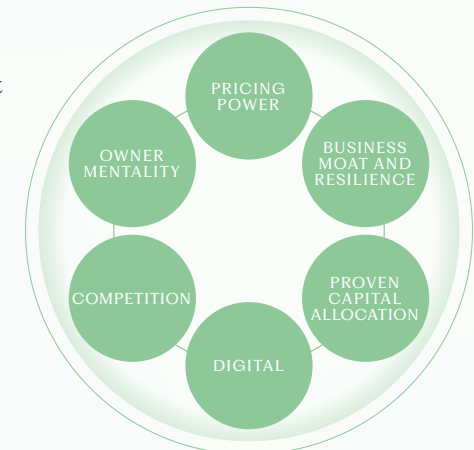
- Long-term ownership across multiple market cycles
- Access to senior management teams

### Ability to act decisively

- Flexibility to deploy capital during periods of market dislocation

## Our quality matrix

This underpins our disciplined investment process. It ensures consistency in how we assess opportunities and monitor portfolio companies over time.



## Investment review continued

### Our patterns of quality in action

Over time, the disciplined application of our quality framework has revealed consistent patterns across the portfolio. Businesses that rank highly against our criteria exhibit common underlying characteristics:

- 1 De-centralised businesses
- 2 Recurring revenues / installed base
- 3 Great culture / owner mentality

These patterns of quality are often evident in companies with durable competitive advantages, strong market positions and business models that generate predictable and resilient cash flows.

We place particular emphasis on high returns on invested capital, supported by disciplined cost control and the ability to reinvest for growth without excessive leverage. Management quality is central to this assessment, with a focus on teams that demonstrate thoughtful capital allocation, long-term strategic vision and alignment with shareholders.

We value businesses with pricing power, structural growth tailwinds and the flexibility to adapt as markets evolve. Combined with strong governance and prudent balance sheets, these traits help businesses withstand economic cycles, reduce downside risk and steadily compound value over time.



Find out more about Public Companies  
[SCAN QR CODE](#)

### Fastenal

**Business:** Industrial supplies  
**First invested:** 2020  
**Value 31 March 2026:** £48.8m

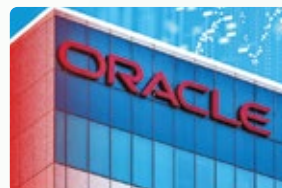


#### 1 De-centralised businesses

- Empowers employees
- Enhances accountability, reduces bureaucracy
- Correct incentivisation key

### Oracle

**Business:** Software  
**First invested:** 2014  
**Value 31 March 2026:** £41.6m



#### 2 Recurring revenues / installed base

- Vital product / service
- High customer retention
- Resilience through cycles

### Watsco

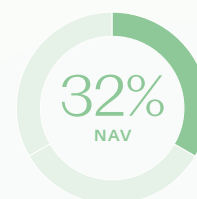
**Business:** Ventilation products  
**First invested:** 2017  
**Value 31 March 2026:** £64.3m



#### 3 Great culture / owner mentality

- Culture can reinforce investment moat
- Owners think long term
- Aligned with shareholders

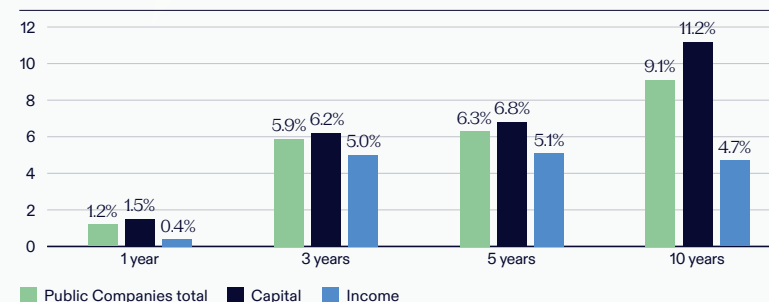
### PERFORMANCE AT A GLANCE AS AT 31 MARCH 2026



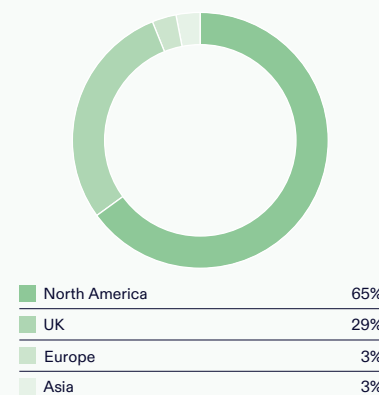
30-40% Strategic asset allocation of NAV  
 £952.2m of NAV

31 Companies

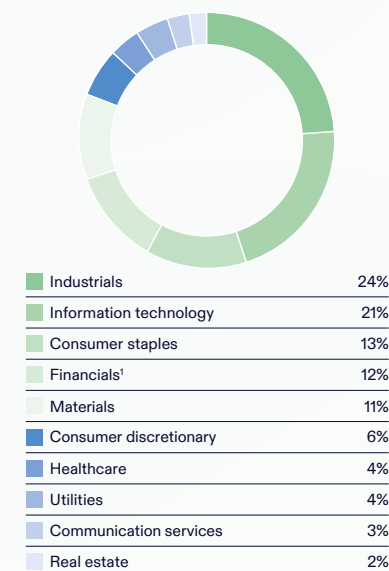
#### ANNUALISED RETURNS (%)



#### GEOGRAPHY BY REGION (%) HEADQUARTERED



#### SECTOR (%)



1. Includes Charles Schwab, Moody's Corporation, Polar Capital and Sabre Insurance.

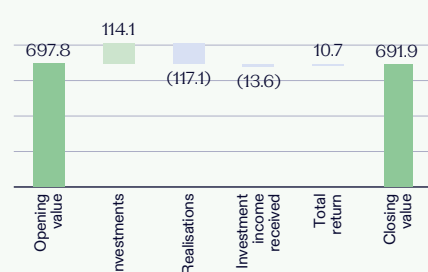
Investment review *continued*

## Capital portfolio



“ We invest in high-quality businesses with significant moats and pricing power — built to compound value for the long term. ”

Alan Murran  
Co-Head of Public Companies

PORTFOLIO MOVEMENTS (£M)  
CAPITAL

## Significant pool investments

Name	Business	Geography	First invested	Value £m	Pool %	Return %
Philip Morris	Tobacco & smoke-free products	US	2016	66.1	9.5	5.5
Microsoft	Software	US	2014	65.8	9.5	0.3
Texas Instruments	Semiconductors	US	2018	55.7	8.1	8.8
Watsco	Ventilation products	US	2017	48.2	7.0	(27.4)
Hill & Smith	Infrastructure	UK	2011	46.4	6.7	25.0
Charles Schwab	Investment management	US	2025	43.5	6.3	27.3
Moody's Corporation	Financial services	US	2022	43.0	6.2	(5.7)
Thermo Fisher Scientific	Pharma & life sciences services	US	2015	41.7	6.0	(0.8)
Oracle	Software	US	2014	41.6	6.0	96.3
Spirax Sarco	Steam engineering	UK	2011	34.3	5.0	11.1
Other				205.6	29.7	
				691.9	100.0	1.5

## Performance

At the year end, the Capital portfolio was valued at £691.9m and delivered a return of 1.5% in the year, impacted by the performance in March of -6.8% on the back of the wider market sell off. The portfolio remains concentrated, comprising 18 holdings. Including the impact of foreign exchange, over the last 10 years the portfolio has delivered annualised returns of 11.2% p.a..

The strongest performers in terms of share price returns were Oracle (96.3%), Polar Capital (57.5%) and Charles Schwab (27.3%). Oracle's share price rose sharply in September following a series of AI-related announcements, which led to a significant re-rating of the shares. Our return of 96.3% reflects the partial realisation of gains given this strong performance, ahead of a subsequent notable reduction in Oracle's share price. Polar Capital and Charles Schwab's performance followed an increase in assets under management and improving profit expectations.

Gains across the Capital portfolio were partially offset by negative contributions primarily from Charter Communications (-41.7%), Pool Corp (-38.1%) and Watsco (-27.4%) due to a period of softer demand in their end markets and the investor sentiment that followed. However, we remain confident in the longer-term prospects of all and in fact took advantage of this market weakness to top up our positions in each of these holdings during the year.

## Investment activity

Over the year we invested a total of £114.1m and realised £117.1m, resulting in a net realisation of £3.0m.

We initiated two new positions in the year: Charles Schwab, a leading US financial services firm with over \$11 trillion assets under management, and Cintas, a specialist corporate uniforms, workplace supplies and safety services supplier. We had been monitoring both holdings for a number of years.

We initiated Charles Schwab and topped up a number of other positions during the April 2025 period of market weakness.

We realised £65.4m from our holding in Oracle during the year following the share price rally. Since initiating the investment in 2014, we invested a total of £35.2m and realised £112.4m, including dividends. At 31 March 2026, the remaining holding was valued at £41.6m and the annualised return since investment was 19.4%.

The portfolio exited positions in Ecolab and Becton Dickinson. Additional trading activity remained targeted, taking advantage of share price movements in a number of existing investments.

Investment review *continued*

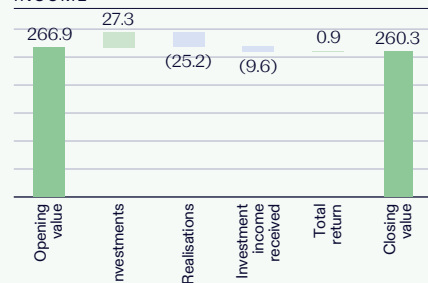
## Income portfolio



“ Our strategy seeks to deliver resilient, growing income from high-quality companies with strong cash flows, even in uncertain markets. ”

Ben Archer  
Co-Head of Public Companies

PORTFOLIO MOVEMENTS (£M)  
INCOME



## Significant pool investments

Name	Business	Geography	First invested	Value £m	Pool %	Return %
Philip Morris	Tobacco & smoke-free products	US	2021	22.0	8.5	6.3
National Grid	Electricity	UK	2015	21.0	8.1	30.6
Texas Instruments	Semiconductors	US	2020	20.5	7.9	10.0
Fortis	Utilities	US	2020	17.3	6.6	24.5
Fastenal	Industrial supplies	US	2020	16.2	6.2	21.4
Watsco	Ventilation products	US	2020	16.1	6.2	(26.1)
Unilever	Consumer goods	UK	2019	15.3	5.9	(11.6)
British American Tobacco	Tobacco & smoke-free products	UK	2015	15.2	5.7	49.1
RELX	Research & consulting	UK	2023	14.8	5.7	(34.7)
SGS	Testing & certification	Europe	2020	14.8	5.7	8.6
Other				87.1	33.5	
				260.3	100.0	0.4

## Performance

The Income portfolio was valued at £260.3m and delivered a return of 0.4% in the year, impacted by the performance in March of -9.1% on the back of the wider market sell off. Like the Capital portfolio, it is concentrated, comprising 18 holdings, and is not managed against a benchmark. Including the impact of foreign exchange, over the last 10 years the portfolio has delivered annualised returns of 4.7% p.a..

The strongest performers were British American Tobacco ('BAT') (49.1%), Sabre Insurance (34.9%) and National Grid (30.6%). BAT benefitted from broad operating progress supported by the accelerating growth of its smoke-free offerings while also paying an attractive dividend. Both Sabre and National Grid continued to execute well against their stated strategies.

Gains were partially offset by weaker share price performances from RELX (-34.7%) and Sage Group (-30.2%). Both companies suffered from AI-related market concerns weighing on valuations despite resilient trading and earnings growth. However, we remain positive on their longer-term prospects and we used this share price weakness to top up our positions in both.

## Investment activity

Over the year we invested a total of £27.3m and realised £25.2m, resulting in a net investment of £2.1m.

The portfolio initiated a new position in Paychex, a leading provider of payroll, HR and employee-benefits services to businesses. Other than this, trading activity remained targeted with refined positions in a number of existing investments.

## Investment review continued

# Private Capital

Supporting private companies to create enduring value.



“ We seek to partner with established businesses, with robust operating margins and strong leadership that balance a determination to grow with a measured sense of risk. ”

Tom Leader  
Head of Private Capital

## Strategy

The Private Capital pool comprises a concentrated portfolio of direct investments in private companies, primarily within the UK mid-market. We adopt a disciplined buy-to-own approach, investing selectively in cash-generative businesses with strong growth prospects, resilient market positions and favourable underlying dynamics. Typically committing £50m to £150m per investment, we structure transactions with conservative levels of leverage and a prudent approach to risk.

As a balance sheet investor, we operate outside the traditional private equity fund model and are not constrained by fixed investment or exit timelines. This freedom of action allows us to deploy capital with conviction, at low volume, and to focus on long-term value creation rather than transaction activity. We partner closely with management teams, providing not only capital but also a broad ecosystem of support – including strategic guidance, M&A execution, governance frameworks, data and digital capability and operational support.

Our flexible ownership horizon enables us to hold investments for extended periods, exiting only when strategic alignment and market conditions are optimal to maximise shareholder value. Excluding the agreed sale of Stonehage Fleming, the strategy has returned £1.1bn of realised proceeds at an IRR of 17% and a multiple of 1.8x cost from investments made since 2012.

## WHAT SETS PRIVATE CAPITAL APART

### Our unique competitive advantage



### Our approach

Our 'buy-to-own' philosophy

#### 🎯 High-conviction investors

- Highly selective investing – no pressure to deploy or realise capital within fixed timeframes
- Low deal volume enables decisive action
- Focused on long-term value creation

#### £ Flexible capital with a permanent balance sheet

- Underpins our buy-to-own approach
- Capacity to provide follow-on capital throughout the investment lifecycle
- Flexible ownership horizon – exiting only when strategically and commercially aligned, not by necessity

#### 🤝 Lower-risk, strong partnership model

- Simple, well-aligned capital structures
- Conservative levels of financial leverage
- Close, collaborative working relationships with management

#### 📈 A whole ecosystem of support

- Active support on M&A, including sourcing and executing add-on acquisitions
- Clear governance structures
- Expertise in data and digital strategy to strengthen competitive advantage
- Operational support to drive performance improvement



Find out more about Private Capital

➔ SCAN QR CODE

## Investment review continued



“ We focus on a discerning subset of opportunities – those where our approach is understood and valued. We prioritise situations that combine high-quality businesses with compelling investment characteristics. ”

Sophie Bell  
Head of Origination

### Quality businesses

What we look for:

- Favourable market dynamics
- Well positioned in its market with a sustainable competitive advantage
- Attractive financial metrics
- Strong management team
- Multiple levers for growth
- Exit flexibility

### Quality investment opportunities

How we select opportunities:

- £50m-£150m of initial equity
- Management investing alongside us, with an aligned risk appetite
- Control management buy-out or preferred minority positions

### Origination

Our origination efforts are focused primarily on the UK intermediary market

We maintain broad coverage of corporate finance advisers, supported by strong relationships with brokers, lawyers, accountants, and both current and former management teams, alongside targeted direct origination in sectors of interest. Each year, we review around 350 opportunities – more than 2,200 since 2020 – and selectively concentrate on those that meet our quality threshold. Our conversion rate of bids submitted to investments made since FY14 is 41%, which reflects our high-conviction approach, our ability to win and our investment discipline to walk away when appropriate.

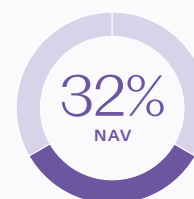
c.350

Opportunities reviewed p.a.

41%

Conversion rate since FY14

### PERFORMANCE AT A GLANCE AS AT 31 MARCH 2026



25-35%

Strategic asset allocation

£954.7m

of NAV

14.0% p.a.

Target return

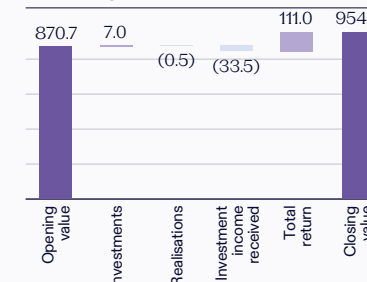
8

Companies

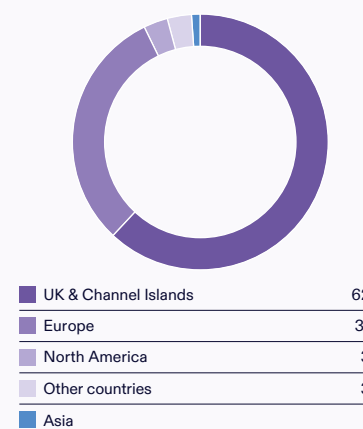
#### ANNUALISED POOL RETURNS (%) PRIVATE CAPITAL



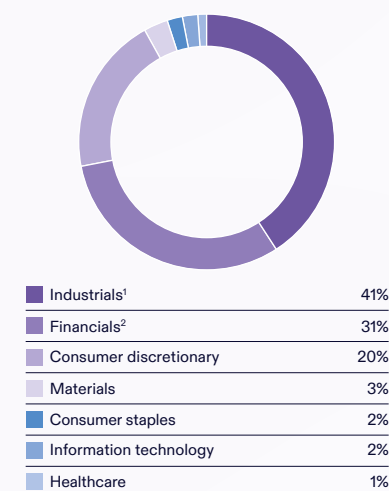
#### PORTFOLIO MOVEMENTS (£M) PRIVATE CAPITAL



#### GEOGRAPHY BY REVENUE GENERATION (%)



#### SECTOR (%)



1. Includes AIR-serv Europe, DTM and Cooke Optics.

2. Includes Stonehage Fleming.

# Investment review continued

## OUR INVESTMENTS IN FOCUS

### Realisation activity

Successful track record of exits and generating a meaningful valuation uplift over carrying values.

Caledonia has a strong track record of delivering successful realisations, demonstrating disciplined execution and effective capital recycling. We partner with management to build high-quality businesses that become strategically attractive to prospective acquirers. From investments made since 2012, we generated £1.4bn

of proceeds from realisations, returning approximately £0.7bn of net cash. As the chart below illustrates, realised exits have typically achieved meaningful uplifts to prior year carrying values, evidencing both valuation discipline and our ability to deliver value at exit.

**£1.4bn**

Proceeds generated from realisations<sup>1</sup>

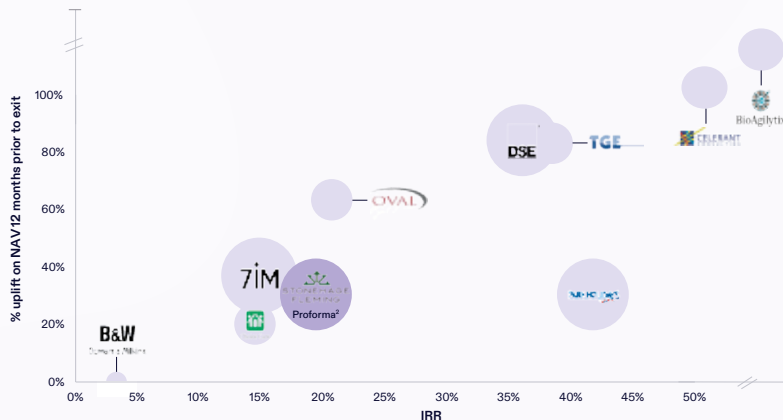
**17%**

IRR on realised investments<sup>1</sup>

**2.0x**

Multiple on cost<sup>1</sup>

LTM NAV GROWTH VS. CALEDONIA IRR<sup>2</sup>  
(SIZE OF BUBBLE REPRESENTS CALEDONIA TOTAL PROCEEDS)



1. From investments made since 2012 and includes the agreed sale of Stonehage Fleming. Buzz Bingo not included in the chart but included in the overall realised IRR of 17%. Performance of Buzz Bingo was materially impacted by the Covid-19 pandemic and was sold for a nominal amount in 2021.  
2. Stonehage Fleming expected proceeds of c.£290m. IRR calculated based on cash received on 30 June 2026. % uplift calculated versus NAV at 31 March 2025.

### Stonehage Fleming

Significant minority position in Europe's leading independent multi-family office, serving the ultra-high net worth market.



Our long-term partnership-driven approach has delivered exceptional value for all stakeholders.

“From the outset, we weren't looking for a conventional private equity investor. We wanted a long-term partner whose approach aligned with our multigenerational mindset and who would be trusted by our clients. Caledonia brought exactly that — patient capital and a constructive partnership approach.”

Giuseppe Ciucci  
Chairman, Stonehage Fleming

#### 1 Quality business

- Attractive model with high margins, strong free cash flow and low capital intensity
- Premium brand; high customer retention; clear runway for international expansion

#### 2 Working in partnership

- Streamlined governance structure
- Invested in technology to improve margins and internalise services that were outsourced
- Enhanced business development delivering strong organic growth
- Completed four strategic acquisitions expanding the product offering and geographic reach

#### 3 Selling well

- The business has been a consistent performer, a true compounder – delivering strong returns throughout ownership and on exit

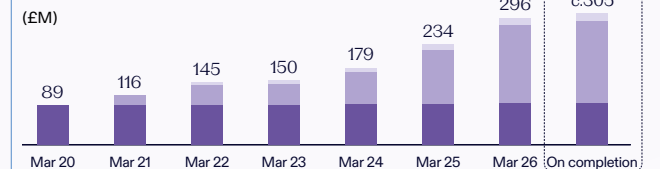
#### PROFORMA EXIT METRICS<sup>2</sup>

**30%**

Uplift to carrying value

**3.2x**

MOIC



#### Progression through ownership

**+\$125bn**

AuA/M to \$175bn

**+440**

Employees to c.990

**+2,000**

Clients to c.3,000

**4**

Strategic acquisitions

**+7**

New geographies

Investment review **continued**

# Active support, owning with confidence

## Performance

At 31 March 2026, the Private Capital portfolio consisted of eight companies, with the top five investments representing c.95% of pool NAV.

The portfolio was valued at £954.7m and generated a return of 13.1%, driven primarily by the agreed sale of Stonehage Fleming and good operational performance from AIR-serv. Including the impact of foreign exchange, over the last 10 years the Private Capital pool has delivered an annualised return of 12.2% p.a..

The majority of the portfolio is valued on an earnings multiple basis, with these multiples in the range of 10 to 14.5 times last 12 months' earnings before interest, tax, depreciation and amortisation ('LTM EBITDA'). Gearing levels are low, with net debt typically in the range of 2 to 2.5 times LTM EBITDA.

## Portfolio summary

On 2 September 2025, we announced the agreed sale of Stonehage Fleming, a leading multi-family office providing advisory services to the ultra-high net worth market. Expected cash proceeds are c.£290m and completion is expected in mid 2026.

The expected cash proceeds represent a 3.2x multiple on cost and a £67m or 30% uplift to the carrying value at 31 March 2025.

We first invested in Stonehage Fleming in 2019 and during our period of ownership the team has delivered upon our investment thesis, which was centred on building scale, international reach and providing additional services to the fast-growing ultra-high net worth market.

The valuation at 31 March 2026 of £279.3m reflects expected cash proceeds less a c.3.5% discount in recognition of the limited transaction execution risk and time value of money.

AIR-serv Europe is a leading designer and manufacturer of air, vacuum and jet wash machines, which it provides to fuel station forecourt operators across the UK and Western Europe. The business has c.60% market share, with c.23,500 machines installed at over 15,000 customer locations. It delivered solid year-on-year growth, supported by operational efficiencies and expansion of its estate, with c.500 machines installed in the year. Operations also expanded to include Portugal and Austria. Caledonia received a dividend of £24.5m during the year, bringing total dividends received since acquisition to £30.7m. The valuation at 31 March 2026 was £215.0m, a return of 23.8% for the year.

Cobepa, the Belgian-based investment company, owns a diverse portfolio of 22 private global investments. During the year, Cobepa made three new investments, multiple follow-on investments and one partial realisation. The valuation at 31 March 2026 was £206.5m, a return of 8.8% (4.2% in local currency) for the year, with strong performances from some of Cobepa's largest investments driving returns.

Butcombe Group (formerly Liberation Group), is an inns and drinks business with an estate of 71 managed and 49 tenanted pubs, stretching from Southwest London to Bristol and the Channel Islands. The business delivered a good performance overall, led in particular by the managed pubs division, which again delivered strong trading across the estate. This was achieved against a challenging macroeconomic backdrop and the increases to National Insurance and the National Minimum Wage in the UK. The continuing programme of improvements to the Cirrus estate is also generating positive results. The valuation at 31 March 2026 was £142.4m, a return of 4.4% for the year.

DTM, the UK's leading independent provider of outsourced tyre management services to fleet operators, was acquired in August 2024. Headquartered in Blackpool, DTM has over 100 employees and serves c.250 fleet customers with c.285,000 vehicles and c.1.3 million tyres under management. Enabled by a proprietary technology platform, which allows customers to maximise their fleet efficiency, compliance and output, DTM connects the vehicles it manages to a national network of over 3,500 service provider locations. Since acquisition, DTM has strengthened its management team, which is now delivering tangible benefits including an improvement in new business momentum. The valuation at 31 March 2026 was £57.7m, a return of 4.7% for the year.

## Significant pool investments

Name	Business	Geography	First invested	Value £m	Pool %	Return %
Stonehage Fleming	Family office services	Channel Islands	2019	279.3	29.3	27.6
AIR-serv Europe	Forecourt vending	UK	2023	215.0	22.5	23.8
Cobepa	Investment company	Europe	2004	206.5	21.6	8.8
Butcombe Group	Pubs, bars & inns	Channel Islands	2016	142.4	14.9	4.4
Direct Tyre Management	Tyre management services	UK	2024	57.7	6.0	4.7
Other				53.8	5.7	
				954.7	100.0	13.1

Investment review continued

# Funds

Partnering with fund managers to access attractive markets globally.



“ The team seeks to partner with proven managers in attractive markets. These long and profitable relationships typically span multiple fund vintages. ”

Jamie Cayzer-Colvin  
Head of Funds

### Strategy

The Funds pool partners with experienced, operationally focused managers in North America and Asia. The pool provides exposure to two markets that would otherwise be challenging to access directly, while enhancing diversification. The pool comprises 82 funds managed by 46 managers, with an underlying portfolio of over 600 companies in our directly held funds.

North America-based funds represent 62% of the Funds pool and focus on the lower mid-market, investing in established, small to medium-sized, often owner-managed businesses. As often the only European investor in these funds, we gain access to domestically focused companies operating across a broad range of sectors that underpin everyday American life. These managers often provide the first institutional capital to portfolio companies, supporting professionalisation and expansion through organic growth initiatives and targeted M&A. Investments are generally made at lower entry multiples and with more conservative leverage than larger buyouts, meaning returns are driven principally by operational execution and value creation rather than financial structuring.

Our Asia funds account for 38% of the pool and seek to benefit from the region’s growing middle class and its increasing role in global innovation. We invest across sectors positioned to benefit from these structural trends, particularly healthcare and technology. These funds typically back businesses in the early stages of significant growth. While focused on domestic markets and local growth drivers, a small number – particularly healthcare-focused strategies – also invest selectively into the US.



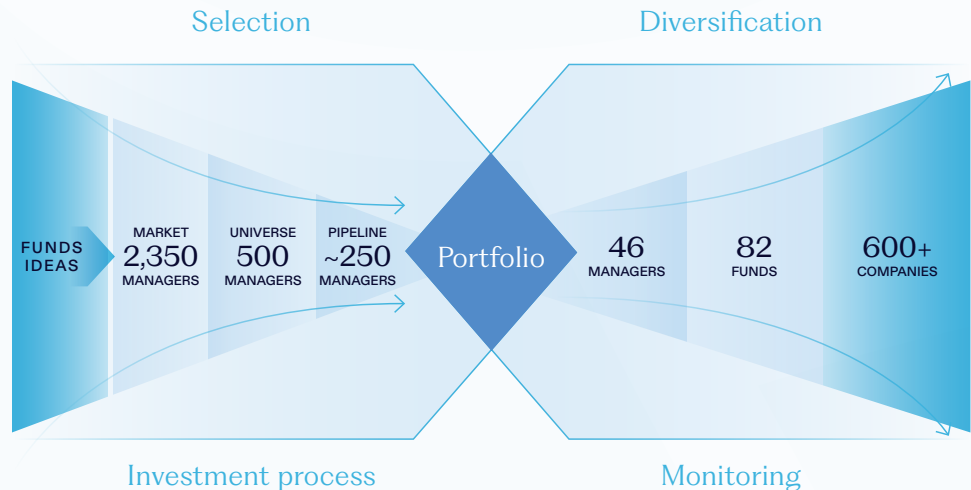
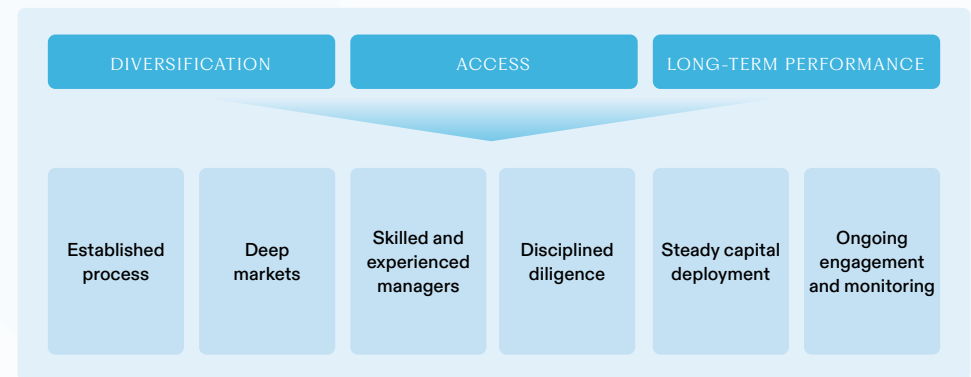
Find out more about Funds  
SCAN QR CODE

### WHAT SETS FUNDS APART

## Disciplined, selective and diversified

### How we invest in funds

With a strong focus on partnership, the process we have developed gives investors diversification into markets they could not access alone, underpinned by a rigorous risk management system that delivers strong long-term performance.



## Investment review continued

### North America: Why the lower mid-market

A vast and fragmented market, underpinned by a large number of established, profitable, founder-owned businesses.

The US lower mid-market comprises a significant number of small, privately owned businesses. Many are founder-led, considering succession, partial liquidity or a partner to support the next stage of growth. These companies are established, profitable and well-run, but have significant scope for value creation.

Managers typically provide the first institutional capital, partnering with management teams to strengthen leadership, enhance systems and processes, and drive organic and inorganic growth.

The segment is less intermediated and attracts less capital than larger buyouts, resulting in more attractive entry valuations and reduced competition.

The combination of disciplined entry pricing and significant value creation positions these businesses to appeal to a broader set of buyers – including larger private equity firms and strategic acquirers – creating the potential for outsized returns.



# £583.7m

North America: portfolio value  
31 March 2026

### Asia: One of the fastest-growing regions in the world

Investing across a wide range of sectors, which are set to benefit from secular trends, such as healthcare and technology.

LARGE AND GROWING MIDDLE CLASS

# 1 billion

middle class consumers to be added in Asia in this decade

GLOBAL LEADER IN INNOVATION

Deep scientific and technical capability

- Biotechnology
- Electric vehicles
- Robotics

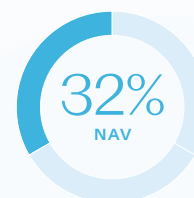
DIVERSIFIED PORTFOLIO

Long-term structural growth exposure to one of the largest and fastest-growing regions in the world today

# £354.0m

Asia: portfolio value  
31 March 2026

### PERFORMANCE AT A GLANCE AS AT 31 MARCH 2026



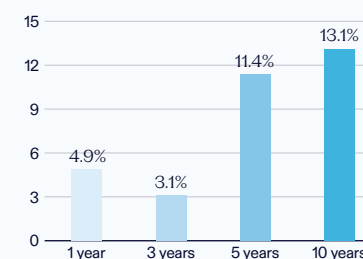
25-35%  
Strategic asset allocation

£940.9m  
of NAV

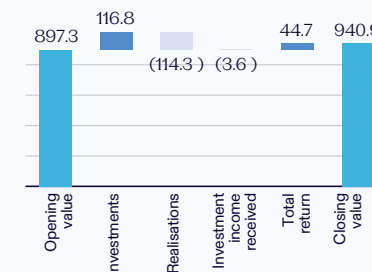
12.5% p.a.  
Target return

82  
Funds

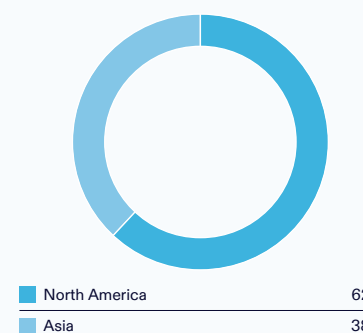
ANNUALISED POOL RETURNS (%) FUNDS



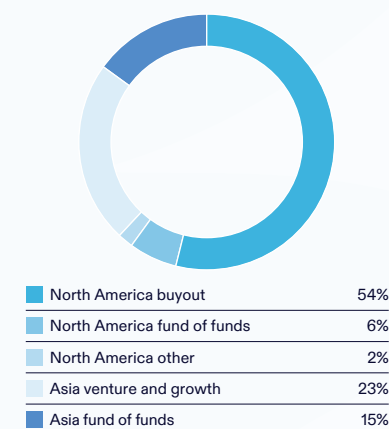
PORTFOLIO MOVEMENTS (£M) FUNDS



GEOGRAPHY BY REGION (%)



BY STRATEGY (%)



## Investment review continued

# Scaling a regional leader into a premier residential lawn care platform



Our long-standing partnership with CenterOak Partners, a Dallas, Texas-based private equity firm, spans more than 11 years.

We are invested across Funds I, II and III. CenterOak focuses on business, industrial and consumer services and has built a strong track record of creating value through organisational development, operational improvement and transformational growth.

CenterOak's investment in Turf Masters is a good example of this strategy in action: partnering with a high-quality, founder-built business, investing behind talent, systems and growth initiatives.



## STRONG FOUNDER-LED ORIGIN STORY

Trusted brand with 'local service' quality

Clear differentiation vs competitors

## PROVEN SCALABILITY AND RAPID GROWTH

Doubled customer base and branch footprint under CenterOak

Expanded to 40+ locations

## TRANSFORMATION INTO A NATIONAL PLATFORM

Now a national lawn care platform

Professionalised business

## POSITIONED FOR GROWTH UNDER NEW OWNERSHIP

Realised in December 2025 for > 3.0x net MoM

Strong systems, talent and expanded service offering



**Sector:** Consumer discretionary

**Realised:** 2025

### Progression through ownership

**+19**

Bolt-on acquisitions

**+20**

Locations

**+100%**

Increase in customer base

**>3x**

Net MoM on exit

Founded in 2002 by Andy Kadrich in his basement in Atlanta, Georgia, Turf Masters grew from a small local business with a handful of customers into a trusted household name in Atlanta. From the beginning, the company distinguished itself through high-quality application work, exceptional customer service, investment in best-in-class equipment and a people-first culture.

When CenterOak acquired Turf Masters in 2022, the company was a strong regional leader serving approximately 100,000 customers. As the business's first institutional investor, CenterOak partnered closely with management to accelerate Turf Masters' evolution from a regional operator into one of the nation's premier residential lawn care platforms.

CenterOak invested behind the core value creation levers: talent, systems, expanded service offerings and scaled shared services. CenterOak also supported 19 add-on acquisitions, expanding the company's branch network from approximately 20 locations to more than 40 and helping more than double its customer base.

In addition, more than one-third of EBITDA growth was organic, supported by new customer wins, disciplined pricing, strong retention and enhanced cross-selling of high-margin ancillary services.

This balance of strategic M&A and organic execution reflects the strength of Turf Masters' operating model and the durability of its customer value proposition.

The investment in Turf Masters exemplifies CenterOak's differentiated and repeatable value creation approach across its mid-market funds.

The exit of Turf Masters marked the second realisation from Fund II, a 2020 vintage fund, and the fourth CenterOak exit in the past 24 months, with each of those exits generating between 2.2x and 3.5x net money-on-money.

Investment review continued

# Diversification driving sustainable growth

## Performance

At 31 March 2026, the pool was valued at £940.9m, comprising £583.7m of North America funds, £354.0m of Asia funds and £3.2m of legacy fund investments. The pool generated a total return of 4.9% (7.1% in local currencies), driven by positive performance from both our North America (6.8% in local currency) and Asia (7.7% in local currency) holdings. Including the impact of foreign exchange, over the last 10 years, the Funds pool has delivered annualised returns of 13.1% p.a..

The North America portfolio performance was underpinned by quality realisations and continued robust operating performance of the underlying companies. Distributions have remained subdued, as anticipated, amid continued macroeconomic uncertainty and geopolitical headwinds. We believe the portfolio is resilient, with significant exposure to domestic end markets in the US and to businesses characterised by sticky revenue profiles. In our view, this leaves the portfolio well positioned to withstand the current period of volatility. Although we remain confident in

the fundamental strength of the underlying companies, we expect distributions to remain moderated in the near term given the prevailing broader external environment.

Performance of the Asia portfolio was driven by a number of specific exits in the biotechnology sector across several funds and a recovery in Asia listed valuations. It is encouraging to see increased fundraising and IPO activity in the region. We believe the portfolio remains well positioned, with selective exposure to attractive long-term growth themes including biotechnology, electric vehicles and robotics. Distributions have increased from post-Covid lows and, while still below previous peak levels, this marks further progress.

## Investment activity

Overall, the Funds pool generated a net cash outflow of £2.5m in the year. Drawdowns totalled £116.8m, with 67% deployed into North America funds and the balance into Asia funds. Distributions totalled £114.3m, with 73% distributed from the North America portfolio.

## Significant manager exposure

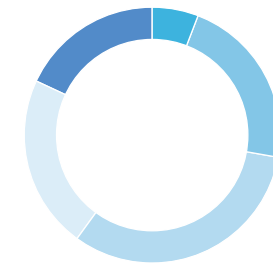
Name	Business	Geography	First invested	Value £m	Pool %	Return %
De Cheng funds	Private equity funds	Asia	2015	76.9	8.2	23.3
Axiom Asia funds	Funds of funds	Asia	2012	69.9	7.4	(1.1)
HighVista Funds	Funds of funds	US	2013	67.7	7.2	(6.2)
Unicorn funds	Funds of funds	Asia	2018	41.8	4.4	(3.6)
Vance Street funds	Private equity funds	US	2021	32.9	3.5	24.3
Asia Alternatives funds	Funds of funds	Asia	2012	32.5	3.5	(0.3)
Ironbridge funds	Private equity funds	US	2016	30.3	3.2	25.3
American Industrial Partners	Private equity funds	US	2024	28.9	3.1	23.8
Stonepeak funds	Private equity funds	US	2015	28.5	3.0	(0.3)
Transom funds	Private equity funds	US	2017	26.9	2.9	11.6
Other investments				504.6	53.6	
				940.9	100.0	4.9

## Portfolio maturity

Our primary funds portfolio has a weighted average age of approximately 4.7 years (31 March 2025: 4.3 years). The weighted average age of our North America holdings is 4.6 years (31 March 2025: 4.0 years). The increase in weighted average age reflects extended holding periods in a slower exit environment. The weighted average age of our Asia holdings is 4.9 years (31 March 2025: 4.9 years).

## Uncalled commitments

**PORTFOLIO MATURITY (%)**  
(EXCLUDING FUNDS OF FUNDS)



< 1 year	6%
1 - 3 years	22%
3 - 5 years	32%
5 - 7 years	22%
7 years plus	18%

At 31 March 2026, uncalled commitments were £346.1m (2025: £415.9m), 78% to North America and 22% to Asia.

During the year, US\$55m was committed to North America lower mid-market buyout funds; US\$30m to an existing manager and US\$25m to a new manager.

## Financial review

# Positive value

Caledonia ended the year with net assets of £2,980m (568p per share) (2025: £2,932m; 548p per share), delivering a return of 5.4% for the year. This NAV performance was driven by generally good operating performance across the portfolio in challenging conditions, partially offset by recent equity market volatility and foreign exchange movements. Backed by a portfolio of high-quality companies and a long-term investment philosophy, we are well positioned to navigate uncertainty and deliver sustainable real returns over time.

“ Our strong balance sheet and liquidity position give us the flexibility to invest when the right opportunities arise. ”

Rob Memmott  
Chief Financial Officer



# uplift

## Financial review continued

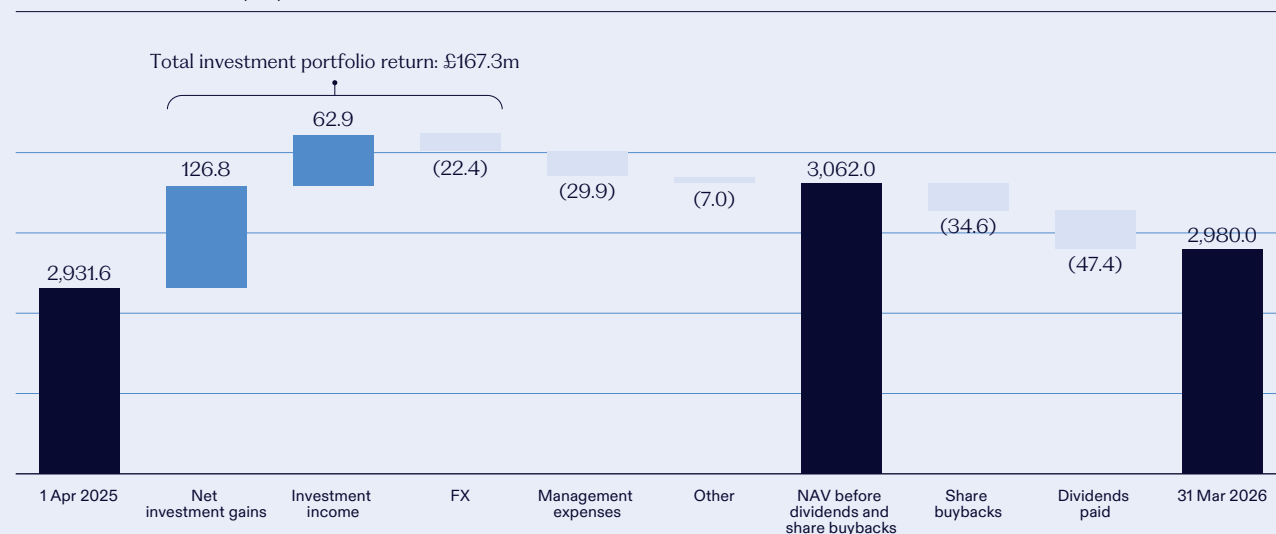
Our annualised NAVTR over 10 years is 9.2%, outperforming inflation by 5.8% and the FTSE All-Share by 0.5% over the same period.

### Summary balance sheet

£m	31 Mar 2025	Investments	Realisations	Investment income <sup>1</sup>	Total return	31 Mar 2026
Total investment portfolio	2,732.7	265.2	(257.1)	(60.3)	167.3	2,847.8
Other investments <sup>2</sup>	10.9	–	–	(8.9)	(3.4)	(1.4)
<b>Total investments<sup>3</sup></b>	<b>2,743.6</b>	<b>265.2</b>	<b>(257.1)</b>	<b>(69.2)</b>	<b>163.9</b>	<b>2,846.4</b>
Net cash	151.3					90.0
Other net assets	36.7					43.6
<b>Net assets</b>	<b>2,931.6</b>					<b>2,980.0</b>

- Investment income is net of movement in accrued income of £2.6m.
- Other investments include -£1.4m of non-pool provisions (31 March 2025: £10.9m non-pool investment).
- Total investments as at 31 March 2026 includes £279.3m (31 March 2025: nil) relating to one investment that was classified as assets held for sale in the group's statement of financial position.

#### CHANGE IN NET ASSETS (£M)



### Total comprehensive income

The company seeks to generate total profits from both investment income and capital growth. For the year ended 31 March 2026, total comprehensive income was £135.1m (2025: £66.9m), of which £40.4m (2025: £30.9m) was derived from revenue and £94.7m (2025: £36.0m) from capital.

### Revenue performance

Total comprehensive income was £40.4m (2025: £30.9m), an increase of £9.5m, driven by an £11.2m increase in investment income from the portfolio, £3.4m decrease in ongoing management fees and other non-recurring expenses, offset by £5.4m of lower net finance income.

Investment income from the portfolio of £54.9m (2025: £43.7m) is comprised of £23.2m of dividends from Public Companies (2025: £21.8m), £28.1m from Private Capital (2025: £17.5m) and £3.6m from Funds (2025: £4.4m). The increase of £10.6m in Private Capital is mainly due to the AIR-serv dividend of £24.5m in the year, of which £8.0m is included in the Capital comprehensive income statement.

Investment income from other investments totalled £8.9m (2025: £9.0m), representing a distribution paid by an intra-group non-consolidated entity from trading reserves.

The company's revenue management expenses were £1.3m lower than last year at £24.6m (2025: £25.9m), primarily reflecting a reduction in non-recoverable indirect taxes.

### Ongoing charges

Our ongoing charges ratio for the year was 0.83% (2025: 0.87%). This ratio is calculated on an industry standard basis, comprising published management expenses over the monthly average net assets.

## Financial review continued

### Income statement

	31 Mar 2026			31 Mar 2025		
	Revenue £m	Capital £m	Total £m	Revenue £m	Capital £m	Total £m
Investment income – portfolio <sup>1</sup>	54.9	8.0	62.9	43.7	–	43.7
Net gain on fair value investments – portfolio <sup>2</sup>	–	104.4	104.4	–	50.2	50.2
<b>Total return</b>	<b>54.9</b>	<b>112.4</b>	<b>167.3</b>	<b>43.7</b>	<b>50.2</b>	<b>93.9</b>
Investment income – other investments <sup>1</sup>	8.9	–	8.9	9.0	–	9.0
Net loss on fair value investments – other investments <sup>2</sup>	–	(12.3)	(12.3)	–	(6.3)	(6.3)
Net gain / (loss) on fair value property	–	0.6	0.6	–	(1.3)	(1.3)
Other income	0.9	0.6	1.5	0.9	0.4	1.3
<b>Total net investment income</b>	<b>64.7</b>	<b>101.3</b>	<b>166.0</b>	<b>53.6</b>	<b>43.0</b>	<b>96.6</b>
– ongoing management	(24.6)	–	(24.6)	(25.9)	–	(25.9)
– performance awards <sup>3</sup>	–	(4.7)	(4.7)	–	(5.8)	(5.8)
– transaction costs	–	(0.6)	(0.6)	–	(0.3)	(0.3)
– exchange movements and other	(0.2)	–	(0.2)	(1.3)	–	(1.3)
– other expenses (non-recurring)	(0.8)	–	(0.8)	(2.9)	–	(2.9)
Net finance costs	1.0	–	1.0	6.4	–	6.4
Taxation and other	0.3	(1.3)	(1.0)	1.0	(0.9)	0.1
<b>Total comprehensive income</b>	<b>40.4</b>	<b>94.7</b>	<b>135.1</b>	<b>30.9</b>	<b>36.0</b>	<b>66.9</b>

1. Total investment income from the portfolio and other investments £71.8m (2025: £52.7m).

2. Total net gain on fair value investments from the portfolio and other investments £92.1m (2025: £43.9m).

3. Performance awards of £4.7m includes £0.3m of costs recharged to an intra-group (non-consolidated) entity (2025: £0.5m of costs recharged).

Caledonia allocates expenses between revenue and capital in accordance with guidance from the Association of Investment Companies and broader market practice. In addition to transaction costs, share-based payment expenses are allocated to capital. Caledonia's share-based compensation is directly linked to investment performance and is therefore viewed as an expense against gains on investments.

### Capital performance

Total comprehensive income was £94.7m (2025: £36.0m). The movement compared to last year is predominantly due to the higher levels of capital gains achieved from our investments.

Net fair value gains from the portfolio were £104.4m (2025: £50.2m), and together with portfolio investment income, as described above, of £54.9m (2025: £43.7m) and capital investment income of £8.0m (2025: nil), the portfolio generated a total return of £167.3m (2025: £93.9m), or 6.1%. Foreign exchange detracted from performance – with 53% of our NAV denominated in US dollars, the 2.2% strengthening of Sterling against the US dollar resulted in a £22.4m loss across our investment pools.

There was a property gain of £0.6m (2025: £1.3m reduction) reflecting stable property valuations on commercial properties.

The company's capital management expenses relating to performance awards were £4.7m (2025: £5.8m). Transaction costs of £0.6m (2025: £0.3m) were incurred, mainly linked to due diligence work on new private equity and fund investments.

### Valuation

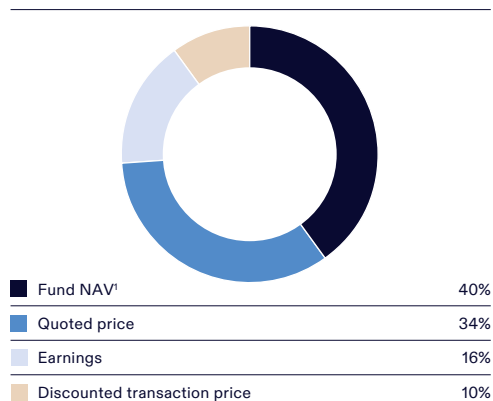
The company maintains a considered valuation approach to all investments, applying caution in exercising judgement and making the necessary estimates.

## Financial review *continued*

All listed investments are valued based on the closing bid price on the relevant exchange as at 31 March 2026. Private Capital investments are valued biannually, principally on a normalised EBITDA/market multiple basis, in line with the latest IPEV guidelines. Our holding in Cobepa is derived from the valuation it prepares and Stonehage Fleming is held at discounted transaction price. The Funds pool valuations are based on the most recent valuations provided by the fund managers, subject to cash movements from the valuation date. We reviewed the valuation methodologies adopted by fund managers and applied supplementary consideration, where appropriate, to ensure that market trends, including the impact of the wider market sell off in March 2026 and other developments at the reporting date, were appropriately reflected in the Funds pool valuations. No adjustments to fund manager valuations were required. The NAV of the Funds pool comprised 1.9% based on valuations dated 28 February 2026, 86.4% dated 31 December 2025 and 11.7% dated 30 September 2025.

The following chart summarises the source of valuations across the portfolio, illustrating that 74% of the portfolio value is subject to either market prices or independent external valuation.

### POOL ASSETS BY VALUATION METHOD



1 Includes Private Capital investment in Cobepa.

### Dividend

We recognise that a reliable source of growing dividends is an important part of shareholder return over both the short and longer term and have extended our record of growing annual dividends to 59 consecutive years. We paid an interim dividend of 3.68p per share on 8 January 2026 and have proposed a final dividend of 4.00p per share. The total annual dividend for the year of 7.68p per share is an increase of 4.4% on last year. The interim dividend was re-profiled in the year to be 50% of the prior year's total annual dividend, providing shareholders with a more balanced dividend payment profile and a more predictable income stream.

Including the proposed final dividend, the dividends to be paid out of revenue earnings for the year ended 31 March 2026 total £39.9m, which is covered by net revenue for the year of £40.4m.

### Capital allocation

Disciplined management of the balance sheet is fundamental to maintaining its strength and to ensuring the efficient allocation of capital. Each of our investment pools has a strategic allocation range to support a balanced portfolio and at 31 March 2026, all pools were within their respective ranges. Following completion of the sale of Stonehage Fleming, we expect the allocation to Private Capital to reduce temporarily until new investment opportunities are identified and we are comfortable with that position. This reflects our disciplined approach to capital allocation and our commitment to remaining selective.

Alongside allocation to our investment strategies, we remain committed to our dividend policy and, where appropriate, share buybacks. While buybacks are an important tool in managing the share price discount and enhancing NAV per share, they must be balanced against the need to remain appropriately invested in the portfolio and positioned for long-term value. Over the course of the year we allocated £34.6m to purchase and cancel 9,465,511 shares at an average discount of 34.7%, generating 3.49p or 0.6% of NAV per share accretion.

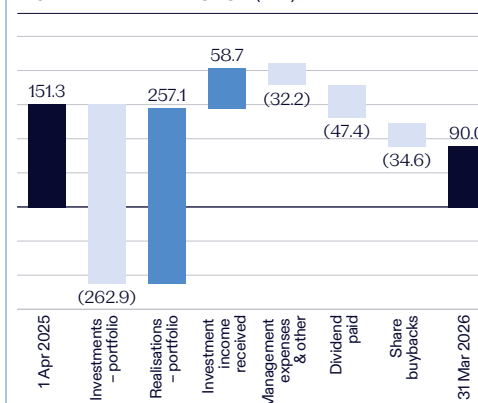
### Cash flows, liquidity and facilities

On 13 May 2026 the revolving credit facility of £325m was extended for a further two years on exactly the same terms. The facility comprises £150m over a five-year term expiring in August 2031 and £175m over a three-year term expiring in August 2029.

At 31 March 2026, total liquidity of cash and undrawn facilities was £415.0m, comprising £90.0m of cash and £325.0m of undrawn facility. Proceeds of c.£290m from our agreed sale of Stonehage Fleming, expected in mid 2026, will further enhance our liquidity position.

Our net portfolio investment cash flows were an outflow of £5.8m. Investment into our portfolio totalled £262.9m. Realisations from our portfolio totalled £257.1m. After investment income, management expenses, dividend payments to our shareholders and share buybacks, net cash outflow was £60.9m. At 31 March 2026, our net cash was £90.0m (31 March 2025: £151.3m).

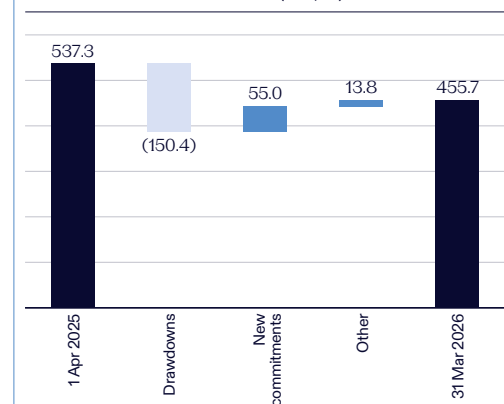
### MOVEMENT IN NET CASH (£M)



### Uncalled commitments

Our total uncalled commitments were £346.1m or US\$455.7m (2025: £415.9m, US\$537.3m), split 78% in North America and 22% in Asia. During the year we committed a total of US\$55m (2025: US\$200m) to two North American managers.

### UNCALLED COMMITMENTS (US\$M)



### Foreign exchange

62% of our net asset value is non-Sterling denominated. We do not hedge our foreign currency exposure. However, this risk is fully recognised by the business and considered carefully within our risk management framework.

**Rob Memmott**  
Chief Financial Officer  
18 May 2026

## Sustainability

# Investing for the long term

As an investment company, we outline how we approach our investment decisions responsibly, and manage our portfolio for today and the future.

We also explore how we manage our business operations, for the benefit of our employees and wider stakeholders.

## What's in sustainability?

### Responsible investing

Our approach	44
Our investment portfolio	45
Climate and the transition to net zero	47
TCFD summary	50

### Our people and culture

Employee engagement	52
Fundraising and volunteering	52
Intern programme	53
The Caledonia Investments Charitable Foundation	53
Equality, diversity and inclusion	54
Working environment	55
Health and safety	55
Grievance procedure and whistleblowing	55

## Sustainability continued

Our approach recognises that value creation is built over years, through careful judgement, enduring partnerships and responsible decision-making.

Our commitment to sustainability extends to our people and wider stakeholders. We actively promote an inclusive and supportive culture based on our values – insightful, supportive, responsible, considered and long term.

“ We’re very lucky with the environment in which we work, the resources that are made available to us and the colleagues we work amongst. Caledonia has a great culture. ”

Employee  
Caledonia Investments

### Responsible investing

We believe that responsible investment and business success go hand in hand. We are committed to building businesses for the long term and consider the environmental, social and governance ('ESG') impact of the investments that we make.

[Read more](#)

➔ PAGE 44



### Our people and culture

Our people are central to Caledonia's long-term success. We aim to foster a working environment that is collaborative and aligned with our values of being insightful, supportive, responsible, considered and long term.

[Read more](#)

➔ PAGE 52



## Sustainability continued

# Responsible investing

We believe that responsible investment and business success go hand in hand. We are committed to building businesses for the long term.



## Our approach

Our approach to responsible investment ('RI') and sustainability is grounded in our long-term investment philosophy, reflected in the characteristics we value in the companies and fund managers with whom we partner.

We expect to invest in businesses and funds which will:

- Grow, provide employment and generate economic benefit in an environmentally and socially responsible way, both during and after our ownership
- Take a responsible approach towards the environment and society, based on good governance practices

### Responsible Investment / Responsible Corporate ('RI/RC') Working Group

Caledonia's RI/RC Working Group advises and assists in the development and implementation of Caledonia's approach to sustainability matters, including climate-related issues. The group meets regularly throughout the year.

The working group:

1

Advises and assists in the continued development of and implementation of our approach to ESG matters across the business.

2

Seeks to ensure that ESG matters are appropriately factored into decision-making processes.

3

Continues to develop understanding of climate-related matters.

4

Supports the development of our reporting, particularly on climate-related matters.

#### MEMBERS

##### Executive:

- Chief Executive Officer (Chair)
- Chief Financial Officer

##### Investment pools:

- Senior members of Public Companies
- Senior members of Private Capital
- Senior members of Funds

##### Group:

- Company Secretary
- Other key corporate managers

## Sustainability continued

### Our investment portfolio

We believe that responsible investment and business success go hand in hand. We are committed to building our businesses for the long term and consider the ESG impact of the investments we make.

Through proactive and constructive engagement with our portfolio, we are committed to fostering continuous improvement and driving positive change.

#### Public Companies

Guided by deep fundamental research with a disciplined focus on quality and resilience, selection risk is managed by analysing numerous characteristics for each company. These include:

- High-quality and durable business models that enable long-term compounding
- Attractive end markets, for example with secular growth tailwinds or limited competition
- Management with strong capital allocation who think like owners; 'culture is key'
- Typical good returns of capital

As active investors focused on the long term, monitoring and engagement forms an important part of how the team operates:

- We exercise our voting rights judiciously. Votes are cast on all our holdings, ahead of shareholder meetings
- We maintain open, direct dialogue with the company to understand key issues
- We will vote with management unless we believe it is contrary to our interests as a long-term shareholder

Our approach means we do not typically invest in capital intensive businesses directly involved in the extraction and production of coal, oil or natural gas.

Public Companies portfolio:  
climate change metrics and targets

➔ PAGE 47

#### Private Capital

As 'buy to own' investors, the team works closely with management to support operational improvement, good governance and compliance with relevant sustainability regulations through a lens of value creation and risk management.

This is done through the following:

- Board representation to enable active oversight, influence and support on strategic, operational and governance matters
- Regular, direct engagement with management to review existing risks, identify new ones, and monitor progress on key mitigation initiatives
- Structured ESG monitoring – including annual ESG surveys, TCFD-aligned climate risk assessments and company-specific KPIs – allowing us to ensure that risks are well managed and opportunities for improvement are acted upon

Private Capital portfolio:  
climate change metrics and targets

➔ PAGE 48

#### Funds

Partnering with over 45 managers and investing in over 80 funds with an underlying portfolio of over 600 companies, our diligence, monitoring and engagement framework is centred on the following:

- Due-diligence: before committing to a manager, we assess how ESG considerations are integrated into their organisation, investment processes and portfolio management
- Ongoing engagement and transparency throughout each fund's life: we maintain close dialogue with our managers, engaging through regular communications and update meetings. Where we hold an Advisory Board seat, we request that ESG is included on annual meeting agendas. This enables us to stay informed on material risks, emerging issues and the progress of ESG initiatives
- Monitoring ESG performance and climate risk across the portfolio: we continue to refine the proxy calculation methodology to increase accuracy and enhance our monitoring to provide deeper insights across the portfolio

## Sustainability continued

### A SPOTLIGHT ON DTM



Maximise tyre life, minimise waste

#### B-Corporation ('B-Corp') status for DTM

Within Private Capital, our portfolio company DTM successfully achieved B-Corp certification in November 2025, marking a significant milestone in its journey to embed responsible business practices at the heart of its operating model.



B-Corps are a network of businesses committed to operating ethically and sustainably. Businesses which meet the requirements are viewed as respected leaders in their field and must apply for recertification every three years, helping to ensure the highest levels of commitment.

#### A business built around people, customers and responsible growth

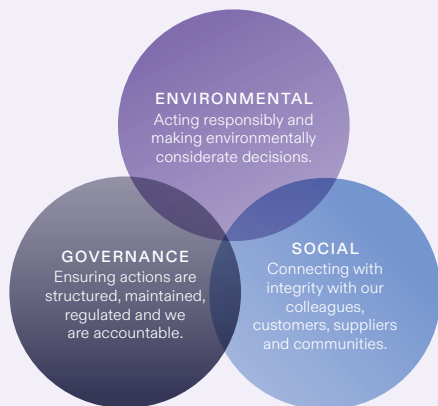
Headquartered in Blackpool, DTM is the UK's leading independent tyre management provider, managing over 285,000 vehicles and around 1.3 million tyres for fleet customers across the UK, enabled by a scalable, technology-led platform and a national network of service providers.

As a team, DTM has a genuine ambition to act responsibly for each other, their customers and communities and for the environment.

**Governance that supports long-term resilience**  
DTM operates a robust governance framework. In 2025, the company successfully renewed a comprehensive suite of ISO certifications (9001, 14001, 45001 and 50001) and completed recertification for Cyber Essentials Plus, with work underway to implement ISO 27001 – strengthening data security across the organisation.

**Clear climate ambition, backed by measurable progress**  
DTM has set a net zero target for 2040, with an interim commitment to halve emissions by 2030 (versus a 2021 baseline). Transparent measurement of Scope 1 and 2 emissions cover all operations, including its vehicle fleet.

#### DTM'S ESG STRATEGY COMMITTED TO A SUSTAINABLE FUTURE



DTM's approach is underpinned by its internal standards known as the PACE framework:

#### People & culture, Approved network, Customer focus and Environmental responsibility

Ensuring that ESG considerations inform decision-making across the organisation, the company is a Living Wage Employer and places colleague wellbeing at the centre of its culture, evidenced by its Platinum Charter membership for mental health. Regular engagement through employee and customer surveys ensures the company maintains high levels of retention, performance and service quality, with insights actively shaping policies and reinforcing DTM's high service ethos.

“ We would like to congratulate the whole team at DTM for this certification. It recognises their continued progress across governance, social value creation and environmental management, providing external validation of the quality and maturity of their approach. ”

Tom Leader  
Head of Caledonia Private Capital

#### THE PACE FRAMEWORK UNDERPINNING ALL AREAS OF DTM'S BUSINESS

##### People & culture

Knowledgeable, inclusive, supportive team, connecting respectfully with our colleagues, customers, suppliers and communities.

##### Approved network

Extensive, high-quality certified service network, enabling us to minimise vehicle downtime and provide a quick response when assistance is needed.

##### Environmental responsibility

Actively committed to an ESG strategy, we act responsibly, and with integrity, making environmentally considerate decisions.

##### Customer focus

Delivering a customer-focused approach that builds valued relationships through digital platforms. We provide data and insight to help keep our customers safe and informed whilst reducing their carbon impact.



## Sustainability continued

### Climate and the transition to net zero

#### Our portfolio

As long-term investors, we take a proportionate, pragmatic approach to climate-related risk management that reflects the nature of each of our investment pools while ensuring climate-related risks and opportunities are appropriately considered. We recognise the importance of understanding, assessing and managing the potential impacts of climate change across our investment portfolio.

We engage with our underlying portfolio companies and fund managers to understand and assess their carbon emissions, while continuing to enhance our monitoring and reporting systems to enable us to track progress towards a low-carbon future. We have set an expectation that the businesses in which we invest target net zero Scope 1 and 2 (market-based) emissions by 2050. The pace at which these targets are achieved will vary across our portfolio, reflecting differences in business models, sector dynamics and the evolving nature of climate-related risks and opportunities, including regulatory developments, changes in consumer preferences and increasing pressure to reduce emissions and address broader environmental issues.

#### Public Companies

Across Public Companies, we benefit from the more established disclosure frameworks adopted by listed businesses, while actively monitoring areas of heightened climate exposure and risks. We continue to expect that all businesses develop and implement strategies to achieve net zero Scope 1 and Scope 2 emissions by 2050, or sooner if possible.

For our TCFD reporting, we continue to use the MSCI World Index as a benchmark owing to its similar sector exposure to the companies within our portfolio.

The data we draw on from MSCI is subject to a reporting lag. The figures for 2026 primarily cover the period from 1 June 2024 to 31 May 2025, while the comparative data largely reflects the period from 1 June 2023 to 31 May 2024.

The table below presents the primary metrics we use to quantify the Scope 1 and Scope 2 greenhouse gas ('GHG') emissions of the Public Companies pool, which form part of the aggregate emissions linked to our investment portfolio:

Latest annual reported data	Scope	Pool (2026)	Benchmark (2026)	Variance vs benchmark	Pool (2025)	Units
Total carbon emissions	1 and 2	13,186	41,157	-68%	12,956	tonnes CO <sub>2</sub> e
Carbon footprint	1 and 2	14	43	-68%	13	tonnes CO <sub>2</sub> e / \$m invested
WACI	1 and 2	58	104	-44%	51	tonnes CO <sub>2</sub> e / \$m sales

Carbon emissions data for our public company investments was obtained from the MSCI One platform. MSCI collects the data from publicly available sources, including annual reports, the Carbon Disclosure Project and Government databases. All carbon emissions data collected is classified per the GHG Protocol methodology to enable aggregation and comparability across investee companies and sectors. We have not sought to verify this data and assume no responsibility for its accuracy or completeness.

The Public Companies pool saw a 2% increase in total carbon emissions over the year. This increase was predominantly driven by changes in portfolio composition, including the addition of new holdings and two disposals during the year. Despite this increase in absolute emissions, the pool continues to demonstrate materially lower emissions intensity than the benchmark across all reported metrics.

Other key climate metrics we use to monitor companies in our Public Companies pool are as follows:

Other metrics	Pool (2026)	Pool (2025)
Companies targeting net zero for Scope 1 and Scope 2 by 2050	78%	82%
Companies with a top quartile carbon management score	44%	60%
Green revenue exposure	5%	5%

The majority of the companies in our Public Companies pool have plans to achieve net zero emissions by 2050 or sooner. A small number of companies have yet to establish net zero targets and contribute c.16% of the pool's total carbon emissions. Based on our knowledge and engagement with these companies and their commitment to good corporate governance, we believe they will establish appropriate targets.

While the proportion of companies with top quartile carbon management scores has declined, the metric continues to indicate a solid level of climate management capability across the pool. This reflects its evolving composition and varying stages of climate strategy maturity among investee companies. We remain confident that, through ongoing engagement and oversight, companies will continue to strengthen their management of climate-related risks and opportunities in line with our net zero expectations.

## Sustainability continued

### Private Capital

Within our Private Capital portfolio, our engaged ownership model enables us to support companies to develop their climate strategies, including encouraging transparent reporting of Scope 1 and 2 emissions and identifying operational improvements that can reduce environmental impact.

This is the second year we have provided emissions data for our Private Capital businesses. Emissions will vary significantly due to the different types of businesses we own in the portfolio. This year, as these companies have continued to refine their reporting processes and collect more comprehensive data, we have seen total carbon emissions increase, a reflection of greater transparency and data availability.

Latest reported data <sup>1</sup>	Scope	Pool (2026)	Pool (2025)	Units
Total carbon emissions <sup>2</sup>	1 and 2	7,127	6,743	Tonnes CO <sub>2</sub> e
Carbon footprint	1 and 2	10	10	Tonnes CO <sub>2</sub> e / £m NAV
WACI	1 and 2	14	10	Tonnes CO <sub>2</sub> e / £m sales

1. Since each of our portfolio companies has a different financial year-end, we have included the most recent data available.
2. Excluding our investment in Cobepa, a private equity manager with an underlying portfolio of companies, 99.9% of net asset value of our Private Capital pool have provided emissions data, with most reporting the majority or all of their Scope 1 and 2 emissions.

### Funds

In our Funds portfolio, we continue to work closely with our managers to support improved transparency and to understand how climate-related risks are assessed within their own investment processes.

We have begun to develop our metrics and methodology for initial analysis of the weighted average carbon intensity of the Funds portfolio using estimation factors derived from public markets proxy data and will continue to refine this data based on the availability of data received from the managers of the underlying funds.

### Our business operations

We operate our business activities from a single central London office. Whilst our operational footprint is modest in comparison to our broader investment activities, we remain committed to operating our business in an efficient manner and to reducing our climate impact where feasible.

We set an ambitious goal to achieve net zero emissions for Scope 1 and Scope 2 (market-based) emissions by 2030. We achieved our goal of net zero Scope 2 (market-based) emissions following the switch to a renewable energy provider in 2022. In late 2025 we installed solar panels on the roof of our office which are expected to make a small reduction to our location-based emissions in future years.

Our transition strategy to achieve net zero Scope 1 emissions is dependent on the implementation of a low-carbon alternative to replace our traditional gas boiler heating system. During the year we completed an assessment to achieve this, concluding a replacement with electric technology will be required by 2037. Once implemented we expect our remaining Scope 1 emissions to reduce to net zero. We have therefore revised our target with a goal to achieve net zero Scope 1 emissions by 2037 and to maintain net zero Scope 2 (market-based) emissions.

We continue to recycle nearly all waste and ensure that wastewater is safely returned to the sewer system. The resulting emissions from water and waste processes are categorised under 'other' Scope 3 emissions and are considered immaterial.

It is worth noting that electricity consumption has risen since 2020, mainly due to the return of colleagues to the office following the Covid-19 pandemic and, more recently, our decision to operate 24-hour security for enhanced safety. However, we continue to take measures via the adoption of new technologies to help reduce our energy demand.

### Travel

Employees primarily commute to the office via public transport and we actively encourage sustainable travel through our cycle to work scheme. Our reported Scope 3 emissions primarily relate to international business travel. This remains an important part of how we engage with and oversee our globally diversified investment portfolio. Although our reported Scope 3 emissions have reduced over the year, as long-term stewards of our shareholders' capital, maintaining strong relationships with our portfolio companies and fund managers is fundamental to our investment approach so we expect these emissions to vary considerably from year to year, reflecting the continued need for face-to-face engagement to ensure robust oversight and risk management.

## Sustainability continued

### Climate change metrics and targets including greenhouse gas emissions

The data in the following tables has been prepared in accordance with the regulations, The Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018, which implemented the Government's policy on Streamlined Energy and Carbon Reporting ('SECR').

Scope	Source of GHG emissions – year to 31 March	Tonnes CO <sub>2</sub> e						
		2020	2021	2022	2023	2024	2025	2026
Scope 1 (direct emissions)	Combustion of fuel & facilities operation	24	19	17	16	14	14	16
	Including company car use (sold in April 2022)	-	-	4	-	-	-	-
Scope 2 (indirect emissions)	Electricity purchase for own use (location-based)	57	47	45	52	59	61	62
	Electricity purchase for own use (market-based)	57	47	-	-	-	-	-
Scope 1 & 2- location-based		81	66	66	68	72	75	78
Scope 1 & 2- market-based		81	66	21	15	14	14	16
Scope 3 (indirect emissions)	Business travel	371	7	94	243	375	825	350
	Other	-	-	-	1	1	-	1
Total – location-based		452	73	160	312	448	900	429
Total – market-based		452	73	115	259	389	839	367
KPI – location-based	Total emissions per average number of employees	7.5	1.2	2.6	5.0	6.3	11.8	5.7
KPI – market-based	Total emissions per average number of employees	7.5	1.2	1.9	4.2	5.5	11.0	4.9
Average number of employees		60	61	61	62	71	76	75

Please note:

- These emissions have been calculated in accordance with the GHG Protocol Corporate Accounting and Reporting Standard guidelines using UK Government GHG Conversion Factors for Company Reporting.
- Caledonia consumes all its water from the mains, which we understand is sourced from high stressed areas, with all its waste water currently being returned to the sewer. The resultant CO<sub>2</sub> emissions from its use of water are less than 1 tonne.
- Caledonia generates a mix of recycled and general waste. The related Scope 3 GHG emissions are included within 'Other' in the table above.
- The location-based method reflects the average emissions intensity of the grids on which energy consumption occurs, while the market-based method reflects emissions from the 100% renewable electricity that we have chosen to purchase.
- All of our reported emissions arise in the UK, with business travel primarily departing from or arriving in the UK. Accordingly, this table does not include a separate column showing the annual UK proportion of global emissions.
- The emission sources shown in the table above relate to companies included in the consolidated financial statements. Under the SECR regime we are not required to report any emissions from companies outside the consolidated group.
- Caledonia does not release any hazardous air pollutants. Material hazardous waste is limited to batteries and print toner, both of which are responsibly recycled.

Other metrics	Unit	2020	2021	2022	2023	2024	2025	2026
Electricity usage	KWh(k)	224	199	214	270	286	298	357
Gas usage	KWh(k)	100	93	91	76	67	68	80
Water consumption	m <sup>3</sup>	Data not available			798	1166	1085	1394
General mixed waste	tonnes	Data not available			-	-	-	-
Mixed recycling	tonnes	Data not available			-	-	-	-
WEEE waste	tonnes	Data not available			-	-	-	-
Confidential waste	tonnes	Data not available			2	2	3	2
Waste generation	tonnes	Data not available			2	2	3	4
Waste recycled	%	Data not available			99%	99%	100%	100%

## Sustainability continued

### TCFD summary

We continue to recognise the importance of clearly communicating both financial and non-financial ESG performance to our stakeholders.

This is the fourth year we have produced a separate Task Force on Climate-related Financial Disclosures ('TCFD') report. The following section, which should be read in conjunction with our TCFD report, summarises our response to each of the TCFD recommendations, and explains how we incorporate climate-related risks and opportunities into each of the four TCFD pillars of governance, strategy, risk management and metrics and targets.

As required by Listing Rule 6.6.6R (8), we consider these climate-related disclosures to be consistent with the TCFD recommendations and recommended disclosures, other than the completion of scenario analysis (strategy pillar disclosure (c)) and the development of metrics and targets for all of our investment assets (metrics and targets pillar disclosures (a), (b) and (c)).

We have fully addressed the assets within our Public Companies pool. We have also increased our disclosure for our Private Capital pool. Over time we will seek to develop our metrics and methodology further as the quality of data improves and more information is available for our Funds pool.

#### Governance

Disclose the organisation's governance around climate-related risks and opportunities.

The board is collectively responsible for the long-term success of Caledonia. It sets the company's strategy, ensures that the necessary financial and human resources are in place to enable the company to meet its objectives, and reviews management performance.

Caledonia's governance structure is proportionate to the size and complexity of the business, with clearly defined responsibilities and delegated authority. The board has delegated overall responsibility for the delivery of the strategy to the Chief Executive Officer. Our governance and reporting frameworks enable the board to have oversight of the climate-related risks and opportunities which could impact our business.

The board conducts deep-dive reviews of the activity and performance of each of Caledonia's three investment pools annually. To provide enhanced visibility and monitor progress, an assessment of climate-related risks and opportunities, together with appropriate metrics, is incorporated into reporting.

The remuneration structure for our executive directors includes two variable pay elements:

- a. short-term incentive (bonus) to reward performance on an annual basis against key financial and personal objectives.
- b. long-term incentive to motivate the delivery of long-term shareholder value.

The structure of the annual bonus includes an assessment of delivery against personal objectives, which include elements related to responsible investment and being a responsible corporate.



#### TCFD report 2026

Our fourth standalone TCFD report sets out our progress towards meeting all TCFD recommendations.

The purpose of this report is to provide our shareholders and other stakeholders with a better understanding of our exposure to climate-related risks, our strategic resilience to these risks and the climate-related opportunities for our business.



Read the full report

➔ SCAN QR CODE

## Sustainability continued

### Strategy

Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning where such information is material.

Our strategic aim is to achieve capital appreciation and dividend growth for our shareholders over the long term through disciplined investment and active stewardship of the assets in our portfolio. We recognise our responsibility to support the transition to a lower-carbon economy. This is why we have set an expectation that the businesses in which we invest should target net zero emissions by 2050 (Scope 1 and Scope 2, market-based). We keep this commitment under review, recognising the pace of progress will vary across sectors and individual companies, reflecting differing business models and operational footprints.

Our investment portfolio is well-diversified, with limited direct exposure to high carbon-emitting industries such as oil and gas. We seek to avoid investment in businesses that cause material harm to the environment unless they have a clear strategy to reduce their impact over time.

We have considered both physical and transition risks over three time horizons. The availability of robust data and quality information is a prerequisite to effective analysis. We have used the most recent data and information for the constituent businesses in the Public Companies pool using MSCI's One platform. This data has been used to support a scenario analysis exercise to confirm the resilience of the pool to both physical and transition risks, under various climate scenarios.

The scope of the analysis for the Private Capital pool covers seven investee companies in the portfolio as at 31 March 2026. A data collection framework to measure company-specific key performance indicators alongside an annual survey enables year-on-year progression to be measured on carbon emissions and other related metrics. The analysis is qualitative in nature. Unlike the Public Companies pool, there is no distinction between the methodology applied for physical and transition risks. The scenario analysis is tailored to the characteristics of each company in the portfolio and is performed with reference to its sector and geographic footprint.

Within the Funds pool, we encourage General Partners to incorporate climate-related risks and opportunities into their investment processes and portfolio oversight and anticipate that similar information will be developed for the constituents of this portfolio in future years.

Our business operations have a modest carbon footprint when compared with the impact of our investment portfolio. We remain committed to minimising the impact of our own operations on the environment and mitigating the risks posed by climate change. We set an ambitious goal to achieve net zero emissions for Scope 1 and Scope 2 (market-based) by 2030. We achieved our goal of net zero Scope 2 (market-based) emissions following the switch to a renewable energy provider in 2022.

### Risk management

Disclose how the organisation identifies, assesses, and manages climate-related risks.

As noted on page 48, our net zero Scope 1 emissions are dependent on the implementation of a low-carbon alternative to replace our traditional gas boiler heating system. We have therefore revised our target with a goal to achieve net zero Scope 1 emissions by 2037 and to maintain net zero Scope 2 (market-based) emissions.

The corporate approach to risk management is covered on pages 56 to 60 of this report.

Risks are assessed and managed in accordance with our corporate risk management framework which includes ESG & climate change as one of the principal risks.

Assessments of climate-related risks continue to be incorporated into our strategy. In discharging its responsibilities, the board is ultimately accountable for oversight of climate-related risks that could affect the business. Non-executive director oversight of the risk management framework and associated processes is exercised through the Audit and Risk Committee ('ARC').

The Chief Financial Officer is responsible for ensuring that an appropriate risk management framework is in place and each area of the business is responsible for using that framework to identify, assess and report on their risks and controls.

Investment managers identify climate-related risks in the portfolios they manage supported by key functions such as Finance, Tax, Human Resources, Facilities Management and Company Secretarial with further oversight from the Operational Risk Committee and the Head of Risk.

Risks within the companies and funds in which we invest are identified through ongoing research using in-house expertise, external data and reporting from investee businesses. Our business operations use third-party resources to ensure a good practice approach is taken for identifying risks and addressing them in a timely manner.

### Metrics and targets

Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.

Alongside our business operations, we continue to report Scope 1 and 2 emissions data of the Public Companies pool and the majority of Private Capital's portfolio NAV.

Information on specific metrics and targets are provided in the TCFD report. In line with SECR requirements, we have also listed our GHG data.

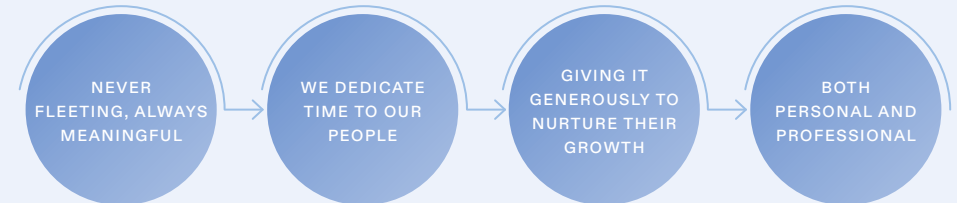
## Sustainability continued

# Our people and culture

Our people are central to Caledonia's long-term success. We aim to foster a working environment that is collaborative and aligned with our values of being insightful, supportive, responsible, considered and long term. These values shape how we work together, how we make decisions, and how we build trusted relationships across our business.



Our Time Well Invested manifesto guides our day-to-day working culture:



## Employee engagement

Employee engagement remains a priority. Building on the two previous colleague engagement surveys, we continue to listen and shape enhancements to our employee experience, wellbeing offering and internal communications, ensuring colleagues' views influence how we continue to evolve as an organisation.

This year we focused on helping colleagues better understand and navigate the benefits available to them. We introduced an educational programme to improve awareness of our workplace pension scheme, enabling colleagues to make more informed decisions about long-term financial planning.

We also launched a new share incentive plan, designed to strengthen alignment between employees and shareholders and to reinforce our culture of long-term ownership. The plan was met with strong engagement, with 82% of colleagues choosing to participate. We were delighted that the plan went on to win 'Best New Share Plan' at the 2025 ProShare Awards.

We continue to invest in a working environment where colleagues feel supported, included and able to grow. Across the business, we promote professional development and a culture that encourages personal accountability and mutual respect. Wellbeing remains a core element of our people strategy. We regularly review our policies and support structures to ensure they meet the evolving needs of our teams. As part of our ongoing wellbeing initiative, we introduced in-office pilates classes during the year, aimed at supporting physical and mental wellbeing.

We will build on the insights gathered from our engagement surveys and maintain regular dialogue with colleagues to ensure Caledonia remains focused on sustaining a culture that empowers people to do their best work and supports long-term growth.

## Fundraising and volunteering

Alongside the support to the Caledonia Investments Charitable Foundation, we foster employee and stakeholder involvement across the local communities within which Caledonia and our investee companies operate. We offer employees up to two additional days of leave to support those causes that they feel passionately about.

This year, amongst many activities, teams have spent time volunteering for the Countryside Education Trust and fundraising for The Passage, a charity which supports people at risk of or experiencing homelessness in London.



## Sustainability continued

### Intern programme

Each summer we welcome a cohort of students onto our 'Sea Lions' intern programme, a four week, structured and inclusive learning experience designed to introduce talented individuals to the world of long-term investing.

The programme forms an important part of our commitment to developing future talent and reflects our culture of investing time in people as well as capital.

The programme provides interns with a holistic understanding of Caledonia and how we create long-term value. They gain exposure to each of our investment pools, meet colleagues from across the business and learn how our long-term philosophy shapes decision-making.

“ The Sea Lions Programme was more than just an internship, it was an investment. Through holistic mentorship, site visits and company socials, the experience stretched us intellectually, expanded our horizons and exposed us to the welcoming Caledonia culture we had heard so much about – it truly was time well invested. ”

Abim Tayo, intern alumnus  
2025

### The Caledonia Investments Charitable Foundation

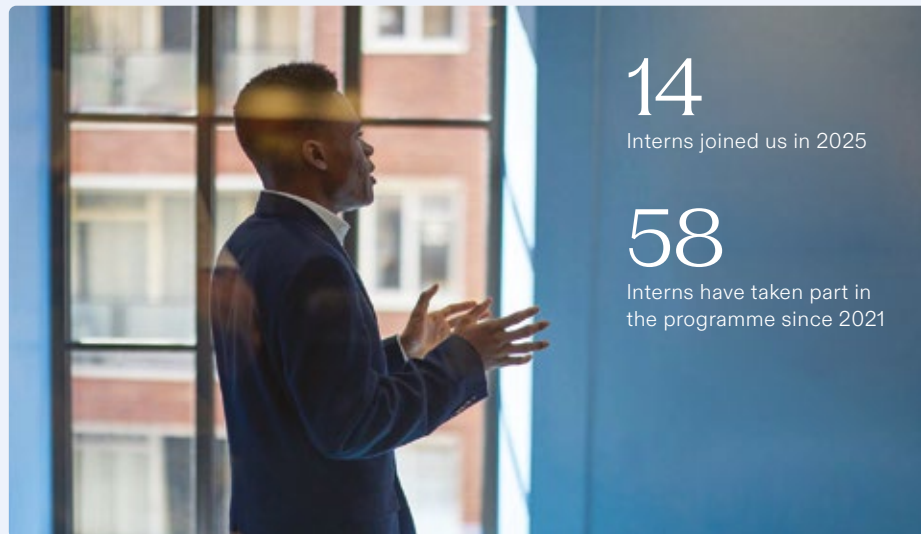
The Foundation aims to provide transformative funding and support to causes linked to Caledonia's history, values, culture and team. This year, the Foundation continued its programme of targeted giving, awarding grants of c.£300,000 from the company, consistent with previous years.

By supporting the development of a small number of charities through a multi-year donation programme, the Foundation hopes to provide a catalyst for change, enabling the charities to make a significant and lasting impact.

This year, the Foundation was pleased to approve a multi-year grant to the Countryside Education Trust ('CET'). Founded in 1975, the CET helps children and adults understand, protect and conserve the countryside, offering immersive residential experiences, outdoor learning and hands-on conservation activities from its Home Farm site in Beaulieu, Hampshire.

The CET operates an educational farm, garden and orchard, a new Fort Climate Centre focused on climate education, and woodland-based treehouse classrooms that inspire learning through direct experience of the natural world. Ensuring fair access for all is central to its mission, enabling children from a wide range of backgrounds to benefit from high-quality outdoor education.

The CET's impact extends beyond schools. Recent programmes have supported internships and training for young people entering conservation and climate-related fields, offering practical skills in sustainable farming, ecology and environmental education.



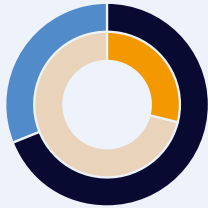
## Sustainability continued

### Equality, diversity and inclusion

Our recruitment and employment policies are compliant with relevant UK legislation. Recruitment, development and promotion are based on suitability for the role. We will not tolerate discrimination on the basis of age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex or sexual orientation.

While representation across seniority levels has remained broadly consistent, we continue to monitor diversity data across the organisation to identify areas for future focus.

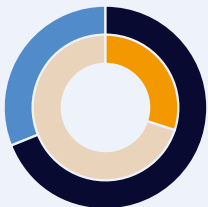
#### INVESTMENT AND SUPPORT EMPLOYEES 2026<sup>1</sup>



Investment employees		Support employees	
Male	69%	Male	29%
Female	31%	Female	71%

1. Excluding non-executive directors.

#### INVESTMENT AND SUPPORT EMPLOYEES 2025<sup>1</sup>



Investment employees		Support employees	
Male	69%	Male	30%
Female	31%	Female	70%



As at 31 March 2026, the gender distribution across the business is as follows:

	Male number (%)		Female number (%)	
	2026	2025	2026	2025
Board	8 (73%)	7 (64%)	3 (27%)	4 (36%)
Senior managers	14 (48%)	14 (50%)	15 (52%)	14 (50%)
All employees (including board)	37 (45%)	37 (44%)	45 (55%)	47 (56%)

Caledonia operates a flatter management structure than is often found in many other companies and, for information, 60% (2025: 60%) of direct reports to members of our Investment Committee are female.

## Sustainability continued

In accordance with Listing Rule 6.6.6R (9) of the FCA's Listing Rules, the table below sets out details of the diversity of the individuals serving on the board and executive management as at 31 March 2026. Our executive management consists of members of our Investment Committee, being the most senior level of management. Data was obtained on a voluntary self-reported basis.

The board met the ethnicity diversity target set out in LR 6.6.6R (9) (a) but not the two gender diversity targets. Given the gradual change in board membership, it will take time to meet these targets.

	Number of board members	Percentage of the board	Number of senior positions on the board (CEO, CFO, SID and Chair)	Number in executive management	Percentage of executive management
Men	8	73	4	6	86
Women	3	27	–	1	14
Not specified/prefer not to say	–	–	–	–	–

	Number of board members	Percentage of the board	Number of senior positions on the board (CEO, CFO, SID and Chair)	Number in executive management	Percentage of executive management
White British or other White (including minority-white groups)	10	91	4	7	100
Mixed/Multiple Ethnic Groups	–	–	–	–	–
Asian/Asian British	1	9	–	–	–
Black/African/Caribbean/Black British	–	–	–	–	–
Other ethnic group	–	–	–	–	–
Not specified/prefer not to say	–	–	–	–	–

## Working environment

We are committed to maintaining a high-quality working environment that supports the wellbeing, safety and productivity of all colleagues.

Our culture is built on openness, respect and accountability, and we continually review our policies and practices to ensure they remain aligned with our values and with evolving best practice.

## Health and safety

The health, safety and welfare of our employees remain a priority. As an office-based organisation with a relatively low risk operational profile, we nonetheless take a rigorous and proactive approach to managing health and safety.

We have comprehensive health and safety policies in place.

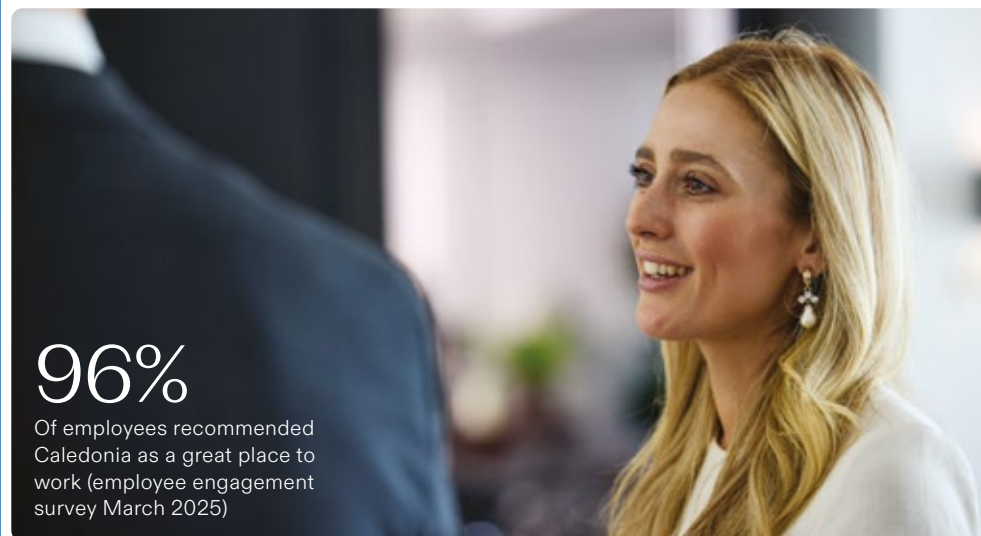
We continue to invest in measures that promote physical and mental wellbeing and provide flexible working arrangements that help colleagues balance work and personal commitments.

For the year ended 31 March 2026, there were no incidents reported under RIDDOR ('Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 2013') and no work-related accidents.

## Grievance procedure and whistleblowing

Caledonia's formal grievance procedures are clearly communicated, providing all colleagues with a structured yet flexible framework to raise concerns.

There are established and robust whistleblowing arrangements in place to provide a safe, confidential and impartial channel for reporting any potential misconduct in our business. Employees are able to raise issues independently of their immediate line management, ensuring a culture of transparency and accountability. Responsibility for oversight of our whistleblowing procedure sits with the board.



# 96%

Of employees recommended Caledonia as a great place to work (employee engagement survey March 2025)

## Risk management

# A diligent framework woven into our value creation model

Risk management is an integral part of the company's business model and embedded within its business operations. Caledonia's risk management framework seeks to ensure that different parts of the group operate within strategic risk appetite parameters integrated with its governance and decision-making processes.

The board has overall responsibility for setting and monitoring the company's risk appetite.

### Risk management reporting

Our employees and our culture provide the foundations for managing risk at Caledonia, where we have a history of effectively, and successfully, navigating risk over the long term.

Our risk framework, supporting processes and reporting evolve under a programme of continuous development to ensure that the key risks facing Caledonia are identified, assessed and managed. Control assurance is delivered through self-assessment, internal risk assessments and external reviews.



“ Risk management is embedded in everything we do, ensuring the business operates within a strategic risk appetite and that our decisions are grounded in strong governance. ”

Rob Memmott  
Chief Financial Officer

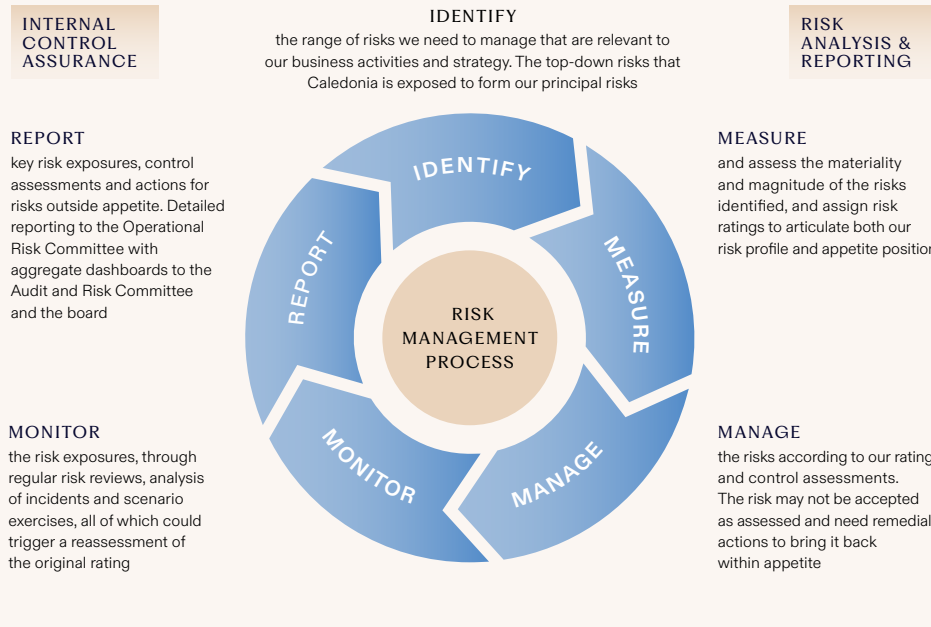
## Risk management continued

### Risk management framework

The risk framework supports and informs business activity and decisions, managing risk through a set of integrated processes.



THE RISK FRAMEWORK ALIGNS WITH AND SUPPORTS BUSINESS ACTIVITIES



### Principal risks

Our principal risks reflect the aggregate view of underlying risk assessments.

The board and Audit and Risk Committee assess these risks during the year, considering any changes or additions in light of the external environment (market, legal or regulatory changes) or following changes to our own business activities that might expose us to additional risks. During the year we have assessed the impact that the accelerated adoption of AI technologies might have on our operations and investment strategy and evolved our controls to manage potential risk exposures. Whilst external developments have heightened our exposure to some risks, no new material current or emerging risks have been identified.

We are monitoring areas of heightened exposure, particularly in respect of market risk where ongoing geopolitical tension is maintaining volatility across global financial markets.

We continue to be faced with an environment of elevated cyber threats, maintaining this as our most material operational risk. Ongoing control reviews in this area, including by external consultants, ensure that our network and system defences remain robust.

We have set out our six principal risks on pages 59 to 60, highlighting developments throughout the year and our assessment of their current rating alongside indicators reflecting current sentiment.

### Risk governance, structure and responsibilities

Risk management and its governance is the responsibility of the board, with specific components delegated to the Audit and Risk Committee. The executives are given the task of managing an effective and transparent process to ensure that current and emerging risks are identified, measured, managed, monitored and reported on. The board sets the risk appetite in line with the business model and strategy.

### Risk governance, structure and responsibilities



## Risk management continued

This is communicated through the executive to all those with managerial responsibilities. The illustration on the previous page depicts the risk governance structure in place and the responsibilities of each committee.

### Risk reporting

We report on changes and developments across our principal risk exposures. Risk reports are provided at least biannually to the Audit and Risk Committee for review before submission to the board. Any material issues or changes are escalated to the board for further discussion.

The Audit and Risk Committee reviews all key risk types. An investment risk report is submitted to the Audit and Risk Committee biannually, providing analysis of investment portfolio risks arising from our investment strategy. Exposures are measured against defined risk parameters and include asset allocation, performance, investment volatility, diversification and liquidity.

Operational risk reporting is reviewed by the Operational Risk Committee. It receives detailed risk updates from all the business units and monitors Caledonia's exposure to all types of operational risk including legal and regulatory, fraud, key business process failure, people risk and business continuity failure. The Committee closely monitors cyber security exposure, receiving regular updates from the IT Director.

### Internal control assurance

To meet the requirements of the 2024 UK Corporate Governance Code regarding internal controls, specifically Provision 29, Caledonia put in place a programme of activity to reconfirm and reassess our material controls.

The board and Audit and Risk Committee have actively engaged with the programme, reviewed and approved the approach taken, and received regular updates throughout the year.

The approach to assessing the effectiveness of controls applies increasing levels of assurance depending on the importance of the control. Material controls are subject to deep dive risk assessments, engaging expert third parties for the areas where internal expertise is limited.

Key controls undergo a formal self-assessment process. Outcomes from the deep dives and self-assessments are reviewed by the Audit and Risk Committee and the board.

### Risk appetite statements

Each year the Audit and Risk Committee and board review the risk appetite statements for our principal risks.

The statements reflecting our position at the end of March 2026 are noted in the adjacent panel.

## Risk appetite statements

### STRATEGIC RISK

The strategy of the business is to invest in equities, across a variety of asset classes, sectors and geographies. The nature of equity investing leads to a balance of risk and reward, leading to a measured risk appetite

### INVESTMENT RISK

Individual investment decisions rely on judgement which can result in poor or untimely investments and divestments. To manage this the business operates a comprehensive diligence and review process ensuring investments are made carefully, balancing risk and reward, allowing our experts the time to analyse all aspects before committing capital or divesting. We have a very low appetite for non-compliance with our investment process

### MARKET RISK

As investors in equities, the business is automatically exposed to a number of market-driven risks. Whilst our strategy and approach to risk aim to mitigate these risks they cannot fully remove them. The nature of equity investing leads to a balance of risk and reward, leading to a measured risk appetite in this area

### LIQUIDITY RISK

Having sufficient liquidity to meet both liabilities as they become due and fund investment opportunities is critical to our strategy and viability. There is no appetite for circumstances that would result in a lack of liquidity

### OPERATIONAL RISK

We do not seek to take on operational risk but the key sources of this risk type are inherent within our business processes and operations. A material operational risk failure could harm our business and reputation, as such our overall appetite for any to crystallise is low. In certain critical areas, notably protecting our systems and data from cyber threats and ensuring compliance with applicable laws and regulations, we aim to reduce risk exposure to the lowest achievable level

### ESG & CLIMATE CHANGE












We continue to evolve the integration of ESG matters into our investment activity; this reflects a low tolerance for ESG risks that could impact our stakeholders, undermine our long-term sustainability objectives or damage our reputation



## Risk management *continued*

### LINKS TO STRATEGIC OBJECTIVES


 Outperform inflation
  Outperform the FTSE All-Share
  Pay annual dividends
  Manage investment risk effectively

Principal risks	Mitigation and management	Key developments	Status and movement
<b>A. STRATEGIC</b>   			
<p>Risks in relation to the appropriateness of the business model to deliver long-term growth in capital and income.</p> <p>Strategic risks include the allocation of capital between public and private equity, and in relation to geography, sector, currency, yield and liquidity.</p>	<p>The company's business model and strategy are reviewed periodically, against market conditions and target returns. A capital allocation model including liquidity and scenario analysis is maintained and reviewed by the board biannually.</p> <p>The performance of the company, its key risks and mitigating controls are monitored regularly by management and the board.</p>	<p>All investment pools operated within their strategic banding. A comprehensive capital allocation review, including liquidity forecasting, was completed in November and March.</p> <p>The emergence and adoption of AI technologies could materially change how services are delivered by the companies we invest in. The investment teams have factored AI business model risk into their assessments.</p> <p>Following the shareholder approval of an uncapped Rule 9 waiver, share buybacks have taken place throughout the year which are accretive to NAV per share.</p> <p>Investor relations activity continues to be enhanced. Spotlight sessions for all three pools have now concluded and were well received by all stakeholders. Caledonia's website was comprehensively updated and new channels of communication continue to be developed.</p>	<p><b>STATUS</b> Medium</p> <p><b>MOVEMENT</b> No change</p>
<b>B. INVESTMENT</b>    			
<p>Risks in respect of specific investment and realisation decisions. Investment risks include appropriate research and due diligence for new investments and the timely execution of both investments and realisations for optimising value.</p>	<p>Investment opportunities are subject to rigorous appraisal and a multi-stage approval process. Investment managers have well-developed networks through which they attract proprietary deal flow.</p> <p>Opportunities to enter or exit investments are reviewed regularly, being informed by market conditions, pricing and strategic aims.</p>	<p>The Investment Committee met throughout the year to consider investment decisions. Each investment pool applies rigorous assessment criteria for investment decisions and ongoing monitoring.</p> <p>The investment teams continue to review capacity and capability to ensure appropriate skills and resources are in place and promote talent from within.</p>	<p><b>STATUS</b> Medium</p> <p><b>MOVEMENT</b> No change</p>
<b>C. MARKET</b>    			
<p>Risk of losses in the value of investments arising from sudden and significant movements in public market prices, particularly in highly volatile markets. Private asset valuations have an element of judgement and could also be impacted by market fluctuations.</p> <p>Caledonia's principal market risks are therefore equity price volatility, foreign exchange rate movements and interest rate volatility.</p>	<p>Market risks and sensitivities are reviewed regularly with actions taken, where appropriate, to balance risk and return.</p> <p>A regular review of market and portfolio volatility is conducted by the board. Reviews also consider investment concentration, currency exposure and portfolio liquidity. Portfolio construction, including use of private assets, provides some mitigation.</p>	<p>Geopolitical tensions, particularly in the Middle East, are contributing to increased market volatility and a more uncertain macroeconomic environment.</p> <p>The Public Companies pool is the most exposed to these conditions given its concentration in listed equities and while performance remained strong throughout the year it has been impacted more recently by market reactions to geopolitical tensions. Developments in AI have introduced additional uncertainty into equity markets, as the implications for business models, cost structures and long-term returns on capital remain unclear.</p> <p>Our long-term, high-conviction investment strategy makes us well positioned to withstand near-term fluctuations and selectively capitalise on opportunities where valuations become more attractive.</p> <p>Current market volatility, if sustained, could drive changes to inflation and interest rates. We remain focused on investing in high-quality companies, with limited use of leverage, that are capable of outlasting short-term volatility.</p> <p>Exchange rate movements, particularly between Sterling and the US dollar, continue to influence reported valuations. Consistent with our long-term investment horizon, we remain comfortable maintaining an unhedged position.</p>	<p><b>STATUS</b> Medium</p> <p><b>MOVEMENT</b> Increase</p>

## Risk management *continued*









### LINKS TO STRATEGIC OBJECTIVES

 Outperform inflation

 Outperform the FTSE All-Share

 Pay annual dividends

 Manage investment risk effectively

Principal risks	Mitigation and management	Key developments	Status and movement
<b>D. LIQUIDITY</b>   			
<p>Risk that liabilities, including private equity fund drawdowns, cannot be met or new investments cannot be made due to a lack of liquidity. Such risk can arise from being unable to sell an investment due to lack of a market, or from not holding cash or being unable to raise debt.</p>	<p>Detailed cash forecasting for the year ahead is updated and reviewed quarterly, including the expected drawdown of capital commitments. A weekly cash update is produced, focused on the short-term cash forecast. Loan facilities are maintained to provide appropriate liquidity headroom.</p> <p>The liquidity of the portfolio is reviewed regularly.</p>	<p>At the end of March 2026 there was £90m cash, in addition to £325m undrawn on the revolving credit facility, which has recently been renewed on the same terms. This facility, in addition to cash, provides a substantial amount of available capital for investment in high-quality opportunities.</p> <p>Stress testing is built into our liquidity management with quarterly reviews conducted throughout the year.</p>	<p><b>STATUS</b> <b>Low</b></p> <p><b>MOVEMENT</b> <b>No change</b></p>
<b>E. OPERATIONAL</b>  			
<p>Risks arising from inadequate or failed processes, people and systems, or from external factors.</p> <p>Operational risks arise from failures around the recruitment, development and retention of staff, system failures and integrity issues, poor procedures, business disruption and failure to adhere to legal or regulatory requirements. Process failures can impact finance, IT and investment teams.</p>	<p>Systems and control procedures are developed and reviewed regularly, ensuring that defences against cyber threats remain robust and aligned to industry standards. They are tested to ensure effective operation.</p> <p>Appropriate remuneration and other policies are in place to facilitate the retention of key staff.</p> <p>Business continuity plans are maintained and updated as the business evolves and in response to emerging threats. This includes a specific focus on cyber security. Caledonia has internal resources to consider regulatory and tax matters as they arise. Professional advisers are engaged, where necessary, to assist in specialised areas or when new laws and regulations are introduced.</p>	<p>An internal control assessment programme is in progress for all key and material controls. No material issues have been reported with actions in progress to improve control effectiveness.</p> <p>Cyber security remains a material risk exposure. An expert third party was engaged during the year as part of the internal control assessment programme to review Caledonia's IT and security control environment. The review included an evaluation of Caledonia's alignment with the NIST<sup>1</sup> framework which sets out global standards for cyber security, information security and technology. The report raised no significant control issues, consistent with our internal assessments.</p> <p>Caledonia continues to run annual crisis simulation exercises, to stress the control environment, with no material control deficiencies identified.</p>	<p><b>STATUS</b> <b>Medium</b></p> <p><b>MOVEMENT</b> <b>No change</b></p>
<b>F. ESG &amp; CLIMATE CHANGE</b>   			
<p>Risks in relation to the successful incorporation of ESG matters and climate change impacts into our investment approach.</p> <p>Identifying opportunities to drive our approach to ESG matters, deliver strong returns and manage the risks to meet evolving stakeholder expectations.</p>	<p>Caledonia's ESG knowledge, processes and policies continue to develop as ESG matters are integrated into our investment approach. Each pool reports on ESG &amp; climate change information and developments to the board annually.</p>	<p>The annual assessment of the Private Capital portfolio companies' climate change risks and opportunities was completed with no significant variances since 2025. Positive improvements were seen across the portfolio, with DTM achieving B-Corp certification in the year.</p> <p>Analysis is in progress for the work required to transition from the TCFD framework to revised UK Sustainability Reporting Standards ('UK SRS'). Should disclosures in accordance with UK SRS be required by the UK Listing Rules, this will apply to FY28.</p>	<p><b>STATUS</b> <b>Medium</b></p> <p><b>MOVEMENT</b> <b>No change</b></p>

1. The National Institute of Standards and Technology.

## Going concern and viability

### Going concern and viability

The review of going concern and viability was considered and approved by the board, following full scrutiny by the Audit and Risk Committee. This review considered the key risks to the group, their potential financial impact and mitigating actions. A number of scenarios were considered to stress-test the robustness of the group's position to adverse events. These scenarios were applied to a detailed five-year financial plan that was approved by the board in March 2026.

### Going concern

The board has undertaken an assessment of the appropriateness of preparing its financial statements on a going concern basis, taking into consideration future cash flows, current cash holdings of £90m, undrawn banking facilities of £325m, expected proceeds on completion from the sale of Stonehage Fleming of c.£290m and readily realisable assets of £952m as part of a wider process in connection with its viability assessment. It has been concluded that the group has sufficient cash, other liquid resources and committed bank facilities to meet existing and new investment commitments.

The directors have concluded that the group has adequate resources to continue in operational existence for a period of at least 12 months from the date of approval of the financial statements. Accordingly, they continue to consider it appropriate to adopt the going concern basis in preparing the financial statements.

### Viability statement

The directors have assessed the viability of the group over the period to March 2031 (more than three-years from the date of signing the financial statements), having determined that this is an appropriate period for which to provide this statement given the group's long-term investment objective, the resilience demonstrated by the stress testing and the relatively low working capital requirements of the group.

The viability assessment takes into account the group's position, its investment strategy and the potential impact of the relevant risks set out in this Strategic report. In making this statement, the board is satisfied that the group operates an effective risk management process and confirms that it has conducted a robust assessment of the principal and emerging risks facing the group.

This includes those that would threaten its strategic objectives, its business model, its ability to operate and its future performance, solvency or liquidity. Based on this assessment, the directors have concluded that the group will be able to continue in operation and meet its liabilities as they fall due over the period to March 2031.

In making this assessment, the directors took comfort from the results of two stress tests. These considered the impact of significant market downturn conditions.

The first stress test addressed two discrete scenarios: a 5% reduction in the value of Sterling versus the US dollar compared to the rate on 31 March 2026 and a 12-month delay to Private Capital realisations.

The second stress test examined a severe two-year market downturn scenario. It assumed a 20% fall in income from Public Companies, a complete loss of income from Private Capital, no ability to realise the Private Capital portfolio, a 50% reduction in distributions from the group's Funds portfolio, and all outstanding fund commitments falling due in the period. The directors do not believe this extreme downside scenario is likely but factor this into the viability assessment.

It was concluded that even in a simulated market downturn and all fund commitments falling due, the group has sufficient liquidity on the balance sheet to meet its obligations as they fall due.

Overall, through the stress testing described above, the directors demonstrated the strength of the group's financial position and, in particular, its ability to settle projected liabilities as they fall due, even under extremely adverse circumstances.

The Strategic report was approved by the board on 18 May 2026 and signed on its behalf by:

**Mat Masters**  
Chief Executive Officer  
18 May 2026

## Governance

# Integrity & accountability

Recognising the value of good corporate governance to deliver long-term sustainable success.

## WHAT'S IN GOVERNANCE?

Chair's introduction	63
Board of directors	64
Corporate governance report	66
Nomination Committee report	71
Audit and Risk Committee report	73
Governance Committee report	78
Directors' remuneration report	79
Directors' report	100
Responsibility statements	104

## Chair's introduction



### Dear Shareholder,

I am pleased to introduce this year's Corporate Governance report, including our statement of compliance with the UK Corporate Governance Code on page 70.

During the year, the board held six scheduled meetings with one additional meeting convened at short notice. Regular updates were received from each of the committees. You can read more about our governance framework on page 67 and the board's work during the year on page 69.

The board approved the sale of the company's minority interest in Stonehage Fleming, which is expected to complete in mid 2026 and generate total proceeds of c.£290m. This is a clear demonstration of Caledonia's long-term approach at work: backing an exceptional management team, supporting the development of an even stronger business over time, creating substantial value during ownership and ultimately delivering an outstanding return for shareholders.

“ Good corporate governance is the foundation of Caledonia's long-term success - built on accountability, transparency and a commitment to creating sustainable value for all stakeholders. ”

David Stewart  
Chair

The board has also spent time looking to the future, in particular with regards to board composition. We welcomed Michael McLintock as a new independent non-executive director in February 2026 and the board looks forward to working with him in the years to come. We were also pleased to approve Farah Buckley's appointment as a member and Chair of the Audit and Risk Committee with effect from 1 September 2025, succeeding Lynn Fordham who stepped down from the board at the end of August. The board has appointed Will Wyatt as my successor as company Chair following my retirement at the company's forthcoming annual general meeting, as set out in more detail on page 68.

As the end of my tenure as company Chair approaches, I would like to thank my fellow board members, the management team and all of our colleagues, past and present. It has been a privilege to lead the company and serve shareholders over the past 11 years.

David Stewart  
Chair

## Board of directors

Our board of directors is responsible for guiding Caledonia's long-term success.

### COMMITTEE MEMBERSHIP KEY

**A** Audit and Risk

**G** Governance

**N** Nomination

**R** Remuneration

**●** Committee chair



David Stewart  
Chair

**Date of appointment:** 17 March 2015

**Tenure:** 11 years 2 months. Appointed to the board of directors on 17 March 2015 and as Chair on 20 July 2017

**External appointments:**

- Chairman and co-founder of IMM Associates
- Non-executive director of Longview Partners

**Skills and experiences:**

- Extensive experience of international business and asset management in the UK, Asia and emerging markets
- Effective leadership of Caledonia's board
- Provides valuable insight and advice in relation to the company's global portfolio

**N R**



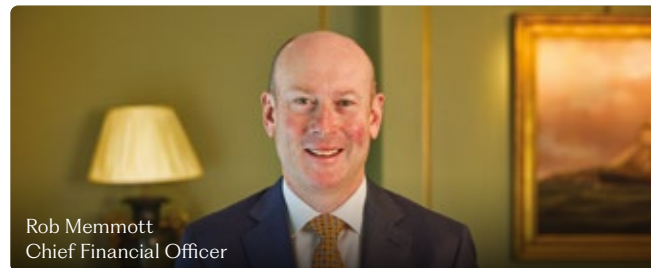
Mat Masters  
Chief Executive Officer

**Date of appointment:** 1 April 2022

**Tenure:** 4 years 1 month. Appointed to the board of directors and as Chief Executive Officer Designate on 1 April 2022, becoming Chief Executive Officer on 27 July 2022

**Skills and experiences:**

- Qualified accountant
- Specialised in corporate finance before joining Caledonia, helping small and mid-sized companies access private equity finance
- Investment expertise, senior management, international business experience and leadership skills to enable him to execute the board's strategy



Rob Memmott  
Chief Financial Officer

**Date of appointment:** 1 September 2023

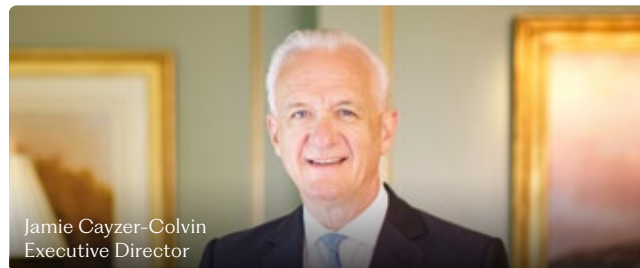
**Tenure:** 2 years 8 months

**External appointments:**

- Treasurer and Pro Chancellor of the University of Sheffield

**Skills and experiences:**

- Qualified chartered accountant
- Significant listed company experience, having previously served as CFO of Arrow Global Group, which included its successful IPO, and John Laing Group, before its take private transaction with KKR
- Extensive commercial and financial experience, with over 20 years' experience in senior financial leadership roles



Jamie Cayzer-Colvin  
Executive Director

**Date of appointment:** 4 April 2005

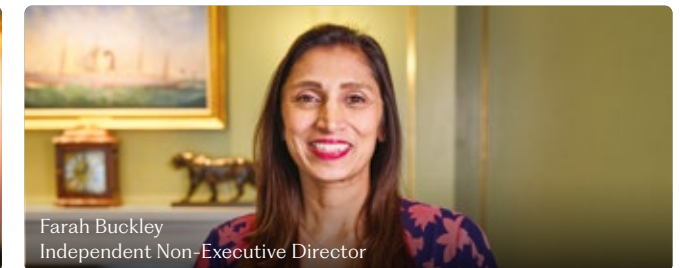
**Tenure:** 21 years 1 month

**External appointments:**

- Member of the advisory committees of a number of Caledonia's fund investments
- Chair of The Caledonia Investments Charitable Foundation and the RHS Pension Scheme
- Director of The Cayzer Trust Company

**Skills and experiences:**

- Previously served as Chairman of The Henderson Smaller Companies Investment Trust and as a non-executive director of Polar Capital Holdings, Polar Capital Funds, Close Brothers and Rathbones
- Senior management experience and investment expertise
- Specifically contributes to the long-term sustainable success of the company through his leadership of Caledonia's funds investment strategy



Farah Buckley  
Independent Non-Executive Director

**Date of appointment:** 28 March 2023

**Tenure:** 3 years 1 month

**External appointments:**

- Non-executive director and Chair of the Audit Committee at Aurora Investment Trust and Leeds Building Society
- Non-executive director of Apollo Syndicate Management Limited

**Skills and experiences:**

- Qualified chartered accountant
- Over 20 years in financial services across audit, mergers and acquisitions and private equity, including working on transactions within the retail, consumer and leisure sectors at boutique corporate finance house McQueen
- Brings extensive innovation and strategy experience to the board, with a particular focus on technology and environmental, social and governance matters

**A G N R**

Board of directors *continued*

**Date of appointment:** 18 July 1985

**Tenure:** 40 years 10 months

**External appointments:**

- Chairman of The Cayzer Trust Company and Bedford Estates

**Skills and experiences:**

- Experience of merchant banking, commercial banking and corporate and project finance with Baring Brothers, Cayzer Irvine and Cayzer Ltd
- Responsible for a large number of investment acquisitions and disposals as an executive director of Caledonia
- Extensive knowledge of the commercial property sector and broad commercial management experience, which enable him to provide insight and constructive challenge across the breadth of Caledonia's investment activities

N



**Date of appointment:** 1 January 2018

**Tenure:** 8 years 4 months

**External appointments:**

- Trustee of the Sussex Community Foundation

**Skills and experiences:**

- Qualified accountant
- Founding partner of Cinven, central to the development and expansion of the business. During his 29 years, he represented the firm as Chairman or non-executive director at some 25 of its portfolio companies
- 30 years' knowledge and experience of private equity investing, both in the UK and Europe, which is of particular benefit to the board and Caledonia's Private Capital team in evaluating new unquoted investment opportunities and managing its existing unquoted portfolio

A G N



**Date of appointment:** 28 March 2022

**Tenure:** 4 years 1 month

**External appointments:**

- Trustee of Pershing Square USA

**Skills and experiences:**

- Former director of Electra Partners and Providence Equity Partners and former non-executive chair of Pershing Square Holdings
- Worked with both established and early-stage companies during her private equity and investment career across a range of different sectors and jurisdictions
- Extensive private equity and investment experience in Europe, North America and Asia, enabling her to provide constructive challenge across a broad range of the company's investments

A G N R



**Date of appointment:** 22 July 2019

**Tenure:** 6 years 9 months

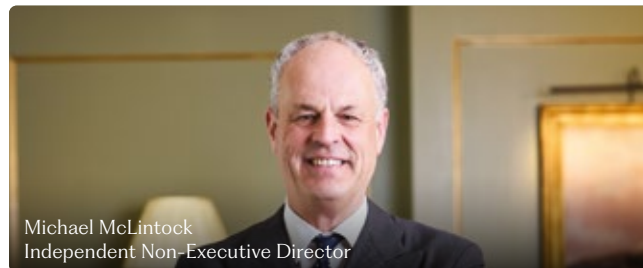
**External appointments:**

- Non-executive director of Schroders
- Involved in a number of charitable trusts and foundations, including as a director of the Schroder Charity Trust and as a trustee of the Schroder Foundation

**Skills and experiences:**

- Former executive director of Gauntlet Insurance Services before becoming non-executive in 2004 until 2019
- Broad experience in both the financial services and charitable sectors, as well as a deep experience of public and private businesses with significant family shareholdings

G N R



**Date of appointment:** 16 February 2026

**Tenure:** 2 months

**External appointments:**

- Chairman of Associated British Foods, Grosvenor Group and The Investor Forum
- Chairman of the Investment Committee at St John's College, Oxford University
- Member of the Takeover Panel Appeal Board and the Advisory Board of Bestport Private Equity

**Skills and experiences:**

- Extensive investment management and listed company knowledge
- Former Chief Executive of M&G and executive director of Prudential and former non-executive director of Close Brothers Group
- Previously held roles in investment management at Morgan Grenfell and in corporate finance at Morgan Grenfell and Barings

G N



**Date of appointment:** 4 April 2005

**Tenure:** 21 years 1 month

**External appointments:**

- Non-executive director of Cobehold and The Jockey Club
- Chairman of the Rank Foundation and Real Estate Investors
- Director of The Cayzer Trust Company

**Skills and experiences:**

- Joined the Caledonia group in 1997 from Close Brothers Corporate Finance, working at Sterling Industries before transferring to Caledonia's head office in 1999 as an investment executive
- Appointed a director of Caledonia in 2005, serving as Chief Executive from 2010 until becoming a non-executive director in 2022, and held board positions at Caledonia listed and private investee companies
- Corporate finance and investment expertise, broad senior management experience and team leadership skills, which benefit the successful delivery of the board's strategy

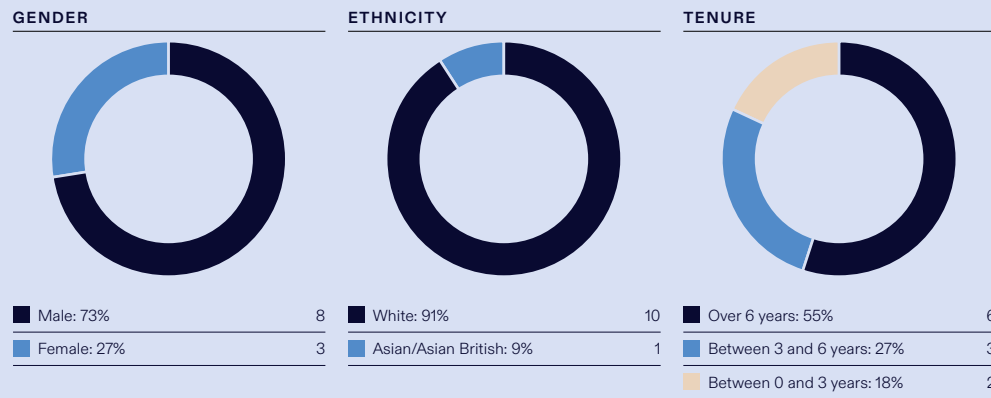
N

## Corporate governance report

### At a glance

Caledonia recognises the value of good corporate governance to deliver long-term sustainable success.

#### Board composition<sup>1</sup>



1. At 31 March 2026.

#### Membership and attendance

The board held six scheduled meetings during the year, together with one additional meeting convened at short notice.

Each committee holds meetings at regular intervals throughout the year with additional meetings convened at the committees' discretion.

Director	Meetings attended/eligible to attend				
	Board	Audit and Risk	Governance	Nomination	Remuneration
D C Stewart	7/7	-	-	3/3	4/4
M S D Masters	7/7	-	-	-	-
R W Memmott	7/7	-	-	-	-
J M B Cayzer-Colvin <sup>1</sup>	6/7	-	-	-	-
F A Buckley <sup>2</sup>	6/7	3/3	3/3	3/3	4/4
Hon C W Cayzer <sup>3</sup>	5/7	-	-	1/3	-
G B Davison <sup>4</sup>	6/7	4/4	3/3	3/3	-
M A Farlow	7/7	4/4	3/3	3/3	4/4
C L Fitzalan Howard	7/7	-	3/3	3/3	4/4
L Fordham <sup>5</sup>	3/3	1/1	1/1	2/2	-
M McLintock <sup>6</sup>	1/1	-	-	-	-
W P Wyatt <sup>7</sup>	7/7	-	-	2/3	-

- Mr Cayzer-Colvin was unable to attend one board meeting due to a prior commitment.
- Ms Buckley was unable to attend one board meeting, which was called at short notice, due to pre-existing commitments.
- The Hon C W Cayzer was unable to attend two board meetings and two Nomination Committee meetings due to ill health.

- Mr Davison was unable to attend one board meeting due to a prior commitment.
- Ms Fordham resigned as a director on 31 August 2025.
- Mr McLintock was appointed as a director on 16 February 2026.
- Mr Wyatt recused himself from one entire Nomination Committee meeting due to a potential conflict of interest.

The table below highlights where key content can be located elsewhere in this annual report to enable shareholders to evaluate how the company has applied the principles set out in the UK Corporate Governance Code.

#### UK Corporate Governance Code

##### Board leadership and company purpose

Chair's statement	10
Chief Executive Officer's review	12
Stakeholder engagement	18
Our group strategy & KPIs	22
Sustainability	42
Key stakeholders	69

##### Division of responsibilities

The board	67
Board committees	68
Membership and attendance	66

##### Composition, succession and evaluation

Board of directors	64
Board composition	68
Board performance evaluation	68
Nomination Committee report	71
Board and committee diversity policy	71

##### Audit, risk and internal control

Audit and Risk Committee report	73
Responsibility statements	104
Risk management	56
Going concern and viability	61
Internal control systems	76

##### Remuneration

Annual statement by the Chair of the Remuneration Committee	79
Remuneration policy	82
Annual report on directors' remuneration	89

## Corporate governance report *continued*

### Governance framework

#### THE BOARD

The board as a whole is collectively responsible for the success of the company and for supervising its affairs. It sets the company's strategy, ensures that the necessary financial and human resources are in place to enable the company to meet its objectives and reviews management performance. It also defines the company's purpose and culture, and sets the company's values and standards to ensure that its obligations to its shareholders and other stakeholders are understood and met. It aims to provide leadership of the company within a framework of prudent and effective controls, which enables risk to be assessed and appropriately managed.

##### CHAIR

The Chair is primarily responsible for the leadership of the board to ensure that it carries out its role effectively and for succession planning.

##### CHIEF EXECUTIVE OFFICER

The Chief Executive Officer is responsible for the implementation of the board's strategy, policies and the management of the company's activities, other than those matters specifically reserved for the board.

##### SENIOR INDEPENDENT DIRECTOR

The Senior Independent Director is responsible for providing a sounding board for the Chair and, if necessary, to serve as an intermediary for the other directors and shareholders.

#### BOARD COMMITTEES

##### NOMINATION COMMITTEE

Find out more  
➔ PAGE 71

##### AUDIT AND RISK COMMITTEE

Find out more  
➔ PAGE 73

##### GOVERNANCE COMMITTEE

Find out more  
➔ PAGE 78

##### REMUNERATION COMMITTEE

Find out more  
➔ PAGE 79

##### DISCLOSURE AND DELEGATION COMMITTEE

Deals with routine administrative matters or matters for which board approval has already been given in principle. It also considers potential disclosure matters as required.

#### MANAGEMENT COMMITTEES

##### INVESTMENT COMMITTEE

Considers and formally approves new investments and proposed realisations. Other matters considered include the day to day management of the company's business where not delegated elsewhere.

##### VALUATION COMMITTEE

Formally reviews valuations of all of the company's investments at each half-year and full-year end. Meetings are observed by representatives from the external auditor.

##### PRIVATE CAPITAL INVESTMENT COMMITTEE

Reviews the management of investments held within the Private Capital pool and considers potential Private Capital transactions.

##### INVESTMENT MANAGEMENT COMMITTEE

Considers matters relating to the company's investment portfolio.

##### OPERATIONAL RISK COMMITTEE

Considers the company's overall risk strategy, reviews internal control systems, and develops and implements the procedures for detecting fraud and preventing bribery.

##### RESPONSIBLE INVESTMENT / CORPORATE WORKING GROUP

Advises and assists in the development and implementation of Caledonia's approach to sustainability matters, including climate-related issues.

##### IT/AI WORKING GROUP

Cross-functional working group established to review, advise and assist in the development and implementation of IT and AI policy and new technology.

#### INVESTMENT TEAM

### The board

#### Overall responsibility and operation

As part of the company's governance framework, which is summarised here, the board has adopted a formal schedule that sets out those matters which it specifically reserves for its own decision and those which are delegated to board committees and to executive management. Matters reserved for the board's own decision include the following:

- Responsibility for the company's strategy, values and culture
- Approval of the company's half-year results, full-year results and annual report
- Approval of the company's dividend policy and dividend distributions
- The appointment, re-appointment and removal of the external auditor
- The appointment and removal of directors of the company, as prescribed by the company's articles of association, and of certain other executives, including the Company Secretary
- The terms of reference of board committees and the membership thereof
- Directors' remuneration and terms of appointment
- Setting annual budgets
- The company's systems of risk management and internal control, including procedures for detection of fraud and prevention of bribery
- Responsibility for the company's arrangements to enable its employees to raise any matters of concern
- Treasury policies, banking counterparties and counterparty exposure limits
- Significant capital transactions
- Political donations

## Corporate governance report *continued*

The roles of the Chair, the Chief Executive Officer and the Senior Independent Director are separated and clearly defined in separate statements of responsibilities. These responsibilities are summarised in the governance framework on page 67.

The matters reserved for the board and the statements of responsibilities of the Chair, the Chief Executive Officer and the Senior Independent Director are reviewed by the board annually and published on the company's website.

### Appointment, induction and training

The company complies with the recommendation of the UK Corporate Governance Code ('Code') that all directors of FTSE 350 companies should be subject to annual re-election by shareholders.

On appointment, new directors are offered induction and training considered appropriate by the board, and subsequently as necessary. The annual performance evaluation of the board encompasses the identification of any individual training needs of board members so that, if necessary, these can be reviewed by the Chair with the directors concerned. The directors receive briefings at board meetings on regulatory and other issues relevant to the company and its business sector and, in addition, may attend external courses to assist in their professional development.

### Board composition

The board currently comprises 11 directors. Excluding the Chair, three of the directors are executive and seven are non-executive. The board considers all of the non-executive directors to be independent other than Will Wyatt and The Hon C W Cayzer who were executive directors prior to becoming non-executive directors and are also members of the Cayzer family concert party ('Cayzer Concert Party'). As explained in the statement of compliance on page 70, other than for the period from the resignation of Lynn Fordham as a non-executive director on 31 August 2025 until the appointment of Michael McLintock as a non-executive director on 16 February 2026, at least half of the board's members, excluding the Chair, were considered independent.

David Stewart was appointed to the board as an independent non-executive director in March 2015, before taking on the role of company Chair in July 2017. The board, on the recommendation of the Nomination Committee, which was chaired by Guy Davison, Caledonia's Senior Independent Director, extended David's tenure as Chair in May 2025 until no later than the company's 2026 annual general meeting. This followed an initial extension of one year to July 2025 and lengthened David's anticipated service on the board by a little over two years. Whilst this is beyond the nine years recommended in Provision 19 of the Code, his tenure as company Chair will not exceed nine years. As previously reported, the extensions were considered appropriate following a period of notable board development which included the appointment of three new non-executive directors and two executive directors in 2022 and 2023. In considering the extension of David's tenure for a further limited period, the Nomination Committee took into account the ongoing succession planning activity to identify a new Chair and the need to replace the skills and experience David brings to the board. Following a careful assessment, including feedback obtained as part of the board evaluation, the board concluded that David continues to be an independent and effective Chair.

The board has appointed Will Wyatt to succeed David as company Chair following his retirement at the forthcoming annual general meeting. Will, a former Chief Executive of the company and a member of the Cayzer Concert Party, was first appointed to the board in 2005 and will not be independent on appointment. The company will therefore not comply with Provisions 9 and 19 of the Code in future financial years.

The Nomination Committee process to identify David's successor as chair was led by Guy Davison, Senior Independent Director. The formal, rigorous and transparent process undertaken by the Nomination Committee and the discussions held by the Governance Committee ahead of the board's decision are summarised on pages 71 and 78 respectively.

Major shareholders were also consulted ahead of Will's appointment and expressed broad support.

The board unanimously supported the Nomination Committee's recommendation for Will's proposed appointment. Will has a proven track record as a long-term steward of Caledonia's capital having successfully led Caledonia as Chief Executive for over a decade until becoming a non-executive director in July 2022. Will, as a member of the Cayzer Concert Party and a director of The Cayzer Trust Company Limited ('Cayzer Trust'), the company's largest shareholder, is deeply committed to the company's long-term success.

The board and its committees, including the Governance Committee which consists entirely of independent non-executive directors, was particularly cognisant of Provision 9 of the Code which states that a chief executive should not go on to become chair of the same company but that if, exceptionally, it is proposed, major shareholders should be consulted ahead of appointment. In considering Will's candidature, the board recognised the time which had elapsed since he left his role as Chief Executive during which a new leadership team had been successfully established, the size and nature of Caledonia's business and the importance of the continuing support of the Cayzer family and other long-term shareholders.

### Board committees

As identified in the governance framework, summarised on page 67, the board has delegated certain specific areas of responsibility to the following standing committees: the Nomination Committee, the Audit and Risk Committee, the Governance Committee and the Remuneration Committee.

Further details of the work of each of these committees and their membership during the year are set out in their respective reports on pages 71 to 99.

The terms of reference of each committee are reviewed annually and are available on the company's website.

### Board performance evaluation

The board conducts an annual evaluation of its performance and that of its committees and, in accordance with good practice, engages an independent third-party facilitator to assist in this process every three years. For the year ended 31 March 2024, Board Level Partners was engaged to conduct an externally facilitated evaluation of the board, its committees and individual directors as reported in the 2024 annual report.

For the year ended 31 March 2026, the evaluation of the board as a whole and of its committees was undertaken internally, led by the Chair, and was conducted by inviting individual board members to complete anonymous questionnaires regarding the operation and effectiveness of the board and its committees. The analysis was collated by the Company Secretary and discussed by the Chair with each director separately.

The evaluation of the performance of the Chair was led by Guy Davison, the Senior Independent Director, and was discussed in a meeting of the non-executive directors. The performance of the executive directors was reviewed by the Chair and the non-executive directors.

The results of the 2026 evaluation process were considered by the board. The conclusion was that the board continued to function well in an atmosphere of open and constructive debate with a good breadth of skills, experience and viewpoints. The robust handling of recent governance and shareholding matters and thorough leadership transitions was particularly noted.

## Corporate governance report *continued*

Areas identified for development included:

- A review of board papers and adjustment of agendas to further facilitate focus and challenge
- Strengthening visibility and alignment on long-term succession planning
- Embedding the company's updated risk management framework
- Ongoing training and development, including visibility of external opportunities

### Key stakeholders, engagement and board decision-making

Details in respect of the company's key stakeholders, together with commentary on how the directors addressed the matters set out in section 172(1)(a) to (f) of the Companies Act 2006 (the 'Companies Act') as they made decisions during the year, are set out under Stakeholder engagement on pages 18 to 21.

### Shareholders

#### Annual general meeting

As noted in the Stakeholder engagement section, the company's annual general meeting remains an important part of Caledonia's shareholder communications programme. All resolutions proposed at the 2025 annual general meeting were passed.

The ninety-seventh annual general meeting of the company will be held at 6 Park Place, St. James's, London SW1A 1LR on Wednesday, 15 July 2026 at 11.00 am. This year, shareholders have been

invited to arrive at the venue from 10.30 am to meet the directors informally ahead of the meeting. The notice of the annual general meeting and details of all of the resolutions to be put to shareholders are set out in a separate circular published at the same time as this annual report.

#### Relations with controlling shareholders

As at 18 May 2026, being the latest practicable date prior to the publication of this annual report, the Cayzer Concert Party held 51.4% of Caledonia's voting rights.

## How the board spent its time in 2026

The board meets regularly to oversee the delivery of the company's strategic objectives to ensure it continues to promote the long-term sustainable success of the company.

Standing items presented to each meeting include reports from the Chief Executive Officer, the Chief Financial Officer and the Company Secretary.

Q1

Apr – Jun  
2025



- Approved the annual report and accounts and the recommendation of the final dividend for the year ended 31 March 2025
- Approved the implementation of the 10:1 share split and the re-profiling of the interim dividend
- Received an update on the performance and strategy of the Private Capital pool
- Reviewed the results of the biennial employee engagement survey and received a biannual report on employee engagement and staff related matters
- Considered the findings of the 2025 board evaluation
- Reviewed the company's compliance with HMRC's investment trust company requirements for the year ended 31 March 2025
- Approved the company's speaking up policy and the 2025 modern slavery statement ahead of publication

Q2

Jul – Sep  
2025



- Received updates on the performance and strategy of the Funds and Public Companies pools
- Approved adjustments to the company's discretionary share plans as a result of the share split
- Approved the sale of the company's minority interest in Stonehage Fleming
- Approved the company's fraud prevention policy
- Received training on artificial intelligence and its use, the Economic Crime and Corporate Transparency Act 2023 and a refresher on the UK Market Abuse Regulation and share dealing

Q3

Oct – Dec  
2025



- Received an update on the performance and strategy of the Private Capital pool
- Approved the half-year results and the interim dividend for the year ended 31 March 2026
- Approved the statements of responsibilities for the board, Chair, Chief Executive Officer and Senior Independent Director and the committee terms of reference
- Received a biannual report on colleague engagement and employee related matters

Q4

Jan – Mar  
2026



- Received updates on the performance and strategy of the Funds and Public Companies pools and an in-depth presentation on one of the Private Capital portfolio companies
- Approved the appointment of Michael McLintock as a non-executive director
- Reviewed the activities and governance of The Caledonia Investments Charitable Foundation
- Received an update on chair succession planning and related shareholder consultation
- Reviewed the capital allocation plan for the next five years and approved the budget for the year ending 31 March 2027
- Received updates on risk management and investor relations and communications
- Considered the findings of the 2026 board evaluation
- Reviewed the fees for non-executive directors

## Corporate governance report *continued*

Previously under the Financial Conduct Authority's Listing Rules, where a premium listed company had a controlling shareholder or shareholders (being a person or persons acting in concert who exercise or control 30% or more of the company's voting rights), the company was required to enter into a written and legally binding agreement which was intended to ensure that the controlling shareholder undertook to comply with certain independence provisions. This requirement was removed in July 2024. However, the company and Cayzer Trust agreed to enter into a revised relationship agreement on 26 November 2024. Under this new agreement, Cayzer Trust agreed to, and will use its reasonable endeavours to procure that other members of the Cayzer Concert Party will:

- Conduct all transactions and arrangements with the company and other group members at arm's length and on normal commercial terms
- Not undertake any action, including proposing a shareholders' resolution, that would have the effect of preventing the company complying with its obligations under the Listing Rules
- Maintain a list of the members of the Cayzer Concert Party from time to time and work with the company to provide information to support the company's assessment of its compliance with the requirements to maintain investment trust status
- If necessary, discuss in good faith with the company any actions that the company considers may be reasonably necessary to protect the company's investment trust tax status

The board confirms that, during the period under review and up to 18 May 2026, being the latest practicable date prior to the publication of this annual report, the company has the ability to carry on its business independently of the Cayzer Trust.

### Directors' conflicts of interest

Each director has a duty under the Companies Act to avoid a situation where they have, or could have, a direct or indirect interest which conflicts, or may possibly conflict, with the company's interests. The Companies Act, however, allows directors of public companies to authorise conflicts and potential conflicts where the articles of association contain a provision to this effect. The Companies Act also allows the articles to contain other provisions for dealing with directors' conflicts of interest to avoid a breach of duty.

There are safeguards in the company's articles of association which apply when the directors decide whether to authorise a conflict or potential conflict of interest. First, only independent directors, being those who have no interest in the matter being considered, are able to take the relevant decision and, second, in taking the decision, the directors must act in a way which they consider, in good faith, will be most likely to promote the success of the company. The directors are able to impose limits or conditions when giving authorisations if they think this is appropriate.

The board has adopted procedures to address the requirements of the Companies Act in relation to directors' conflicts of interest. Each new director on appointment is required to declare any potential conflict situations, which may relate to them or their connected persons. These are reviewed by the board and, if necessary, also by the Governance Committee, which then considers whether these situations should be authorised and, if so, whether any conditions to such authority should be attached.

Each board meeting includes a standing agenda item on conflicts of interest to ensure that all directors disclose any new potential conflict situations. These are then reviewed, again if necessary by the Governance Committee, and authorised by the board as appropriate. A register of directors' conflicts of interest is maintained by the Company Secretary and is reviewed annually by the Governance Committee.

### UK Corporate Governance Code compliance statement

The board considers that the company has complied with the Code published in January 2024 for the duration of the reporting period, other than Provision 11 for the period from 31 August 2025 until 16 February 2026 as explained below. In making this assessment, the board gave particular consideration to Provisions 9 and 19 of the Code with further details provided in Board composition on page 68.

Provision 11 of the Code expects that at least half of the board, excluding the Chair, are considered by the board to be independent. Following the resignation of Lynn Fordham as a non-executive director on 31 August 2025, the board comprised of 10 directors of whom four directors, excluding the Chair, were considered to be independent and five directors were not independent. To address the balance of independence, the Nomination Committee led the search for a new independent non-executive director, following which the board appointed Michael McLintock with effect from 16 February 2026. The company has therefore complied with Provision 11 of the Code from this date.

A copy of the Code is available on the website of the Financial Reporting Council at [frc.org.uk](https://www.frc.org.uk).

Pages 63 to 103 comprise the company's corporate governance statement.

The board and, where relevant, its committees have continued to make appropriate preparations ahead of the implementation of Provision 29 of the Code, which will apply to the company's financial year ending 31 March 2027.

The Corporate governance report was approved by the board on 18 May 2026 and signed on its behalf by:

**David Stewart**  
Chair of the board  
18 May 2026

## Nomination Committee report

The Nomination Committee focuses on evaluating the directors, considering the skills and attributes needed for the long term. It identifies suitable board candidates and assists with succession planning.

### Responsibilities

The Committee is responsible for:

- Regularly reviewing the structure, size and composition of the board, including its skills, knowledge, experience and diversity
- Considering succession planning for directors and, if requested by the board, other senior executives
- Identifying and recommending to the board candidates to fill board vacancies, using external search consultants where necessary. Keeping under review the leadership needs of the company, both executive and non-executive
- Reviewing the time commitment required from non-executive directors, ensuring they receive formal letters of appointment that set out clearly the company's expectations

### Diversity and inclusion

Caledonia's policy is to appoint candidates to roles based on merit and against objective criteria. The Committee seeks to ensure that the board and its committees have a diverse mix of skills, experience, perspectives, opinion and knowledge, which facilitates discussion and debate to enable the successful delivery of the company's strategy. It remains committed to increasing diversity and inclusion over time.

Whilst Caledonia has not adopted any measurable diversity and inclusion objectives to date, external search consultants are required to put forward diverse candidates for new positions. The Committee continued to focus on achieving the board composition targets set by the FTSE Women Leaders Review, the Parker Review and the Listing Rules during the year.

Detailed gender and ethnicity diversity analysis in respect of the board, including progress against the targets set out in the Listing Rules, and Caledonia more broadly, is provided on pages 54 and 55.

### Company Chair

I was appointed to the board as an independent non-executive director in March 2015 and have served as Chair since July 2017. The board, on the recommendation of the Committee, which was chaired by Guy Davison, Caledonia's Senior Independent Director, extended my tenure by a little over two years, comprising an initial extension of one year to July 2025 and a further extension until no later than this year's annual general meeting. Whilst this was beyond the nine years recommended in Provision 19 of the UK Corporate Governance Code (the 'Code'), my tenure as company Chair will not exceed nine years. As previously reported, these extensions were considered appropriate following a period of notable board development.



“ The Committee seeks to ensure that the board and its committees have a diverse mix of skills, experience, perspectives, opinion and knowledge, to enable the successful delivery of the company's strategy. ”

David Stewart  
Chair of the Nomination Committee

As we look beyond my tenure as the Company's non-executive Chair, Will Wyatt has been selected as my successor. Will has a proven track record as a long-term steward of Caledonia's capital having successfully led Caledonia as Chief Executive for over a decade until becoming a non-executive director in July 2022.

The appointment process was led by the Committee which was chaired by Guy and supported by the external search firm Odgers. A formal, rigorous and transparent selection process supported by Odgers identified potential candidates which included Will. With Odgers' assistance, the Committee calibrated and evaluated Will's capability and suitability for the role and subsequently recommended his appointment to the board.

The process also included a consultation with major shareholders led by Guy who were also provided with opportunity to meet with Will. Those consulted expressed broad support for Will's appointment.

### External consultants

As explained above, Odgers was engaged during the year to assist with the search for a new Chair.

In addition, the Committee engaged Longwater Partners in connection with the search which led to the appointment of Michael McLintock as an independent non-executive director. Michael brings extensive investment management and listed company knowledge and experience to the board and has also joined the Governance and Nomination Committees.

There are no other connections between Odgers and/or Longwater Partners and the company or its directors.



Terms of reference

→ SCAN QR CODE

## Nomination Committee report *continued*

### Work of the Nomination Committee

The Committee met on three occasions during the year. Areas of focus included:

- Reviewing the tenure, independence, balance of executive, non-executive and independent non-executive directors and the gender balance of the board, particularly against targets including those set by the FTSE Women Leaders Review, the Parker Review and the Listing Rules, together with the expectations set out in the Code
- Consideration of a detailed skills, experience and diversity matrix, which sought to identify future recruitment priorities based on identified gaps, industry and stakeholder expectations and good practice
- An assessment of the contributions and effectiveness of the non-executive directors seeking re-election at the 2025 annual general meeting, prior to giving recommendations to the board and shareholders for their re-election
- Recommending amendments to the composition of the board and committee membership following Lynn Fordham's resignation which resulted in Farah Buckley's appointment as a member and subsequently Chair of the Audit and Risk Committee
- Leading the search which led to the appointment of Michael McLintock as a non-executive director and a member of the Governance and Nomination Committees
- Deliberating the potential governance matters emerging from succession planning for the company's Chair
- The renewal of the letters of appointment for those non-executive directors whose terms were expiring, extending their terms of office to 2028

### Committee evaluation

The activities of the Committee were considered as part of an internal effectiveness review which is summarised on pages 68 and 69. The board found that the Committee functioned well, with the appropriate balance of membership, skills and experience.

#### David Stewart

Chair of the Nomination Committee  
18 May 2026



## Audit and Risk Committee report

The Audit and Risk Committee plays a significant role in ensuring that the company's financial statements are properly prepared and the system of controls that is in place is effective and appropriate to manage and mitigate risk.

### Responsibilities

The Committee is responsible for:

- Monitoring the integrity of the company's financial statements and reviewing any significant financial reporting judgements, together with associated company announcements
- Considering Caledonia's approach to risk, including strategy, risk appetite and the identification of principal and emerging risks, together with the monitoring, management and mitigation of such risks
- Reviewing the company's system of internal controls
- Overseeing the relationship with the external auditor
- Considering annually whether an internal audit function is required

### Dear Shareholder,

I am pleased to present the Audit and Risk Committee's report for the first time following my appointment as Chair of the Committee on 1 September 2025.

The Committee comprised exclusively of independent non-executive directors with significant financial and sector experience throughout the year. I was appointed an additional member of the Committee on 1 August 2025 and Lynn Fordham stepped down on her resignation from the board on 31 August 2025. The Committee met four times in the year ended 31 March 2026, in May and November 2025 and in January and March 2026. Since the year end, the Committee met again in May 2026 to consider matters relating to the 2026 annual report and financial statements.

The Chief Executive Officer, the Chief Financial Officer, the Company Secretary, the Head of Risk and members of Caledonia's finance team attended all meetings, together with the company's external auditor, BDO LLP ('BDO'). From time to time, other board members and/or senior executives are invited to join all or part of a meeting. The Committee also held separate discussions with BDO's audit partner without management participation where appropriate.

The areas of focus for the Committee during the year included:

- The valuation of unlisted assets
- The company's financial reporting, together with BDO's audit findings and viability and going concern reviews
- The continued development of Caledonia's risk management framework and work to support the changes to audit, risk and internal control set out in the 2024 edition of the UK Corporate Governance Code (the 'Code')
- The company's key risks and controls assurance reports
- IT and cyber security related risks



“ The Committee's responsibilities include monitoring the integrity of financial reporting, reviewing risk management and internal controls and overseeing the relationship with the external auditor. ”

Farah Buckley  
Chair of the Audit and Risk Committee

In the year ahead, amongst the usual areas of focus, the Committee will continue to review progress towards meeting the requirements of the Code in relation to risk and internal control. It is intended that a declaration of the effectiveness of Caledonia's material controls will be made in the 2027 annual report, as set out in the Code. Work to support this declaration is well progressed, continuing the development of the risk management framework.

I would like to express my thanks to my colleagues on the Committee for their diligence over the past year. We will once again be available at this year's annual general meeting to answer any questions on the work of the Committee.

### Farah Buckley

Chair of the Audit and Risk Committee  
18 May 2026



Terms of reference

→ SCAN QR CODE

## Audit and Risk Committee report *continued*

### Work of the Committee

The Committee undertook the following activities during the year<sup>1</sup>:

Area of responsibility	Activity	Meetings considered at			
		May	Nov	Jan	Mar
Reporting	Reviewed draft results and annual report for the financial year ended 31 March 2025, including key accounting judgements, going concern and viability, and considered whether the report was fair, balanced and understandable	☑			
	Reviewed draft half-year results and reporting for the six months ended 30 September 2025, including key accounting judgements, going concern and viability		☑		
	Reviewed accounting standard amendments, together with likely impact (if any)	☑			☑
	Reviewed TCFD reporting for the year ended 31 March 2025	☑			
	Reviewed approach to TCFD reporting for the year ended 31 March 2026				☑
	Noted correspondence from the Financial Reporting Council ('FRC') following its review of the annual report for the year ended 31 March 2025				☑
Valuations	Considered valuations of unlisted investments as at 31 March 2025 and 30 September 2025, including assessments undertaken by the Valuation Committee	☑	☑		
	Considered approach to valuation of unlisted investments in the Funds pool			☑	
	Approved an updated policy for the valuation of unlisted investments				☑
Risk and internal controls	Reviewed the company's investment and operational risk dashboards	☑	☑		☑
	Reviewed the company's emerging risks	☑			
	Considered the company's investment risk report	☑	☑		
	Received a comprehensive update on cyber security and information technology matters				☑
	Considered principal risks, risk appetite and continued developments to risk management framework	☑	☑		
	Considered control environment reporting for companies within the Private Capital pool	☑	☑		
	Considered controls assurance reports for supplier risk management, fraud, business continuity planning, investment trust compliance, data protection, financial management, analysis and reporting processes and IT/cyber security		☑		☑
Considered approach to the identification of and assurance over material controls	☑	☑		☑	
External audit	Reviewed BDO's external audit report on the draft results and annual report for the financial year ended 31 March 2025, together with the management representation letter	☑			
	Considered BDO's review of the results for the six months ended 30 September 2025		☑		
	Approved BDO's fee proposals for the year ended 31 March 2026 and engagement letters		☑		
	Reviewed BDO's external audit plan and strategy				☑
	Considered the latest FRC's Audit Quality Inspection and Supervision Report in respect of BDO, together with the FRC's overview of the audit quality of the largest audit firms, and BDO's response to the FRC's findings		☑		
	Received an update on rotation of BDO's lead audit partner		☑	☑	
Internal audit	Considered the need for an internal audit function	☑			
Governance	Reviewed the Committee's terms of reference		☑		
	Reviewed and approved the policy for the provision of non-audit services by the independent auditor				☑
	Reviewed and approved the policy for external audit services procured by investee companies				☑
Other matters	Considered ongoing investment trust status compliance	☑			
	Considered the new 'failure to prevent' fraud offence introduced by the Economic Crime and Corporate Transparency Act 2023 and reviewed the work undertaken ahead of its implementation	☑			

1. Since March, the Committee considered matters regarding the year ended 31 March 2026, which included:

- Considering valuations of unlisted investments, including assessments undertaken by the Valuation Committee
- Reviewing the results and annual report, accounting judgements, going concern and viability and consideration of whether the annual report was fair, balanced and understandable
- Reviewing BDO's external audit report on the results and annual report for the financial year ended 31 March 2026
- Approval of this report

## Audit and Risk Committee report *continued*

### Significant matters considered in respect of the year ended 31 March 2026

Topic	Description of the matter	Committee considerations
<b>Financial statements</b>	<p>The Committee reviewed the form and content of the 2026 annual report and financial statements, including TCFD reporting. In conducting its review, the Committee considered reports prepared by management and the external auditor. Management's reports provided an analytical review of the financial statements, comparing the current to prior year financial position and results, and detailed the judgements and sources of estimation uncertainty involved in applying the accounting policies to the financial statements. The Committee also noted that there were no new accounting standards applicable for the year. In addition, the Committee reviewed reports prepared by management to support the going concern and viability statements and, as requested by the board, compliance with the annual report's 'fair, balanced and understandable' provisions of the Code.</p> <p>The Committee recommended approval of the 2026 annual report and financial statements to the board.</p>	<p>The significant issue the Committee considered in relation to the 2026 financial statements was the valuation of unlisted investments as described below.</p>
<b>Valuations of unlisted investments</b>	<p>The Committee recognises that unlisted investments in the Private Capital and Funds pools are a significant component of the company's assets and that their valuation is subject to considerable judgement and uncertainty.</p> <p>The Chair of the Committee also chairs meetings of the Valuation Committee, which scrutinises the valuation of unlisted investments, adherence to the company's valuation policy and consistency of valuation methodologies over time. Reporting is provided to the Committee on the assessments undertaken, including the quality of review and challenge.</p>	<p>The Committee, supported by the work of the Valuation Committee, remains cognisant that Funds pool valuations are based on the latest NAVs provided by the underlying managers, the majority based on 31 December 2025 valuations, adjusted for cash movements (distributions and drawdowns). The Committee approved a revised valuation policy during the year to reflect the continued enhancement to processes in connection with Funds pool valuations.</p> <p>The Committee considered market movements since the last NAVs were provided, including those which occurred after the year end, and updates received from the underlying managers. The Committee took comfort from management having considered all available sources of information and performed its own analysis, with the conclusion that market index movements prior to Caledonia's year end did not, in isolation, provide a compelling reason to adjust manager NAVs.</p> <p>The key inputs into the valuation of Private Capital businesses were considered, including the broad range of factors impacting market multiples utilised in the valuation process.</p> <p>BDO's audit partner attends Valuation Committee meetings, with other members of the Audit and Risk Committee invited to participate.</p>
<b>Going concern and viability</b>	<p>The directors are required to make a statement in the annual report as to going concern and Caledonia's longer-term viability. The Committee provides advice to the board on the form and content of this statement, including the underlying assumptions. The Committee evaluated a report from management setting out its view of Caledonia's longer-term viability and the content of the proposed going concern and viability statements. This report was based on the group's base case of forecast liquidity over three years to May 2029, developed from the corporate financial plan. In making this assessment, the directors took comfort from the results of two stress tests over the five-year period to 31 March 2031 that considered the potential impact of significant market downturn conditions.</p> <p>The first stress test addressed two discrete scenarios: a 5% reduction in the value of Sterling versus the US dollar compared to the rate on 31 March 2026 and a 12-month delay to Private Capital pool realisations.</p> <p>The second stress test modelled a market downturn event over a two-year period reflecting: a fall in investment income from the Public Companies and Private Capital pools of 20% and 100% respectively, an inability to realise the Private Capital portfolio and a 50% reduction in distributions from the Funds pool. To simulate an extreme downside scenario, the impact of a market downturn event and all fund commitments falling due was also assessed.</p> <p>A three-year period was chosen given the group's long-term investment objective, the resilience demonstrated by the stress testing and the relatively low working capital requirements of the group.</p>	<p>Taking into account the assessment of the group's stress testing results, the Committee agreed to recommend the going concern and viability statements and three-year viability period to the board for approval.</p> <p>The outcome of this activity led the Committee to recommend to the board to make the statement on page 61.</p>

## Audit and Risk Committee report *continued*

### Financial reporting

#### Fair, balanced and understandable statement

The Committee reviewed the draft annual report and, taken as a whole, considered it to be fair, balanced and understandable.

To assist in reaching this view, the Committee considered a report prepared by management highlighting the positive and negative statements it included to ensure that they fairly reflected the results for the year. The Committee recommended to the board that the statement of directors' responsibilities in respect of the annual report and the financial statements, set out on page 104, should be signed accordingly.

#### FRC review of annual report

The Committee considered correspondence received from the FRC following its review of the company's annual report for the year ended 31 March 2025 in accordance with Part 2 of the FRC Corporate Reporting Review Operating Procedures. The correspondence confirmed that, based on the review, there were no questions or queries that the FRC wished to raise.

The Committee noted that the FRC's review was based solely on the annual report and did not benefit from detailed knowledge of Caledonia's business or an understanding of the underlying transactions entered into, although it was conducted by staff of the FRC who have an understanding of the relevant legal and accounting framework. Moreover, the correspondence did not provide assurance that the annual report was correct in all material respects, as the FRC's role is not to verify the information provided to it but to consider compliance with reporting requirements, and was written on the basis that the FRC (which includes its officers, employees and agents) accepts no liability for reliance on it by the company or any third party, including but not limited to investors and shareholders.

### Assurance

The Committee obtains a range of assurance to provide comfort that the company's controls are providing adequate protection from risk. These include controls assurance reports from management. The Committee also receives input from the external auditor when evaluating the effectiveness of internal controls. Use is also made of external support to provide additional assurance in certain areas of the company's operations. For example, a third party was appointed to carry out a review of IT and security controls and presented its findings to the Committee in March 2026. The review was performed in line with the National Institute of Standards and Technology ('NIST') Cybersecurity Framework ('CSF') 2 to assess Caledonia's ability to prevent, detect and respond to cyber attacks and also to identify areas for improvement. It was concluded that the IT and security control environment is adequately designed and is commensurate with the size and nature of Caledonia's business operations.

### Risk management and internal controls

The board of directors is responsible for the company's system of internal controls and for reviewing its effectiveness. The system is designed to manage, rather than eliminate, the risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

The Committee reviewed the investment and operational risk dashboards prepared by management, identifying the principal business risks impacting the company, together with the mitigating controls in operation and actions identified for continuous improvement. The Committee also completed a review of the key risks, overall risk profile and emerging risks beyond the usual business cycle.

The Committee considered the work undertaken to identify material controls and approved a programme of assurance activities, including deep dive risk assessments for material controls, designed to monitor the effectiveness of the company's internal control environment and resolve identified weaknesses. The continued development of the risk management framework was assessed in light of the requirements of the Code in relation to risk and internal control and the need to support the board's declaration of the effectiveness of the company's material controls in the 2027 annual report.

The Committee monitored the progress of the assurance programme over the course of the year. It reviewed controls assurance reports on supplier risk management, fraud, business continuity planning, investment trust compliance, data protection, financial management, analysis and reporting processes, in addition to the third-party review of IT/cyber security noted above. The approach to governance and the control environment of investee companies within the Private Capital pool was also subject to review. Ongoing compliance with requirements for investment trust status was also considered.

A comprehensive update on cyber security and information technology matters was once again provided to the Committee. This included:

- A summary of employee training and regular phishing simulations
- An update on the findings of a penetration testing exercise and the minor remediations implemented as a result
- An overview of the technical controls environment
- Technology improvements made during the year and the planned roadmap for further developments during the next 12 months and beyond
- An update on cyber resilience and disaster recovery preparedness

### Internal audit

As the company does not have an internal audit function, the Committee considers annually whether there is a need for one. The company is an investment trust and manages its non-consolidated subsidiaries as other private company investments, with each business operating its own risk management processes. The company closely monitors its control environment and those of its private company investments. Specialist external resources are also used when appropriate, for example in testing key cyber security controls. The Committee recommended to the board that an internal audit function was not required at the present time.

### External auditor

External auditor	BDO LLP
Appointed	July 2021
Re-appointment	To be proposed at the 2026 annual general meeting
Current lead partner	Peter Smith
Current lead partner appointed	July 2021
Future lead partner	Justin Chait
Future lead partner to be appointed	July 2026
Next mandatory audit tender/lead partner rotation	Following the conclusion of the audit for the year ending 31 March 2031

## Audit and Risk Committee report *continued*

### Audit effectiveness

Audit quality is reviewed continuously throughout the year by both the Chief Financial Officer and the Committee. The focus is centred on the following:

- The quality and seniority of the external auditor's staff and continuity of the engagement team
- The use of specialist staff in areas including the valuation of unlisted assets and pensions
- The appropriateness of the planned audit methodology as applied to Caledonia's business activity
- The level of challenge on key areas of judgement and professional scepticism displayed, together with the quality of reporting to the Committee
- The quality of delivery, including achieving key audit project milestones and reporting to the Committee

The following series of indicators have been established to assess BDO's audit quality:

- FRC quality inspection results, when available
- The percentage of hours of continuity across the engagement team
- Partner and manager hours, including independent partner reviews, as a percentage of the total hours on the engagement
- Hours of specialist time
- Percentage of hours spent ahead of year end compared to those planned
- Percentage of key milestones achieved

Other than FRC quality inspection results, these indicators have not raised any concerns with regards to audit effectiveness.

During the year, the Committee considered the FRC's Audit Quality Inspection and Supervision Report of BDO, published in July 2025, and sought assurance from the audit partner regarding BDO's response to the FRC's findings. In particular, the Committee noted BDO's continued investment in enhancing audit quality. The Committee enquired about the potential impact on recruitment and staff morale from the FRC's findings. Regular updates on the progress of BDO's response have been sought by the Committee.

The Committee considered the following situations where the auditors had challenged management's assumptions, including:

- The valuation of unquoted investments, specifically the valuation of Private Capital and Fund investments and the risk posed by stale pricing, including the key judgements and risk of management override of controls
- The assumptions and judgements made with regards to stress-testing the cash flow forecast used in the going concern assessment

### Independence, objectivity and non-audit work

To safeguard the auditor's independence and objectivity, the Committee maintains a schedule of specific non-audit activities which may not be undertaken by the external auditor, within the broad principles that the external auditor should not audit its own work, should not make management decisions on behalf of the company, should not be put into the role of advocate for the company and that no mutuality of interest should be created between the company and the external auditor. A rigorous review of non-audit services carried out by BDO is undertaken by the Committee, supporting the auditor's own internal assessment of independence controls.

The Committee has in place a policy for the provision of non-audit services, meeting the requirements of the FRC's Revised Ethical Standard 2024, which was last reviewed in March 2026. Certain non-audit services are prohibited. Permitted services are subject to approval by the Chief Financial Officer and the Committee. Total fees payable for non-audit work carried out by the company's auditor are subject to limits.

The lead audit partner is required to rotate every five years and other key partners involved in the engagement every seven years. The current lead audit partner will therefore be replaced following the conclusion of the audit for the year ending 31 March 2026. The future lead audit partner will commence his role with the independent review of the company's half-year report for the six months ending 30 September 2026. Introductory meetings were held with the Chief Financial Officer and the Chair of the Audit and Risk Committee and external references were reviewed prior to the appointment of Justin Chait, which was discussed with the Committee. No contractual obligations restrict the Committee's choice of external auditor.

For the financial year ended 31 March 2026, the total fees for non-audit services were £120,000, 22% of the total audit fees (2025: £114,900, 25%). For 2026, non-audit fees represented 16% of the average audit fees paid in the previous three financial years and were solely related to BDO's independent review of the company's half-year report. For 2026, the non-audit fees were related to BDO's independent review of the company's half-year report. These services were closely related to the work performance by BDO during the audit or required by law or regulation. Analysis is provided in note 2 to the financial statements on page 121.

The Committee concluded that BDO remains independent and objective, and that the level of non-audit to audit fees remains acceptable.

### Key audit matters raised by the external auditor

The following key audit matters were raised by the external auditor:

- Valuation of unquoted Private Capital investments
- Valuation of Fund investments

### Areas reviewed by the external auditor at the Committee's request

The Committee did not request any specific areas for review by BDO beyond the normal cycle of audit activity.

### Private meetings

During the year, the Chair of the Committee met separately and privately with the Chief Financial Officer and BDO. The Committee also met BDO without management present.

### Committee evaluation

The activities of the Committee were considered as part of an internal board effectiveness review which is summarised on pages 68 and 69.

The board concluded that the Committee continued to function well, with the appropriate balance of membership, skills and experience.

### Statement of compliance

This report has been prepared in compliance with the Competition and Markets Authority 2014 Order on statutory audit services for large companies.

### Farah Buckley

Chair of the Audit and Risk Committee  
18 May 2026

## Governance Committee report

The Governance Committee monitors and reviews the ability of each director to act in the interests of shareholders as a whole and to exercise independence of judgement.

### Responsibilities

The Committee is responsible for:

- Keeping under review corporate governance matters relating to the company
- Monitoring and reviewing the company's compliance with the Listing Rules relating to companies with controlling shareholders
- Considering the ability of each director to act in the interests of shareholders as a whole and to exercise independence of judgement free from relationships or circumstances that are likely to, or could appear to, affect their judgement
- Reviewing actual or potential conflict situations relating to directors, which may require the prior authorisation of the board under the Companies Act 2006, and making recommendations to the board as to whether such situations should be authorised and, if so, whether any conditions, such as duration or scope, should be attached
- An annual review of all actual or potential conflict situations previously authorised by the board to ensure they remain appropriate
- Making recommendations to the board in circumstances where it believes that a director may be subject to a conflict of interest that may prejudice their ability to exercise independence of judgement, including that the director abstains from participating in any decision of the board or any of its committees on the matter concerned

### Chair succession

During the year, the Committee considered the governance related matters emerging from the Nomination Committee's proposal to recommend the appointment of Will Wyatt as the company's Chair, succeeding David Stewart. The Committee was particularly cognisant of the comply or explain provisions of the UK Corporate Governance Code (the 'Code'), including Provision 9, which recommends that the Chair should be independent on appointment and that a Chief Executive should not go on to become Chair of the same company, and Provision 19, which recommends that the Chair should not remain in post beyond nine years from the date of their first appointment to the board.

In light of Will's candidature as the future company Chair, the Committee considered, amongst other matters:

- The potential change to board dynamics and the importance of maintaining and potentially further strengthening independent non-executive director representation on the board
- The significance of the role of Senior Independent Director in light of my anticipated retirement in 2027
- Consideration of potential conflicts that might arise in the future
- The appropriateness of Will chairing the Nomination Committee should he be appointed as the company Chair, concluding that it be recommended to the board that, should the appointment proceed, this committee be chaired by the Senior Independent Director
- The consultation with major shareholders



Terms of reference

➔ SCAN QR CODE



“ During the year, the Committee's discussions included the governance related matters emerging from the Nomination Committee's proposal to recommend the appointment of Will Wyatt as the company's Chair. ”

Guy Davison  
Chair of the Governance Committee

### Other work undertaken by the Committee

The Committee met three times during the year. In addition to the Chair's succession, the other principal matters considered by the Committee included:

- The review and approval of the Corporate governance and Governance Committee reports for the year ended 31 March 2025
- The review of the relationship agreement between Caledonia and The Cayzer Trust Company Limited dated 26 November 2024
- The influence of the Cayzer family concert party (the 'Cayzer Concert Party') on Caledonia's board and whether it was in the general interest of the non-Cayzer Concert Party shareholders, with the conclusion that it was
- The review and approval, on behalf of the board, of statements of compliance with the independence provisions of the Listing Rules relating to listed companies with controlling shareholders

- The review of potential conflict situations notified by directors in accordance with the Companies Act 2006 and the making of recommendations to the board in relation thereto
- The annual appraisal of the Chair's performance

### Committee evaluation

The activities of the Committee were considered as part of an internal effectiveness review which is summarised on pages 68 and 69. The board found that the Committee continued to function well, with the appropriate balance of membership, skills and experience.

### Guy Davison

Chair of the Governance Committee  
18 May 2026

## Directors' remuneration report

### Annual statement by the Chair of the Remuneration Committee

The Remuneration Committee ensures that remuneration arrangements remain closely linked to Caledonia's business model and strategy, the ultimate aim of which is to generate long-term compounding real returns that outperform inflation over the medium to long term, and the FTSE All-Share index over 10 years.



Terms of reference

→ SCAN QR CODE



#### Winner best new share plan

In 2025, we launched our share incentive plan, extending share ownership opportunities to all employees, reinforcing alignment between colleagues and shareholders to foster a culture of ownership across Caledonia. The plan has strong engagement with more than 80% of employees purchasing shares each month. The success of the plan was recognised externally, winning ProShare's Best New Share Plan 2025.

The Companies Act 2006 requires the company's auditor to report to the shareholders on certain parts of the Directors' remuneration report and to state whether, in its opinion, those parts of the report have been properly prepared in accordance with the Large and Medium-sized Companies and Groups (Accounts and Reports) (Amendment) Regulations 2013. The parts of the Annual report on directors' remuneration that have been audited are indicated in the report. The Annual statement by the Chair of the Remuneration Committee and the remuneration policy are not subject to audit.

#### Dear Shareholder,

On behalf of the board, I am pleased to introduce Caledonia's Directors' remuneration report for the year ended 31 March 2026.

#### Remuneration policy

Our remuneration policy is designed to align the remuneration of Caledonia's leadership team with the experience of our shareholders through the measurement of NAVTR growth and material exposure to share price performance and dividends.

The current remuneration policy was approved by shareholders at the 2023 annual general meeting by a majority of almost 99%, following consultation with the company's largest shareholders. During the year, the policy operated as intended with respect to company performance, pay structure and quantum.

In accordance with the Companies Act 2006, the remuneration policy is being put to shareholders for renewal at this year's annual general meeting. Following a detailed review supported by the Committee's remuneration consultant, Ellason LLP, the Committee concluded that the current policy continues to support the implementation of our remuneration philosophy and remains in line with good practice and investor expectations. Therefore no substantive changes to the policy are being proposed this year. There are a few minor revisions to aid clarity and the revised policy is set out on pages 82 to 88.

#### Remuneration structure

Caledonia's remuneration structure reflects the typical approach used by many FTSE 250 companies and asset managers and comprises a fixed salary, an annual bonus opportunity and annual performance share awards.

The Committee believes that NAV per share growth best captures Caledonia's overriding performance objective to generate long-term compounding real returns to shareholders. Variable pay based on NAVTR therefore represents 80% of each executive director's overall incentive opportunity.



“As a self-managed investment trust, management and shareholders are aligned with a significant proportion of remuneration subject to Caledonia's performance and delivered in company shares.”

Anne Farlow  
Chair of the Remuneration Committee

Our performance share scheme ('PSS'), which vests subject to NAVTR growth over three and five years, is the primary incentive to reward achievement of this objective. Annual bonus also includes a NAVTR growth metric to ensure a strong link to this key shareholder metric.

A primary purpose of the annual bonus is to help provide a competitive cash remuneration package. Half is based on NAVTR performance with the remaining half rewarding delivery against individual objectives and, for pool heads, pool objectives. The Committee recognises that the bonus weighting towards individual objectives may appear high compared to typical FTSE practice but notes that these represent 20% of executive directors' overall incentive opportunity. This approach seeks to mitigate the potential risk of incentives driving short-term investment decisions.

The Committee retains the discretion to reduce the pay-out for individual objectives when it considers such a pay-out would be unduly inconsistent with underlying company performance, as it did in the year ended 31 March 2020 when the pay-out against the

individual objectives was reduced to zero given the impact of the Covid-19 pandemic on NAVTR.

The Committee continues to keep abreast of and consider any impact of regulatory and good practice developments regarding executive pay.

Caledonia has a small number of employees based in a single office. This enables the Committee to set the remuneration of both executive directors and senior management in context. Regular reporting provides us with wide-ranging data, including employee attrition rates, promotion decisions and training and development, together with gender pay gap analysis to ensure Caledonia maintains equal pay for work of equal value. Notwithstanding that Caledonia is not legally required to do so, we have once again reported pay ratio information in relation to the Chief Executive Officer, in accordance with The Companies (Miscellaneous Reporting) Regulations 2018. This information is set out on page 97.

## Directors' remuneration report *continued*

Annual statement by the Chair of the Remuneration Committee *continued*

### Remuneration for the year ended 31 March 2026

The Annual report on directors' remuneration set out on pages 89 to 99 describes in detail how our remuneration policy has been applied for the year ended 31 March 2026. It is also summarised on page 81. However, I would like to highlight the following points:

#### Annual bonus

Half of the bonus for Mat Masters and Rob Memmott was determined by reference to company performance and half subject to the delivery of individual performance objectives.

For Jamie Cayzer-Colvin, who has specific responsibility for the Funds pool, 25% of his bonus was determined by reference to company performance, 25% to his pool's performance, 35% to his pool's objectives and 15% to individual performance objectives.

For the 2026 financial year, the company performance element of the annual bonus was assessed by reference to the relative performance of the company's NAVTR against inflation, which for bonus purposes was taken as 3%, or actual inflation if greater, with a 10% pay-out if the company's NAVTR matched inflation, increasing incrementally to the maximum entitlement payable if outperformance of 7% or more was achieved. The phased transition from the Retail Prices Index ('RPI') to the Consumer Prices Index including owner occupiers' housing costs ('CPIH') as the measure of inflation for bonus purposes over the three-year policy period has continued, weighted 33:67 on RPI:CPIH for the year ended 31 March 2026.

Caledonia delivered NAVTR for the year of 5.4%, slightly exceeding the increase in inflation (for bonus purposes) of 3.6%, resulting in a payment of 28% for this element. The Funds pool achieved a total return over the year on a constant currency basis of 7.1% which, for Jamie, resulted in a 22% payment for this element. The Committee considered the formulaic outcome to be appropriate and that no exercise of discretion was necessary. After assessing their individual performance and, for Jamie, the attainment of pool objectives, the Committee awarded overall bonuses to Mat and Rob of 64% of basic salary and 62.5% of basic salary to Jamie.

#### Performance share scheme awards

The remaining two-thirds of the performance share scheme awards granted in 2021 (measured over five years) and the first one-third of the awards granted in 2023 (measured over three years) reached the end of their performance periods in March this year. In each case, the awards were measured by reference to Caledonia's annualised NAVTR over the relevant periods, which was 9.5% for the 2021 awards and 5.4% for the 2023 awards. This led to partial vesting of this portion of Mat Masters' and Jamie Cayzer-Colvin's 2021 awards and partial vesting of the 2023 awards.

Mat was previously Head of the Capital portfolio before taking on broader responsibility for the Income strategy in 2019 and his appointment as Chief Executive Officer in 2022. The Capital portfolio's annualised total return (relevant for 53.3% of his 2021 award) was 6.9% (excluding Polar Capital) and the Income portfolio's annualised return (relevant for 26.7% of his 2021 award) was 5.1%. This meant that this portion of his 2021 awards vested in part. The Funds pool's annualised total return, relevant for 60% of Jamie's 2021 and 2023 awards, was 11.1% and 5.5% respectively, which resulted in this element of his 2021 awards vesting in part and was below the return needed for any of this element of his 2023 awards to vest.

The Committee once again conducted analysis before concluding that no windfall gains have arisen in connection with the vesting of the performance share scheme awards granted in 2021 and 2023. Further detail is set out on page 90.

The details of the vesting scales for these awards can also be found on page 90. The Committee considers that these performance outcomes are appropriate. The remaining two-thirds of the 2023 performance share scheme awards will be tested in March 2028 at the end of the five-year performance period.

### Remuneration for the year ending 31 March 2027

Looking ahead to the 2027 financial year, the basic salaries of Mat Masters, Rob Memmott and Jamie Cayzer-Colvin have been increased with effect from 1 April 2026 by 3%, broadly in line with inflation, which was the same standard increase applied to the company's other employees.

The non-executive director basic fee has been increased by 3%. No changes have been made to the fees paid to the chairs and members of the Audit and Risk and Remuneration Committees or to the fee paid to the company's Chair.

We plan to grant performance share scheme awards to the executive directors following the release of our 2026 full-year results in line with our normal grant cycle. These awards will be subject to the same performance measures used for the awards made during 2025, which are summarised in the notes to the remuneration policy table on page 84.

### Committee evaluation

The activities of the Committee were considered as part of an internal effectiveness review which is summarised on pages 68 and 69. The board found that the Committee functioned well, with the appropriate balance of membership, skills and experience.

Finally, I would like to take this opportunity once again to thank my colleagues on the Committee for their continued diligence and support over the past year.

#### Anne Farlow

Chair of the Remuneration Committee  
18 May 2026

## Directors' remuneration report continued

### At a glance

Our remuneration policy aligns leadership rewards with the experience of our shareholders.

“ The Remuneration Committee ensures that remuneration arrangements remain closely linked to Caledonia’s business model and strategy. ”

Anne Farlow  
Chair of the Remuneration Committee



Element	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 5+	Application in the year ended 31 March 2026	Application in the year ended 31 March 2027
Salary							<b>Salary</b> Mat Masters: £525,000 Rob Memmott: £452,300 Jamie Cayzer-Colvin: £414,600	<b>Salary</b> Mat Masters: £540,800 Rob Memmott: £465,900 Jamie Cayzer-Colvin: £427,100
Pension							<b>Pension entitlement</b> 15% of salary	
Other benefits							<b>Other benefits</b> Family private medical insurance, death-in-service insurance, permanent health insurance Directors' and officers' liability insurance Mat Masters and Jamie Cayzer-Colvin: a legacy cash allowance in lieu of a company car	
<b>Bonus</b> Malus and clawback provisions apply	Up to 50% of salary in cash → Mandatory deferral in shares of any bonus exceeding 50%						<b>Annual bonus</b> Mat Masters: £336,000 Rob Memmott: £289,472 Jamie Cayzer-Colvin: £259,125	<b>Annual bonus</b> Maximum bonus potential: 100% of salary
<b>Performance share scheme</b> Malus and clawback provisions apply	1/3 of award: performance measured over three years → Post-vesting holding period → 2/3 of award: performance measured over five years						<b>PSS award</b> 150% of salary Mat Masters: 215,750 shares Rob Memmott: 185,880 shares Jamie Cayzer-Colvin: 170,380 shares	<b>PSS award</b> 150% of salary
<b>Shareholding requirement</b>							<b>Shareholding requirement</b> Mat Masters: 200% of salary Rob Memmott and Jamie Cayzer-Colvin: 150% of salary	

## Directors' remuneration report *continued*

# Remuneration policy

### Introduction

The remuneration policy set out below describes the policies, principles and practices to be operated by the company for the remuneration of its directors. If approved by shareholders at the annual general meeting to be held on 15 July 2026, this policy will supersede the policy approved at the 2023 annual general meeting and take effect from that date. There are no changes to the policy other than minor wording revisions to ensure clarity. It will then apply until a revised remuneration policy is approved by shareholders. The company does not expect to seek shareholder approval for a revised policy until the annual general meeting in 2029.

Under the current statutory regime, a company may make a remuneration payment to a director or a payment for loss of office only if it is consistent with the most recently approved remuneration policy or, if not, it must be separately approved by shareholders. The Remuneration Committee considers that an effective remuneration policy needs to be sufficiently flexible to take account of future changes in the company's business environment, and in remuneration practice generally. In framing its policy, the Remuneration Committee has therefore sought to combine a level of breadth and flexibility to enable it to react to changed circumstances without the need for specific shareholder approval, whilst at the same time incorporating sufficient detail and transparency to enable shareholders to understand how it will operate in different scenarios and feel comfortable that payments made under it are justified.

Components of remuneration where the Remuneration Committee wishes to retain a level of discretion are identified in the relevant sections of the policy. The Remuneration Committee may also make minor amendments to the remuneration policy to aid its operation or implementation without seeking shareholder approval, for example to take account of a change in legislation or for regulatory, exchange control, tax or administrative purposes, provided that any such change is not to the material advantage of the directors.

### Legacy arrangements

The policy is essentially forward looking in nature. In view of the long-term nature of the company's remuneration structures – including obligations under service contracts, pension arrangements and incentive schemes – a number of pre-existing obligations will remain outstanding at the time that the new policy is approved, including obligations which were incurred under previous remuneration policies approved by shareholders. It is the company's policy to honour in full any pre-existing obligations that have been entered into prior to the effective date of this policy.

### Objectives

The key objectives of the Remuneration Committee in setting the company's remuneration policy are as follows:

- Remuneration of executive directors should be linked to the company's long-term performance and its business strategy
- Performance related remuneration should seek to align the interests of executive directors with those of the shareholders
- A significant proportion of executive directors' remuneration should be linked to the performance of the company and receivable only if demanding performance targets are achieved
- Remuneration packages for executive directors should be competitive, but not excessive, in terms of market practice, in order to attract, retain and motivate executive directors of the quality needed to manage and develop the company successfully

### Remuneration structure

#### Executive directors

The table below sets out Caledonia's policy in relation to each component of executive director remuneration, with further explanations in the notes that follow.

Salary (fixed pay)	
Purpose and link to strategic objectives	To support the recruitment and retention of executive directors of the calibre required to manage and develop the company successfully.
Operation	Reviewed annually.
Opportunity and recovery or withholding provisions	<p>Salary increases are normally awarded by reference to any increase in the salaries of other Caledonia employees/the cost of living, but may take into account other factors such as external market positioning, change in the scope of the individual's responsibilities or level of experience, development in the role and levels of pay elsewhere in the company.</p> <p>Normally year on year increases in basic salaries will not exceed inflation by more than 5%, other than where there is a significant change in role or responsibilities or in such other circumstances as the Remuneration Committee may determine.</p> <p>No recovery or withholding provisions.</p>
Performance measurement framework	Not applicable.

## Directors' remuneration report *continued*

### Remuneration policy *continued*

#### Benefits (fixed pay)

Purpose and link to strategic objectives	To provide a range of benefits alongside basic salary to recruit and retain high calibre executive directors.
Operation	<p>Executive directors are provided with family private medical insurance cover, death-in-service insurance, and permanent health insurance and, in the case of Mat Masters and Jamie Cayzer-Colvin, a legacy cash allowance in lieu of a company car. They are also entitled to receive benefits that are generally available to other Caledonia employees.</p> <p>The executive directors are also covered by the company's directors' and officers' liability insurance policy and have the benefit of an indemnity under the company's articles of association.</p> <p>Where there is a valid business reason for doing so, the company may pay for the cost of spouses or partners accompanying directors on business trips and reimburse directors for hotel accommodation and travel expenses (including payment of any tax thereon). Executive directors are also eligible to receive other minor benefits and expenses payments (again including payment of any tax thereon).</p> <p>Executive directors will be eligible to participate in any all-employee share schemes of the company on the same basis as other employees.</p>
Opportunity and recovery or withholding provisions	<p>A taxable benefits package that is competitive with the marketplace.</p> <p>The value of taxable benefits provided, other than ad hoc items incurred in connection with Caledonia's business that may be deemed taxable benefits such as travel and other expenses, will not in aggregate exceed 10% of basic salary.</p> <p>No recovery or withholding provisions.</p>
Performance measurement framework	Not applicable.

#### Short-term incentives (variable pay)

Purpose and link to strategic objectives	To reward performance on an annual basis against key financial, operational and individual objectives.
Operation	<p>Discretionary annual bonus scheme and deferred bonus plan under which a proportion of bonus may be compulsorily deferred into shares.</p> <p>Bonus is not pensionable.</p>
Opportunity and recovery or withholding provisions	<p>The maximum potential bonus is 100% of basic salary. Any bonus over 50% of basic salary is compulsorily deferred into shares for a period of three years.</p> <p>Participants will also receive an amount or additional number of shares equal to the value of the dividends that would have accrued on the deferred shares.</p> <p>All bonus payments are subject to the overriding discretion of the Remuneration Committee, which also retains discretion to amend the performance targets, impose different performance targets, amend the proportion of any award subject to each performance measure and to amend the proportions of bonus subject to compulsory deferral or not to require any deferral in exceptional circumstances.</p>

Opportunity and recovery or withholding provisions <i>continued</i>	<p>In order to be entitled to an annual bonus, an executive director must normally be in the group's employment and not under notice of termination (either given or received) at the time the bonus is paid.</p> <p>The Remuneration Committee has the right to cancel or reduce any cash bonus or deferred bonus shares granted after the effective date of this policy which have not yet been paid or vested.</p> <p>The Remuneration Committee also has the right to recover all or part of cash bonus paid or deferred bonus shares and dividend shares or equivalent amounts awarded within the two years following date of payment or vesting as applicable.</p>
Performance measurement framework	By reference to a combination of company performance against external benchmarks and individual performance against personal and strategic objectives. Executive directors with responsibility for pools of capital will have a proportion of bonus determined by reference to pool performance and objectives.

#### Long-term incentives (variable pay)

Purpose and link to strategic objectives	<p>To motivate executive directors to deliver long-term shareholder value, thereby aligning the interests of management with those of shareholders.</p> <p>To encourage long-term retention of key executives.</p>
Operation	A performance share scheme under which participants are granted awards (normally in the form of nil-cost options) over the company's shares.
Opportunity and recovery or withholding provisions	<p>The maximum value of awards that may be granted in any year is 200% of basic salary, although the company's current intention is to grant annual awards of no more than 150% of basic salary.</p> <p>Participants will also receive an amount or additional number of shares equal to the value of the dividends that would have accrued on the shares awarded.</p> <p>Performance is measured over three years for one-third of awards which is subject to a post-vesting holding period, on an after-tax basis, of two years. The remaining two-thirds of awards is subject to performance over five years, with no post-vesting holding requirement.</p> <p>The Remuneration Committee has the right to cancel or reduce long-term incentive awards which have not yet vested. The Remuneration Committee also has the right to recover all or part of the value of long-term incentive awards and dividend equivalents received within two years of the date that such awards vested and became exercisable.</p>
Performance measurement framework	<p>For executive directors who are not directly responsible for a pool of capital, awards under the performance share scheme are subject to the performance of the company's annualised diluted net asset value per share total return ('NAVTR') measured over three or five years. For executive directors directly responsible for a pool of capital, the awards are subject to a combination of the performance of the company's annualised NAVTR as above and the annualised total returns achieved by the relevant pool for which they are responsible, again measured over three or five years.</p> <p>The rules of the scheme provide discretion to the Remuneration Committee to amend the performance targets or impose different performance targets and to determine the appropriate proportion of any award subject to each performance measure.</p>

## Directors' remuneration report *continued*

### Remuneration policy *continued*

#### Pension related benefits (fixed pay)

Purpose and link to strategic objectives	To provide a means of retirement saving as part of a range of benefits alongside basic salary to recruit and retain high calibre executive directors.
Operation	Executive directors are offered defined contribution funding, based on a percentage of salary, to a personal pension scheme or a cash salary supplement (or a combination of both) at their choice.
Opportunity and recovery or withholding provisions	Executive directors are eligible to participate in the same pension arrangements as all Caledonia employees. The pension contribution is currently set at 15% of salary. A director may choose to take a cash supplement in lieu of some or all of their pension entitlement, in which case the company may adjust the payment to make the cash supplement cost neutral for the company relative to a pension contribution. Participation in a salary sacrifice arrangement in respect of employee pension contributions is also provided to executive directors, on the same terms as that provided to other Caledonia employees. No recovery or withholding provisions.
Performance measurement framework	Not applicable.

#### Notes to the policy table

##### 1. Performance measures and targets

###### Annual bonus

For the Chief Executive Officer and the Chief Financial Officer, a minimum of 50% of bonus is determined by reference to company performance and a maximum of 50% by reference to individual performance objectives. For executive directors responsible for a specific pool of capital, 25% of bonus is determined by reference to the company's performance, 25% to pool performance, 35% to pool objectives and 15% to individual performance objectives. In all cases, the company performance element is determined by reference to the relative performance of the company's NAVTR against inflation.

Inflation is taken as the higher of the weighted CPIH benchmark over the bonus year or 3%, being broadly in line with its historic long-term average. Bonus payments for this element currently commence with a 10% pay-out if NAVTR matches the inflation benchmark, increasing incrementally to the maximum entitlement payable if outperformance of 7% or more is achieved. Pool performance is judged by the Remuneration Committee by reference to the return achieved by the pool against a set target return and by objectives such as deal flow and delivery of portfolio strategy. Individual performance is assessed by reference to personal objectives set at the start of the year, including non-financial measures such as risk management, environmental, social and governance matters, marketing of the company, team leadership and engagement, management skills and promotion of Caledonia's corporate culture and profile both internally and externally.

The Remuneration Committee retains discretion to amend or adopt alternative annual bonus targets and/or levels in future years in order to achieve better alignment with the company's strategic objectives.

###### Compulsory deferral of bonus

###### Deferred bonus plan

Shares subject to compulsory deferral will normally only vest if the director remains an employee of the Caledonia group for a three-year period commencing on the first day of the financial year in which the award is made.

###### Long-term incentive plans

###### Performance share scheme

One-third of awards granted will be measured over three years and two-thirds over five years. In all cases, shares that vest will become immediately exercisable/transferable and, if the award is structured to grant nil-cost options, will lapse if not exercised within ten years of grant.

Awards granted to the Chief Executive Officer and Chief Financial Officer will vest on a graduated basis, with vesting currently commencing at 10% on the achievement of an annualised NAVTR of 3%, rising incrementally to 100% vesting on achievement of an annualised NAVTR of 10%, measured over three and five years. For Jamie Cayzer-Colvin, who is head of the Funds pool, 60% of his performance share scheme awards will be measured against the annualised total returns achieved by the Funds pool, measured over three and five years. Awards will similarly vest on a graduated basis, with vesting commencing at 10%

on achievement of an annualised Funds pool total return of 6%, rising incrementally to 100% vesting on achievement of an annualised total return of 13.5%. The remaining 40% of Mr Cayzer-Colvin's performance share scheme awards will be measured against Caledonia's annualised NAVTR as above.

The Remuneration Committee retains discretion to amend or adopt alternative targets and/or levels in future years in order to achieve alignment with the company's strategic objectives.

###### Malus and clawback provisions

The Remuneration Committee has the right to cancel or reduce any cash bonus or deferred bonus shares granted which have not yet been paid or vested and long-term incentive awards which have not yet vested, in the event of a material misstatement of the company's financial results, miscalculation of a participant's entitlement, individual misconduct or an event resulting in material loss or reputational damage to the company or any member of the group. The Remuneration Committee may, acting fairly and reasonably, reduce the level of vesting to take account of any matter which it considers appropriate including the broader performance of the company, the shareholder experience and the conduct of the participant.

The Remuneration Committee also has the right to recover all or part of cash bonus paid or deferred bonus shares and dividend shares or equivalent amounts awarded within the two years following date of payment or vesting as applicable and the value of long-term incentive awards and dividend equivalents received within two years of the date that such awards vested and became exercisable, in the event of a material miscalculation of a participant's entitlement, a material misstatement or restatement of the company's financial results for the years to which the performance periods relate, or material personal misconduct that would justify summary dismissal, result in significant reputational damage to the company, have a material adverse effect on the company's financial position, or reflect a significant failure of the company's risk management or control. The Remuneration Committee considers two years to be an appropriate time period for such risks to be identified.

###### Rationale for choice of performance measures for the short and long-term incentive plans

The Remuneration Committee has chosen NAVTR as the basis of performance measurement for the company for both its short-term and long-term incentive arrangements as it regards this as the best indicator of the success or failure of management decisions in terms of creating value for the company.

For the company performance element of the annual bonus scheme, the board has taken the view that benchmarking against a stock market index or indices over a short period is not relevant given Caledonia's long-term investment horizon and the nature of its portfolio. The Remuneration Committee has therefore instead chosen UK inflation, subject to a minimum of 3%, as the comparator, as on this basis executives will only be rewarded to the extent that they are able to deliver positive real returns for shareholders. The Remuneration Committee will review the rate of increase in UK inflation at the start of each financial year and may adjust the level of outperformance required for the incremental and maximum bonus payments in order to ensure that they remain a fair measure of performance.

For awards under the performance share scheme, the Remuneration Committee has chosen Caledonia's annualised NAVTR as the performance measurement, as it believes that this is the most effective method of aligning directors' rewards with the longer-term strategic objective of the company of delivering annualised returns over rolling ten-year periods of between inflation +3% and inflation +6% over the medium and longer term. For Jamie Cayzer-Colvin, the Remuneration Committee believes that a significant proportion of his variable pay should be weighted towards the annualised total return performance of the Funds pool of capital for which he is responsible and has therefore determined that 60% of his performance share scheme awards should be tested by reference to this.

The targets for each component of the long-term incentive plans have been set by the Remuneration Committee with the aim of delivering increasing reward for greater outperformance. The Remuneration Committee keeps these under review and may adjust the measures and levels at which incremental and maximum entitlements are earned in order to ensure that they remain sufficiently challenging and aligned with the company's strategy and key performance indicators.

##### 2. New components introduced into the new remuneration policy

There are no new components included in the above policy table which were not a part of the remuneration policy previously operated for executive directors by the company.

##### 3. Changes to components included in the previous remuneration policy

There are no substantive changes to the company's previous remuneration policy. As described in previous years, the move to use CPIH in place of RPI as the inflation benchmark for annual bonus purposes was phased in over the course of the previous three-year remuneration policy period, weighted 33:67 on RPI:CPIH for the 2026 financial year. The inflation benchmark is 100% on CPIH for the 2027 financial year and for future years under the new remuneration policy. Minor changes have been made to the wording of the policy to reflect evolving market trends and improve the clarity of operation.

##### 4. How the remuneration policy for executive directors relates to remuneration of Caledonia group employees generally

Caledonia applies a similar reward philosophy for group employees. Executive directors' remuneration packages tend to be higher than those of other employees, but also include a higher proportion of variable pay.

## Directors' remuneration report *continued*

### Remuneration policy *continued*

#### Chair and non-executive directors

The table below sets out each component of the Chair's and the non-executive directors' remuneration and the approach taken by the company in relation thereto.

Component	Approach
Chair's and non-executive directors' fees	<p>The Chair's fee is determined by the Remuneration Committee and the non-executive directors' fees are set by the board (excluding the non-executive directors). These are reviewed periodically taking into account the responsibilities and time commitments required and non-executive director fee levels generally.</p> <p>The Chair receives an annual fee, which includes their basic non-executive director's fee, but does not receive any other remuneration.</p> <p>Non-executive directors receive basic fees, which are subject to an aggregate annual limit for non-executive directors' ordinary remuneration contained in the articles of association. The limit is currently £750,000. In addition, special fees are paid to the chair and members of the Audit and Risk and Remuneration Committees and also for the role of Senior Independent Non-Executive Director and Chair of the Governance Committee. Additional fees may be payable for other additional board responsibilities and/or time commitment.</p>
Additional fees payable for services to other group companies	<p>Exceptionally, non-executive directors may receive fees in connection with subsidiary and investee companies for services provided to them. Fees for services provided to such companies are set and reviewed by the boards of those companies, but will not exceed £100,000 per annum in aggregate for any non-executive director.</p>
Other benefits	<p>The Chair and the non-executive directors are all covered under the company's directors' and officers' liability insurance policy and have the benefit of an indemnity under the company's articles of association. The Chair is also provided with an office and secretarial support.</p> <p>The company may, where appropriate, pay for the cost of spouses or partners accompanying non-executive directors on trips where there is a business reason for doing so and reimburse non-executive directors for hotel accommodation and travel expenses. Other modest benefits, including gifts to non-executive directors who are retiring from the board, may be provided at the discretion of the Committee. Where a tax liability is incurred, the company may approve such payment on behalf of the director.</p>

#### Remuneration policy for new appointments

##### Executive directors

In the case of the appointment of a new executive director, the Remuneration Committee would typically seek to align the remuneration package with the above remuneration policy. The Remuneration Committee however retains the discretion to make special remuneration commitments on the appointment of a new executive director, including the use of awards made under Rule 9.3.2 of the Listing Rules, if such were necessary to facilitate the recruitment of a candidate. In doing so, the Remuneration Committee would take into consideration all relevant factors, including, but not limited to, overall quantum, type of remuneration offered and comparability with the packages of other Caledonia senior executives and the total variable pay would not exceed the maxima stated in the policy table for executive director remuneration above.

The Remuneration Committee may in addition make bonus commitments, cash or share awards on the appointment of an external candidate to compensate for remuneration arrangements forfeited or foregone on leaving a previous employer, taking into account factors such as any performance conditions attached to these awards, the form in which they were granted, for example cash or shares, and the time over which they would have vested. The aim would be to ensure that replacement awards would be made on no greater than a comparable basis.

In order to attract and retain suitable executives, the Remuneration Committee retains discretion, in exceptional circumstances, to offer service contracts with up to an initial 24 month notice period, which then reduces to 12 months at the end of this initial period. If it considers it appropriate, the Remuneration Committee may also offer a lower salary initially, but with a series of increases to achieve the desired salary positioning over a period of time, as the individual develops into the role.

If a new appointment is the result of an internal promotion, the Remuneration Committee would expect to honour any pre-existing contractual arrangements or benefits package agreed with the relevant individual. In the event that a new director needs to relocate to take up the role, the Remuneration Committee may agree a reasonable relocation package and tax equalisation arrangements.

In recruiting any new executive director, the Remuneration Committee would apply the overall policy objective that executive directors' remuneration should be competitive, but not excessive.

##### Chair and non-executive directors

Terms for the appointment of any new Chair or non-executive director would also be determined by the Remuneration Committee or the board within the above remuneration policy.

## Directors' remuneration report *continued*

### Remuneration policy *continued*

#### Executive directors' service contracts and the Chair's and non-executive directors' letters of appointment

##### Executive directors

Executive directors have service contracts with Caledonia Group Services Ltd, a wholly-owned subsidiary of the company, details of which are summarised below:

	Date of contract	Notice period for company and director	Unexpired term
M S D Masters	15 May 2008	12 months	12 months
R W Memmott	22 May 2023	12 months	12 months
J M B Cayzer-Colvin	19 Apr 2005	12 months	12 months

If notice is served by either party, the director can continue to receive basic salary, benefits and pension payments for the duration of the notice period, during which time the company may require the individual to continue to fulfil their current duties or may assign a period of gardening leave. Alternatively, the company may, in its discretion, terminate the contract without notice and make a lump sum payment in lieu of notice. This lump sum would include an amount equivalent to the basic salary and benefits (based on a fixed percentage of salary specified in the service contract) for the unexpired period of notice to which the payment relates. Mat Masters' and Jamie Cayzer-Colvin's service contracts provide that an amount equivalent to 80% of the average of the annual bonuses paid for the previous three financial years would also be included in the payment in lieu of notice. Mat Masters' and Jamie Cayzer-Colvin's service contracts also include provisions whereby a liquidated sum is payable in the event of termination within one year following a change of control. The payment would be calculated on the same basis as a payment in lieu of notice, except that an amount equivalent to 100% of the average of the annual bonuses paid for the previous three financial years would be included.

Rob Memmott's service contract contains provisions whereby, as an alternative to the payment of a lump sum in lieu of notice, the company may elect to pay the equivalent amount in equal monthly instalments, such instalments to be reduced by 50% of one-twelfth of the basic salary in excess of £20,000 per annum that Rob Memmott receives from any alternative employment that he takes up during the notice period.

Executive directors' service contracts may be terminated without notice and without any further payment (other than in respect of amounts due at the date of termination) on the occurrence of certain events such as gross misconduct.

##### Chair and non-executive directors

The Chair and the non-executive directors do not have service contracts, but are engaged under letters of appointment, which provide for termination without notice or compensation.

##### Inspection

Executive directors' service contracts and the Chair's and non-executive directors' letters of appointment are available for inspection at the registered office of the company.

#### Policy on payments for loss of office

##### Executive directors

It is the policy of the company that, other than in exceptional circumstances on recruitment as stated above, no executive director should be offered a service contract that requires more than one year's notice of termination or which contains provision for predetermined compensation in excess of one year's total emoluments. In the event of a termination, the Remuneration Committee will consider a director's past performance and the circumstances of the departure in exercising any discretions relating to the arrangements for loss of office, including contractual obligations, prevailing best practice, the reason for the departure and any transition or handover required.

The termination provisions in executive directors' current service contracts are described above in the section on executive directors' service contracts. It is the Remuneration Committee's intention that all future executive directors' service contracts should include provisions enabling the company to reduce compensation payments in the event that the director takes up alternative employment within the notice period. However, if a new director is appointed internally, the Remuneration Committee would expect to honour any existing contractual arrangements agreed with the relevant individual before they become a director.

In applying the company's right to make a lump sum payment in lieu of notice, the Remuneration Committee would normally expect to prorate the lump sum for the unexpired period of notice to which the payment relates.

The company's annual bonus scheme provides that an employee must be in the group's employment and not under notice of termination (either given or received) in order to be entitled to receive a bonus for the relevant financial year. The Remuneration Committee would expect to apply this principle to executive director terminations, but retains discretion to make bonus payments on termination if it believes it appropriate to do so. If any bonus payment is made, the Remuneration Committee also retains discretion as to whether it will require any part of the bonus to be deferred into shares under the deferred bonus plan.

Executive directors would also be entitled under their service contracts to be paid on termination for any accrued, but untaken, holiday entitlement. The Remuneration Committee may, where it considers it appropriate in the circumstances, make payments for loss of statutory rights or waiver thereof and a contribution towards legal and outplacement fees. The Remuneration Committee may also make a payment to ensure that any restrictive covenants remain enforceable.

Where the director holds unvested awards under the company's long-term incentive schemes, the Remuneration Committee may exercise its discretions as to vesting in accordance with the relevant scheme rules. In good leaver circumstances, for example where cessation of employment is by reason of death, retirement, injury, disability, ill-health, redundancy, or such other reason as the Remuneration Committee may decide, awards shall remain in force, subject to the applicable performance conditions, until the original vesting date unless the Remuneration Committee determines, in exceptional circumstances, that earlier vesting should apply. The number of shares that vest will normally be reduced to reflect the proportion of the performance period that the director was in employment, although the Remuneration Committee has discretion not to scale down the number of shares if it believes it appropriate in the circumstances.

## Directors' remuneration report *continued*

### Remuneration policy *continued*

The Remuneration Committee has the discretion to assess good leaver treatment for participants should circumstances change after the date they leave but prior to vesting. Any holding period will continue to apply in respect of shares held by a leaver, unless otherwise determined by the Remuneration Committee.

Where the director holds unvested awards under the company's deferred bonus plan, the Remuneration Committee may exercise its discretion as to vesting in accordance with the relevant scheme rules. In good leaver circumstances, awards will vest on leaving employment.

Following termination, the company may continue insurance related benefits for the former employee until the end of the insurance policy period. The company's directors' and officers' liability insurance policy also provides for a six-year period of run-off cover for former directors. A director may remain in employment after ceasing to be a director to allow time for an effective handover or for a successor to be appointed.

In the event of a change of control before the expiry of the performance measurement period of a long-term incentive award, the vesting level of the award will be determined by the Remuneration Committee based on the extent to which the Remuneration Committee considers that the performance targets have been achieved and vested shares will then be scaled down to reflect the shortened measurement period. The Remuneration Committee may modify such vesting levels if it considers that the performance target would be met to a greater or lesser degree at the testing date and/or if the application of time prorating would be inappropriate in the circumstances.

#### **Chair and non-executive directors**

The Chair and the non-executive directors have no entitlement to any compensation on termination of their appointments, although they would have the benefit of run-off cover under the directors' and officers' liability insurance policy as described above. However, in appropriate circumstances they may receive de minimis retirement gifts from the company.

#### **Policy on external non-executive directorships held by executive directors**

It is the company's policy to allow executive directors to hold non-executive directorships unrelated to the company's business to broaden their commercial experience, provided that the time required is not material. Normally the company will retain any fees arising from such non-executive directorships, but may permit the executive director to retain fees on a case-by-case basis.

#### **Executive directors' minimum shareholding guidelines**

In order to align the interests of executive directors with those of shareholders, the Remuneration Committee has adopted guidelines for minimum shareholdings, which executive directors will be expected to attain through the retention of all post-tax share awards vesting under the company's long-term incentive plans until the minimum shareholding is met. For these purposes, shareholdings include those of connected persons and also the value, net of any exercise costs, income tax and National Insurance contributions, of unexercised awards granted under its performance share scheme for which the performance targets have been met. Also included are bonuses deferred compulsorily under the company's deferred bonus plan, again net of income tax and National Insurance contributions.

In addition, executive directors are subject to a post-cessation shareholding requirement of two years, with the Committee retaining discretion to override this arrangement, for example, for regulatory reasons, on compassionate grounds or where an executive experiences financial hardship.

For the Chief Executive Officer, the minimum guideline shareholding has been set at 200% of basic salary and for other executive directors 150% of basic salary.

#### **Statement of consideration of employment conditions elsewhere in the group**

In setting the policy for directors' remuneration, the Remuneration Committee considered pay and employment conditions of other employees within the group. The Remuneration Committee does not however seek to apply any metrics between pay levels of different roles within the group as this would restrict flexibility in aligning reward and performance and potentially could hinder the recruitment and retention of high calibre individuals. Executive directors' remuneration packages are however benchmarked with other senior investment executives, who participate in the same annual bonus and long-term incentive plans. Employees are able to provide feedback on remuneration and employment conditions more generally during the company's biennial employee engagement survey, the most recent of which took place in 2025.

#### **Statement of consideration of shareholder views**

Prior to the finalisation of the previous remuneration policy approved by shareholders in 2023, the Remuneration Committee consulted a number of the company's larger shareholders through written correspondence. Shareholders were broadly supportive of the remuneration policy and did not request any changes to it. As there are no substantive changes being proposed to the policy, in line with shareholder expectations, the Remuneration Committee did not undertake further shareholder consultation this time. More generally, the Remuneration Committee receives copies of any correspondence from shareholders and institutional shareholder representative bodies relating to remuneration matters and continues to take their views into account. The company's annual general meeting provides shareholders with the opportunity to ask questions about directors' remuneration.

## Directors' remuneration report *continued*

### Remuneration policy *continued*

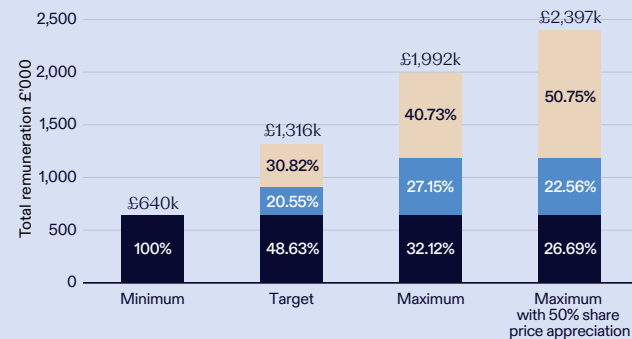
#### Illustration of the application of the remuneration policy for executive directors

The charts below provide an indication of the total pay of the executive directors in the first year of operation of the remuneration policy under four assumed performance scenarios:

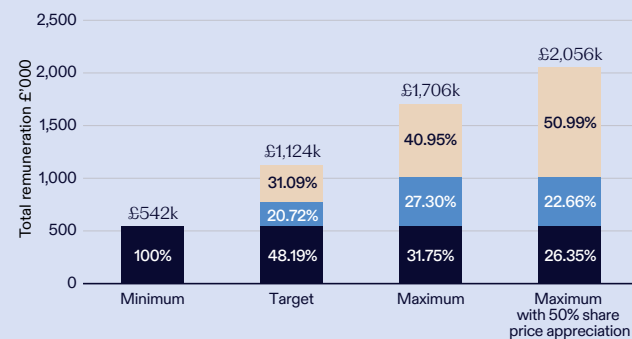
- Minimum receivable – this assumes that the director receives fixed components of pay only and nothing in respect of annual bonus or long-term incentives
- Receivable for target performance – this assumes that, in addition to fixed pay, there is a pay-out of 50% of basic salary for annual bonus and 50% vesting for performance share scheme awards
- Maximum receivable – this assumes that, in addition to fixed pay, there is a maximum bonus of 100% of basic salary and 100% vesting of performance share scheme awards
- Maximum receivable with 50% share price appreciation – this assumes that all elements are the same as for the maximum receivable but with an assumed 50% increase in share price for the performance share scheme awards

1. Fixed pay – comprises basic salary and pension related benefits, based on basic salary for the financial year ending 31 March 2027 and other taxable benefits taken from the table of total emoluments paid to directors for the 2026 financial year included in the Annual report on directors' remuneration.
2. Annual bonus – based on basic salary for the year ending 31 March 2027.
3. Long-term awards – for target performance and maximum receivable, an initial grant of 150% of basic salary for the year ending 31 March 2027 under the performance share scheme is assumed, as this is the current policy set by the Remuneration Committee, notwithstanding that the maximum permitted under the scheme rules is 200%. Share price growth is shown only in the maximum receivable with 50% share price appreciation column for shares vesting under the performance share scheme only. Any dividend equivalents that might accrue on share awards are not included.

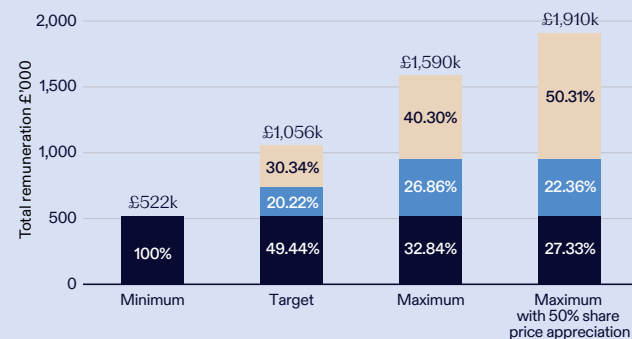
#### M S D Masters



#### R W Memmott



#### J M B Cayzer-Colvin



■ Fixed pay<sup>1</sup> ■ Annual bonus<sup>2</sup> ■ Long-term awards<sup>3</sup>

Directors' remuneration report *continued*

## Annual report on directors' remuneration

The following report sets out details and explanations of remuneration paid to directors over the financial year ended 31 March 2026 and describes how Caledonia's remuneration policy will be implemented for the 2027 financial year.

## Single total figure of remuneration for each director (audited)

## Executive directors

The table below provides an analysis of total remuneration of each executive director for the financial year ended 31 March 2026 and a comparison with the previous financial year.

	M S D Masters		R W Memmott		J M B Cayzer-Colvin		W P Wyatt <sup>b</sup>	
	2026 £'000	2025 £'000	2026 £'000	2025 £'000	2026 £'000	2025 £'000	2026 £'000	2025 £'000
<b>Fixed remuneration and benefits</b>								
Salary <sup>a</sup>	525	492	452	437	415	401	N/A	N/A
Taxable benefits <sup>1</sup>	18	19	6	10	31	28	N/A	N/A
Pension related benefits <sup>a</sup>	70	66	59	58	54	53	N/A	N/A
Total fixed remuneration	613	576	517	505	500	481	N/A	N/A
<b>Variable remuneration</b>								
Short-term incentives <sup>2</sup>	336	270	289	240	259	210	N/A	N/A
Long-term incentives <sup>3</sup>	376	566	106	–	409	579	168	382
Other <sup>4</sup>	2	–	2	–	1	–	N/A	N/A
Total variable remuneration	715	837	398	240	669	789	168	382
Total	1,327	1,413	915	745	1,169	1,271	168	382

Due to rounding, individual columns do not necessarily add up to the total.

- Salary and pension related benefits figures are stated before any salary sacrifice by the executive in return for a corresponding employer pension contribution.
- Will Wyatt ceased to be an executive director on 27 July 2022. The figures relating to long-term incentives reflect certain awards he retained from his employment. The fees he received as a non-executive director after that date are excluded from the table above and are shown in the table of non-executive director fees on page 91.

## 1. Taxable benefits

Taxable benefits principally comprised private medical insurance cover, a small Christmas supplement paid to all Caledonia employees and business-related expense reimbursements deemed to be taxable by HMRC. The taxable benefits for Mat Masters and Jamie Cayzer-Colvin also included legacy cash allowances of £7,776 and £15,024 respectively in lieu of a company car.

In addition to taxable benefits, other non-taxable benefits were provided to executive directors, including death-in-service insurance (4x salary), permanent health and income protection insurance, directors' and officers' liability insurance and certain other benefits of minor value provided to all Caledonia employees.

## 2. Short-term incentives

## Bonus metrics

For Mat Masters and Rob Memmott, a maximum of 50% of bonus was determined by reference to company performance and 50% by reference to individual performance objectives. For Jamie Cayzer-Colvin, who has specific responsibility for the Funds pool, 25% of his bonus was determined by reference to the company's performance, 25% to his pool's performance, 35% to his pool's objectives and 15% to individual performance objectives.

## Company performance

For the 2026 financial year, the company performance element was determined by reference to the relative performance of the company's NAVTR against inflation, which for bonus purposes was taken as 3%, or actual inflation if greater (weighted 33:67 on RPI:CPIH), with bonus payments for this element commencing with a 10% pay-out if the company's NAVTR matched inflation, increasing incrementally to the maximum entitlement payable if outperformance of 7% or more was achieved. The company's NAVTR was 5.4% over the year against an increase in inflation (for bonus purposes) of 3.6%, giving a payment of 28% for this element.

## Funds performance

Jamie Cayzer-Colvin's pool performance was assessed by reference to the return achieved by the Funds pool over the year on a constant currency basis, with payments commencing on achievement of a total return of 6%, rising to a maximum pay-out against a total return of 13.5%. The Funds pool's return over the year was 7.1% (4.9% on a Sterling basis), giving a payment of 22.4% for this element.

## Individual performance objectives

The Committee assessed performance against the individual objectives which included the following:

Name	Objective
M S D Masters	<ul style="list-style-type: none"> <li>Leading the delivery and continued evolution of investor relations activities</li> <li>Continuing to support the evolution of the strategies for the Funds and Private Capital pools</li> <li>Evaluation of incentives in light of team and strategic changes</li> <li>Leading ongoing development of artificial intelligence use within the business</li> </ul>
R W Memmott	<ul style="list-style-type: none"> <li>Delivery and continued evolution of investor relations activities</li> <li>Ongoing implementation of improvements to management information</li> <li>Completing development and embedding of the revised risk management framework</li> <li>Implementation of cost control framework</li> </ul>
J M B Cayzer-Colvin	<ul style="list-style-type: none"> <li>Supporting succession planning and team development</li> </ul>

The Committee decided to award the maximum bonus for individual performance for Mat Masters, Rob Memmott and Jamie Cayzer-Colvin.

## Funds pool objectives

In assessing Jamie Cayzer-Colvin's achievement of his pool objectives, the Committee took account of:

- Continued evolution of the strategy for the Funds pool
- Assessment of secondary market opportunities
- Engagement activities with general and limited partners
- Ongoing development of portfolio management processes and reporting

It was concluded that Jamie Cayzer-Colvin should be awarded a bonus of 35% of salary for attainment of pool objectives.

## Directors' remuneration report *continued*

Annual report on directors' remuneration *continued*

### Total bonuses

The total bonuses awarded to the executive directors for the year were therefore determined as follows:

	M S D Masters		R W Memmott		J M B Cayzer-Colvin	
	Award %	Max %	Award %	Max %	Award %	Max %
<b>Performance</b>						
Company	14	50	14	50	7	25
Pool	N/A	N/A	N/A	N/A	5.5	25
<b>Objectives</b>						
Pool	N/A	N/A	N/A	N/A	35	35
Individual	50	50	50	50	15	15
Total	64	100	64	100	62.5	100

In accordance with the company's remuneration policy, the following amounts included in the short-term incentives row for 2026 will be compulsorily deferred via the deferred bonus plan for a period of three years in the form of nil-cost options:

	M S D Masters		R W Memmott		J M B Cayzer-Colvin	
	2026 £'000	2025 £'000	2026 £'000	2025 £'000	2026 £'000	2025 £'000
Compulsorily deferred	74	25	63	22	52	10
Cash	263	246	226	219	207	200
Total	336	270	289	240	259	210

Due to rounding, individual columns do not necessarily add up to the total.

### 3. Long-term incentives

The long-term incentive awards for which performance measurement periods ended during the year were two-thirds of the awards granted in 2021 under the performance share scheme and one-third of the awards granted under that scheme in 2023. All such awards were nil-cost options. The performance measures and outturn following testing for the awards made to the executive directors were:

	Year of award	Performance measure		Performance outturn %	
		Performance measure	% of award	Performance outturn %	% vested
M S D Masters	2021	NAVTR <sup>a</sup>	20	9.5	95
		Capital portfolio TR <sup>b</sup>	53.3	6.9	58
		Income portfolio TR <sup>c</sup>	26.7	5.1	62
	2023	NAVTR <sup>a</sup>	100	5.4	48
R W Memmott	2023	NAVTR <sup>a</sup>	100	5.4	48
J M B Cayzer-Colvin	2021	NAVTR <sup>a</sup>	40	9.5	95
		Funds pool TR <sup>d</sup>	60	11.1	71
		NAVTR <sup>a</sup>	40	5.4	48
	2023	Funds pool TR <sup>d</sup>	60	5.5	–
W P Wyatt	2021	NAVTR <sup>a</sup>	100	9.5	95

- Vesting on a graduated basis, commencing at 10% on achievement of an annualised NAVTR of 3%, rising incrementally to 100% vesting on an annualised NAVTR of 10% over five years for the 2021 awards and over three years for the 2023 awards.
- Vesting on a graduated basis, commencing at 10% on achievement of an annualised total return of 4%, rising incrementally to 100% vesting on achievement of an annualised total return of 11% over five years for the 2021 awards. The performance metric excluded Polar Capital which, if included, decreased the outturn for the 2021 awards to 6.8%.
- Vesting on a graduated basis, commencing at 10% on achievement of an annualised total return of 3.5%, rising incrementally to 100% vesting on achievement of an annualised total return of 7% over three years.
- Vesting on a graduated vesting basis, commencing at 10% on achievement of an annualised total return of 6%, rising incrementally to 100% vesting on achievement of an annualised total return of 13.5% over five years for the 2021 awards and over three years for the 2023 awards. The performance metric for the 2021 and 2023 awards was measured on a constant currency basis (11.4% and 3.1% respectively on a Sterling basis).

The remaining two-thirds of the awards granted in 2021 will vest on 4 June 2026. The first one-third of the awards granted in 2023 will vest on 30 May 2026 and will be subject to a post-vesting holding period of two years. The values, as reflected in the 2026 long-term incentives row above, are calculated using the three-month average share price to 31 March 2026 of 353.65p, together with the value of dividends that will have accrued on the shares at vesting. The overall value of the long-term incentives shown in the table above are therefore analysed as follows:

	Estimated value of long-term incentive awards at vesting £	Value of dividend equivalents at vesting £	Estimated total at vesting £
M S D Masters	335,748	40,684	376,432
R W Memmott	99,439	6,467	105,906
J M B Cayzer-Colvin	358,555	50,870	409,425
W P Wyatt	146,181	22,069	168,250

Due to rounding, individual rows do not necessarily add up to the total.

The estimated value attributable to share price appreciation since grant in 2021 and 2023, based on the three-month average share price to 31 March 2026, for Mat Masters, Jamie Cayzer-Colvin and Will Wyatt was £27,287, £40,328 and £17,939 respectively. The estimated loss attributable to share price depreciation since grant in 2023, based on the three-month average share price to 31 March 2026, for Rob Memmott was £1,364. No discretion was exercised by the Committee in respect of share price appreciation or depreciation.

The Committee was satisfied that no windfall gains have arisen in connection with the vesting of the performance share awards granted in 2021 and 2023, taking into account the share price at the time of grant and progression in the share price over the period relative to NAVTR and typical market returns.

The 2025 figures shown in the long-term incentives and total rows on page 89 have been restated to replace estimated values for performance share scheme awards included in last year's report. The estimated values, which included dividend equivalents, were £577,831 for Mat Masters, £592,179 for Jamie Cayzer-Colvin and £391,335 for Will Wyatt. The restated figures, which reflect the values on the vesting dates, are as follows:

	Value of long-term incentive awards at vesting £	Value of dividend equivalents at vesting £	Total value at vesting £
M S D Masters	499,794 <sup>a</sup>	66,465	566,259
J M B Cayzer-Colvin	508,672 <sup>b</sup>	70,499	579,172
W P Wyatt	335,062 <sup>c</sup>	47,323	382,385

The company undertook a 10:1 share sub-division on 25 July 2025. The number of shares under any unvested award as at that date was adjusted (by a factor of 10) to reflect that share sub-division.

- 2,888 shares granted in 2022 vested on 30 May 2025. The mid closing price was 3700p per share. 107,950 shares granted in 2020 (10,795 before the 10:1 share sub-division) vested on 4 August 2025. The mid closing price was 364p per share.
- 941 shares granted in 2022 vested on 30 May 2025. The mid closing price was 3700p per share. 130,180 shares granted in 2020 (13,018 before the 10:1 share sub-division) vested on 4 August 2025. The mid closing price was 364p per share.
- 92,050 shares granted in 2020 (9,205 before the 10:1 share sub-division) vested on 4 August 2025. The mid closing price was 364p per share.

### 4. Other

Other comprised free and matching shares awarded under the Caledonia Investments Share Incentive Plan, an all-employee tax-advantaged share scheme launched in 2025. Matching shares are awarded 1:1 for each partnership share purchased by each employee and free shares are awarded to all employees subject to a statutory limit. Free and matching shares are subject to forfeiture for three years following award under a continued service condition.

## Directors' remuneration report *continued*

Annual report on directors' remuneration *continued*

### Chair and non-executive directors

Fees and other remuneration paid to the Chair and the non-executive directors during the year ended 31 March 2026 and the previous year were as follows:

	Fees		Taxable expenses <sup>5</sup>		Total <sup>9</sup>	
	2026 £'000	2025 £'000	2026 £'000	2025 £'000	2026 £'000	2025 £'000
D C Stewart	165	165	–	–	165	165
F A Buckley	59	51	– <sup>6</sup>	–	59	51
Hon C W Cayzer <sup>1</sup>	56	54	– <sup>7</sup>	1	56	55
G B Davison	59	58	–	–	59	58
M A Farlow	61	60	–	–	61	60
C L Fitzalan Howard	53	51	–	–	53	51
L R Fordham <sup>2</sup>	25	59	–	–	25	59
M G A McLintock <sup>3</sup>	6	–	–	–	6	–
W P Wyatt <sup>4</sup>	51	49	– <sup>8</sup>	–	51	50

- The Hon C W Cayzer received an additional fee of £5,000 per annum in respect of his services as a trustee of the Caledonia Pension Scheme.
- Lynn Fordham resigned as a director on 31 August 2025.
- Michael McLintock was appointed as a director on 16 February 2026.
- Will Wyatt became a non-executive director on 27 July 2022. This table reflects the fee received in respect of his non-executive role. The figures relating to long-term incentives reflecting certain awards retained from his employment are shown in the single total figure of remuneration table on page 89.
- Taxable expenses include expense reimbursements relating to travel, accommodation and subsistence in connection with board and committee attendance during the year, which are deemed by HMRC to be taxable in the UK. Amounts are the value of the expense plus the grossed-up tax paid by the company. Non-taxable expense reimbursements have not been included in the table.
- Farah Buckley incurred taxable expenses during 2026 at a total cost, including tax, of £236.
- The Hon C W Cayzer incurred taxable expenses during 2026 at a total cost, including tax, of £68.
- Will Wyatt incurred taxable expenses during 2026 at a total cost, including tax, of £164.
- Due to rounding, amounts stated do not necessarily add up to the total column.

The Chair and the non-executive directors did not receive any short-term incentives, long-term incentives or pension related benefits.

### Total pension entitlements (audited)

#### Defined contribution

Pension benefits paid to executive directors during the year, either as contributions to personal pension arrangements or as cash supplements, were as follows:

	Pension contribution		Cash supplement		Total	
	2026 £	2025 £	2026 £	2025 £	2026 £	2025 £
M S D Masters	8,252 <sup>a</sup>	6,758	61,514	58,846	69,766	65,604
R W Memmott	–	–	58,996	57,601	58,996	57,601
J M B Cayzer-Colvin	–	–	54,078	52,790	54,078	52,790

- Mat Masters made personal pension contributions during the year via a salary sacrifice arrangement on the same terms as provided to other Caledonia employees.

#### Defined benefit

On 26 April 2017, The Hon C W Cayzer reached his retirement age of 60 and now receives an annual pension under the Caledonia Pension Scheme, a final salary defined benefit scheme.

## Directors' remuneration report *continued*

Annual report on directors' remuneration *continued*

### Scheme interests awarded during the financial year (audited)

The table below sets out the awards made to each executive director during the year under the performance share scheme, deferred bonus plan and share incentive plan.

Scheme	Type of award	Basis of award	Date of grant	Face value of award £'000	Share price at grant <sup>1</sup>	Shares comprised in award number <sup>2</sup>	Shares comprised in award post adjustment for share sub-division <sup>3</sup>	Receivable if minimum performance achieved <sup>4</sup>	End of performance/retention period <sup>5</sup>
<b>M S D Masters</b>									
Performance share scheme	Nil-cost option	150% of salary	30.05.25	787	3650p	21,575	215,750	10%	31.03.30
Deferred bonus plan	Compulsory award, nil-cost option	% of bonus in excess of 50% of salary	30.05.25	25	3650p	673	6,730	100%	31.03.28
Share incentive plan	Free shares	All-employee award	27.06.25	1	3672p	19	190	100%	27.06.28
	Matching shares	1:1 match to partnership shares	- <sup>6</sup>	2	- <sup>6</sup>	- <sup>6</sup>	408	100%	-
<b>Total scheme interests awarded</b>				814			223,078		
<b>R W Memmott</b>									
Performance share scheme	Nil-cost option	150% of salary	30.05.25	678	3650p	18,588	185,880	10%	31.03.30
Deferred bonus plan	Compulsory award, nil-cost option	% of bonus in excess of 50% of salary	30.05.25	22	3650p	599	5,990	100%	31.03.28
Share incentive plan	Free shares	All-employee award	27.06.25	1	3672p	19	190	100%	27.06.28
	Matching shares	1:1 match to partnership shares	- <sup>6</sup>	2	- <sup>6</sup>	- <sup>6</sup>	408	100%	-
<b>Total scheme interests awarded</b>				703			192,468		
<b>J M B Cayzer-Colvin</b>									
Performance share scheme	Nil-cost option	150% of salary	30.05.25	622	3650p	17,038	170,380	10%	31.03.30
Deferred bonus plan	Compulsory award, nil-cost option	% of bonus in excess of 50% of salary	30.05.25	10	3650p	274	2,740	100%	31.03.28
Share incentive plan	Free shares	All-employee award	27.06.25	1	3672p	19	190	100%	27.06.28
<b>Total scheme interests awarded</b>				633			173,310		

1. Performance share scheme and deferred bonus plan awards based on the mid-market closing price on the dealing day immediately preceding the grant date.

2. The number of shares comprised in the awards under the performance share scheme and the deferred bonus plan was determined by reference to the company's share price at the time that the awards were made.

3. The number of shares comprised in each award have been adjusted to reflect the 10:1 share sub-division of the company's shares on 25 July 2025.

4. The performance targets for awards under the performance share scheme are set out under the statement of directors' share scheme interests on page 94. Compulsory awards under the deferred bonus plan and free and matching share awards under the share incentive plan are subject to a continued service condition only.

5. One-third of the awards under the performance share scheme are subject to performance testing at 31 March 2028, followed by a two-year holding period, with the remaining two-thirds subject to performance testing at 31 March 2030. Free and matching shares awarded under the share incentive plan are subject to forfeiture for three years following award.

6. Share incentive plan awards are allocated monthly and the highest share price for any allocation was 386p and the lowest was 327p.

## Directors' remuneration report *continued*

Annual report on directors' remuneration *continued*

### External directorships

The executive directors do not receive any fees for external directorships.

### Payments to past executive directors (audited)

#### W P Wyatt

Will Wyatt retired as Caledonia's Chief Executive and ceased employment with the Caledonia group on 27 July 2022. He continues to serve on the board as a non-independent non-executive director.

Will exercised all of the vested 2020 performance share scheme award over 92,050 shares (9,205 before the 10:1 share sub-division) on 17 September 2025. As reported in last year's annual report, the award was subject to performance testing as at 31 March 2025 and vested in August 2025. The total pre-tax value was £394,140, including dividend equivalents of £47,323.

Will's pro rata entitlement to a performance share scheme award made in 2021 was subject to performance testing on 31 March 2026, of which 41,335 shares will vest on 4 June 2026. As he remains a director, the details are reported in the single total figure of remuneration table on page 89.

#### T J Livett

Tim Livett retired as Caledonia's Chief Financial Officer and stepped down from the board on 1 September 2023. He ceased employment with the group on 31 October 2023.

Tim exercised all of the vested part of his 2022 performance share scheme award over 1,389 shares on 4 June 2025, which was subject to performance testing as at 31 March 2025 and vested in June 2025. The total pre-tax value was £57,988, including dividend equivalents of £5,275.

Tim also exercised all of the vested 2020 performance share scheme award over 104,350 shares (10,435 before the 10:1 share sub-division) on 6 August 2025, which was subject to performance testing as at 31 March 2025 and vested in August 2025. The total pre-tax value was £434,524, including dividend equivalents of £53,646.

Tim's pro rata entitlement to a performance share scheme award made in 2021 was subject to performance testing on 31 March 2026, of which 61,741 shares will vest on 4 June 2026.

### Payments for loss of office (audited)

There were no payments made for loss of office during the year.

### Statement of directors' shareholdings and scheme interests (audited)

#### Executive directors' minimum shareholding guidelines

Executive directors' minimum shareholding guidelines are set out on page 87. Mat Masters and Jamie Cayzer-Colvin have attained the minimum guideline shareholding as at 31 March 2026. Rob Memmott, who joined the company on 1 September 2023, has made progress towards achieving the guidelines.

The values of the relevant shareholdings of each executive director as at 31 March 2026, calculated by reference to Caledonia's closing share price on that date of 321p, and the percentage level by which the value of the minimum guideline shareholding has been achieved were as follows:

	Value of shareholding <sup>1</sup> £m	Attainment of guideline %
M S D Masters	2.6	249
R W Memmott	0.2	23
J M B Cayzer-Colvin	8.3	1,327

1. Shareholdings include those of connected persons; the value, net of any exercise costs, income tax and National Insurance contributions, of unexercised awards granted under the performance share scheme for which the performance targets have been met; free and matching share awards subject to potential forfeiture granted under the share incentive plan; and bonuses deferred compulsorily under the company's deferred bonus plan net of income tax and National Insurance contributions.

#### Directors' shareholdings

The interests of the directors who served during the year and their connected persons in the ordinary share capital of the company as at 31 March 2026 were as follows:

	Beneficial		Non-beneficial	
	2026 number	2025 number <sup>5</sup>	2026 number	2025 number <sup>5</sup>
D C Stewart	69,440	69,440	-	-
M S D Masters <sup>1</sup>	744,792	671,450	-	-
R W Memmott <sup>1</sup>	29,532	28,520	-	-
J M B Cayzer-Colvin <sup>1,2</sup>	2,509,881	2,442,350	2,013,400	2,037,540
F A Buckley	2,500	2,500	-	-
Hon C W Cayzer <sup>2</sup>	410,920	410,920	155,000	155,000
G B Davison	81,000	81,000	-	-
M A Farlow	20,000	20,000	-	-
C L Fitzalan Howard	20,000	20,000	-	-
L R Fordham <sup>3</sup>	13,300	13,300	-	-
M G A McLintock <sup>4</sup>	44,057	-	-	-
W P Wyatt <sup>2</sup>	12,597,064	12,394,670	1,026,850	977,050

1. Mat Masters, Rob Memmott and Jamie Cayzer-Colvin's beneficial interests include shares held under the share incentive plan.
2. Will Wyatt's beneficial interests included 10,805,904 shares (2025: 10,669,910 shares, 1,066,991 before the 10:1 share sub-division) held by The Dunchurch Lodge Stud Company and 101,350 shares (2025: 101,350 shares, 10,135 before the 10:1 share sub-division) held by Knossington Holdings Company, both private family companies controlled by Mr Wyatt and certain of his connected persons, and 10,000 shares in which The Hon C W Cayzer had a non-beneficial interest (2025: 10,000 shares, 1,000 before the 10:1 share sub-division). His non-beneficial interests included 145,000 shares (2025: 145,000 shares, 14,500 before the 10:1 share sub-division) in which The Hon C W Cayzer also held a non-beneficial interest. The Hon C W Cayzer's beneficial interests included 52,000 shares (2025: 52,000 shares, 5,200 before the 10:1 share sub-division) in which Mr Wyatt and Mr Cayzer-Colvin had non-beneficial interests.
3. Lynn Fordham resigned as a director on 31 August 2025.
4. Michael McLintock was appointed as a director on 16 February 2026.
5. The 2025 figures have been adjusted to reflect the 10:1 share sub-division of the company's shares on 25 July 2025.

There have been no changes in the directors' interests shown above between 31 March 2026 and the date of this report, other than for Mat Masters and Rob Memmott, who have each acquired 41 partnership shares and been awarded 41 matching shares via the share incentive plan between these dates.

## Directors' remuneration report *continued*

Annual report on directors' remuneration *continued*

### Directors' share scheme interests

The interests of directors as at 31 March 2026 in the share-based incentive schemes operated by the company are set out in the following table. The share numbers and the share price at date of award reflect the figures after adjusting for the 10:1 share sub-division of the company's shares on 25 July 2025.

	Share price at date of award	Unvested with performance conditions <sup>1</sup>	Unvested without performance conditions <sup>2</sup>	Vested but unexercised <sup>3</sup>	Total
<b>M S D Masters</b>					
<b>Performance share scheme awards</b>					
Granted 04.06.21 (nil-cost)	310.3p	-	62,020	-	62,020
Granted 30.05.22 (nil-cost)	374p	120,320	-	-	120,320
Granted 30.05.23 (nil-cost)	344.5p	137,150	32,918	-	170,068
Granted 28.05.24 (nil-cost)	341p	216,200	-	-	216,200
Granted 30.05.25 (nil-cost)	365p	215,750	-	-	215,750
<b>Performance share scheme total</b>		689,420	94,938	-	784,358
<b>Deferred bonus plan – compulsory awards<sup>4</sup></b>					
Granted 28.05.24 (nil-cost)	341p	-	29,790	-	29,790
Granted 30.05.25 (nil-cost)	365p	-	6,730	-	6,730
<b>Deferred bonus plan total</b>		-	36,520	-	36,520
<b>Share incentive plan awards<sup>5</sup></b>					
Granted 27.06.25 (free shares)	367.2p	-	190	-	190
Granted in year (matching shares)	-	-	408	-	408
<b>Share incentive plan awards total</b>		-	598	-	598
<b>Total share scheme interests</b>		689,420	132,056	-	821,476

During the year, Mat Masters exercised performance share scheme awards over a total of 136,830 shares (13,683 before the 10:1 share sub-division) and deferred bonus plan awards over a total of 3,870 shares at a pre-tax gain of £644,005 plus an additional sum of £83,783 in respect of dividend equivalents.

	Share price at date of award	Unvested with performance conditions <sup>1</sup>	Unvested without performance conditions <sup>2</sup>	Vested but unexercised <sup>3</sup>	Total
<b>W P Wyatt</b>					
<b>Performance share scheme awards</b>					
Granted 04.06.21 (nil-cost)	310.3p	-	41,335	-	41,335
<b>Performance share scheme total</b>		-	41,335	-	41,335
<b>Total share scheme interests</b>		-	41,335	-	41,335

During the year, Will Wyatt exercised performance share scheme awards over a total of 92,050 shares (9,205 before the 10:1 share sub-division) at a pre-tax gain of £346,817 plus an additional sum of £47,323 in respect of dividend equivalents.

	Share price at date of award	Unvested with performance conditions <sup>1</sup>	Unvested without performance conditions <sup>2</sup>	Vested but unexercised <sup>3</sup>	Total
<b>R W Memmott</b>					
<b>Performance share scheme awards</b>					
Granted 24.11.23 (nil-cost)	358.5p	117,150	28,118	-	145,268
Granted 28.05.24 (nil-cost)	341p	192,230	-	-	192,230
Granted 30.05.25 (nil-cost)	365p	185,880	-	-	185,880
<b>Performance share scheme total</b>		495,260	28,118	-	523,378
<b>Deferred bonus plan – compulsory awards<sup>4</sup></b>					
Granted 30.05.25 (nil-cost)	365p	-	5,990	-	5,990
<b>Deferred bonus plan total</b>		-	5,990	-	5,990
<b>Share incentive plan awards<sup>5</sup></b>					
Granted 27.06.25 (free shares)	367.2p	-	190	-	190
Granted in year (matching shares)	-	-	408	-	408
<b>Share incentive plan awards total</b>		-	598	-	598
<b>Total share scheme interests</b>		495,260	34,706	-	529,966
<b>J M B Cayzer-Colvin</b>					
<b>Performance share scheme awards</b>					
Granted 04.08.20 (nil-cost)	264p	-	-	195,280	195,280
Granted 04.06.21 (nil-cost)	310.3p	-	90,659	56,250	146,909
Granted 30.05.22 (nil-cost)	374p	97,990	-	9,410	107,400
Granted 30.05.23 (nil-cost)	344.5p	111,750	10,728	-	122,478
Granted 28.05.24 (nil-cost)	341p	176,170	-	-	176,170
Granted 30.05.25 (nil-cost)	365p	170,380	-	-	170,380
<b>Performance share scheme total</b>		556,290	101,387	260,940	918,617
<b>Deferred bonus plan – compulsory awards<sup>4</sup></b>					
Granted 28.05.24 (nil-cost)	341p	-	12,140	-	12,140
Granted 30.05.25 (nil-cost)	365p	-	2,740	-	2,740
<b>Deferred bonus plan total</b>		-	14,880	-	14,880
<b>Share incentive plan awards<sup>5</sup></b>					
Granted 27.06.25 (free shares)	367.2p	-	190	-	190
<b>Share incentive plan awards total</b>		-	190	-	190
<b>Total share scheme interests</b>		556,290	116,457	260,940	933,687

During the year, Jamie Cayzer-Colvin exercised performance share scheme awards over 11,520 shares and deferred bonus plan awards over a total of 4,666 shares at a pre-tax gain of £600,905 plus an additional sum of £74,553 in respect of dividend equivalents.

## Directors' remuneration report **continued**

Annual report on directors' remuneration **continued**

### 1. Performance conditions

#### Performance share scheme

Of the awards shown as unvested with performance conditions, for nil-cost options granted to Mat Masters on 30 May 2022 and 30 May 2023, to Rob Memmott on 24 November 2023, to Mat Masters and Rob Memmott on 28 May 2024 and to Mat Masters and Rob Memmott on 30 May 2025, shares will vest on a graduated basis, with vesting commencing at 10% if the company achieves an annualised NAVTR of 3%, rising incrementally to 100% vesting on achievement of an annualised NAVTR of 10%.

For Jamie Cayzer-Colvin, who is Head of the Funds pool, 60% of his performance share scheme awards granted on these dates will be measured against the annualised total returns achieved by the Funds pool. Awards will similarly vest on a graduated basis, with vesting commencing at 10% on achievement of an annualised Funds pool total return of 6%, rising incrementally to 100% vesting on achievement of an annualised total return of 13.5%. The remaining 40% of Jamie Cayzer-Colvin's performance share scheme awards for these grants will be measured against Caledonia's NAVTR as above.

The relevant performance conditions will be tested over three years for one-third of the shares comprised in an award and over five years for the remaining two-thirds of the shares comprised in an award.

The nil-cost options granted on 4 June 2021, shown as unvested without performance conditions, were performance-tested against their relevant target as at 31 March 2026 and achieved a vesting level of 95% for those measured against Caledonia's NAVTR. The awards will vest on 4 June 2026.

Mat Masters was previously Head of the Capital portfolio before taking on broader responsibility for the Income portfolio from 2019 until his appointment as Chief Executive Officer. For the nil-cost options granted on 4 June 2021, 53.3% was measured by reference to the annualised total return achieved by the Capital portfolio, with awards vesting on a graduated basis, commencing at 10% on achievement of an annualised total return of 4%, rising incrementally to 100% vesting on achievement of an annualised total return of 11%. 26.7% was measured by reference to the annualised total return achieved by the Income portfolio over the performance measurement period, with graduated vesting commencing at 10% on achievement of an annualised total return of 3.5%, rising incrementally to 100% vesting on achievement of an annualised total return of 7%. The remaining 20% of the performance share scheme awards for these grants was measured against Caledonia's NAVTR as above. The proportion of Mat Masters' nil-cost options awarded at that date measured against the Capital and Income portfolios achieved vesting levels of 58% and 62% respectively.

Jamie Cayzer-Colvin's nil-cost options awarded on 4 June 2021 measured against the Funds pool's return achieved a 71% vesting level.

#### Other exercise conditions

### 2. Performance share scheme

Nil-cost options that vest following the three- or five-year performance testing become immediately exercisable on the third or fifth anniversary of grant, as applicable.

### 3. Vested but unexercised

Shares vested but unexercised represent those awards that are immediately exercisable without any conditions.

### 4. Deferred bonus plan

Compulsory awards under the deferred bonus plan normally vest if the director remains an employee of the group for a three-year period commencing on the first day of the financial year in which the award is made.

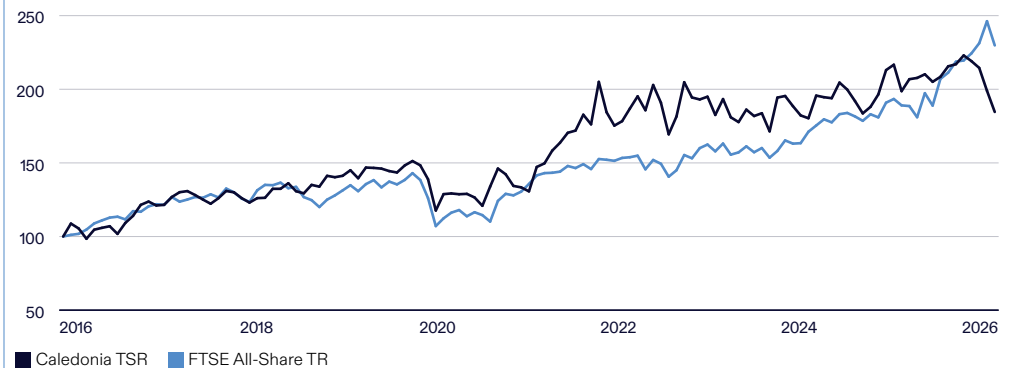
### 5. Share incentive plan

Matching shares allocated under the share incentive plan are allocated monthly and the highest share price for any allocation during the year was 386p and the lowest was 327p. Free and matching share awards are subject to forfeiture if employment terminates under certain circumstances within three years of award.

### Performance graph of total shareholder return and table of Chief Executive Officer's total remuneration

The graph below shows the company's total shareholder return ('TSR') against that of the FTSE All-Share Total Return index for the 10 financial years ended on 31 March 2026. TSR has been calculated assuming that all dividends are reinvested on their ex-dividend dates. The FTSE All-Share Total Return index has been chosen as it is the benchmark by which the company measures its delivery of value over the longer term.

#### TSR growth over 10 years



The table below shows the total remuneration received by the Chief Executive Officer in each of the 10 financial years to 31 March 2026, prepared on the same basis as in the single total figure in the table on page 89, and the percentage of the maximum potential short- and long-term incentives received in those years.

Years ended 31 March	Chief Executive Officer	Total remuneration £'000	Incentives vested as a percentage of maximum	
			Short-term %	Long-term %
2017	W P Wyatt	1,799	100.0	85.0
2018	W P Wyatt	1,795	40.0	84.7
2019	W P Wyatt	1,864	90.7	94.7
2020	W P Wyatt	805	–	20.9
2021	W P Wyatt	1,896	85.0	87.9
2022	W P Wyatt	2,326	100.0	100.0
2023	W P Wyatt <sup>1</sup>	1,154	–	100.0
2023	M S D Masters <sup>1</sup>	1,250	45.0	100.0
2024	M S D Masters	1,376	71.5	96.4
2025	M S D Masters	1,413 <sup>2</sup>	55.0	81.4
2026	M S D Masters	1,327	64.0	58.6

1. Mat Masters succeeded Will Wyatt as Chief Executive Officer on 27 July 2022.

2. Restated from last year's single total figure table to reflect the company's share price on the vesting date of the 2020 and 2022 performance share scheme awards.

## Directors' remuneration report *continued*

Annual report on directors' remuneration *continued*

### Percentage change in remuneration of the directors

The following table shows the percentage change in the basic salary/fees, value of taxable benefits and short-term incentives paid to directors in the year against the prior financial year, compared with the average percentage changes in those components of pay of Caledonia's other employees, excluding directors, on a per capita basis.

Standard salary increases awarded from 1 April 2025 were 3.5%. The per capita percentage increase in basic salary for employees shown in the table is higher than this due to the effect of non-standard increases awarded for promotions, increased responsibilities or other such adjustments. The average per capita percentage change for employee taxable benefits increased over the year principally due to changes in benefit cover for certain employees under the company's private medical insurance plan and small variances in employee benefits including taxable expenses. The average per capita percentage change for employee bonus increased over the year due to higher bonus awards being made. Mat Masters and Rob Memmott were awarded bonuses of 64% and Jamie Cayzer-Colvin was awarded a bonus of 62.5% of salary, compared with 55% and 52.5% respectively in the previous financial year. Certain members of Caledonia's staff were awarded bonuses of varying levels in each year depending on company performance, investment pool performance (where relevant) and individual performance. Increases in non-executive fees include any changes to responsibilities made during the year.

	2026			2025			2024			2023			2022		
	Basic salary/ fees %	Benefits %	Bonus %	Basic salary/ fees %	Benefits %	Bonus %	Basic salary/ fees %	Benefits %	Bonus %	Basic salary/ fees %	Benefits %	Bonus %	Basic salary/ fees %	Benefits %	Bonus %
<b>Executive directors</b>															
M S D Masters <sup>1</sup>	6.8	(5.7)	24.3	4.0	(23.9)	(20.0)	5.0	45.6	66.8	N/A	N/A	N/A	N/A	N/A	N/A
W P Wyatt <sup>2</sup>	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	(67.5)	(70.7)	(100)	N/A	(4.1)	17.7
R W Memmott <sup>3</sup>	3.5	(42.7)	20.4	4.0	60.4	(20.0)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
J M B Cayzer-Colvin	3.5	11.3	23.2	4.0	(4.6)	(10.1)	5.1	5.1	33.0	5.0	15.6	(49.6)	1.5	8.9	12.8
<b>Chair and non-executive directors</b>															
D C Stewart	-	-	N/A	-	(100)	N/A	-	100	N/A	10.0	-	N/A	-	-	N/A
F A Buckley	14.8	53.3	N/A	3.6	(17.8)	N/A	4.8	100	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Hon C W Cayzer	2.8	(92.5)	N/A	3.4	100	N/A	4.5	-	N/A	11.4	-	N/A	-	-	N/A
G B Davison	2.6	-	N/A	3.1	-	N/A	4.2	-	N/A	13.1	-	N/A	-	(100)	N/A
M A Farlow	2.5	-	N/A	3.0	-	N/A	6.0	-	N/A	N/A	-	N/A	-	-	N/A
C L Fitzalan Howard	2.9	-	N/A	3.6	-	N/A	4.8	-	N/A	13.3	-	N/A	-	-	N/A
L R Fordham <sup>4</sup>	2.5	-	N/A	3.1	-	N/A	8.9	(100)	N/A	10.7	100	N/A	N/A	-	N/A
M G A McLintock <sup>5</sup>	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
W P Wyatt <sup>2</sup>	3.1	(67.1)	N/A	3.7	(84.5)	N/A	5.0	100	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>Staff per capita (excluding directors)</b>	<b>5.5</b>	<b>38.1</b>	<b>31.3</b>	<b>7.5</b>	<b>(1.4)</b>	<b>(2.0)</b>	<b>10.1</b>	<b>4.7</b>	<b>98.8</b>	<b>10.2</b>	<b>17.5</b>	<b>(43.2)</b>	<b>4.0</b>	<b>7.5</b>	<b>22.9</b>

1. Mat Masters was appointed to the board on 1 April 2022, succeeding Will Wyatt as Chief Executive Officer on 27 July 2022.

2. Will Wyatt served as Chief Executive until 27 July 2022 and has served as a non-executive director since 27 July 2022.

3. Rob Memmott was appointed to the board on 1 September 2023.

4. Lynn Fordham resigned from the board on 31 August 2026.

5. Michael McLintock was appointed during the year and therefore has no prior year comparison.

## Directors' remuneration report *continued*

Annual report on directors' remuneration *continued*

### Pay ratio information in relation to the total remuneration of the Chief Executive Officer

With fewer than 250 UK employees, Caledonia is not required to disclose Chief Executive Officer to employee pay ratios under The Companies (Miscellaneous Reporting) Regulations 2018. However, as recommended by the Investment Association, the Committee has decided voluntarily to publish the information below. The ratios compare the total remuneration of the Chief Executive Officer, as set out on page 89, against the lower quartile, median and upper quartile total remuneration of the company's employees as at 31 March 2026. This disclosure will build up over time to cover a rolling 10-year period.

A significant proportion of the Chief Executive Officer's total earnings potential is comprised of share-based incentives, which are linked to Caledonia's performance and share price movement over the longer term. This will inevitably lead to an element of volatility in the year-on-year total remuneration of the Chief Executive Officer and consequently variations in the ratios, as some employees do not participate in the long-term incentive scheme or participate at lower levels. As the majority of awards under the scheme vest over five years, participants will only build up equivalent annual vesting to the Chief Executive Officer over this period of time, which may further distort the comparison.

In order to provide further context, the table includes ratios based on basic salary only to demonstrate over time that the underlying pay structures do not show a divergent trend between the Chief Executive Officer's pay and that of employees generally and also that employees are paid fairly.

Year	Methodology	Pay ratios			Basis	Chief Executive Officer	Remuneration values		
		P25 (lower quartile)	P50 (median)	P75 (upper quartile)			P25 (lower quartile)	P50 (median)	P75 (upper quartile)
2020	Option A	14:1	9:1	4:1	Total remuneration (£'000)	814	57	94	217
	Salary only	12:1	7:1	4:1	Salary only (£'000)	540	46	73	144
2021	Option A	30:1	15:1	6:1	Total remuneration (£'000)	1,828	61	122	329
	Salary only	12:1	7:1	4:1	Salary only (£'000)	540	46	78	138
2022	Option A	42:1	19:1	6:1	Total remuneration (£'000)	2,294	54	122	392
	Salary only	12:1	7:1	4:1	Salary only (£'000)	540	45	76	138
2023	Option A	20:1	14:1	6:1	Total remuneration (£'000)	1,268	63	91	227
	Salary only	9:1	6:1	3:1	Salary only (£'000)	450	50	70	135
2024	Option A	20:1	13:1	5:1	Total remuneration (£'000)	1,351	68	106	268
	Salary only	9:1	6:1	3:1	Salary only (£'000)	473	51	77	143
2025	Option A	20:1	13:1	6:1	Total remuneration (£'000)	1,424	70	114	256
	Salary only	9:1	6:1	3:1	Salary only (£'000)	492	56	83	150
2026	Option A	18:1	11:1	5:1	Total remuneration (£'000)	1,327	73	117	289
	Salary only	9:1	6:1	3:1	Salary only (£'000)	525	56	86	155

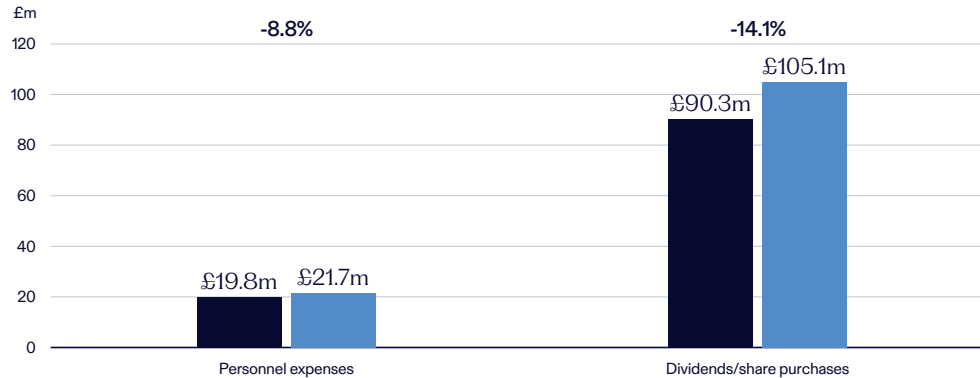
- The employees at the lower, median and upper quartiles were determined as at 31 March in the relevant year.
- 'Option A' methodology, as set out in The Companies (Miscellaneous Reporting) Regulations 2018, which requires determination of the total full-time equivalent earnings of all UK employees for the relevant financial year, has been used as this is considered the most statistically accurate under the reporting regulations.
- To determine full-time equivalent earnings, joiners during the year are assumed to have worked for the full year with salary, benefits and bonus pro rata accordingly. Reduced hours employees similarly have been assumed to have worked on a full-time basis. No adjustments have been made to the value of share-based incentives that vested during the year for relevant employees, other than that awards held by reduced hours employees have been recalculated to reflect the number of shares that would have been granted based on the full-time equivalent salary of the participant at the time of grant. Free and/or matching shares under the share incentive plan are not included.

## Directors' remuneration report *continued*

Annual report on directors' remuneration *continued*

### Relative importance of spend on pay

The graph below shows the personnel expenses for the year of group companies consolidated under IFRS 10, compared with amounts distributed to Caledonia's shareholders by way of dividends and share purchases.



■ 2026 ■ 2025

### Statement of implementation of remuneration policy in the 2027 financial year

If approved by shareholders at the annual general meeting on 15 July 2026, the company expects to operate the remuneration policy as described on pages 82 to 88 without any changes in the financial year ending 31 March 2027.

#### Basic salaries of executive directors

For the 2027 financial year, the Committee has awarded an increase in basic salary of 3% to Mat Masters, Rob Memmott and Jamie Cayzer-Colvin, broadly in line with inflation, which was the same standard increase given to the rest of the company's employees.

The executive directors' salaries for the 2027 financial year are as follows:

	Salary for year to 31 March	
	2027 £	2026 £
M S D Masters	540,800	525,000
R W Memmott	465,900	452,300
J M B Cayzer-Colvin	427,100	414,600

#### Chair's and non-executive directors' fees

The non-executive director basic fee has been increased by 3% and, with effect from the annual general meeting, the Chair fee will increase by 6%. No changes have been made to the fees paid for chairing and membership of the Audit and Risk and Remuneration Committees or to the fee paid to the Senior Independent Director.

The fees are as follows:

	Fees for year to 31 March	
	2027 £	2026 £
Chair	175,000 <sup>1</sup>	165,000
Non-executive director basic fee	52,000	50,500
Chair of the Audit and Risk Committee	10,000	10,000
Member of the Audit and Risk Committee	2,500	2,500
Chair of the Remuneration Committee	8,000	8,000
Member of the Remuneration Committee	2,000	2,000
Senior Independent Director/Chair of the Governance Committee	6,000	6,000

1. The fee paid to David Stewart, the current Chair, has been unchanged since 2022 and will remain at £165,000 until the end of his tenure.

No additional fees are paid for membership of the Governance and Nomination Committees.

#### Annual bonus scheme and long-term incentive schemes

RPI was previously used as a reference point for inflation in the overall bonus calculation. Whilst RPI is still published by the Office for National Statistics, it is recognised that CPIH is now the leading and preferred indicator of inflation in the UK. Since 2023, Caledonia has used CPIH in place of RPI as the measure for UK inflation. However, given the differential between the two inflation rates, the Committee has implemented a phased transition from RPI to CPIH as the inflation benchmark for bonus purposes over the course of the three-year remuneration policy period. The inflation benchmark was weighted 67:33 on RPI:CPIH for the 2024 financial year, 50:50 for 2025, 33:67 for 2026 and will be 100% on CPIH for the 2027 financial year.

No other changes to the performance metrics or award opportunities for the company's annual bonus or long-term incentive schemes are anticipated for the 2027 financial year.

#### Approach

The Committee will keep the implementation of the remuneration policy under review in order to take account of any changes in the company's business environment and remuneration practice generally, but with the overall aim of ensuring that Caledonia's remuneration arrangements continue to support the company's strategy and deliver long-term shareholder value by attracting and retaining talent and rewarding executives appropriately in the light of the company's performance.

## Directors' remuneration report *continued*

Annual report on directors' remuneration *continued*

### Consideration by the directors of matters relating to directors' remuneration

The current members of the Committee are Anne Farlow (Chair), Farah Buckley, Claire Fitzalan Howard and David Stewart.

During the year, the Committee received advice from Freshfields LLP, the company's principal legal advisers, which covered matters including the preparation of the Directors' remuneration report and share plans. Ellason LLP, appointed by the Committee following a formal tender process completed in 2022, provides remuneration advice. The Committee is satisfied that advice received was objective and independent. Ellason has no connection with individual directors and is a member of the Remuneration Consultants Group (the professional body for remuneration consultants) and adheres to its code of conduct. The fees for Ellason for work relating to the Committee for 2026 were £45,480 (2025: £26,175). Fees incurred are charged on the basis of each firm's standard terms of business. Ellason did not provide any other services to the company. The Committee assesses the performance of its advisers, the associated level of fees and reviews the quality of advice provided to ensure that it is objective and independent of any support provided to management.

The Committee also consulted with the Chief Executive Officer in relation to the remuneration of the executive directors and other senior executives and internal support was provided to the Committee by the Company Secretary. No executive participates in discussions in respect of their own remuneration. Given the composition of the Committee and this requirement, we are comfortable that no conflicts arose in respect of decision-making by the Committee.

### Statement of voting at general meetings

At the annual general meeting of the company held on 16 July 2025, the votes lodged for the resolutions relating to directors' remuneration were as follows:

To approve the 2025 Directors' remuneration report (other than the directors' remuneration policy)	Number	%
Votes in favour	34,429,475	99.0
Votes against	346,043	1.0
Total votes cast	34,775,518	
Votes withheld	32,652	

The votes lodged for the most recently approved remuneration policy, being at the annual general meeting held on 19 July 2023 were as follows:

To approve the remuneration policy	Number	%
Votes in favour	35,087,565	98.8
Votes against	412,670	1.2
Total votes cast	35,609,903	
Votes withheld	109,668	

This report was approved by the board on 18 May 2026 and signed on its behalf by:

#### **Anne Farlow**

Chair of the Remuneration Committee  
18 May 2026

## Directors' report

The Directors' report for the year ended 31 March 2026 has been prepared in accordance with the disclosure requirements of the following:

- Companies Act 2006
- The Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 (as amended)
- Financial Conduct Authority's Listing Rules ('LRs') and Disclosure Guidance and Transparency Rules ('DTRs')

The Directors' report, together with the Strategic report on pages 1 to 61, represents the management report for the purpose of compliance with DTR 4.1.5R(2).

### Information included elsewhere

The following information required to be included in the Directors' report has been included elsewhere and is incorporated by reference:

Disclosure	Section of annual report	Page(s)
Information on exposure to liquidity risk <sup>1</sup>	Risk management	60
Likely future developments in the business <sup>1</sup>	Risk management	59 to 60
Engagement with suppliers, customers and others <sup>1</sup>	Stakeholder engagement	18 to 21
Greenhouse gas emissions, energy consumption and energy efficiency action <sup>1</sup>	Sustainability	47
Disclosure of information to auditors	Responsibility statements	104
Financial risk management objectives and policies	Note 23	132 to 138

1. In accordance with section 414C (11) of the Companies Act 2006.

### Shares

#### Share sub-division

At the 2025 annual general meeting, shareholders approved a 10:1 share sub-division, reducing the nominal value of ordinary shares of 5p each to 0.5p. The share sub-division was implemented on 25 July 2025.

#### Share capital structure

The company has two classes of share capital, ordinary shares of 0.5p each and deferred ordinary shares of 5p each.

The holders of the ordinary shares of 0.5p each are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the company. All voting rights are, however, suspended in respect of any of the company's shares that are held in treasury or by group companies.

The deferred ordinary shares of 5p each carry no voting rights and are not redeemable. They carry the right to a fixed cumulative preference dividend of 1% per annum of the nominal value of a deferred ordinary share, being 0.05p per share, or £4,000 in aggregate, for all such shares currently in issue. The company is required to pay the dividend to the extent that it has distributable profits. On a winding-up or other return of capital, the deferred ordinary shares carry the right to the payment of the amount paid up on the shares only after holders of the ordinary shares have received the sum of £100,000 in respect of each ordinary share. All of the deferred ordinary shares are held by Sterling Industries Limited, a wholly-owned subsidiary of Caledonia.

At 31 March 2026, 519,361,469 ordinary shares of 0.5p each and 8,000,000 deferred ordinary shares of 5p each were in issue. The ordinary shares of 0.5p each therefore represented approximately 87% and the deferred ordinary shares of 5p each approximately 13% of the total issued share capital by nominal value. Of the ordinary shares of 0.5p each in issue at 31 March 2026, 30,000 shares were held by a group company. As stated above, all voting rights are suspended on these shares.

During the year the company purchased 247,372 of its ordinary shares of 5p each prior to the share sub-division and a further 6,991,791 of its ordinary shares of 0.5p each following the share sub-division at a combined total cost of £34.57m. These shares had a nominal value of £47,328, represented 1.82% of the issued ordinary share capital as at 31 March 2026 and were immediately cancelled. These shares were purchased to take advantage of the wide discount of the company's share price to its net asset value. Since the year end a further 3,722,824 ordinary shares of 0.5p each have been purchased and cancelled at a total cost of £13.32m. The company's issued share capital after these transactions, as at 18 May 2026, being the last practicable date prior to signature of these accounts, was 515,638,645 ordinary shares of 0.5p each and 8,000,000 deferred ordinary shares of 5p each.

### Dividends

#### Dividend policy

The company's policy is to pay an increasing annual dividend per share in real terms, which it has now done for 59 consecutive years. In addition, the company may supplement the annual dividend with special dividends when the board considers it appropriate, for example if the company has surplus cash reserves in excess of its strategic investment plans.

The board historically aimed for the annual dividend to be fully covered by net revenue for the relevant financial year in a period of normal trading but modified this approach in 2023 to reduce the strategic level of net revenue cover from fully covered to around 0.5x and also to factor in net cash inflow from the maturing funds portfolio. The expectation is that this will provide an aggregate cash flow cover for the dividend of at least 1x over the medium term. The company has available distributable reserves of £2,549m, broadly equivalent to 64 years' payment of the current annual dividend to maintain an increasing annual dividend per share in real terms.

During the year, the board amended the company's dividend policy by increasing the interim dividend to 50% of the prior year's total annual dividend. As reported in the 2025 annual report, the change was intended to ensure a more balanced dividend profile and provide a more predictable income stream to shareholders.

## Directors' report *continued*

### 2026 dividend distributions.

An interim dividend of 3.68p per share (2025: 1.969p<sup>1</sup>) was paid on 8 January 2026 and the board has recommended a final dividend of 4.004p per share (2025: 5.931p<sup>1</sup>), giving total annual dividends for the year of 7.684p per share (2025: 7.36p<sup>1</sup>).

- Dividends paid in respect of the financial year ended 31 March 2025 were declared and paid on a pre-share sub-division basis. Following the 10:1 share sub-division, the interim and final dividends of 19.69p per share and 59.31p per share respectively for the prior year have been restated to 1.969p and 5.931p per share for the purposes of comparability.

### Restrictions on the transfer of shares

There are no specific restrictions on the transfer of the company's shares, although the articles of association contain provisions whereby the board may refuse to register a transfer of a certificated share which is not fully paid, provided that such refusal does not prevent dealings in the share from taking place on an open and proper basis. The board may also refuse to register the transfer of a certificated share unless it is (a) lodged, duly stamped (if stampable), at the registered office or at such other place as the board may appoint, accompanied by the certificate for the shares to which it relates and such other evidence as the board may reasonably require to show the right of the transferor to make the transfer; (b) in respect of only one class of shares; and (c) in favour of not more than four transferees.

The directors may refuse to register a transfer of shares if a shareholder has not supplied information to the company in default of a request duly served under section 793 of the Companies Act 2006 and such shares represent at least 0.25% of the class of shares concerned.

### Substantial interests

As at 31 March 2026, the company had received formal notifications of the following holdings in its ordinary shares in accordance with the requirements of the DTRs:

	Number of voting rights	Percentage of voting rights
The Cayzer Trust Company Limited	193,412,640	37.003% <sup>1</sup>

- Percentage holding based on total voting rights at 13 November 2025. The percentage holding based on the company's total voting rights as at 18 May 2026, being the last practicable date prior to signature of these accounts, was 193,412,640 (37.5%).

### Employee Share Trust

The Caledonia Investments plc Employee Share Trust (the 'EST') and The Caledonia 2024 Employee Benefit Trust (the '2024 EBT') acquire and hold ordinary shares in the company for subsequent transfer to employees exercising options under the company's performance share scheme or deferred bonus plan. The voting rights of shares held by the EST and the 2024 EBT are exercisable by the independent trustee however, in practice, these are not voted. Each trust is financed by an interest free loan facility from Caledonia and the trustee has waived all dividends payable in respect of the ordinary shares held by the trusts.

During the year, the company also established the Caledonia Investments Share Incentive Plan Trust (the 'SIP Trust') in connection with the company's Share Incentive Plan ('SIP'). The SIP Trust is administered by an independent trustee in the UK and purchases and holds Caledonia shares on behalf of participating employees, including partnership shares, matching shares, free shares and dividend shares. Employee contributions fund the purchase of partnership shares whilst matching shares and free shares are funded by an interest-free loan. As at 31 March 2026, the holdings of the Employee Share Trusts were as follows:

	Number of ordinary shares of 0.5p	Percentage of the total issued voting share capital
The EST	1,079,820	0.21%
The 2024 EBT	383,237	0.07%
The SIP Trust	74,662	0.01%

### Restrictions on voting rights

The directors may direct that a shareholder shall not be entitled to attend and vote either personally or by proxy or exercise any other right conferred by membership in relation to general meetings of the company in respect of some or all of the shares held by them if they or any person with an interest in such shares has been duly served with a notice under section 793 of the Companies Act 2006 and is in default for the prescribed period in supplying to the company the information required or, in purported compliance with such a notice, has made a statement which is false or inadequate in a material particular.

### Agreements which may restrict the transfer of shares or exercise of voting rights

The company is not aware of any arrangements which may restrict the transfer of any of its shares or the exercise of any voting rights.

### Authority to allot shares

At the annual general meeting of the company held on 16 July 2025 (the '2025 AGM'), shareholders granted to the directors authority to allot ordinary shares up to a nominal amount of £1,754,510, representing approximately two-thirds of the ordinary share capital then in issue, with authority to allot additional ordinary shares up to a nominal value of £877,255, representing approximately a further one-third of the ordinary share capital then in issue, by way of pre-emptive rights issues only, in accordance with guidance issued at that time by the Investment Association. The directors were further authorised to issue ordinary shares up to a nominal amount of £131,588 other than pro rata to existing ordinary shareholders. These authorities last until 16 October 2026 or, if earlier, the conclusion of the next annual general meeting.

## Directors' report *continued*

### Authority to purchase shares

At the 2025 AGM, shareholders granted authority for the company to make market purchases of up to 2,631,766 of its own ordinary shares of 5p each (26,317,663 ordinary shares of 0.5p each following shareholder approval and the subsequent implementation of the share sub-division), being approximately 5% of the ordinary share capital then in issue, at a price not more than the higher of (a) 5% above the average of the middle market quotations for ordinary shares during the five business days preceding any such purchase; and (b) the higher of (i) the price of the last independent trade in ordinary shares; and (ii) the highest current independent bid relating thereto on the trading venue where the purchase is carried out, nor less than 5p (reduced to 0.5p following the share sub-division becoming effective), being the nominal value of an ordinary share at the time of repurchase.

The company has subsequently utilised the authority to purchase the company's shares granted at the 2025 AGM and will continue to utilise the authority (or, if approved, the replacement authority to be sought at the 2026 annual general meeting) when it considers it is in the company's and shareholders' best interests to do so and will result in an increase in net asset value per ordinary share. In considering whether to exercise the authority, the board will continue to take into account the liquidity of the company's shares, its ongoing investment strategy and the level of any discount at which the ordinary shares are trading in the market relative to the net asset value per ordinary share.

### Change of control rights

There are no special change of control rights in relation to the company's shares.

Awards granted under the company's performance share scheme and its deferred bonus plan may become exercisable or vest as a result of a change of control, although the number of shares comprised in those awards may be reduced. Shares acquired by or awarded to participants of the company's SIP will be treated in accordance with the plan rules, under which participants may instruct the SIP trustee on the action to be taken in respect of their SIP shares. The service contracts of certain directors and other senior executives also contain provisions whereby a liquidated sum is payable by the company in the event of termination within one year following a change of control.

Further details of these change of control rights applicable to directors are set out in the Directors' remuneration report.

The company is party to a revolving credit agreement that gives the lenders the right to require early repayment of outstanding loans and cancellation of its available commitments upon a change of control of the company occurring. At the date of this report, change of control provisions were included in the revolving facility agreement dated 5 August 2024 between the company and each of Industrial and Commercial Bank of China Limited London Branch, BNP Paribas S.A., London Branch, The Royal Bank of Scotland International Limited, London branch and NatWest Markets Plc. The company is not aware of any other agreements with change of control provisions that are significant in terms of their potential impact to the business.

### Directors

The directors of the company are shown on pages 64 and 65. All of the directors served throughout the year, other than Michael McLintock, who was appointed on 16 February 2026. Lynn Fordham also served as a director for part of the year until 31 August 2025.

### Directors' indemnity

Each of the directors has the benefit, under the company's articles of association, of an indemnity, to the extent permitted by the Companies Act 2006, against any liability incurred by them for negligence, default, breach of duty or breach of trust in relation to the affairs of the company.

### Appointment and removal of directors

The appointment and removal of directors is governed by the company's articles of association and prevailing company law.

The articles of association provide that at every annual general meeting one-third of the directors, or if not a multiple of three, the number nearest to one-third, shall retire by rotation and therefore be required to seek re-election by shareholders. New directors may be appointed by the board, but are subject to election by shareholders at the next annual general meeting of the company following their appointment. However, to comply with the provisions of the UK Corporate Governance Code (the 'Code'), the company requires that all directors should be subject to annual election by shareholders. Shareholders may also appoint new directors by ordinary resolution. The articles of association limit the number of directors to not less than three and not more than 12, unless the shareholders resolve otherwise.

In accordance with the LRs, the election of those directors determined by the board to be independent under the Code must be subject to the approval of both all shareholders of the company and separately those shareholders who are not controlling shareholders, being the Cayzer family concert party.

### Political donations

The company made no political donations and incurred no political expenditure during the year.

### Research and development

The company does not engage in research and development.

### Overseas branches

The company does not have any overseas branches.

### Investment trust status

Caledonia has been accepted as an approved investment trust by HM Revenue & Customs, subject to continuing to meet eligibility conditions. The directors are of the opinion that the company has conducted its affairs in a manner which will satisfy the conditions for continued approval as an investment trust under section 1158 of the Corporation Tax Act 2010.

## Directors' report *continued*

### Registered office and number

The registered office of the company is at: Cayzer House, 30 Buckingham Gate, London SW1E 6NN. The company is registered in England under number 235481.

### Post balance sheet events

There are no post balance sheet events.

The Directors' report was approved by the board on 18 May 2026 and signed on its behalf by:

**Richard Webster**  
Company Secretary

### Cross references to information required to be disclosed by Listing Rule 6.6.1 R

To comply with Listing Rule 6.6.4 R, the following table provides references to where relevant information required to be disclosed under Listing Rule 6.6.1 R can be found.

Listing Rule	Required information	Location
6.6.1 R (11)	Details of any arrangement under which a shareholder has waived or agreed to waive any dividends.	Directors' report – page 101. Waiver of all dividends by the trustee of The Caledonia Investments plc Employee Share Trust and The Caledonia 2024 Employee Benefit Trust.
6.6.1 R (12)	Where a shareholder has agreed to waive future dividends, details of such waiver together with those relating to dividends which are payable during the period under review.	As above.
6.6.1 R (13)(a)	A statement made by the board that the company continues to comply with the requirement in LR 6.2.3R.	Corporate governance report – page 70. Relations with controlling shareholders.

## Responsibility statements

### Directors' responsibilities

The directors are responsible for preparing the annual report and financial statements in accordance with UK adopted international accounting standards and applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the group and parent company financial statements in accordance with UK adopted international accounting standards. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and the company and of the profit or loss of the group for that period.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with UK adopted international accounting standards, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and the company will continue in business; and
- prepare a directors' report, a strategic report and directors' remuneration report which comply with the requirements of the Companies Act 2006 (the 'Companies Act').

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 the group and enable them to ensure that the financial statements comply with the Companies Act.

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 ensuring that 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 group's performance, business model and strategy.

### Website publication

The directors are responsible for ensuring the annual report and the financial statements are made available on a website. Financial statements are published on the company's website in accordance with legislation in the UK governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the company's website is the responsibility of the directors. The directors' responsibility also extends to the ongoing integrity of the financial statements contained therein.

### Disclosure of information to auditors

Each of the persons who is a director at the date of approval of this report confirms that:

1. so far as the director is aware, there is no relevant information of which the company's auditor is unaware; and
2. the director has taken all steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given, and should be interpreted, in accordance with the provisions of section 418 of the Companies Act.

### Responsibility statements under the Disclosure Guidance and Transparency Rules and the UK Corporate Governance Code

Each of the directors, whose names and functions are listed on pages 64 and 65, confirm that, to the best of their knowledge:

1. the group and parent company financial statements, which have been prepared in accordance with applicable accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the company and the undertakings included in the consolidation taken as a whole; and
2. the annual report includes a fair review of the development and performance of the business and the position of the company and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that it faces.

Signed on behalf of the board by:

#### Mat Masters

Chief Executive Officer  
18 May 2026

#### Rob Memmott

Chief Financial Officer  
18 May 2026

## Financial statements

# Considered & long-term

Our independence and reputation enables us to take the long term view, which is key to our goal of building a store of wealth and delivering steady and rising income for our shareholders.

## WHAT'S IN FINANCIAL STATEMENTS?

Independent auditor's report	106
Financial statements	112
Material accounting policies	116
Notes to the financial statements	121

## Independent auditor's report

to the members of Caledonia Investments plc

### Report on the audit of the financial statements

#### Opinion

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 31 March 2026 and of the Group's profit for the year then ended;
- the Group financial statements have been properly prepared in accordance with UK adopted international accounting standards;
- the Parent Company financial statements have been properly prepared in accordance with UK adopted international accounting standards and as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Caledonia Investments plc (the 'Parent Company') and its consolidated subsidiaries (the 'Group') for the year ended 31 March 2026 which comprise the Group Statement of Comprehensive Income, the Group and Company Statement of Financial Position, the Group and Company Statement of Changes in Equity, the Group and Company Statement of Cash Flows, and notes 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 and as regards the Parent Company financial statements, as applied in accordance with the provisions 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. Our audit opinion is consistent with the additional report to the audit committee.

#### Independence

We remain independent of the Group and the Parent 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 Group and the Parent Company and we remain independent of the Group and the Parent Company in conducting our 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 Group and the Parent Company's ability to continue to adopt the going concern basis of accounting included:

- obtaining the Directors' assessment of the going concern status and long-term viability of the group and the parent;
- checking the mathematical accuracy of the underlying models used in the Directors' assessment;
- challenging management's assumptions and judgements made with regards to the base-case forecast and stress scenarios, and performing further stress testing to identify the point at which a going concern issue would arise;
- assessing the availability of bank facilities; and
- assessing the liquidity of the quoted investment portfolio.

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 Group and the Parent Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Group and the Parent Company's ability to continue as a going concern.

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

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

#### Overview

Key audit matters (KAM)	2026	2025
KAM 1 – Valuation of Unquoted Private Capital Investments	✓	✓
KAM 2 – Valuation of Fund Investments	✓	✓
<b>Materiality</b>	<i>Group financial statements as a whole</i>	
	£44.7m (2025: £43.9m) based on 1.5% (2025: 1.5%) of Net Assets	

#### An overview of the scope of our audit

Our Group audit was scoped by obtaining an understanding of the Group and its environment, the applicable financial reporting framework and the Group's system of internal control. We identified and assessed the risks of material misstatement of the Group financial statements including with respect to the consolidation process. We then applied professional judgement to focus our audit procedures on the areas that posed the greatest risks to the group financial statements. We continually assessed risks throughout our audit, revising the risks where necessary, with the aim of reducing the group risk of material misstatement to an acceptable level, in order to provide a basis for our opinion.

## Independent auditor's report *continued*

The Group engagement team carried out a full scope audit of all components of the group mentioned below as they required audits for statutory purposes. The Group consisted of the following components:

- Caledonia Investments plc
- Caledonia Group Services Limited
- Buckingham Gate Limited

The Group audit team performed the Group audit as if it related to a single aggregated set of financial statements, using the Group materiality levels set out above.

### How climate change affected the scope of our audit

The Group has determined that climate change does not currently have a material impact on its operations. Our work on the assessment of potential impacts of climate-related risks on the Group's operations and financial statements included:

- enquiries and challenge of management to understand the actions they have taken to identify climate-related risks and their potential impacts on the financial statements and adequately disclose climate-related risks within the annual report; and
- review of the minutes of Board and Audit Committee meetings and performance of a risk assessment as to how the impact of the Group's commitment as set out in the other information may affect the financial statements and our audit.

We challenged the extent to which climate-related considerations have been reflected, where appropriate, in management's going concern assessment and viability assessment.

We also assessed the consistency of management's disclosures included as 'other information'/'Statutory Other Information' within the financial statements and with our knowledge obtained from the audit.

Based on our risk assessment procedures, we did not identify there to be any Key Audit Matters materially impacted by climate-related risks.

The management disclosures on page 50 form part of the strategic report. Our responsibilities in relation to these disclosures are described in the relevant section of this report and our procedures on these disclosures therefore consisted solely of considering whether they are materially inconsistent with the financial statements or our knowledge obtained from the audit or otherwise appear to be materially misstated.

### 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, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit, and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

#### Key audit matter

##### Valuation of Unquoted Private Capital Investments

The Group's accounting policy for valuation is described in the Material Accounting Policies (Investments) note to the financial statements.

The private capital pool investments total £954.7m (2025: £870.7m), representing 33.5% (2025: 31.9%) of total investments.

There is a fraud risk arising from management incentive in the valuation of private capital investments. Due to the lack of observable inputs and the significant estimation uncertainty involved, management is required to exercise substantial judgement, which may create an incentive and opportunity to overstate valuations that underpin performance measurement and incentive arrangements. We therefore consider that the valuation of the private capital investments is one of the most significant areas of audit risk. An objective of the Group is to maximise long-term capital growth and as such this will be a key driver of performance.

#### How the scope of our audit responded to the risk

To address this key audit matter, we performed the following:

- assessed the appropriateness of the valuation methodology given the circumstances under the International Private Equity and Venture Capital Valuation ("IPEV") Guidelines;
- discussed valuations with management to understand management assumptions included in valuations to assess the reasonableness of the assumptions applied;
- attended the year end Valuations Committee meeting to observe the challenges to the unobservable inputs and methodology used in the valuation for each investment;
- challenged and corroborated the inputs to the valuation with reference to management information on investee companies, market data and our own research and assessed the impact of estimation uncertainty concerning these assumptions;
- gained an understanding of the movements in valuations between 31 March 2025 and 31 March 2026;
- considered the economic environment in which the investment operates to identify factors that could impact the investment valuation; and
- engaged BDO valuation experts in assessing the methodology, assumptions and inputs used in the valuation of relevant material investments at year-end.

#### Key observations:

Based on the procedures performed, we did not identify any material exceptions with regards to the valuation of unquoted private capital investments.

## Independent auditor's report *continued*

### Key audit matter

#### Valuation of Fund Investments

The Group's accounting policy for valuation is described in the Material Accounting Policies (Investments) note to the financial statements.

The funds pool investments total £940.9 million (2025: £897.3 million), representing 33% (2025: 32.8%) of total investments.

Fund investments are valued in accordance with the International Private Equity and Venture Capital ("IPEV") Guidelines. The Group values its fund investments based on the latest available valuation placed on an investment by the underlying manager/General Partner ("GP") as at the Statement of Financial Position date. Where formal valuations are not completed as at the Statement of Financial Position date, the last available valuation from the GP is adjusted for any subsequent cash flows occurring between the valuation date and the Statement of Financial Position date.

We identified three risks in relation to the valuation of fund investments as follows:

1. Valuations are based on the latest available quarter-end NAVs provided by GPs. Accordingly, judgement is exercised in determining whether adjustments are necessary to reflect subsequent market conditions, investment performance, or other relevant events as at the Statement of Financial Position date. The application of manual adjustments to GP-reported NAVs introduces a risk that fund investments may be inappropriately valued. There is also a fraud risk around inappropriate manual manipulation of the NAV statements by Management.
2. There is a risk of stale pricing arising from the fact that NAV statements obtained from the fund GPs are not coterminous with the year-end. The majority of valuations are based on NAV statements as at December 2025 (82%) or September 2025 (18%), and therefore may be outdated. Material events occurring during the period up to the year-end may therefore affect the fair value of fund investments without being captured in the reported balance sheet valuations.
3. There is a risk that underlying valuations prepared by GPs are not appropriately based on fair value principles and cannot be relied upon.

### How the scope of our audit responded to the risk

#### Risk 1: management's ability to override GP valuations

To address this part of the key audit matter, we performed the following:

- attended the Valuation Committee meeting to obtain evidence of good governance and challenges on the inputs used in the valuation;
- assessed the design and implementation of Management's internal processes and controls;
- agreed 89% by value of the investments to direct confirmations received from the GP;
- considered and reviewed the need for Management to adjust the underlying valuations for specific cases, such as carried interest;
- compared the year-end valuations per the accounting records to the valuation statements received from the managers of the underlying funds; and
- in the event that Management have made adjustments outside of cash roll forward adjustments, we have challenged the basis for these adjustments and obtained independent evidence to support the adjustments made.

#### Risk 2: stale pricing

To address this part of the Key Audit Matter, for all funds, we have:

- monitored the updated NAV statements received up to the date of signing the financial statements and considered the impact of extrapolating differences;
- reviewed the outcomes of Management's interactions with underlying Investment Managers/GPs as part of the preparation of the financial statements;
- performed our own risk based assessment of macroeconomic, sector specific, and geographical factors and considered whether any indicators existed to suggest that the latest GP reported NAV is not an appropriate valuation;
- performed an assessment of the historical quarter-on-quarter movements and volatility around year end; and
- reviewed and challenged Management's assessment of sector / geographical volatility to conclude if the latest GP statement is appropriate.

#### Risk 3: reliability of GP valuations as a basis for fair value

To address this part of the Key Audit Matter, we:

- attended the Valuation Committee meeting on 25 March 2026 to observe how the Committee reviews and approves fund investments; and
- assessed and reviewed the outcome of Management's assessment of whether the reported NAV is appropriately derived from the fair value of underlying investments.

For the majority of funds, except a cumulatively immaterial population, we have:

- considered the appropriateness of the overall valuation policies undertaken by underlying GP fund managers in line with the International Private Equity and Venture Capital Valuation ("IPEV") Guidelines;
- where funds are audited on an annual basis, we have agreed the latest audited accounts to the coterminous NAV statement received; and
- for funds where the latest audited accounts are less recent, we have performed an assessment of the movement in fund NAV between the latest audited accounts and the most recent NAV statement in the context of market movements.

#### Key observations:

Based on the procedures we performed, we did not identify any material exceptions with regards to the valuation of fund investments.

## Independent auditor's report *continued*

### Our application of materiality

We apply the concept of materiality both in planning and performing our audit, and in evaluating the effect of misstatements. We consider materiality to be the magnitude by which misstatements, including omissions, could influence the economic decisions of reasonable users that are taken on the basis of the financial statements.

In order to reduce to an appropriately low level the probability that any misstatements exceed materiality, we use a lower materiality level, performance materiality, to determine the extent of testing needed. Importantly, misstatements below these levels will not necessarily be evaluated as immaterial as we also take account of the nature of identified misstatements, and the particular circumstances of their occurrence, when evaluating their effect on the financial statements as a whole.

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

	Group financial statements		Parent company financial statements	
	2026 £m	2025 £m	2026 £m	2025 £m
<b>Materiality</b>	44.7	43.9	42.5	41.8
<b>Basis for determining materiality</b>	1.5% of Net Assets		95% of Group Materiality	
<b>Rationale for the benchmark applied</b>	Net Asset Value is a key indicator of performance and as such the most relevant benchmark on which to base materiality for the users of the financial statements		We considered the aggregation risk within the Group and then set materiality as a percentage of Group materiality	
<b>Performance materiality</b>	33.5	32.9	31.8	31.3
<b>Basis for determining performance materiality</b>	75% of Materiality			
<b>Rationale for the percentage applied for performance materiality</b>	The level of performance materiality applied was set after having considered a number of factors, including our assessment of the Group and parent's control environment and the expected total value of known and likely misstatements and the level of transactions in the year			

### Reporting threshold

We agreed with the Audit Committee that we would report to them all individual audit differences in excess of £1.1 million (2025: £1.1 million). We also agreed to report differences below this threshold that, in our view, warranted reporting on qualitative grounds.

### Other information

The Directors are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### Corporate governance statement

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

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

<b>Going concern and longer-term viability</b>	<ul style="list-style-type: none"> <li>The Directors' statement with regards to the appropriateness of adopting the going concern basis of accounting and any material uncertainties identified set out on page 61; and</li> <li>the Directors' explanation as to their assessment of the Group's prospects, the period this assessment covers and why the period is appropriate set out on page 61.</li> </ul>
<b>Other Code provisions</b>	<ul style="list-style-type: none"> <li>Directors' statement on fair, balanced and understandable set out on page 76;</li> <li>board's confirmation that it has carried out a robust assessment of the emerging and principal risks set out on page 76;</li> <li>the section of the annual report that describes the review of effectiveness of risk management and internal control systems set out on page 76; and</li> <li>the section describing the work of the audit committee set out on page 73.</li> </ul>

## Independent auditor's report *continued*

### Other Companies Act 2006 reporting

Based on the responsibilities described below and our work performed during the course of the audit, we are required by the Companies Act 2006 and ISAs (UK) to report on certain opinions and matters as described below.

<b>Strategic report and Directors' report</b>	<p>In our opinion, based on the work undertaken in the course of the audit:</p> <ul style="list-style-type: none"> <li>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</li> <li>the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.</li> </ul> <p>In the light of the knowledge and understanding of the Group and Parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the Directors' report.</p>
<b>Directors' remuneration</b>	<p>In our opinion, the part of the Directors' remuneration report to be audited has been properly prepared in accordance with the Companies Act 2006.</p>
<b>Matters on which we are required to report by exception</b>	<p>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:</p> <ul style="list-style-type: none"> <li>adequate accounting records have not been kept by the Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or</li> <li>the Parent Company financial statements and the part of the Directors' remuneration report to be audited are not in agreement with the accounting records and returns; or</li> <li>certain disclosures of Directors' remuneration specified by law are not made; or</li> <li>we have not received all the information and explanations we require for our audit.</li> </ul>

### Responsibilities of Directors

As explained more fully in the Statement of Directors' Responsibilities, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Group's and the Parent 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 Group or the Parent 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.

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

### Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

#### *Non-compliance with laws and regulations*

Based on:

- our understanding of the Group and the industry in which it operates;
- discussion with management and those charged with governance;
- obtaining an understanding of the Group's policies and procedures regarding compliance with laws and regulations; and
- consideration of the risk of acts by the Group which were contrary to applicable laws and regulations, including fraud.

We considered the significant laws and regulations to be compliance with the Companies Act 2006, UK-adopted IFRS, UK tax legislation including Investment trust tax legislation, the Financial Conduct Authority's regulations and Listing and Disclosure Guidance and Transparency rules, the UK Corporate Governance Code, and industry practice as represented by the AIC Statement of Recommended Practice (SORP).

We focused on laws and regulations that could give rise to a material misstatement in the financial statements. Our procedures included:

- review of minutes of meeting of those charged with governance for any instances of non-compliance with laws and regulations;
- review of correspondence with regulatory and tax authorities for any instances of non-compliance with laws and regulations;
- review of financial statement disclosures and agreeing to supporting documentation;
- involvement of tax specialists in the audit; and
- review and challenge of management's consideration of the Parent Company's compliance with the Investment Trust rules set out under UK tax legislation.

## Independent auditor's report *continued*

### *Fraud*

We assessed the susceptibility of the financial statements to material misstatement, including fraud.

Our risk assessment procedures included:

- enquiry with management and those charged with governance regarding any known or suspected instances of fraud;
- obtaining an understanding of the Group's policies and procedures relating to:
  - detecting and responding to the risks of fraud; and
  - internal controls established to mitigate risks related to fraud.
- review of minutes of meetings of those charged with governance for any known or suspected instances of fraud;
- discussion amongst the engagement team as to how and where fraud might occur in the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud; and
- considering remuneration incentive schemes and performance targets and the related financial statement areas impacted by these.

Based on our risk assessment, we considered the areas most susceptible to fraud to be management override of controls, the valuation of private capital investments as a result of the application of substantial Management judgement and the ability of Management to override underlying GP valuations in the valuation of fund investments.

Our procedures in respect of the above included:

- relevant procedures related to valuation of private capital and fund investments as set out in the Key Audit Matters section above;
- testing the data elements of the journals population which the audit team utilised as part of completeness and accuracy testing;
- determining key risk characteristics to filter the population of journals, then reviewing and agreeing the journals identified to supporting documentation;
- using our IT audit specialists to assist with extracting the journal population;
- evaluating findings from the evaluation of the design and implementation of IT general controls;
- critically reviewing the consolidation and, in particular, manual and/or late journals posted at consolidation level;
- reviewing the estimates and judgements applied by management in the financial statements to assess their appropriateness and the existence of any systematic biases. This included evaluating key assumptions relating to private capital valuations, valuation adjustments made to fund investments, and the appropriateness of the revenue and capital split; and
- reviewing unadjusted audit differences for indications of bias or deliberate misstatement.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members who were all deemed to have appropriate competence and capabilities and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that 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, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: [frc.org.uk/auditorsresponsibilities](http://frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### **Other matters which we are required to address**

Following the recommendation of the audit committee, we were appointed by the Members of the Parent Company on 21 July 2021 to audit the financial statements for the year ended 31 March 2022 and subsequent financial periods. The period of total uninterrupted engagement including retenders and reappointments is five years, covering the years ended 31 March 2022 to 31 March 2026.

Our audit opinion is consistent with the additional report to the audit committee.

### **Use of our report**

This report is made solely to the Parent 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 Parent 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 Parent Company and the Parent Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Peter Smith**

Senior Statutory Auditor

For and on behalf of BDO LLP, Statutory Auditor  
London, UK  
18 May 2026

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

## Group statement of comprehensive income

for the year ended 31 March 2026

	Note	2026			2025		
		Revenue £m	Capital £m	Total £m	Revenue £m	Capital £m	Total £m
<i>Net investment income</i>							
Investment income	1	63.8	8.0	71.8	52.7	-	52.7
Other income	1	0.9	0.6	1.5	0.9	0.4	1.3
Net gains on fair value investments	8	-	92.1	92.1	-	43.9	43.9
Net gains/(losses) on fair value property	9, 10	-	0.6	0.6	-	(1.3)	(1.3)
<b>Total net investment income</b>		<b>64.7</b>	<b>101.3</b>	<b>166.0</b>	<b>53.6</b>	<b>43.0</b>	<b>96.6</b>
Management expenses	2	(24.6)	(5.3)	(29.9)	(25.9)	(6.1)	(32.0)
Other non-recurring expenses		(0.8)	-	(0.8)	(2.9)	-	(2.9)
<b>Profit before finance costs</b>		<b>39.3</b>	<b>96.0</b>	<b>135.3</b>	<b>24.8</b>	<b>36.9</b>	<b>61.7</b>
Treasury interest receivable	3	3.7	-	3.7	9.9	-	9.9
Finance costs	4	(2.7)	-	(2.7)	(3.5)	-	(3.5)
Foreign exchange movements		(0.2)	-	(0.2)	(1.3)	-	(1.3)
<b>Profit before tax</b>		<b>40.1</b>	<b>96.0</b>	<b>136.1</b>	<b>29.9</b>	<b>36.9</b>	<b>66.8</b>
Taxation	5	0.3	(1.2)	(0.9)	1.0	(1.7)	(0.7)
<b>Profit for the year</b>		<b>40.4</b>	<b>94.8</b>	<b>135.2</b>	<b>30.9</b>	<b>35.2</b>	<b>66.1</b>
Other comprehensive income items never to be reclassified to profit or loss							
Re-measurements of defined benefit pension schemes	25	-	(0.8)	(0.8)	-	0.3	0.3
Tax on other comprehensive income	5	-	0.7	0.7	-	0.5	0.5
<b>Total comprehensive income</b>		<b>40.4</b>	<b>94.7</b>	<b>135.1</b>	<b>30.9</b>	<b>36.0</b>	<b>66.9</b>
Basic earnings per share <sup>1</sup>	7	7.7p	18.2p	25.9p	5.7p	6.6p	12.3p
Diluted earnings per share <sup>1</sup>	7	7.6p	17.9p	25.5p	5.6p	6.5p	12.1p

1. On 25 July 2025, the company executed a 10:1 sub-division of its ordinary shares which reduced the nominal value from 5p to 0.5p. As a result of the increased number of ordinary shares now in issue, all earnings per share figures have been restated for the prior year comparatives.

The total column of the above statement represents the group's statement of comprehensive income, prepared in accordance with IFRSs adopted in the United Kingdom.

The revenue and capital columns are supplementary to the group's statement of comprehensive income and are prepared under guidance published by the Association of Investment Companies.

The profit for the year and total comprehensive income for the year is attributable to equity holders of the parent.

The accounting policies and notes on pages 116 to 145 are an integral part of these financial statements.

## Statement of financial position

at 31 March 2026

	Note	Group		Company	
		2026 £m	2025 £m	2026 £m	2025 £m
<i>Non-current assets</i>					
Investments held at fair value through profit or loss	8	<b>2,567.1</b>	<b>2,743.6</b>	2,573.7	2,748.9
Investments in subsidiaries held at cost	8	-	-	0.9	0.9
Investment property	9	<b>12.6</b>	<b>12.6</b>	-	-
Property, plant and equipment	10	<b>24.9</b>	<b>25.3</b>	-	-
Deferred tax assets	11	<b>4.0</b>	<b>5.3</b>	-	-
Other receivables	12	-	-	28.0	30.5
Employee benefits	25	<b>5.8</b>	<b>5.4</b>	-	-
<b>Non-current assets</b>		<b>2,614.4</b>	<b>2,792.2</b>	2,602.6	2,780.3
<i>Current assets</i>					
Asset held for sale	8	<b>279.3</b>	-	279.3	-
Trade and other receivables	12	<b>8.7</b>	<b>10.3</b>	5.6	6.4
Current tax assets	5	<b>3.2</b>	<b>4.2</b>	3.8	4.5
Cash and cash equivalents	13	<b>90.0</b>	<b>151.3</b>	85.7	148.5
<b>Current assets</b>		<b>381.2</b>	<b>165.8</b>	374.4	159.4
<b>Total assets</b>		<b>2,995.6</b>	<b>2,958.0</b>	2,977.0	2,939.7
<i>Current liabilities</i>					
Trade and other payables	15	<b>(5.8)</b>	<b>(16.4)</b>	(10.4)	(22.1)
Employee benefits	25	<b>(4.1)</b>	<b>(3.7)</b>	-	-
<b>Current liabilities</b>		<b>(9.9)</b>	<b>(20.1)</b>	(10.4)	(22.1)
<i>Non-current liabilities</i>					
Employee benefits	25	<b>(3.8)</b>	<b>(4.8)</b>	-	-
Deferred tax liabilities	11	<b>(1.9)</b>	<b>(1.5)</b>	-	-
<b>Non-current liabilities</b>		<b>(5.7)</b>	<b>(6.3)</b>	-	-
<b>Total liabilities</b>		<b>(15.6)</b>	<b>(26.4)</b>	(10.4)	(22.1)
<b>Net assets</b>		<b>2,980.0</b>	<b>2,931.6</b>	2,966.6	2,917.6

	Note	Group		Company	
		2026 £m	2025 £m	2026 £m	2025 £m
<i>Equity</i>					
Share capital	16	<b>3.0</b>	<b>3.0</b>	3.0	3.0
Share premium	16	<b>1.3</b>	<b>1.3</b>	1.3	1.3
Capital redemption reserve		<b>1.5</b>	<b>1.5</b>	1.5	1.5
Capital reserve		<b>2,749.8</b>	<b>2,689.9</b>	2,754.0	2,691.6
Retained earnings		<b>229.8</b>	<b>240.4</b>	212.2	224.7
Own shares		<b>(5.4)</b>	<b>(4.5)</b>	(5.4)	(4.5)
<b>Total equity</b>		<b>2,980.0</b>	<b>2,931.6</b>	2,966.6	2,917.6
Undiluted net asset value <sup>1</sup>	17	<b>575.5p</b>	<b>555.8p</b>		
Diluted net asset value <sup>1</sup>	17	<b>567.6p</b>	<b>547.5p</b>		

1. On 25 July 2025, the company executed a 10:1 sub-division of its ordinary shares which reduced the nominal value from 5p to 0.5p. As a result of the increased number of ordinary shares now in issue, all net asset per share figures have been restated for the prior year comparatives.

The company profit for the year ended 31 March 2026 was £135.7m (2025: £66.0m).

The financial statements on pages 112 to 145 were approved by the board and authorised for issue on 18 May 2026 and were signed on its behalf by:

**Mat Masters**      **Rob Memmott**  
Chief Executive      Chief Financial Officer

The accounting policies and notes on pages 116 to 145 are an integral part of these financial statements.

## Statement of changes in equity

for the year ended 31 March 2026

Group	Note	Share capital £m	Share premium £m	Capital redemption reserve £m	Capital reserve £m	Retained earnings £m	Own shares £m	Total equity £m
Balance at 31 March 2024		3.1	1.3	1.4	2,716.6	250.2	(7.3)	2,965.3
<i>Total comprehensive income</i>								
Profit for the year		-	-	-	35.2	30.9	-	66.1
Other comprehensive income		-	-	-	0.8	-	-	0.8
Total comprehensive income		-	-	-	36.0	30.9	-	66.9
<b>Transactions with owners of the company</b>								
<i>Contributions by and distributions to owners</i>								
Share-based payments		-	-	-	-	4.5	-	4.5
Transfer of shares to employees		-	-	-	-	(6.8)	6.8	-
Own shares purchased and cancelled		(0.1)	-	0.1	(62.7)	-	-	(62.7)
Own shares purchased		-	-	-	-	-	(4.0)	(4.0)
Dividends paid	6	-	-	-	-	(38.4)	-	(38.4)
Total transactions with owners		(0.1)	-	0.1	(62.7)	(40.7)	2.8	(100.6)
Balance at 31 March 2025		3.0	1.3	1.5	2,689.9	240.4	(4.5)	2,931.6
<i>Total comprehensive income</i>								
Profit for the year		-	-	-	94.8	40.4	-	135.2
Other comprehensive income		-	-	-	(0.1)	-	-	(0.1)
Total comprehensive income		-	-	-	94.7	40.4	-	135.1
<b>Transactions with owners of the company</b>								
<i>Contributions by and distributions to owners</i>								
Share-based payments		-	-	-	-	3.6	-	3.6
Transfer of shares to employees		-	-	-	-	(7.2)	7.2	-
Own shares purchased and cancelled		-	-	-	(34.8)	-	-	(34.8)
Own shares purchased		-	-	-	-	-	(8.1)	(8.1)
Dividends paid	6	-	-	-	-	(47.4)	-	(47.4)
Total transactions with owners		-	-	-	(34.8)	(51.0)	(0.9)	(86.7)
Balance at 31 March 2026		3.0	1.3	1.5	2,749.8	229.8	(5.4)	2,980.0

Company	Note	Share capital £m	Share premium £m	Capital redemption reserve £m	Capital reserve £m	Retained earnings £m	Own shares £m	Total equity £m
Balance at 31 March 2024		3.1	1.3	1.4	2,717.1	236.6	(7.3)	2,952.2
Profit and total comprehensive income		-	-	-	37.2	28.8	-	66.0
<b>Transactions with owners of the company</b>								
<i>Contributions by and distributions to owners</i>								
Share-based payments		-	-	-	-	4.5	-	4.5
Transfer of shares to employees		-	-	-	-	(6.8)	6.8	-
Own shares purchased and cancelled		(0.1)	-	0.1	(62.7)	-	-	(62.7)
Own shares purchased		-	-	-	-	-	(4.0)	(4.0)
Dividends paid	6	-	-	-	-	(38.4)	-	(38.4)
Total transactions with owners		(0.1)	-	0.1	(62.7)	(40.7)	2.8	(100.6)
Balance at 31 March 2025		3.0	1.3	1.5	2,691.6	224.7	(4.5)	2,917.6
Profit and total comprehensive income		-	-	-	97.2	38.5	-	135.7
<b>Transactions with owners of the company</b>								
<i>Contributions by and distributions to owners</i>								
Share-based payments		-	-	-	-	3.6	-	3.6
Transfer of shares to employees		-	-	-	-	(7.2)	7.2	-
Own shares purchased and cancelled		-	-	-	(34.8)	-	-	(34.8)
Own shares purchased		-	-	-	-	-	(8.1)	(8.1)
Dividends paid	6	-	-	-	-	(47.4)	-	(47.4)
Total transactions with owners		-	-	-	(34.8)	(51.0)	(0.9)	(86.7)
Balance at 31 March 2026		3.0	1.3	1.5	2,754.0	212.2	(5.4)	2,966.6

The accounting policies and notes on pages 116 to 145 are an integral part of these financial statements.

## Statement of cash flows

for the year ended 31 March 2026

	Note	Group		Company	
		2026 £m	2025 £m	2026 £m	2025 £m
<i>Operating activities</i>					
Dividends and fund income distributions received		58.7	38.5	58.7	38.5
Interest received		4.2	9.9	7.2	9.9
Rental and other income		1.5	1.3	0.6	0.5
Cash paid to suppliers and employees		(29.5)	(29.7)	(35.8)	(38.8)
Tax refunds		0.2	0.2	0.2	0.2
Group tax relief received		2.4	0.5	2.4	0.9
Group tax relief paid		-	(2.8)	-	(2.8)
Net cash flow from operating activities		37.5	17.9	33.3	8.4
<i>Investing activities</i>					
Purchases of investments		(262.9)	(318.9)	(262.9)	(318.9)
Proceeds from realisation of investments		257.1	337.4	257.1	337.4
Proceeds from repayment of loans to group companies		-	-	2.5	5.0
Purchases of property, plant and equipment		(0.2)	(1.8)	-	-
Net cash flow (used in)/from investing activities		(6.0)	16.7	(3.3)	23.5
<i>Financing activities</i>					
Interest paid		(2.1)	(3.7)	(2.1)	(3.7)
Dividends paid to owners of the company		(47.4)	(38.4)	(47.4)	(38.4)
Purchases of own shares		(42.9)	(67.7)	(42.9)	(67.7)
Net cash flow used in financing activities		(92.4)	(109.8)	(92.4)	(109.8)
<b>Net decrease in cash and cash equivalents</b>		<b>(60.9)</b>	<b>(75.2)</b>	<b>(62.4)</b>	<b>(77.9)</b>
Cash and cash equivalents at year start		151.3	227.4	148.5	227.3
Effect of foreign exchange rate changes on cash		(0.4)	(0.9)	(0.4)	(0.9)
<b>Cash and cash equivalents at year end</b>	13	<b>90.0</b>	<b>151.3</b>	85.7	148.5

The accounting policies and notes on pages 116 to 145 are an integral part of these financial statements.

## Material accounting policies

### General information

Caledonia Investments plc is an investment trust company domiciled in the United Kingdom and incorporated in England in 1928, under number 235481. The address of its registered office is Cayzer House, 30 Buckingham Gate, London SW1E 6NN. The ordinary shares of the company are listed on the London Stock Exchange under Equity shares (commercial companies).

These financial statements were authorised for issue by the directors on 18 May 2026.

These financial statements are presented in pounds sterling, as this is the currency of the primary economic environment in which Caledonia operates.

### Material accounting policies

#### Critical accounting judgements and estimates

##### *Critical judgements*

In the course of preparing the financial statements, one judgement has been made in the process of applying the group's accounting policies, other than those involving estimations, that has had a significant effect on the amounts recognised in the financial statements as follows:

#### 1. Assessment as an investment entity

The board has concluded that the company continues to meet the definition of an investment entity, as its strategic objective of investing in a portfolio of investments for the purpose of generating returns in the form of income and capital appreciation remains unchanged and, as a consequence, investments in controlled investment entities are held at fair value through profit or loss rather than consolidated in the group results. For further details on the assessment as an investment entity please refer to page 117. The company is exempt from UK corporation tax on capital gains provided it meets the HM Revenue & Customs criteria for an investment company set out in Section 1158 of the Corporation Tax Act 2010. This is judgemental based on assessments performed by management prepared to maintain investment trust status in accordance with relevant taxation legislation.

##### *Critical estimates*

In addition to the significant judgement, the directors have made one estimate, which they deem to have a significant risk of resulting in a material adjustment to the amounts recognised in the financial statements within the next financial year. The details of the estimate was as follows:

#### 1. Fair values of private equity financial instruments

For direct private investments (Private Capital investments), totalling £954.7m (2025: £870.7m), wused to estimate fair value. Valuation techniques make maximum use of market inputs, including reference to the current fair values of instruments that are substantially the same (subject to appropriate adjustments). Private Capital assets have been disaggregated into categories and sensitised according to the degree of uncertainty attached to their estimation in note 23.

For private equity funds and fund of funds (unlisted Funds pool investments), totalling £922.9m (2025: £882.9m) held through externally managed fund vehicles, the estimated fair value is based on the most recent valuation provided by the external manager, usually received within 3-6 months of the relevant valuation date. Management periodically assesses whether reported net asset values are fair value based on consideration of a range of information, including but not limited to underlying valuation methodologies, governance and assurance frameworks and correspondence with third-party managers. Management were satisfied that the valuations provided in the current period were on a fair value basis.

Where required, valuations are adjusted for investments and distributions between the valuation date and the reporting date. The delay in manager NAV receipts creates a risk of changes or events occurring between the NAV and reporting dates which could impact valuations. Market and other relevant conditions are reviewed at the year end to determine whether a valuation adjustment is required, making such an adjustment where deemed necessary.

Fair value estimates for the above private assets are made at a specific point in time, based on market conditions and information about the financial instrument. These estimates are subjective in nature and involve uncertainties and matters of significant judgement and therefore cannot be determined with precision.

##### *Other judgement*

Judgement has been exercised in determining the classification of money market investments held by the group as cash equivalents under IAS 7. In arriving at this judgement, the use of money market funds to manage day-to-day working capital requirements has been considered whilst also noting that all such funds are highly liquid Low Volatility Net Asset Value products with a minimum credit rating of AAAM, and a maximum weighted-average maturity of 60 days. It has therefore been judged that the risk of changes in value is insignificant and investments can be readily converted to a known amount of cash upon redemption and classification as cash equivalents is appropriate. Although remote, there is not a zero risk of significant change in value and therefore this classification is judgemental.

##### *Going concern*

As at 31 March 2026, the board has undertaken an assessment of the appropriateness of preparing its financial statements on a going concern basis, taking into consideration future cash flows, current cash holdings of £90m, undrawn banking facilities of £325m, expected proceeds on completion from the sale of Stonehage Fleming of c.£290m and readily realisable assets of £952m as part of a wider process in connection with its viability assessment. It has been concluded that the group has sufficient cash, other liquid resources and committed bank facilities to meet existing and new investment commitments.

Under the UK Corporate Governance Code and applicable regulations, the directors are required to satisfy themselves that it is reasonable to presume that the company is a going concern. After reviewing the company's performance projections for a period of at least 12 months, the directors are satisfied that in taking account of reasonably possible downsides the company has adequate access to resources to enable it to meet its obligations as they fall due for at least 12 months from the date of approval of the financial statements. Accordingly, the directors have adopted the going concern basis in preparing these financial statements.

In making this assessment, the directors had regard to the results of two stress tests, which considered the impact of significant market downturn conditions.

The first stress test addressed two discrete scenarios: a 5% reduction in the value of pounds sterling versus the US dollar compared to the rate on 31 March 2026 and a 12-month delay to Private Capital realisations.

## Material accounting policies *continued*

The second stress test examined a severe two-year market downturn scenario. It assumed a 20% fall in income from Public Companies, a complete loss of income from Private Capital, no ability to realise the Private Capital portfolio, a 50% reduction in distributions from the group's Funds portfolio and all outstanding fund commitments falling due in the period. The directors do not believe this extreme downside scenario is likely but factors this into the viability assessment.

It was concluded that even in a simulated market downturn and all fund commitments falling due, the group has sufficient liquidity on the balance sheet to meet its obligations as they fall due.

Under these scenarios the group would have a range of mitigating actions available to it, including sales of liquid assets, and usage of banking facilities, which would provide sufficient funds to meet all of its liabilities as they fall due and still hold significant liquid assets over the assessment period. As a result of this assessment the directors are confident that the company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis. For further details on assessment of going concern and viability please refer to page 61.

### Basis of accounting

These group and parent company financial statements were prepared in accordance with UK adopted international accounting standards in conformity with the requirements of the Companies Act 2006. IFRSs comprise accounting standards issued by the International Accounting Standards Board and its predecessor body as well as interpretations issued by the International Financial Reporting Interpretations Committee and its predecessor body.

The financial statements have been prepared on an historical cost basis, except for the revaluation of certain financial instruments and properties. Where presentational guidance set out in the Statement of Recommended Practice: Financial Statements of Investment Trust Companies and Venture Capital Trusts ('SORP') issued by the Association of Investment Companies in December 2025 is consistent with the requirements of UK adopted international accounting standards, the directors have sought to prepare the financial statements on a basis compliant with the recommendations of the SORP.

The statement of comprehensive income of the company has been omitted from these financial statements in accordance with section 408 of the Companies Act 2006.

### Adopted IFRSs and IFRSs not yet applied

In the current year, the group has not adopted any new standards or interpretations. Amendments to IFRS adopted in the year have not had a material impact on the group.

At the date of approval of these financial statements, IFRS 18 Primary Financial Statements was in issue but not yet effective, and includes requirements setting out a new presentation requirement for the statement of profit or loss, and providing new definitions and disclosures related to non-IFRS performance measures. IFRS 18 is not expected to have a material impact on the group or company financial statements.

### Assessment as investment entity

Entities that meet the definition of an investment entity within IFRS 10 are required to account for most investments in controlled entities as held at fair value through profit or loss. Subsidiaries that provide investment-related services or engage in permitted investment-related activities with investees continue to be consolidated unless they are also investment entities.

Having considered the following, the board has concluded that the company meets the definition of an investment entity.

An investment entity is one which:

- obtains funds from investors for the purpose of providing them with investment management services;
- invests funds solely for returns from capital appreciation and/or investment income; and
- measures and evaluates the performance of substantially all of its investments on a fair value basis.

### Basis of consolidation

In accordance with the IFRS 10/IAS 28 Investment Entities Amendments, the consolidated financial statements include the financial statements of the company and service entities controlled by the company made up to the reporting date. Control is achieved where the company has the power over the potential investee as a result of voting or other rights, has rights to positive or negative variable returns from its involvement with the investee and has the ability to use its power over the investee to affect significantly the amount of its returns.

The following subsidiaries are deemed service entities and are consolidated in the group financial statements:

- Caledonia Group Services Ltd
- Buckingham Gate Ltd

Other associated entities and subsidiaries are disclosed in notes 26 and 27 to the financial statements and are not consolidated in the group financial statements, being held at fair value through profit or loss.

### Foreign currencies

Transactions in foreign currencies are recorded at the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the functional currency at the foreign exchange rate ruling at the reporting date. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated to the functional currency using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated to the functional currency at foreign exchange rates ruling at the dates the fair values were determined.

In the financial statements, foreign exchange gains or losses are recognised in capital or revenue reserve depending on whether the gain or loss is of a capital or revenue nature respectively.

## Material accounting policies *continued*

### Income

Dividends receivable on equity shares are recognised as revenue when the shareholders' right to receive payment has been established, normally the ex-dividend date. Where no ex-dividend date is available, dividends receivable on or before the period end are treated as revenue. Overseas dividend income is shown net of withholding tax under investment income.

The fixed returns on debt securities, loans and non-equity shares are recognised on an effective interest rate basis, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

Rental income is recognised on a straight-line basis over the lease term.

Fund distributions relating to the group's share of net income from limited partnerships are recognised as revenue when received.

Where uncertainty arises over the collectability of an amount already included in income, the uncollectible amount or the amount in respect of which the recovery has ceased to be probable is recognised as an expense. When the uncertainty over collectability is removed, normally on receipt, the income is recognised in the statement of comprehensive income on the same line as the original expense was initially recognised.

### Expenses

All expenses are accounted for on an accrual basis. In the financial statements, ongoing management expenses are included in the revenue column of the statement of comprehensive income, whereas performance fees, performance-related cash bonus and share-based payment expenses – costs relating to compensation schemes that are linked directly to investment performance – are included in the capital column of the statement of comprehensive income. Expenses of acquisition of an investment designated as held at fair value through profit or loss or expenses of an aborted acquisition or disposal of an investment are presented as transaction costs, or deducted from the proceeds of sale as appropriate, and included in the capital column of the statement of comprehensive income.

### *Non-recurring other expenses*

Non-recurring expenses are expenses that are one-off in nature and therefore unlikely to re-occur in the foreseeable future.

### Leases

#### *Lessor*

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases. The group does not have any finance leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis.

Benefits provided as an incentive to enter into an operating lease are also spread on a straight-line basis over the lease term.

#### *Lessee*

On commencement of a contract which gives the group the right to use assets for a period of time in exchange for consideration, the group recognises a right-of-use asset and a lease liability, unless the lease qualifies as a 'short-term' lease (that is, the term is 12 months or less with no option to purchase the lease asset) or a 'low-value' lease. Payments associated with short-term leases are recognised on a straight-line basis as an expense in the income statement.

### Employee benefits

#### *Pension schemes*

Payments to defined contribution schemes are charged as an expense as they fall due.

For defined benefit schemes, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at each reporting date. Re-measurement gains and losses are recognised in full in the period in which they occur in other comprehensive income.

Past service cost is recognised immediately in the period of a plan amendment.

The retirement benefit obligation recognised in the statement of financial position represents the present value of the defined benefit obligations as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to the present value of available refunds and reductions in future contributions to the plan.

#### *Profit sharing and bonus plans*

The group recognises a liability and an expense for bonuses and profit sharing, based on a formula that takes into consideration the profit attributable to the company's shareholders after certain adjustments. The group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

### Share-based payments

The group issues equity-settled share-based payments to certain employees. Equity-settled share-based payments are measured at fair value at the date of grant and the fair value is expensed on a straight-line basis over the vesting period, based on the group's estimate of the number of shares that will eventually vest.

As part of the share-based payment arrangements, the group pays a cash amount to employees on exercise of options, equating to the dividend entitlement on the option shares between grant and vesting dates. This payment is treated as a cash-settled share-based payment and is expensed on a straight-line basis over the vesting period, based on the group's estimate of the number of shares that will eventually vest and a re-estimate of the fair value of the dividend entitlement.

Where employees of a subsidiary are granted rights to the equity instruments of its parent as consideration for the services provided to the subsidiary, the subsidiary recognises an equity-settled share-based payment transaction expense with a corresponding intercompany balance with the parent. In addition, the parent recognises an increase in equity and an increase in intercompany balance for the amount of the share-based payment transaction.

## Material accounting policies *continued*

An employee share trust is used for distributing shares awarded to employees under Caledonia's share remuneration schemes. The trustee purchases shares with money lent interest-free by Caledonia and transfers shares to participating employees on exercise.

The transactions the employee share trust undertakes are considered to be performed by the trust as an agent for Caledonia. The transactions of the employee share trust are included in the separate financial statements of the parent company and, following the requirements of IFRS 10, in the consolidated financial statements as if they arose in that company. Own shares held by the employee share trust as at the reporting date are accounted for as treasury shares.

### National Insurance on share-based payment awards

National Insurance payable on the exercise of share awards has been charged as an expense spread over the respective vesting periods of the awards. The charge is based on the difference between the market value of the estimated number of shares that will vest and on the vested but unexercised awards at the reporting date, less any consideration due, calculated at the latest enacted National Insurance rate.

### Taxation

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

The tax currently payable is based on the taxable profit for the period. Taxable profit differs from net profit as reported in the statement of comprehensive income because it excludes items of income or expense that are taxable or deductible in other periods and it further excludes items that are never taxable or deductible. The group's liability for current tax is calculated using tax rates that were applicable at the reporting date.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the liability method. Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which deductible temporary differences can be utilised. Investment trust companies that have approval as such under section 1159 of the Corporation Tax Act 2010 are not liable for taxation on capital gains.

The carrying amount of deferred tax assets is reviewed at each reporting date and adjusted to the extent that it is probable that sufficient future taxable profits will be available to allow all or part of the assets to be recovered.

### Dividend distribution

Dividends are recognised in the period in which they are appropriately authorised and no longer at the discretion of the entity. For interim dividends, this will normally mean the date on which they are paid and, for final dividends, the date on which they are approved in general meeting.

### Investments

Investments are recognised and derecognised on the date when their purchase or sale is subject to a relevant contract and the associated risks and rewards have been transferred. Where a purchase or sale is made under a contract whose terms require delivery within the timeframe established by the market concerned, transactions are recognised on the trade date.

Investments held as part of the group's business of investing in financial assets are designated as held at fair value through profit or loss in both the consolidated financial statements and the company financial statements.

Investments designated as held at fair value through profit or loss are measured at subsequent reporting dates at fair value. Gains or losses arising from changes in the value of investments designated as held at fair value through profit or loss, including foreign exchange movements, are included in net profit or loss for the period as a capital return.

Listed investments are valued at bid price or the last traded price when a bid price is not available. Unlisted investments are valued using recognised valuation methodologies, based on the International Private Equity and Venture Capital Valuation Guidelines, which reflect the amount for which an asset could be exchanged between knowledgeable, willing parties on an arm's length basis. The portfolio valuation methodology is detailed on page 150.

Distributions from investment limited partnerships are treated as disposal proceeds or income in accordance with the nature of the distribution. Any surplus capital distributions after repaying partner's capital are treated as realised gains.

Service subsidiaries are either designated as held at fair value through profit or loss or held at amortised cost in the company financial statements.

When management is committed to a plan to sell an investment, the asset is available for immediate sale and the sale is deemed highly probable at the balance sheet date, the asset is classified as held for sale and held within current assets.

### Capital reserve

The company maintains a capital reserve. The following items are transferred into the capital reserve from profit or loss:

- Gains and losses on investments held at fair value through profit or loss
- Fees and share-based payment expenses linked to investment performance
- Expenses and finance costs incurred directly in relation to capital transactions
- Actuarial gains and losses on defined benefit pension schemes
- Taxation on items recognised in the capital reserve

### Investment property

Investment properties are properties which are held either to earn rental income or for capital appreciation or for both. Investment properties are stated at fair value.

The valuations are prepared by considering the aggregate of the net annual rents receivable from the properties, and where relevant, associated costs. A yield which reflects the specific risks inherent in the net cash flows is then applied to the net annual rentals to arrive at the property valuation.

Any gain or loss arising from a change in fair value is recognised in profit or loss.

## Material accounting policies *continued*

### Property, plant and equipment

Property is measured at fair value. Gains arising from changes in the fair value are included in other comprehensive income for the period in which they arise and losses included in profit or loss. To the extent gains represent the reversal of cumulative losses previously recognised they are included in profit or loss.

Plant and equipment is measured at cost less accumulated depreciation and any accumulated impairment loss.

Depreciation is calculated to write off the fair value or cost of items of property, plant and equipment less their estimated residual values using the straight-line method over their estimated useful lives. Land is not depreciated.

The estimated useful lives of property, plant and equipment are as follows:

- Buildings: 25 and 50 years
- Fixtures and fittings: 5 to 10 years
- Office equipment: 3 to 5 years

Accumulated depreciation on revalued property is eliminated against the gross carrying amount of the asset.

The gain or loss on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the statement of comprehensive income.

### Impairment of assets

At each reporting date, the group reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, an impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount, if any. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

### Receivables

Receivables do not carry any interest and are stated at their nominal value as reduced by expected credit losses ('ECL') arising from an annual ECL assessment of recoverable amounts. The company has applied the three-stage model to intercompany receivables and determined they are not impaired on a stage one basis because credit risk has not increased significantly since initial recognition.

### Cash and cash equivalents

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

### Borrowings

Interest-bearing bank loans and overdrafts are recorded at the fair value of proceeds received, net of direct issue costs. Finance charges, including premiums payable on settlement or redemption and direct issue costs, are accounted for on an accrual basis in the statement of comprehensive income using the effective interest method and are added to the carrying amount of the instrument to the extent that they are not settled in the period in which they arise. The effective interest method allocates the interest expense over the life of the instrument so as to reflect a constant return on the carrying amount of the liability.

### Payables

Payables are stated based on the amounts which are considered to be payable in respect of goods or services received up to the balance sheet date. Financial liabilities are recognised at amortised cost in accordance with IFRS 9.

### Provisions

A provision is recognised in the statement of financial position when the company has a present legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are measured at the directors' best estimate of the expenditure required to settle the obligation at the reporting date and are discounted to present value where the effect is material.

In the financial statements, provisions recognised in relation to investments are included in the statement of comprehensive income as a capital return.

### Share capital

Equity instruments issued by the company are recorded as the proceeds received, net of direct issue costs.

Where The Caledonia Investments plc Employee Share Trust, The Caledonia 2024 Employee Benefit Trust or The Caledonia Investments Share Incentive Plan purchases the company's equity share capital, the consideration paid, including any directly attributable incremental costs (net of income taxes), is deducted from equity attributable to the company's owners until the shares are transferred. Where such shares are subsequently transferred, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the company's owners.

### Operating segments

Operating segments are based on the financial information reported to the chief operating decision-maker, being the Executive Committee.

## Notes to the financial statements

## 1. Net investment income

Investment income	2026 £m	2025 £m
<b>Income statement revenue column</b>		
<i>Income from pool investments</i>		
Dividends from UK listed companies	10.5	10.5
Dividends from overseas listed companies	12.7	11.4
Dividends from unlisted companies	26.1	14.4
Distributions from limited partnerships	3.9	4.4
Interest on unlisted debt investments	1.7	3.0
	54.9	43.7
<b>Income from other investments</b>		
Dividends from unlisted companies <sup>1</sup>	8.9	9.0
	63.8	52.7

1. During the year £8.9m (2025: £9.0m) was received from Caledonia CCIL Distribution Ltd, a wholly owned non-consolidated subsidiary.

	2026 £m	2025 £m
<b>Income statement capital column</b>		
Dividends from unlisted companies	8.0	-
<b>Other income</b>		
	2026 £m	2025 £m
<b>Income statement revenue column</b>		
Property income	0.9	0.9
<b>Income statement capital column</b>		
US limited partnerships tax refunds	0.6	0.4

## 2. Expenses

Management expenses	2026 £m	2025 £m
<b>Income statement revenue column</b>		
Personnel expenses	14.8	15.4
Depreciation	1.1	1.2
Auditor's remuneration	0.5	0.5
Other administrative expenses	9.9	11.2
Directors' fees and disbursements recharged	(0.9)	(0.8)
Management fees and recharges	(0.8)	(1.6)
	24.6	25.9
<b>Income statement capital column</b>		
Personnel expenses	5.0	6.3
Transaction costs	0.6	0.3
Management fees	(0.3)	(0.5)
	5.3	6.1
	29.9	32.0

## Further information

*Auditor's remuneration*

Fees payable to BDO LLP in respect of services to Caledonia Investments plc were as follows:

	2026 £m	2025 £m
<b>Audit services</b>		
Statutory audit – group	0.3	0.3
Statutory audit – consolidated subsidiaries	0.1	0.1
<b>Non-audit services</b>		
Other assurance services	0.1	0.1
	0.5	0.5

Notes to the financial statements *continued***2. Expenses continued**

Fees payable to BDO LLP in respect of services to Caledonia Investments plc's non-consolidated subsidiaries were as follows:

		2026 £m	2025 £m
<b>Audit services</b>			
Statutory audit – UK subsidiaries		0.3	0.1
Personnel expenses			
	Note	2026 £m	2025 £m
<b>Income statement revenue column</b>			
Salaries and cash bonus		12.4	12.9
National Insurance		2.1	1.9
Contributions to defined contribution plans		1.8	1.3
Defined benefit pension plans expense	25	(1.5)	(0.7)
		14.8	15.4
<b>Income statement capital column</b>			
Performance cash bonus		0.3	–
Share-based payments	24	4.2	5.1
National Insurance on performance cash bonus share awards		0.5	1.2
		5.0	6.3
		19.8	21.7

The average number of group employees, including executive directors, throughout the year was as follows:

	2026 No	2025 No
Investment and administration	75	76

The company did not have any employees in either the current or the prior year.

Total directors' remuneration expensed for the year was £4.4m (2025: £4.6m), as follows:

	Group	
	2026 £m	2025 £m
Short-term employee benefits	2.9	2.8
Gains on exercise of share awards	1.5	1.8
	4.4	4.6

**3. Treasury interest receivable**

	2026 £m	2025 £m
Interest on bank deposits and liquidity funds	3.7	9.9

**4. Finance costs**

	2026 £m	2025 £m
Interest on bank loans and overdraft facilities	2.7	3.5

**5. Taxation**

Recognised in profit for the year

	2026 £m	2025 £m
<b>Current tax (income)/expense</b>		
Current year	(1.6)	(2.8)
Adjustments for prior years	0.7	3.0
	(0.9)	0.2

**Deferred tax expense**

Origination and reversal of temporary differences	1.4	0.4
Adjustments for prior years	0.4	0.1
	1.8	0.5
Total tax expense	0.9	0.7

Adjustments for prior years represented settlement of prior year tax loss relief surrendered to group companies, finalised in the year.

Notes to the financial statements *continued***5. Taxation** continued

## Reconciliation of effective tax expense

	2026 £m	2025 £m
Profit before tax	136.1	66.8
Tax expense at the domestic rate of 25%	34.0	16.7
Non-deductible expenses	0.8	0.5
Unrecognised tax assets	7.4	5.4
Non-taxable gains on investments <sup>1</sup>	(23.3)	(11.0)
Non-taxable dividend income	(16.5)	(11.3)
Tax on funds	(3.3)	(3.1)
Other temporary differences	0.7	0.4
Adjustments for prior years	1.1	3.1
Tax expense	0.9	0.7

1. The Company is exempt from UK corporation tax on capital gains as it meets the HM Revenue & Customs criteria for an investment company set out in Section 1158 of the Corporation Tax Act 2010.

## Recognised in other comprehensive income

	2026 £m	2025 £m
<b>Current tax (income)</b>		
Current year	(0.6)	(0.4)
<b>Deferred tax (income)/expense</b>		
On re-measurements of defined benefit pension schemes	(0.2)	-
On share options and awards	0.1	(0.1)
	(0.1)	(0.1)
Total tax income	(0.7)	(0.5)

## Current tax assets

Current tax assets of £3.2m in the group and £3.8m in the company represented tax loss relief surrender for settlement (2025: £4.2m in the group and £4.5m in the company).

**6. Dividends**

Amounts recognised as distributions to owners of the company in the year were as follows:

	2026		2025 <sup>1</sup>	
	p/share	£m	p/share	£m
Final dividend for the year ended 31 March 2025 (2024)	5.391	28.2	5.147	27.9
Interim dividend for the year ended 31 March 2026 (2025) <sup>2</sup>	3.680	19.2	1.969	10.5
	9.071	47.4	7.116	38.4

1. On 25 July 2025, the company executed a 10:1 sub-division of its ordinary shares which reduced the nominal value from 5p to 0.5p. As a result of the increased number of ordinary shares now in issue, all dividend per share figures have been restated for the prior year comparatives.
2. The interim dividend for the year ended 31 March 2026 was rebased to 50% of the prior year total annual dividend.

Amounts proposed after the year end and not recognised in the financial statements were as follows:

	2026	
	p/share	£m
Proposed final dividend for the year ended 31 March 2026	4.004	20.7

The proposed final dividend for the year ended 31 March 2026 was not included as a liability in these financial statements. The dividend, if approved by shareholders at the annual general meeting to be held on 15 July 2026, will be payable on 6 August 2026 to holders of shares on the register on 3 July 2026. The ex-dividend date will be 2 July 2026. The deadline for elections under the dividend reinvestment plan offered by MUFG Corporate Markets will be the close of business on 17 July 2026.

For the purposes of section 1158 of the Corporation Tax Act 2010 and associated regulations, the dividends payable for the year ended 31 March 2026 are the interim and final dividends for that year, amounting to £39.9m (2025: £38.7m).

## Notes to the financial statements *continued*

### 7. Earnings per share

#### Basic and diluted earnings per share

The calculation of basic earnings per share of the group was based on the profit attributable to shareholders and the weighted average number of shares outstanding during the year. The calculation of diluted earnings per share included an adjustment for the effects of dilutive potential shares.

The profit attributable to shareholders (basic and diluted) was as follows:

	2026 £m	2025 £m
Revenue	40.4	30.9
Capital	94.8	35.2
Total	135.2	66.1

The weighted average number of shares was as follows:

	2026 000's	2025 <sup>1</sup> 000's
Issued shares at the year start	528,827	546,118
Effect of shares cancelled	(4,698)	(7,404)
Effect of shares held by the employee share trusts and share incentive plan	(1,587)	(1,508)
Basic weighted average number of shares in the year	522,542	537,206
Effect of performance shares, deferred bonus awards and share incentive plan awards	7,141	7,931
Diluted weighted average number of shares in the year	529,683	545,137

1. On 25 July 2025, the company executed a 10:1 sub-division of its ordinary shares which reduced the nominal value from 5p to 0.5p. As a result of the increased number of ordinary shares now in issue, all share numbers have been restated for the prior year comparatives.

### 8. Investments

	Group		Company	
	2026 £m	2025 £m	2026 £m	2025 £m
<i>Investments held at fair value through profit or loss</i>				
Investments listed on a recognised stock exchange	<b>952.2</b>	<b>964.7</b>	952.2	964.7
Unlisted investments	<b>1,614.9</b>	<b>1,778.9</b>	1,621.5	1,784.2
	<b>2,567.1</b>	<b>2,743.6</b>	2,573.7	2,748.9
<i>Investments held at cost</i>				
Service subsidiaries	-	-	0.9	0.9
<i>Held for sale</i>				
Unlisted investments	<b>279.3</b>	-	279.3	-
	<b>2,846.4</b>	<b>2,743.6</b>	2,853.9	2,749.8

The movements in non-current investments were as follows:

	Listed investments £m	Unlisted investments <sup>1</sup> £m	Unlisted debt £m	Total £m
<b>Group</b>				
Balance at 31 March 2024	<b>949.8</b>	<b>1,718.1</b>	<b>27.5</b>	<b>2,695.4</b>
Transfer of debt for equity	-	<b>21.2</b>	<b>(21.2)</b>	-
Purchases at cost	<b>106.8</b>	<b>202.0</b>	<b>11.5</b>	<b>320.3</b>
Realisation proceeds	<b>(114.2)</b>	<b>(202.5)</b>	<b>(1.5)</b>	<b>(318.2)</b>
Gains/losses on investments	<b>22.3</b>	<b>21.6</b>	-	<b>43.9</b>
Accrued income	-	<b>2.2</b>	-	<b>2.2</b>
Balance at 31 March 2025	<b>964.7</b>	<b>1,762.6</b>	<b>16.3</b>	<b>2,743.6</b>
Transfer to held for sale	-	<b>(279.3)</b>	-	<b>(279.3)</b>
Purchases at cost	<b>141.4</b>	<b>118.2</b>	<b>5.6</b>	<b>265.2</b>
Realisation proceeds	<b>(142.3)</b>	<b>(114.8)</b>	-	<b>(257.1)</b>
Gains/losses on investments	<b>(11.6)</b>	<b>103.7</b>	-	<b>92.1</b>
Accrued income	-	<b>2.6</b>	-	<b>2.6</b>
Balance at 31 March 2026	<b>952.2</b>	<b>1,593.0</b>	<b>21.9</b>	<b>2,567.1</b>

Notes to the financial statements *continued*

## 8. Investments continued

	Listed investments £m	Unlisted investments <sup>1</sup> £m	Unlisted debt £m	Total £m
<b>Company</b>				
Balance at 31 March 2024	949.8	1,724.3	27.5	2,701.6
Transfer of debt for equity	–	21.2	(21.2)	–
Purchases at cost	106.8	202.0	11.5	320.3
Realisation proceeds	(114.2)	(202.5)	(1.5)	(318.2)
Gains/losses on investments	22.3	21.6	–	43.9
Accrued income	–	2.2	–	2.2
Balance at 31 March 2025	964.7	1,768.8	16.3	2,749.8
Transfer to held for sale	–	(279.3)	–	(279.3)
Purchases at cost	141.4	118.2	5.6	265.2
Realisation proceeds	(142.3)	(114.8)	–	(257.1)
Gains/losses on investments	(11.6)	105.0	–	93.4
Accrued income	–	2.6	–	2.6
Balance at 31 March 2026	952.2	1,600.5	21.9	2,574.6

1. Unlisted investments included limited partnership and open ended fund investments, including a loan facility to a wholly owned investment subsidiary investing in US PE funds. It also included -£1.4m of non-pool provisions (2025: £10.9m non-pool investments). For further details of the fair value measurement of investments please refer to note 23 on page 132.

In September 2025, Caledonia agreed terms for the sale of a minority stake in Stonehage Fleming, a multi-family office providing advisory services to many of the world's leading families and wealth creators, to Corient Private Wealth LLC, a US-headquartered wealth management and advisory business. The transaction is expected to complete in mid 2026. Cash proceeds of c.£290m are expected net of transaction expenses. The valuation at the end of March of £279.3m reflects expected cash proceeds less a c.3.5% discount in recognition of the limited transaction execution risk and time value of money. To reflect this transaction, this asset was disclosed as held for sale in the statement of financial position as at 31 March 2026.

## 9. Investment property

Group	Freehold property £m
<b>Cost</b>	
Balance at 31 March 2024, 2025 and 2026	19.8
<b>Revaluation</b>	
Balance at 31 March 2024	(6.5)
Revaluation in the year	(0.7)
Balance at 31 March 2025 and 2026	(7.2)
<b>Carrying amounts</b>	
At 31 March 2024	13.3
At 31 March 2025	12.6
At 31 March 2026	12.6

At 31 March 2026, the group held one property classified as investment property, comprising that part of its head office building occupied by a third-party tenant.

The fair value of the investment property was determined by Tuckerman, an external, independent property valuer, holding recognised and relevant professional qualifications and with recent experience in the location and category of the property being valued. The valuation conforms to the Royal Institution of Chartered Surveyors ('RICS') Valuation Professional Standards. Fees paid to the valuer are based on a fixed price contract.

The external valuations were prepared by considering the aggregate of the net annual rents receivable from the property and where relevant, associated costs. A yield which reflects the specific risks inherent in the net cash flows is then applied to the net annual rentals to arrive at the property valuation.

## Notes to the financial statements *continued*

### 9. Investment property *continued*

The investment property held by the group is classified as Level 3 under the fair value hierarchy (see page 135).

Property	Market value £m	Valuation technique	Key unobservable inputs	Range (weighted average)
Buckingham Gate	12.6	Rental yield	Rent per sq ft p.a.	£38.00–£85.00 (£73.78)
			Rent-free period	1.5 yrs
			Capitalisation rate	5.5%
			Purchaser's costs	6.8%

An increased capitalisation rate of 0.25% would result in a decreased asset valuation of £0.6m and a decrease of 0.25% would result in an increased asset valuation of £0.6m. Conversely, an increase in the estimated rent by 10% would result in an increase in the asset valuation of £1.3m and a decrease of 10% would result in a decrease in the asset valuation of £1.3m.

The current year sensitivities were unchanged from the prior year.

The above inputs are interdependent and partially determined by market conditions. The impact on the valuation could be mitigated by the inter-relationship between these inputs.

### 10. Property, plant and equipment Group

	Property £m	Office equipment £m	Total £m
<i>Cost</i>			
Balance at 31 March 2024	32.4	5.0	37.4
Acquisitions	–	1.8	1.8
Balance at 31 March 2025	32.4	6.8	39.2
Acquisitions	–	0.2	0.2
Balance at 31 March 2026	32.4	7.0	39.4
<i>Depreciation</i>			
Balance at 31 March 2024	–	(3.4)	(3.4)
Depreciation charge	(0.6)	(0.5)	(1.1)
Eliminate depreciation	0.6	–	0.6
Balance at 31 March 2025	–	(3.9)	(3.9)
Depreciation charge	(0.6)	(0.6)	(1.2)
Eliminate depreciation	0.6	–	0.6
Balance at 31 March 2026	–	(4.5)	(4.5)
<i>Revaluation</i>			
Balance at 31 March 2024	(8.8)	–	(8.8)
Revaluation in the year	(0.6)	–	(0.6)
Eliminate depreciation	(0.6)	–	(0.6)
Balance at 31 March 2025	(10.0)	–	(10.0)
Revaluation in the year	0.6	–	0.6
Eliminate depreciation	(0.6)	–	(0.6)
Balance at 31 March 2026	(10.0)	–	(10.0)
<i>Carrying amounts</i>			
At 31 March 2024	23.6	1.6	25.2
At 31 March 2025	22.4	2.9	25.3
At 31 March 2026	22.4	2.5	24.9

Property is measured at fair value and comprised freehold land and buildings.

Property was revalued at 31 March 2026 by an independent valuer. Had the property been carried under the cost model, the carrying amount would have been £23.4m (2025: £24.0m).

## Notes to the financial statements *continued*

### 10. Property, plant and equipment *continued*

The fair value of the property was determined by Tuckerman, an external, independent property valuer, holding recognised and relevant professional qualifications and with recent experience in the location and category of the property being valued. The valuation conforms to the Royal Institution of Chartered Surveyors ('RICS') Valuation Professional Standards. Fees paid to the valuer are based on a fixed price contract.

The external valuations were prepared by considering the aggregate of the net annual rents receivable from the property and where relevant, associated costs. A yield which reflects the specific risks inherent in the net cash flows is then applied to the net annual rentals to arrive at the property valuation.

The property held by the group is classified as Level 3 under the fair value hierarchy (see page 135).

Property	Market value £m	Valuation technique	Key unobservable inputs	Range (weighted average)
Buckingham Gate	22.4	Rental yield	Rent per sq ft p.a.	£40.00–£85.00 (£73.32)
			Capitalisation rate	5.5%
			Purchaser's costs	6.8%

An increased capitalisation rate of 0.25% would result in a decreased asset valuation of £1.1m and a decrease of 0.25% would result in an increased asset valuation of £1.2m. An increase in the estimated rent by 5% would result in an increase in the asset valuation of £1.1m and a decrease of 5% would result in a decrease in the asset valuation of £1.1m.

The current year sensitivity to inputs were unchanged from the prior year.

The above inputs are interdependent and partially determined by market conditions. The impact on the valuation could be mitigated by the inter-relationship between these inputs.

### 11. Deferred tax

Deferred tax assets and liabilities were attributable to the following:

<i>Group</i>	Assets £m	Liabilities £m	Net £m
<b>2026</b>			
Employee benefits	4.0	(1.5)	2.5
Other timing differences	–	(0.4)	(0.4)
	4.0	(1.9)	2.1
<b>2025</b>			
Employee benefits	5.3	(1.3)	4.0
Other timing differences	–	(0.2)	(0.2)
	5.3	(1.5)	3.8

#### Movement in temporary differences during the year

<i>Group</i>	Balance at year start £m	Comprehensive income £m	Other comprehensive income £m	Balance at year end £m
<b>2026</b>				
Employee benefits	4.0	(1.6)	0.1	2.5
Other timing differences	(0.2)	(0.2)	–	(0.4)
	3.8	(1.8)	0.1	2.1
<b>2025</b>				
Employee benefits	4.4	(0.5)	0.1	4.0
Other timing differences	(0.2)	–	–	(0.2)
	4.2	(0.5)	0.1	3.8

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability settled, based on rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax balances are calculated on all temporary differences using a tax rate of 25%.

## Notes to the financial statements *continued*

### 11. Deferred tax *continued*

#### Group and company

#### *Unrecognised deferred tax assets*

Deferred tax assets were not recognised in relation to the following deductible temporary differences and unused tax losses:

	Group		Company	
	2026 £m	2025 £m	2026 £m	2025 £m
Tax losses	<b>164.4</b>	<b>125.0</b>	160.8	125.0
Corporate interest restrictions	-	-	-	-
Capital losses	<b>82.0</b>	<b>82.3</b>	63.2	63.2

These deductible temporary differences and unused tax losses do not expire.

Given the company's status as an investment trust company and the intention to continue meeting the conditions required to obtain approval, the company has not provided for deferred tax on any capital gains or losses arising on the revaluation or disposal of investments held by the company itself.

### 12. Other receivables

	Group		Company	
	2026 £m	2025 £m	2026 £m	2025 £m
<b><i>Non-current assets</i></b>				
Other receivables	-	-	28.0	30.5

Company non-current other receivables comprise £28.0m (2025: £30.5m) due from a wholly owned subsidiary.

	Group		Company	
	2026 £m	2025 £m	2026 £m	2025 £m
<b><i>Current assets</i></b>				
Trade receivables	<b>2.4</b>	<b>3.5</b>	1.0	1.2
Non-trade receivables and prepayments	<b>6.3</b>	<b>6.8</b>	4.6	5.2
	<b>8.7</b>	<b>10.3</b>	5.6	6.4

Expected credit losses ('ECL') on the group and company receivables are estimated to be under £0.1m (2025: less than £0.1m). The ECL assessment included a review of recoverability of the trade receivables which comprise quoted investment income and private capital monitoring fee balances to confirm amounts were received within one month of the reporting date.

An aged analysis of group trade receivables is disclosed below:

	Total £m	Within terms £m	0-1 month £m
2026	<b>2.4</b>	<b>2.3</b>	<b>0.1</b>
2025	<b>3.5</b>	<b>3.4</b>	<b>0.1</b>

### 13. Net cash and cash equivalents

	Group		Company	
	2026 £m	2025 £m	2026 £m	2025 £m
Bank balances	<b>4.9</b>	<b>9.8</b>	2.5	8.3
Money market funds	<b>85.1</b>	<b>141.5</b>	83.2	140.2
Cash and cash equivalents	<b>90.0</b>	<b>151.3</b>	85.7	148.5

### 14. Interest-bearing loans and borrowings

There were no interest-bearing loans and borrowings outstanding at 31 March 2026 or 2025.

As at 31 March 2026, the group had undrawn committed facilities totalling £325m (2025: £325m), comprising two tranches: £175m from BNP Paribas and Industrial and Commercial Bank of China and £150m from The Royal Bank of Scotland International. The bank facility is secured by way of floating charge over the public companies shares held by BNP Paribas, as global custodian to the company.

On 13 May 2026, the revolving credit facility of £325m was extended for a further two years on exactly the same terms. The facility comprises £150m over a five-year term expiring in August 2031 and £175m over a three-year term expiring in August 2029.

The facilities are in place to ensure the group has sufficient liquid funds to meet its working capital and investment requirements, most notably drawdown notices from private equity funds, whose exact timing can be unpredictable.

Covenants attached to the group loan facilities assess borrowing levels against the net assets of Caledonia plc and sub-categories of assets held therein, adjusted to take account of liquidity, asset concentration and the markets in which they are invested. As at 31 March 2026, Caledonia plc had remaining borrowing capacity under the covenants of £752m (2025: £754m), considerably in excess of undrawn facilities. Compliance with covenants is tested monthly.

During the year the group and company utilised £nil (2025: £nil) of an available £325m (2025: £325m) of bank revolving credit facilities.

## Notes to the financial statements *continued*

### 15. Trade and other payables

	Group		Company	
	2026 £m	2025 £m	2026 £m	2025 £m
Trade payables	<b>0.8</b>	<b>1.3</b>	2.1	0.1
Non-trade payables and accrued expenses	<b>2.5</b>	<b>3.7</b>	5.8	10.6
Other payables	<b>2.5</b>	<b>11.4</b>	2.5	11.4
	<b>5.8</b>	<b>16.4</b>	10.4	22.1

Other payables of the group and company include short-term borrowing from non-consolidated subsidiaries of £2.5m (2025: £11.4m).

### 16. Share capital

	Ordinary shares £m	Deferred ordinary shares £m	Share premium £m	Total £m
Balance at 31 March 2024	2.7	0.4	1.3	4.4
Transfer to capital redemption reserve on cancellation of share capital	(0.1)	–	–	(0.1)
Balance at 31 March 2025 and 2026	2.6	0.4	1.3	4.3

The number of fully paid shares in issue was as follows:

	Ordinary shares		Deferred ordinary shares	
	2026 000's	2025 <sup>1</sup> 000's	2026 000's	2025 000's
Balance at the year start	528,827	546,118	8,000	8,000
Shares purchased and cancelled	(9,466)	(17,291)	–	–
Balance at the year end	519,361	528,827	8,000	8,000

- On 25 July 2025, the company executed a 10:1 sub-division of its ordinary shares which reduced the nominal value from 5p to 0.5p. As a result of the increased number of ordinary shares now in issue, prior year comparatives have been restated.

The company had outstanding performance share scheme and deferred bonus awards (note 24).

As at 31 March 2026, the issued share capital of the company comprised 519,361,469 ordinary shares (restated 2025: 528,826,980) and 8,000,000 deferred ordinary shares (2025: 8,000,000). The ordinary and deferred ordinary shares have a nominal value of 0.5p and 5p each, respectively.

The holders of the ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the company. In respect of the company's ordinary shares that are held by subsidiaries, all voting rights are suspended.

The deferred ordinary shares carry no voting rights and are not redeemable. They carry the right to a fixed cumulative preference dividend of 1% per annum (exclusive of any associated tax credit) of the nominal value of such deferred ordinary shares, being 0.05p per share, or £4,000 in aggregate, for all such shares currently in issue. The company is required to pay the dividend to the extent that it has distributable profits. On a winding-up or other return of capital, the deferred ordinary shares carry the right to the payment of the amount paid up on such shares only after holders of the ordinary shares have received the sum of £100,000 in respect of each such ordinary share. All of the deferred ordinary shares are held by Sterling Industries Ltd, a wholly-owned non-consolidated group company.

### 17. Net asset value ('NAV') and NAV total return ('NAVTR') APM

The group's undiluted net asset value is based on the net assets of the group at the year end and on the number of ordinary shares in issue at the year end less ordinary shares held by The Caledonia Investments plc Employee Share Trust, The Caledonia 2024 Employee Benefit Trust and free and matching shares held by the trustees of The Caledonia Investments Share Incentive Plan on behalf of employees. The group's diluted net asset value assumes the exercise of performance shares and deferred bonus awards and the withdrawal of free and matching share incentive plan awards.

	2026			2025		
	Net assets £m	Number of shares <sup>1</sup> 000's	NAV p/share	Net assets £m	Number of shares <sup>1,2</sup> 000's	NAV p/share <sup>2</sup>
Undiluted	2,980.0	517,845	575.5	2,931.6	527,497	555.8
Share awards	–	7,141	(7.6)	–	7,931	(8.3)
Diluted	2,980.0	524,986	567.6	2,931.6	535,428	547.5

- Number of shares in issue at the year end is stated after the deduction of 1,079,820 (31 March 2025: 1,330,250) ordinary shares held by The Caledonia Investments plc Employee Share Trust, 383,237 (31 March 2025: nil) ordinary shares held by The Caledonia 2024 Employee Benefit Trust and 52,781 (31 March 2025: nil) ordinary shares (free and matching awards) held by The Caledonia Investments Share Incentive Plan.
- On 25 July 2025, the company executed a 10:1 sub-division of its ordinary shares which reduced the nominal value from 5p to 0.5p. As a result of the increased number of ordinary shares now in issue, all number of shares and NAV per share figures have been restated for the prior year comparatives.

## Notes to the financial statements *continued*

### 17. Net asset value ('NAV') and NAV total return ('NAVTR') continued

Net asset value total return is calculated in accordance with AIC guidance, as the change in NAV from the start of the period, assuming that dividends paid to shareholders are reinvested at NAV at the time the shares are quoted ex-dividend.

	2026 p	2025 <sup>2</sup> p
Diluted NAV at year start	547.5	536.9
Diluted NAV at year end	567.6	547.5
Dividends payable in the year	9.1	7.1
Reinvestment adjustment <sup>1</sup>	0.4	-
	577.1	554.6
NAVTR over the year	5.4%	3.3%

1. The reinvestment adjustment is the gain or loss resulting from reinvesting the dividends in NAV at the ex-dividend date.
2. On 25 July 2025, the company executed a 10:1 sub-division of its ordinary shares which reduced the nominal value from 5p to 0.5p. As a result of the increased number of ordinary shares now in issue, all number of share and NAV per share figures have been restated for the prior year comparatives.

### 18. Operating segments

The chief operating decision-maker has been identified as the Executive Committee, which reviews the company's internal reporting in order to assess performance and allocate resources. Management has determined the operating segments based on these reports.

The performance of operating segments is assessed on a measure of group total net investment income, principally comprising gains and losses on investments and investment income. Reportable profit or loss is after treasury income and 'other items', which comprise management and other expenses and provisions. Reportable assets equate to the group's total assets. Cash and cash equivalents and other items are not identifiable operating segments.

'Other investments' comprise subsidiaries not managed as part of the investment portfolio.

Reportable segments are identified with reference to investment 'pools' which are used by management to organise the asset allocation and performance measurement of the business. The pools are quoted equity (Public Companies), private companies (Private Capital) and private equity funds (Funds), with each pool exposed to different risks, and operated by different teams according to distinct investment criteria and subject to different internal performance targets.

	Profit/(loss) before tax		Total assets	
	2026 £m	2025 £m	2026 £m	2025 £m
Public Companies	11.6	44.1	952.2	964.7
Private Capital <sup>1</sup>	111.0	30.5	954.7	870.7
Funds	44.7	19.5	940.9	897.3
Investment portfolio	167.3	94.1	2,847.8	2,732.7
Other investments <sup>2</sup>	(1.3)	2.5	(1.4)	10.9
Total net investment income/investments	166.0	96.6	2,846.4	2,743.6
Cash and cash equivalents	3.7	9.9	90.0	151.3
Other items	(33.6)	(39.7)	59.2	63.1
Reportable total	136.1	66.8	2,995.6	2,958.0

1. Private Capital's investment in Stonehage Fleming was classified as an asset held for sale at 31 March 2026.
2. Other investments total assets included -£1.4m of non-pool provisions (31 March 2025: £10.9m of non-pool investments).

### Geographical segments

In presenting information on the basis of geographical segments, segment total net investment income is based on the currency of primary listing for listed securities, or country of residence for unquoted investments, and segment assets are based on the geographical location of the assets. Non-current assets below comprise investment property and property, plant and equipment (notes 9-10).

	UK £m	US £m	Other £m	Total £m
<b>2026</b>				
Total net investment income	48.6	170.2	(52.8)	166.0
Non-current assets	37.5	-	-	37.5
<b>2025</b>				
Total net investment income	(78.1)	103.1	71.6	96.6
Non-current assets	37.9	-	-	37.9

## Notes to the financial statements *continued*

### 19. Related parties

#### Identity of related parties

The group and company had related party relationships with its subsidiaries (note 27) and associates (note 26) and with its key management personnel, being its directors.

#### Transactions with key management personnel

Certain directors of the company and their immediate relatives had significant influence in The Cayzer Trust Company Ltd, which held 37.2% of the voting shares of the company as at 31 March 2026 (2025: 36.6%).

During the year, the group invoiced and received £0.1m (2025: £0.1m) in rent and administration fees from The Cayzer Trust Company Ltd.

In addition to their salaries, the group provided non-cash and post-employment benefits to directors and executive officers. Details of directors' pension benefits are set out in the Directors' remuneration report on page 89.

The key management personnel compensation was as follows:

	Group	
	2026 £m	2025 £m
Short-term employee benefits	<b>2.9</b>	<b>2.8</b>
Equity compensation benefits	<b>0.7</b>	<b>1.1</b>
	<b>3.6</b>	<b>3.9</b>

Total remuneration of directors is included in 'Personnel expenses' (note 2).

#### Other related party transactions

##### *Subsidiaries*

Transactions between the company and its subsidiaries were as follows:

	2026		2025	
	Amount of transactions £m	Balance at year end £m	Amount of transactions £m	Balance at year end £m
<b><i>Comprehensive income items</i></b>				
Dividends receivable on equity shares	11.8	–	17.5	–
Interest receivable	1.6	–	3.0	–
Management fees payable	(30.0)	(10.0)	(32.6)	(12.6)
Interest payable	(0.1)	–	(0.1)	–
Taxation received	2.0	–	0.9	–
Taxation paid	–	–	(2.8)	–
<b><i>Financial position items</i></b>				
Capital contributed	–	–	(31.4)	–
Investment loans	(7.4)	24.3	(34.9)	31.7
Loans receivable	(2.5)	28.0	(5.0)	30.5
Loans payable	8.9	(2.5)	8.9	(11.4)

##### *Associates*

Transactions between the company and group and associates were as follows:

	2026		2025	
	Amount of transactions £m	Balance at year end £m	Amount of transactions £m	Balance at year end £m
Directors' fees <sup>1</sup>	0.1	–	0.1	–
Dividends receivable on equity shares	4.1	–	2.7	–

1. Transactions between a consolidated subsidiary and an associate.

## Notes to the financial statements *continued*

### 20. Operating leases

#### Leases as lessor

The group leases out its investment property under operating leases (note 9). The future minimum lease receipts under non-cancellable leases were as follows:

	Group	
	2026 £m	2025 £m
Less than one year	<b>0.9</b>	<b>0.9</b>
Between one and five years	<b>0.7</b>	<b>0.3</b>
	<b>1.6</b>	<b>1.2</b>

During the year ended 31 March 2026, £0.7m (2025: £0.7m) was recognised as income in the statement of comprehensive income in respect of operating leases.

### 21. Capital commitments

At the reporting date, the group and company had entered into unconditional commitments to funds, limited partnerships and committed loan facility agreements, as follows:

	Group		Company	
	2026 £m	2025 £m	2026 £m	2025 £m
<b>Investments</b>				
Contracted but not called	<b>346.1</b>	<b>415.9</b>	346.1	415.9
<b>Loan facilities</b>				
Committed but undrawn	-	-	12.0	9.5
	<b>346.1</b>	<b>415.9</b>	358.1	425.4

Amounts are callable within the next 12 months. The group has conducted a going concern assessment which considered future cash flows, the availability of liquid assets and debt facilities, over the 12-month period required. In making this assessment a number of stress scenarios were developed. All scenarios include all outstanding private equity fund commitments being drawn. Under these scenarios the group would have a range of mitigating actions available to it, including sales of liquid assets and usage of banking facilities, which would provide sufficient funds to meet all of its liabilities as they fall due and still hold significant liquid assets over the assessment period. For further details on assessment of going concern and viability please refer to page 61.

### 22. Contingencies

The company has provided guarantees capped at £6.5m, £9.0m and £5.0m to the trustees of The Caledonia Pension Scheme, The Sterling Industries Pension Scheme and The Amber Industrial Holdings plc Pension and Life Assurance Scheme respectively in respect of the liabilities of the participating employers of those schemes.

Management have not set out a maturity analysis in relation to the pensions guarantees totalling £20.5m on the grounds that management are unable to accurately allocate to the earliest period in which the guarantees could be called due to the conditions of these guarantees. All schemes are in surplus and it is considered unlikely the guarantees will be called.

### 23. Financial instruments

Financial instruments comprise securities and other investments, cash balances, borrowings and receivables and payables that arise from operations. The investment portfolio includes listed and unlisted equity investments, debt instruments and investments in funds that are intended to be held for the long term.

#### Risk analysis

The main types of financial risk to which the group is exposed are market risk (which encompasses price risk, currency risk and interest rate risk), credit risk and liquidity risk.

The nature and extent of the financial instruments outstanding at the reporting date and the risk management policies employed are discussed below.

#### Market risk

Market risk embodies the potential for both losses and gains and includes price risk, currency risk and fair value interest rate risk.

The strategy for managing market risk is driven by the company's objectives, which are to outperform the CPIH by 3% to 6% in the short term and the FTSE All-Share Total Return index over rolling 10-year periods. Investments are made in a range of instruments, including listed and unlisted equities, debt and investment funds, in a range of sectors and regions.

#### Price risk

Price risk may affect the value of listed and unlisted investments as a result of changes in market prices (other than arising from interest rate risk or currency risk), whether caused by factors specific to an individual investment, its issuer or factors affecting all instruments traded in the market. Factors affecting instruments traded in the market could include changes in market prices whether driven by market sentiment, information specific to individual investments, or the movements in foreign currency relative to the group's functional currency of pounds sterling.

As the majority of financial instruments are carried at fair value, with fair value changes recognised in the statement of comprehensive income, all changes in market conditions will affect portfolio asset prices.

Price risk is managed by constructing a diversified portfolio of instruments traded on various markets.

## Notes to the financial statements *continued*

### 23. Financial instruments *continued*

The exposures of listed and unlisted equity investments and fund interests were as follows:

	Group		Company	
	2026 £m	2025 £m	2026 £m	2025 £m
Listed and unlisted investments	<b>2,824.5</b>	<b>2,727.3</b>	2,832.0	2,732.6

The following table details the sensitivity to a 10% variation in equity prices. The sensitivity analysis includes all equity and fund investments held at fair value through profit or loss and adjusts their valuation at the year end for a 10% change in value.

	Group		Company	
	2026 £m	2025 £m	2026 £m	2025 £m
Increase in prices	<b>282.5</b>	<b>272.7</b>	283.2	273.3
Decrease in prices	<b>(282.5)</b>	<b>(272.7)</b>	(283.2)	(273.3)

The sensitivity to equity and fund investments has increased during the year due to net gains on investments in the year more than offsetting net realisations thereby increasing the portfolio value at the year end.

#### Currency risk

The group's currency risk is attributable to monetary items which are denominated in currencies other than the group's functional currency of pound sterling. This excludes the impact of foreign currency movements on equity instruments which carry foreign currency price risk (see price risk section above). There is exposure to the risk that the exchange rate of the functional currency may change relative to other currencies in a manner that has an adverse effect on the value of that portion of assets and liabilities denominated in currencies other than the functional currency.

The company's non-functional currency denominated monetary items and gains and losses thereon are reviewed regularly by the directors and the currency risk is managed by the directors within the overall asset allocation strategies.

The fair values of the monetary items that have foreign currency exposure were as follows:

	Group		Company	
	2026 £m	2025 £m	2026 £m	2025 £m
Cash and cash equivalents	<b>22.4</b>	<b>23.1</b>	22.1	22.9

The following table details the sensitivity to a 10% variation in exchange rates. This level of change is considered to be reasonable, based on observation of market conditions and historic trends.

The sensitivity analysis includes all foreign denominated debt investments.

	Group		Company	
	2026 £m	2025 £m	2026 £m	2025 £m
Pound sterling depreciates (weakens)	<b>1.5</b>	<b>1.9</b>	1.5	1.9
Pound sterling appreciates (strengthens)	<b>(1.9)</b>	<b>(1.6)</b>	(1.8)	(1.6)

The exposure to foreign currency has reduced in the year due to a reduction in foreign denominated cash and cash equivalents.

The group actively monitors its exposure to foreign currency risk but does not seek to hedge against it.

#### Interest rate risk

Interest rate movements may affect the fair value of investments in fixed interest securities and the level of income receivable from floating income securities and cash at bank and on deposit.

The company and group held cash at bank, term deposits and money market funds, with the term to maturity of up to three months and fixed and floating rate, interest-bearing financial assets.

The company's interest-bearing assets and liabilities are reviewed periodically by the company and interest rate risk is managed by the directors within the overall asset allocation strategies.

The exposure to interest rate risk on financial assets and liabilities was as follows:

	Group		Company	
	2026 £m	2025 £m	2026 £m	2025 £m
<b><i>Floating rate</i></b>				
Investments in debt instruments	<b>21.9</b>	<b>16.3</b>	21.9	16.3
Cash and cash equivalents	<b>90.0</b>	<b>151.3</b>	85.7	148.5

## Notes to the financial statements *continued*

### 23. Financial instruments *continued*

The sensitivity analysis below has been determined based on the exposure to interest rates at the reporting date from a 50 basis point change taking place at the beginning of the financial year and held constant throughout the year. This level of change is considered to be reasonable, based on observation of market conditions and historical trends.

	Group		Company	
	2026 £m	2025 £m	2026 £m	2025 £m
Decrease in interest rates	<b>(0.5)</b>	<b>(0.7)</b>	(0.4)	(0.7)
Increase in interest rates	<b>0.5</b>	<b>0.7</b>	0.4	0.7

The group's sensitivity to interest rates has reduced over the year due to a reduction in net cash balances. The group does not consider there is a material exposure to interest rate risk.

#### Credit risk

Credit risk is the risk that the counterparty to a financial instrument will fail to discharge an obligation or commitment. A credit policy is in place and exposure to credit risk is monitored regularly.

The exposure to credit risk in financial assets was as follows:

	Group		Company	
	2026 £m	2025 £m	2026 £m	2025 £m
Investments in debt instruments	<b>21.9</b>	<b>16.3</b>	21.9	16.3
Operating and other receivables	<b>8.7</b>	<b>10.3</b>	5.6	36.9
Cash and cash equivalents	<b>90.0</b>	<b>151.3</b>	85.7	148.5
	<b>120.6</b>	<b>177.9</b>	113.2	201.7

The group's credit risk is primarily attributable to its cash and cash equivalents, trade receivables and debt investments. For an aged analysis of trade receivables see note 12. A group analysis of credit ratings for cash and cash equivalents is presented below. All other financial assets are unrated.

Credit rating	Group	
	2026 £m	2025 £m
AAAm <sup>1</sup>	<b>85.1</b>	<b>141.5</b>
A+/A- <sup>1</sup>	<b>4.9</b>	<b>9.8</b>
	<b>90.0</b>	<b>151.3</b>

1. The group holds £85.1m (2025: £141.5m) in Low Volatility Net Asset Value money market funds which all hold a AAAm rating from Standard & Poors and £4.9m (2025: £9.8m) of cash in current accounts with three commercial banks with credit ratings from Standard & Poors of A+ and A-.

Debt instruments relate to loans to investees within the Private Capital pool totalling £21.9m (2025: £16.3m). Prior to making investments in debt instruments, management has in place a process of review that includes an evaluation of a potential investee company's ability to service and repay its debt. Management assess the credit risk relating to these instruments as part of an overall ongoing monitoring of its debt and equity positions in each relevant investee.

The exposure to credit risk on operating and other receivables is mitigated by performing credit evaluations on investee companies as part of the due diligence process.

Credit risk arising on money market liquidity funds and cash and cash equivalents is mitigated by spreading liquidity investments and deposits across a number of approved counterparties in accordance with board policy. These are 'AAA' rated money market funds, as determined by the rating agencies Fitch, Moody's or Standard & Poor's; highly-rated banks operating in the London money market; or investment-grade clearing banks specifically approved by the board. These credit ratings are reviewed regularly.

At the year end, the group and company had money market liquidity funds of £85.1m and £83.2m respectively (2025: £141.5m and £140.2m).

At the year end, the group and company had £10.0m invested in each of the Aberdeen Liquidity Fund (Lux) GBP, the Sterling Liquidity fund from Aviva Investors, the ILF GBP liquidity fund from Insight, the JP Morgan GBP and USD liquidity funds and the LGIM Liquidity Fund GBP and £7.0m invested in each of the Institutional Sterling Liquidity fund from BlackRock and the Sterling liquid reserves fund from Goldman Sachs. In addition the company and group had £19.2m and £21.1m invested respectively in the HSBC Global Liquidity Funds plc Sterling and US Dollar Liquidity Funds.

At the prior year end, the group and company had £20.0m invested in each of the Aberdeen Liquidity Fund (Lux) GBP, the ILF GBP liquidity fund from Insight and the LGIM Liquidity Fund GBP, £15.0m invested in each of the Institutional Sterling Liquidity fund from BlackRock, the Sterling Liquidity fund from Aviva Investors and the Sterling liquid reserves fund from Goldman Sachs and £12.0m invested in the JP Morgan GBP liquidity fund. In addition the company and group had £23.2m and £24.5m invested respectively in the HSBC Global Liquidity Funds plc Sterling and US Dollar Liquidity Funds.

All transactions in listed securities are settled on contract terms using approved brokers. The risk of default is considered minimal, as delivery of securities sold is only made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker. The trade will fail if either party fails to meet their obligations. Listed security trades are settled through BNP Paribas Global Custody.

#### Fair value

Most of the financial instruments are carried at fair value in the statement of financial position. Usually, the fair value of the financial instruments can be reliably determined within a reasonable range of estimates. For certain other financial instruments, specifically operating and other receivables and payables, the carrying amounts approximate fair value due to the immediate or short-term nature of these financial instruments.

## Notes to the financial statements *continued*

### 23. Financial instruments *continued*

#### Liquidity risk

Liquidity risk arises as a result of the possibility that the group and company may not be able to meet its obligations as they fall due.

The corporate treasury function provides services to the company and group, coordinating access to domestic financial markets for both borrowing and depositing. Group companies access local financial markets when this is more favourable, in liaison with the corporate treasury function. Executive management monitors the group's liquidity on a weekly basis, including the level of undrawn committed bank facilities.

Bank facilities were undrawn at 31 March 2026 and 2025.

#### Capital management policies and procedures

The group's capital management objectives are:

- To ensure that the group and company will be able to continue as a going concern
- To maximise the income and capital return to the company's shareholders, principally through the use of equity capital, although the group will maintain appropriate borrowing facilities, to be used for short-term working capital or bridging finance, currently £325m (2025: £325m)

The group's total capital at 31 March 2026 was £2,980.0m (2025: £2,931.6m) and comprised equity share capital and reserves of £2,980.0m (2025: £2,931.6m) and £nil of borrowings (2025: £nil). The group was ungeared at the year end (2025: ungeared) and had £325m (2025: £325m) of undrawn committed bank facilities.

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

- The planned level of gearing, which takes into account planned investment activity
- The possible buy back of equity shares for cancellation, which takes account of the discount of the share price to net asset value per share
- The annual dividend policy

The group's objectives, policies and processes for managing capital are unchanged from the preceding year.

The parent company is subject to the following externally imposed capital requirements:

- As a public limited company, the company is required to have a minimum issued share capital of £50,000
- To maintain its approval as an investment trust company, the company is required to comply with the provisions of section 1158 of the Corporation Tax Act 2010 as amended by the Investment Trust (Approved Company) (Tax) Regulations 2011

The parent company has complied with these requirements, which are unchanged since the previous year end.

#### Fair value hierarchy

The company measures fair values using the following fair value hierarchy, reflecting the significance of the inputs used in making the measurements:

- Level 1: Inputs that are quoted market prices (unadjusted) in active markets for identical instruments.
- Level 2: Inputs other than quoted prices included in Level 1 that are observable either directly or indirectly.
- Level 3: Inputs that are unobservable.

The table below analyses financial instruments held at fair value according to level in the fair value hierarchy into which the fair value measurement is categorised:

	Group		Company	
	2026 £m	2025 £m	2026 £m	2025 £m
<b><i>Investments held at fair value</i></b>				
Level 1	<b>952.2</b>	<b>964.7</b>	952.2	964.7
Level 2	<b>18.1</b>	<b>14.4</b>	18.0	14.4
Level 3	<b>1,876.1</b>	<b>1,764.5</b>	1,883.7	1,769.8
	<b>2,846.4</b>	<b>2,743.6</b>	2,853.9	2,748.9

The following table shows a reconciliation from the opening balances to the closing balances for fair value measurements in Level 3 of the fair value hierarchy:

	Group		Company	
	2026 £m	2025 £m	2026 £m	2025 £m
Balance at the year start	<b>1,764.5</b>	<b>1,737.1</b>	1,769.8	1,742.4
Purchases	<b>123.8</b>	<b>213.5</b>	123.8	213.5
Disposal proceeds	<b>(115.0)</b>	<b>(203.9)</b>	(115.0)	(203.9)
Gains and losses on investments sold in the year	<b>14.2</b>	<b>56.2</b>	14.2	56.2
Gains and losses on investments held at the year end	<b>86.0</b>	<b>(40.6)</b>	88.3	(40.6)
Accrued income	<b>2.6</b>	<b>2.2</b>	2.6	2.2
Balance at the year end	<b>1,876.1</b>	<b>1,764.5</b>	1,883.7	1,769.8

## Notes to the financial statements *continued*

### 23. Financial instruments *continued*

The following table provides information on significant unobservable inputs used at 31 March 2026 in measuring financial instruments categorised as Level 3 in the fair value hierarchy.

Private company assets have been disaggregated into categories as follows: Assets in the large, earnings-based category have an enterprise value of >£200m, and benefit from a reasonable number of comparative data points, as well as having sufficient size to make their earnings reliable and predictable. The assets in the small and medium, earnings-based category have an enterprise value of <£200m and have a more limited universe of comparable businesses available. Manager valuations are used for assets where the net asset method is employed. During the prior year the large categorisation was increased to >£200m.

For private company assets, EBITDA multiple inputs have been selected to be sensitised and disclosed because their derivation involves the most significant judgements when estimating valuation, including which data sets to consider and prioritise. Valuations also include other unobservable inputs, including earnings, which are based on historic and forecast data and are less judgemental. For each asset category, inputs were sensitised by a percentage deemed to reflect the relative degree of estimation uncertainty, and valuation calculations re-performed to identify the impact.

Private equity fund assets are each held in and managed by the same type of fund vehicle, valued using the same method of adjusted manager valuations, and subject to broadly the same economic risks. They are therefore subject to a similar degree of estimation uncertainty. They have been sensitised at an aggregated level by 5% to reflect a degree of uncertainty over managers' valuations which form the basis of their fair value.

#### At 31 March 2026

Description/ valuation method	Fair value £m	Unobservable input	Weighted average input	Input sensitivity +/-	Change in valuation +/- £m
<b><i>Internally developed</i></b>					
<i>Private companies</i>					
Large, earnings	357.5	EBITDA multiple	11.8x	10.0%	+41.9/-43.4
Small and medium, blend of methods	111.4	Various			+12.2/-9.3
Transaction	279.3	Discount	3.5%	-2.1%/+1.4%	+2.1/-4.1
Net assets/manager valuation	206.5	Multiple	1	0.1x	+/-20.6
	954.7				+76.8/-77.4
Non-pool companies	(1.4)				
<b>Total internal</b>	953.3				
<b><i>Externally developed</i></b>					
<i>Private equity fund</i>					
Net asset value	922.8	Manager NAV	1	5%	+/-46.1
	1,876.1				+122.9/-123.5

The table below sets out information about significant unobservable inputs used at the prior year end, 31 March 2025, in measuring financial instruments categorised as Level 3 in the fair value hierarchy:

#### At 31 March 2025

Description/ valuation method	Fair value £m	Unobservable input	Weighted average input	Input sensitivity +/-	Change in valuation +/- £m
<b><i>Internally developed</i></b>					
<i>Private companies</i>					
Large, earnings	555.5	EBITDA multiple	12.5x	10.0%	+56.2/-59.8
Small and medium, blend of methods	67.5	Various			+6.8/-7.5
Transaction	55.0		1	5%	+/-2.8
Net assets/manager valuation	192.7	Multiple	1	0.1x	+/-19.3
	870.7				+85.1/-89.4
Non-pool companies	10.9				
<b>Total internal</b>	881.6				
<b><i>Externally developed</i></b>					
<i>Private equity fund</i>					
Net asset value	882.9	Manager NAV	1	5%	+/-44.1
	1,764.5				+129.2/-133.5

#### Private capital companies

##### *Valuation approach*

For each asset, management consider a range of valuation methods and select those which are considered most appropriate for each asset, taking into consideration the quantity and quality of data points available with each method. Methods include inter alia:

- Indicative offers. Indications of interest from potential acquirers are regularly received for our private capital assets, either as part of a structured sale process or in the form of a direct approach. Where judged appropriate, the insight gained from such approaches is incorporated into the data sets used in arriving at valuations. Where there is an offer from credible buyer or buyers, and there is an intention to advance discussions, our practice is to consider fair values derived from an indicative enterprise value based on offers received with an appropriate discount applied. Discounts aim to reflect the unique uncertainty associated with the execution of each transaction, and are normally in a range of 5-20%.

## Notes to the financial statements *continued*

### 23. Financial instruments *continued*

- **Multiples.** This method involves the application of an earnings multiple to the maintainable earnings of the business, most commonly earnings before interest, tax, depreciation and amortisation ('EBITDA') multiples, and is likely to be appropriate for investments in established businesses with an identifiable ongoing earnings stream. Such multiples are derived from (i) comparable public companies based on geographic location, industry, size, target markets and other factors that management considers to be reasonable and (ii) reported mergers and acquisitions transactions involving comparable companies. EBITDA multiples ranged from 10x to 14x (2025: 10x to 15x), with a weighted average of 10.1x (2025: 11.3x). Earnings are obtained from portfolio company statutory and management accounts and forecast management accounts. Maintainable earnings are estimated by adjusting reported and forecast earnings for non-recurring items (for example restructuring expenses), for significant corporate actions, and, in exceptional cases, run-rate adjustments.
- **Net assets.** This method is likely to be appropriate for businesses whose value derives principally from the underlying value of its assets rather than its ongoing earnings. A third-party valuation may be used to derive the fair value of a particular asset or group of assets, most commonly property assets.

Having selected an appropriate method, management then consider a range of data relevant to each asset. The data selected and the assumptions used are in each case examined by the Valuation Committee and Audit and Risk Committee to ensure sufficient challenge and reflection has been made on the decisions made to arrive at valuations.

In arriving at valuations for the Private Capital portfolio, the directors have conducted a portfolio analysis, examining company and sector-specific vulnerabilities, the quantity and quality of data available, as well as considering operating and financial leverage and liquidity. Investments have been classified into five categories based on a combination of enterprise value, valuation technique and sector as shown on the following page.

At 31 March 2026, the investments were classified as follows:

Investment	Category	EV range £m	Valuation technique	Valuation £m
Stonehage Fleming	Utilise transaction price	>200m	Discounted price	279.3
AIR-serv	Large, internally developed	>200m	Earnings	215.0
Cobehold	Utilise external valuation	N/A	Net assets	206.5
Butcombe	Large, internally developed	>200m	Earnings	142.5
DTM	Small and medium, internally developed	<200m	Earnings	57.7
Other investments				53.7
				954.7

At 31 March 2025, the investments were classified as follows:

Investment	Category	EV range £m	Valuation technique	Valuation £m
Stonehage Fleming	Large, internally developed	>200m	Earnings	221.4
AIR-serv	Large, internally developed	>200m	Earnings	197.7
Cobehold	Utilise external valuation	N/A	Net assets	192.7
Butcombe	Large, internally developed	>200m	Earnings	136.5
DTM	Utilise transaction price	N/A	Transaction	55.0
Cooke Optics	Small and medium, internally developed	<200m	Blended method	44.1
Other investments				23.3
				870.7

The valuation of Private Capital companies may also be informed by offers received from interested parties in the year.

More details on the valuation process for individual assets within these categories is outlined below:

#### *Large, internally developed*

AIR-serv and Butcombe use an earnings multiple method with earnings derived from trading over historic, current and forecast periods. A particularly high-quality set of comparator companies was identified when arriving at an appropriate multiple.

#### *Small and medium, internally developed*

Direct Tyre Management ('DTM') uses an earnings multiple method and both Cooke Optics and Sports Information Services use a blend of methods. These methods comprise the earnings multiple method, weighting of outcomes and discounted cash flows. Earnings were derived from trading over historical, current and forecast periods. Multiples were arrived at after considering a basket of sector-specific transactions and sector-specific multiples. Weightings of outcomes were based on future expected outcomes. Discounted cash flow techniques included forecast cash flows and appropriate discount rates.

DTM, Cooke Optics and Sports Information Services are market-leading companies operating in niche sectors so the quantity of available suitable publicly quoted comparators is low.

#### *Transaction*

Stonehage Fleming uses the transaction price method based on expected sale cash proceeds, adjusted for the time value of money, less a 0.5% discount to equity value in recognition of the very limited degree of transaction execution risk. To reflect this transaction, this asset was disclosed as held for sale in the statement of financial position as at 31 March 2026.

## Notes to the financial statements *continued*

### 23. Financial instruments *continued*

#### *Utilise external valuation*

Cobehold's fair value is derived from the valuation prepared by Cobepa (the manager), which is based on the Estimated Transaction Value ('ETV') of its underlying investments as at 31 December 2025, Cobehold's year end. The ETV is derived from Cobepa's net asset value, which reflects the fair market value of its investments, with adjustments applied to estimate realisable transaction value.

#### Non-pool companies

Non-pool companies comprise principally cash or group company receivables or payables held in subsidiary investment entities.

#### Private equity funds

Private equity fund interests are valued on a net assets basis, estimated based on the managers' NAVs rolled for cash transactions up to the reporting date and any other adjustments deemed necessary. Managers' NAVs apply valuation techniques consistent with IFRS and are normally subject to audit. Managers' NAVs are usually published quarterly, two to four months after the quarter end. Consequently, the fund valuations included in these financial statements were based principally on the 31 December 2025 managers' NAVs.

Market and other relevant conditions are reviewed at the year end to determine whether a valuation adjustment is required is considered, making such an adjustment where deemed necessary.

### 24. Share-based payments

The company operates a number of equity-settled compensation schemes for its employees, the main ones being:

- a share incentive plan ('SIP'), which is in place for all employees encouraging wide share ownership across employees;
- a performance share scheme that entitles senior employees to receive options over the company's shares, which are exercisable subject to service and performance conditions. For nil-cost option awards granted in 2015 onwards, one-third of the shares comprised in the awards may be exercised after three years and two-thirds after five years; and
- a deferred bonus plan, under which senior employees compulsorily defer part of their annual bonus, being any bonus in excess of 50% of their basic salary for the bonus year, into shares.

The terms and conditions of the grants outstanding were as follows, whereby all grants are settled by physical delivery of shares:

Grant date	Entitlement	Vesting conditions	Number of shares
<b>Share incentive plan awards</b>			
27.06.25	Free shares	Note 2	31,328
Monthly	Matching shares	Note 2	21,453
			52,781
<b>Performance share scheme awards</b>			
21.07.17	Award grant to senior staff	Note 1	9,230
30.05.18	Award grant to senior staff	Note 1	9,980
31.05.19	Award grant to senior staff	Note 1	11,450
04.08.20	Award grant to senior staff	Note 1	437,390
04.06.21	Award grant to senior staff	Note 1	1,130,440
30.05.22	Award grant to senior staff	Note 1	1,020,970
25.11.22	Award grant to senior staff	Note 1	37,730
30.05.23	Award grant to senior staff	Note 1	1,867,410
24.11.23	Award grant to senior staff	Note 1	196,650
28.05.24	Award grant to senior staff	Note 1	2,279,120
29.11.24	Award grant to senior staff	Note 1	62,180
30.05.25	Award grant to senior staff	Note 1	2,377,410
			9,439,960
<b>Deferred bonus awards to senior staff</b>			
30.05.23	Compulsory award	Note 2	19,760
28.05.24	Compulsory award	Note 2	292,240
30.05.25	Compulsory award	Note 2	132,600
			444,600

1. Three/five years of service with vesting on a graduated basis from 10% to 100% for annualised NAV total return of 3% to 10% and, for investment executives, annualised pool total returns in a range of 4% to 15%, in each case measured over three years for one-third of the award and five years for the remaining two-thirds of the award. Investment executives' awards are measured as 80% by reference to pool total returns and 20% by reference to NAV total return, other than Mr Cayzer-Colvin's awards, which are 60% and 40% respectively.
2. Three years of service.

## Notes to the financial statements *continued*

### 24. Share-based payments *continued*

All performance share awards have a life of 10 years and all deferred bonus awards have a life of four years.

The fair value of services received in return for performance share scheme and deferred awards granted was measured indirectly, by reference to the share price at the date of grant.

The weighted average share price at the date of exercise of share awards during the year was as follows:

	2026 p	2025 <sup>1</sup> p
Weighted average share price	373.2	352.1

1. On 25 July 2025, the company executed a 10:1 sub-division of its ordinary shares which reduced the nominal value from 5p to 0.5p. As a result of the increased number of ordinary shares now in issue, all weighted average share price figures have been restated for the prior year comparatives.

Under the schemes, awards were granted with service and non-market performance conditions. Such conditions were not taken into account in the fair value measurement of the services received at the dates of grant.

Employee expenses were as follows:

Years ended 31 March	2026 £m	2025 £m
Performance share awards granted in 2020	–	0.2
Performance share awards granted in 2021	0.4	0.8
Performance share awards granted in 2022	0.4	0.8
Performance share awards granted in 2023	–	0.1
Performance share awards granted in 2024	0.4	1.0
Performance share awards granted in 2025	1.0	1.3
Performance share awards granted in 2026	1.5	–
Deferred bonus awards for 2021	–	0.1
Deferred bonus awards for 2022	–	0.5
Deferred bonus awards for 2024	0.4	0.3
Deferred bonus awards for 2025	0.1	–
	4.2	5.1

### 25. Employee benefits

Group

	2026 £m	2025 £m
<i>Non-current assets</i>		
Defined benefit pension asset	5.8	5.4
<i>Current liabilities</i>		
Profit sharing bonus	(4.1)	(3.7)
<i>Non-current liabilities</i>		
National Insurance on performance shares and deferred bonus awards	(2.1)	(2.8)
Dividends payable on performance shares and deferred bonus awards	(1.7)	(2.0)
	(3.8)	(4.8)
<b>Total employee liabilities</b>	<b>(7.9)</b>	<b>(8.5)</b>

#### Defined benefit pension obligations

The group operates three plans in the UK that provide pension benefits for former employees. The schemes are approved by HMRC for tax purposes and operated separately from the group, being managed by an independent set of trustees, whose appointment is determined by the schemes' documentation and legislation. The schemes are subject to UK funding regulations, which require the group and the trustees to agree a funding strategy and contribution schedule where necessary. Three (2025: three) of the schemes were in surplus on an IAS 19 basis. One scheme surplus was recognised in full as the company considers there is an unconditional right to a refund under IFRIC 14 and two scheme surpluses were unrecognised. Two schemes were effectively closed to new members in April 1996 and the other scheme in April 1997. New employees joining after that date were offered alternative defined contribution pension arrangements. Caledonia Group Services Ltd, a wholly owned subsidiary of Caledonia Investments plc, is the Sponsoring Employer for all schemes.

In September 2025, The Sterling Industries Pension Scheme purchased an insurance contract with an insurer for approximately £13m covering the benefits of all members in the scheme, excluding any benefits pertaining to GMP equalisation. The buy-in policy covers specific pensioner liabilities and passes all risks to an insurer in exchange for a fixed premium payment, thus reducing the group's exposure to changes in longevity, interest rates, inflation and other factors.

## Notes to the financial statements *continued*

### 25. Employee benefits *continued*

A High Court legal ruling in 2023 between Virgin Media Limited and NTL Pension Trustees II Limited decided that certain historic rule amendments were invalid if they were not accompanied by the actuarial certifications. The Court of Appeal unanimously upheld the decision of the High Court in 2024.

Whilst this ruling was in respect of another scheme, this judgment was reviewed for its relevance to the schemes operated by the group which included available historical records and the receipt of advice. It was concluded that no significant adjustments were expected to be required to the group's defined benefit pension obligations. This matter has now been concluded for both The Caledonia Pension Scheme and The Amber Industrial Holdings plc Pension and Life Assurance Scheme. Legal advice in respect of the implications of the proposed remedy set out in the Pension Schemes Act 2026 in respect of The Sterling Industries Pension Scheme is being taken.

The defined benefit pension asset is analysed as follows:

	2026 £m	2025 £m
Present value of funded obligations	(40.7)	(43.5)
Fair value of plan assets	70.7	72.3
Present value of net assets	30.0	28.8
Irrecoverable surplus	(24.2)	(23.4)
	5.8	5.4

Changes in the present value of defined benefit obligations were as follows:

	2026 £m	2025 £m
Balance at the year start	43.5	49.0
Service cost	–	0.1
Interest cost	2.3	2.3
Actuarial (gain)/loss from changes:		
– in demographic assumptions	(0.2)	(0.8)
– in financial assumptions	(0.8)	(4.0)
– experience gains	(0.3)	(0.2)
Plan amendment	–	0.2
Actual benefit payments	(3.8)	(3.1)
Balance at the year end	40.7	43.5

Changes in the fair value of plan assets were as follows:

	2026 £m	2025 £m
Balance at the year start	72.2	74.1
Interest income	4.0	3.5
Return on plan assets less interest income	(1.3)	(2.1)
Employer contributions	–	0.1
Actual benefit payments	(3.8)	(3.1)
Administrative expenses	(0.4)	(0.2)
Balance at the year end	70.7	72.3

Amounts recognised in management expenses in the statement of comprehensive income were as follows:

	2026 £m	2025 £m
Service cost	–	0.1
Interest on obligations	2.3	2.3
Interest on plan assets	(4.0)	(3.5)
Plan amendment	–	0.2
Scheme administrative expenses <sup>1</sup>	0.2	0.2
	(1.5)	(0.7)

1. £0.2m of total £0.4m scheme administrative expenses are recognised as non-recurring expenses relating to specific advice on the scheme buy-in and GMP equalisation.

Amounts recognised in other comprehensive income were as follows:

	2026 £m	2025 £m
Actuarial gains arising from financial assumptions	0.8	4.0
Actuarial gains arising from demographic assumptions	0.2	0.8
Actuarial gains from experience adjustments	0.3	0.2
Return on plan assets less interest income	(1.3)	(2.1)
Increase in irrecoverable surplus	(0.8)	(2.6)
Re-measurement (losses)/gains in the year	(0.8)	0.3

## Notes to the financial statements *continued*

### 25. Employee benefits *continued*

An analysis of plan assets at the end of the year was as follows:

	2026 £m	2025 £m
Annuity	11.9	–
Equities	15.4	13.1
Bonds	34.5	49.9
Cash	8.9	9.3
	70.7	72.3

The analysis of plan assets above included an underlying asset allocation of investment funds.

Principal actuarial assumptions at the reporting date (expressed as weighted averages) were as follows:

	2026 %	2025 %
Discount rate at the year end	6.0	5.6
Future pension increases	3.4	3.2
RPI price inflation	3.4	3.2

#### The Caledonia Pension Scheme

Mortality rates are assumed to follow the Self-Administered Pension Schemes 'Series 4' very light tables with an allowance for future improvements in line with the CMI 2023 core projections model with a long-term trend of 1.5% p.a. and an initial addition of 0.75% p.a. Life expectancy on retirement in normal health is assumed to be 27.0 years (2025: 26.9 years) for males and 28.3 years (2025: 28.2 years) for females who are currently 62 years of age.

#### The Amber Industrial Holdings plc Pension and Life Assurance Scheme

Mortality rates are assumed to follow the Self-Administered Pension Schemes 100% (M)/100% (F) of the S4PA base tables and core CMI 2023 standard projection model with long-term rates of improvement of 1.5% p.a. for males and 1.0% p.a. for females. Life expectancy on retirement in normal health is assumed to be 21.5 years (2025: 22.3 years) for males and 23.7 years (2025: 24.1 years) for females who are currently 62 years of age.

#### The Sterling Industries Pension Scheme

Mortality rates are assumed to follow the Self-Administered Pension Schemes 101% (M)/104% (F) S3PA year of birth with CMI\_2021 projections with the standard smoothing parameter, a long-term rate of improvement of 1.25% p.a., an initial addition of 0.2% and default weightings of 0% for 2020 and 2021 mortality experience. Life expectancy on retirement in normal health is assumed to be 22.3 years (2025: 22.2 years) for males and 24.5 years (2025: 24.4 years) for females who are currently 62 years of age.

Expected contributions to group post-employment benefit plans for the year ending 31 March 2026 were £nil (2025: £0.1m).

In the UK, the funding is set on the basis of a triennial funding valuation by the actuaries for which the assumptions may differ from those above. IAS 19 requires 'best estimate' assumptions to be used whereas the funding valuation uses 'prudent' assumptions. As a result of these valuations, the group and the scheme trustees agree a Schedule of Contributions, which sets out the required contributions from the employer and employees for current service. Where the scheme is in deficit, the Schedule of Contributions also includes required contributions from the employer to eliminate the deficit. The most recent triennial valuations were completed in 2024 for The Caledonia Pension Scheme and The Amber Industrial Holdings plc Pension and Life Assurance Scheme and 2022 for The Sterling Industries Pension Scheme. A summary of the recent funding obligations and weighted average duration of the defined benefit obligations was as follows:

	Obligations at 31 Mar 2024 £m	Weighted average duration at 31 Mar 2026 Years
The Caledonia Pension Scheme	26.3	10
The Amber Industrial Holdings plc Pension and Life Assurance Scheme	8.0	9

	Obligations at 30 Sep 2022 £m	Weighted average duration at 31 Mar 2026 Years
The Sterling Industries Pension Scheme	17.2	8

#### Sensitivities

The calculation of the defined benefit obligation is sensitive to the assumptions set out above. The following table summarises the estimated increase in defined benefit obligations to a change in individual actuarial assumptions, while holding all other assumptions constant. This sensitivity analysis may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in an assumption would occur in isolation, as some of the assumptions may be correlated.

	2026 £m	2025 £m
Reduction in the discount rate of 0.25%	1.0	1.1
Increase in inflation of 0.25%	0.6	0.7
Increase in life expectancy of one year	1.7	1.8

## Notes to the financial statements *continued*

### 25. Employee benefits *continued*

#### Risks

The pension schemes typically expose the group to risks such as:

- Investment risk: the schemes hold their investments in equities and bonds, the value of which fluctuates, whether caused by factors specific to an individual investment, its issuer or factors affecting all instruments traded in the market.
- Interest rate risk: the schemes' liabilities are assessed using market rates of interest, based on corporate bond yields, to discount the liabilities and are therefore subject to any volatility in the movement of the market rate of interest. The net interest income or expense recognised in profit or loss is calculated using the market rate of interest.
- Inflation risk: a significant proportion of the benefits under the schemes is linked to inflation. Although the schemes' assets are expected to provide a good hedge against inflation over the long term, movements over the short term would increase the schemes' net deficit.
- Mortality risk: in the event that members live longer than assumed, the liabilities may turn out to have been understated originally and a deficit may emerge if funding has not been adequately provided for the increased life expectancy.

### 26. Interests in associates

Company	Class	Holding %	Registered office address
Sports Information Services (Holdings) Ltd <sup>1</sup>	Ordinary	22.6	Unit 2 Whitehall Avenue, Kingston, Milton Keynes, Buckinghamshire, MK10 0AX
Stonehage Fleming Family & Partners Ltd	Preferred	39.8	La Vieille Cour, La Plaiderie, St Peter Port, Guernsey, GY1 1WG
	A1 Ordinary	11.5	
	A2 Ordinary	1.8	

1. Sports Information Services (Holdings) Ltd is held via a non-consolidated subsidiary SISH Shareholder LLP.

The company is an investment trust company and, accordingly, does not equity account for associates that are designated as investments held at fair value through profit or loss.

Aggregated amounts relating to associates, extracted on a 100% basis, were as follows:

	2026 £m	2025 £m
Assets	318.7	323.0
Liabilities	(192.7)	(224.7)
Equity	126.0	98.3
Revenue	390.3	408.8
Profit	26.6	11.9

### 27. Subsidiaries

Company	Class	Holding %	Key to Registered office
<b>Caledonia Investments plc</b>			
Amber 2010 Ltd <sup>1</sup>	Ordinary	100.0	7
Buckingham Gate Ltd <sup>1,2</sup>	Ordinary	100.0	7
Caledonia CCIL Distribution Ltd <sup>1</sup>	Ordinary	100.0	7
Caledonia Financial Ltd <sup>1</sup>	Ordinary	100.0	7
Caledonia Group Services Ltd <sup>1,2</sup>	Ordinary	100.0	7
Caledonia Land & Property Ltd <sup>1</sup>	Ordinary	100.0	7
Caledonia US Investments Ltd <sup>1</sup>	Ordinary	100.0	7
Crewkerne Investments Ltd <sup>1</sup>	A Ordinary	50.5	7
	B Ordinary	100.0	
Easybox Self-Storage Ltd <sup>1</sup>	Ordinary	100.0	7
Edinmore Investments Ltd <sup>1</sup>	Ordinary	100.0	7
SISH Shareholder LLP <sup>1</sup>	Equity right	100.0	7
Sterling Crewkerne Ltd <sup>1</sup>	Ordinary	100.0	7
Sterling Industries Ltd <sup>1</sup>	Ordinary	100.0	7
The Union-Castle Mail Steamship Co Ltd <sup>1</sup>	Ordinary	100.0	7
	A Ordinary	100.0	

#### AIR-serv

AIR-Serv Austria GmbH <sup>3</sup>	Ordinary	100.0	8
AIR-Serv Belgium BV <sup>3</sup>	Ordinary	100.0	9
AIR-Serv France SARL <sup>3</sup>	Ordinary	100.0	10
AIR-Serv Germany GmbH <sup>3</sup>	Ordinary	100.0	11
AIR-Serv Netherlands BV <sup>3</sup>	Ordinary	100.0	12
AIR-Serv Portugal, Unipessoal LDA <sup>3</sup>	Ordinary	100.0	13
AIR-Serv Spain SLU <sup>3</sup>	Ordinary	100.0	14
AIRvending Ltd <sup>3</sup>	Ordinary	100.0	15
Crossbow Bidco Ltd <sup>3</sup>	Ordinary	100.0	15
Crossbow Midco Ltd <sup>3</sup>	Ordinary	100.0	15
Crossbow Topco Ltd <sup>1</sup>	Ordinary	99.8	15

Notes to the financial statements *continued*27. Subsidiaries *continued*

Company	Class	Holding %	Key to Registered office	Company	Class	Holding %	Key to Registered office
<b>Butcombe Group</b>				Don Inn (Jersey) Ltd <sup>4</sup>	Ordinary	100.0	16
A.E. Smith & Son Ltd <sup>4</sup>	Ordinary	100.0	16	Evenstar Ltd <sup>4</sup>	Ordinary	100.0	16
A.S.B.M. Ltd <sup>4</sup>	Ordinary	100.0	16	Exeter Hotel (Jersey) Ltd <sup>4</sup>	Ordinary	100.0	16
A.S.B.O. Ltd <sup>4</sup>	Ordinary	100.0	16	Farm Street Inns Ltd <sup>4</sup>	Ordinary	100.0	18
A.S.B.T. Ltd <sup>4</sup>	Ordinary	100.0	16	Farmers Inn Ltd <sup>4</sup>	Ordinary	100.0	16
Aurora Hotel Ltd <sup>4</sup>	Ordinary	100.0	16	Five Oaks Hotel Ltd <sup>4</sup>	Ordinary	100.0	16
Bath Street Wine Cellar Ltd <sup>4</sup>	Ordinary	100.0	16	Foresters Arms (Jersey) Ltd <sup>4</sup>	Ordinary	100.0	16
Brasserie du Centre Ltd <sup>4</sup>	Ordinary	100.0	16	Gimbels (Jersey) Ltd <sup>4</sup>	Ordinary	100.0	16
Bucktrout & Company Ltd <sup>4</sup>	Deferred	100.0	17	Glo'ster Vaults Ltd <sup>4</sup>	Ordinary	100.0	16
	Ordinary	100.0		Great Union Hotel (Holdings) Ltd <sup>4</sup>	Ordinary	100.0	16
	Preference	100.0		Great Western Hotel Ltd <sup>4</sup>	Ordinary	100.0	16
Butcombe Brewery Ltd <sup>4</sup>	Ordinary	100.0	18	Guernsey Leisure Company Ltd <sup>4</sup>	Ordinary	100.0	17
Butcombe Brewing Company Ltd <sup>4</sup>	Ordinary	100.0	18	Guppy's Holdings Ltd <sup>4</sup>	Ordinary	100.0	17
Caesarea Hotel (Jersey) Ltd <sup>4</sup>	Ordinary	100.0	16	Guppy's of Guernsey Ltd <sup>4</sup>	Ordinary	100.0	17
Café de Paris (Jersey) Ltd <sup>4</sup>	Ordinary	100.0	16	Hautville Ltd <sup>4</sup>	Ordinary	100.0	17
Caledonia TLG Bidco Ltd <sup>4</sup>	Ordinary	100.0	18	Horse & Hound (Jersey) Ltd <sup>4</sup>	Ordinary	100.0	16
Caledonia TLG Ltd <sup>1</sup>	Ordinary A	100.0	16	John Tregear Ltd <sup>4</sup>	Ordinary	100.0	16
	Ordinary B	1.1		La Cave des Vins Ltd <sup>4</sup>	Ordinary	100.0	16
	Ordinary C	75.4		La Rocque Enterprises Ltd <sup>4</sup>	Ordinary	100.0	16
	Preference	66.8		La Rocque Inn (Jersey) Ltd <sup>4</sup>	Ordinary	100.0	16
	Deferred	100.0		Lapwing (Trading) Ltd <sup>4</sup>	Ordinary	100.0	16
Caledonia TLG Midco Ltd <sup>4</sup>	Ordinary	100.0	16	Le Hocq Hotel Ltd <sup>4</sup>	Ordinary	100.0	16
Captains Holdings Ltd <sup>4</sup>	Ordinary	100.0	17	Les Garcons Ltd <sup>4</sup>	Ordinary	100.0	17
Channel Wines & Spirits (Jersey) Ltd <sup>4</sup>	Ordinary	100.0	16	Longueville Distributors Ltd <sup>4</sup>	Ordinary	100.0	16
Cirrus Inns Holdings Ltd <sup>4</sup>	Ordinary	100.0	18	M Still Catering Ltd <sup>4</sup>	Ordinary	100.0	18
Cirrus Inns Ltd <sup>4</sup>	Ordinary	100.0	18	Marais Hall Ltd <sup>4</sup>	Ordinary	100.0	19
Citann Ltd <sup>4</sup>	Ordinary	100.0	16	Mary Ann Products (Jersey) Ltd <sup>4</sup>	Ordinary	100.0	16
	Preference	100.0		Mitre Hotel (Jersey) Ltd <sup>4</sup>	Ordinary	100.0	16
Cosy Corner (Jersey) Ltd <sup>4</sup>	Ordinary	100.0	16	Nightbridge Ltd <sup>4</sup>	Ordinary	100.0	16
Craig Street Brewing Company Ltd <sup>4</sup>	Ordinary	100.0	16	Old Court House Hotel (St Aubin) 1972 Ltd <sup>4</sup>	Ordinary	100.0	16
Divette Holdings Ltd <sup>4</sup>	Ordinary	100.0	17	Parade Hotel (Jersey) Ltd <sup>4</sup>	Ordinary	100.0	16

Notes to the financial statements *continued*

## 27. Subsidiaries continued

Company	Class	Holding %	Key to Registered office
<b>Butcombe Group</b> continued			
Peirson (1971) Ltd <sup>4</sup>	Ordinary	100.0	16
Puffin NewCo Ltd <sup>4</sup>	Ordinary	100.0	16
Red Lion Ltd <sup>4</sup>	Ordinary	100.0	16
Robin Hood (Jersey) Ltd <sup>4</sup>	Ordinary	100.0	16
S.L. Ltd <sup>4</sup>	Ordinary	100.0	16
Ship Holdings Ltd <sup>4</sup>	Ordinary	100.0	17
Square Ltd <sup>4</sup>	Ordinary	100.0	16
St John's Hotel Ltd <sup>4</sup>	Ordinary	100.0	16
Stag Hotel (Jersey) Ltd <sup>4</sup>	Ordinary	100.0	16
Sussex Hotel Ltd <sup>4</sup>	Ordinary	100.0	16
The Guernsey Brewery Co (1920) Ltd <sup>4</sup>	Ordinary	100.0	17
	Preference	100.0	
The Independent Brewing Company Ltd <sup>4</sup>	Ordinary	100.0	16
The Liberation Group Ltd <sup>4</sup>	Ordinary	100.0	16
The Liberation Group UK Ltd <sup>4</sup>	Ordinary	100.0	18
The Liberation Pub Company (Guernsey) Ltd <sup>4</sup>	Ordinary	100.0	17
The Liberation Pub Company (Jersey) Ltd <sup>4</sup>	Ordinary	100.0	16
The Post Horn Ltd <sup>4</sup>	Ordinary	100.0	16
The Royal Oak Inn Trading Ltd <sup>4</sup>	Ordinary	100.0	18
Trafalgar Hotel (Jersey) Ltd <sup>4</sup>	Ordinary	100.0	16
Union Inn (Jersey) Ltd <sup>4</sup>	Ordinary	100.0	16
Victor Hugo Ltd <sup>4</sup>	Ordinary	100.0	16
Victoria (Valley) Ltd <sup>4</sup>	Ordinary	100.0	16
Victoria Hotel (Jersey) Ltd <sup>4</sup>	Ordinary	100.0	16
Wellington Hotel Ltd <sup>4</sup>	Ordinary	100.0	16
West's Cinemas Ltd <sup>4</sup>	Ordinary	100.0	16
White Hart Ltd <sup>4</sup>	Ordinary	100.0	17

Company	Class	Holding %	Key to Registered office
<b>Cooke Optics</b>			
Chaplin Bidco Ltd <sup>5</sup>	Ordinary	100.0	20
Chaplin Midco Ltd <sup>5</sup>	Ordinary	100.0	20
Chaplin Topco Ltd <sup>1</sup>	A Ordinary	100.0	20
	B Ordinary	75.3	
	C Ordinary	98.6	
Cooke Optics Inc. <sup>5</sup>	Ordinary	100.0	21
Cooke (Shanghai) Optics Technology Co Ltd <sup>5</sup>	Ordinary A	100.0	22
Cooke Optics (Hong Kong) Ltd <sup>5</sup>	Ordinary	100.0	23
Cooke Optics (India) Private Ltd <sup>5</sup>	Ordinary	100.0	24
Cooke Optics Ltd <sup>5</sup>	Ordinary	100.0	20

Notes to the financial statements *continued*

## 27. Subsidiaries continued

Company	Class	Holding %	Key to Registered office
<b>Direct Tyre Management</b>			
Clan Rock Bidco Ltd <sup>6</sup>	Ordinary	100.0	25
Clan Rock Midco Ltd <sup>6</sup>	Ordinary	100.0	25
Clan Rock Topco Ltd	Ordinary	98.7	25
Direct Tyre Management Ltd <sup>6</sup>	Ordinary	100.0	25
Direct Tyre Sales Ltd <sup>6</sup>	Ordinary	100.0	25
DTM Holdings Ltd <sup>6</sup>	Ordinary	100.0	25
Project Lafite Bidco Ltd <sup>6</sup>	Ordinary	100.0	25
Project Lafite Topco Ltd <sup>6</sup>	Ordinary	100.0	25
Tyreforce NW Ltd <sup>6</sup>	Ordinary	100.0	25
Tyre Plus Durham Ltd <sup>6</sup>	Ordinary	100.0	25

**Parent company**

1. Directly held by the company
2. Included in the consolidation
3. Subsidiary of Crossbow Topco Ltd
4. Subsidiary of Caledonia TLG Ltd
5. Subsidiary of Chaplin Topco Ltd
6. Subsidiary of Clan Rock Topco Ltd

**Registered office addresses**

7. Cayzer House, 30 Buckingham Gate, London SW1E 6NN
8. Weyrgasse 8 1030 Wien, Austria
9. Rubensstraat 104/57, 2300 Turnhout, Belgium
10. Parc d'Activités les Béthunes, 17 rue du compas, 95310 Cergy Pontoise Cedex, France
11. Elisabethstr. 1, 52428 Jülich, Germany
12. Spuiweg 22 D, 5145 NE Waalwijk, The Netherlands
13. Avenida Dom João II, 20 1º, 1990-091 Lisboa, Portugal
14. C/ Isla de Aleganza 2, nave 53, 28703 San Sebastián de los Reyes, Madrid, Spain
15. Redgate Road, South Lancashire Industrial Estate, Ashton-In-Makerfield, Wigan, Lancashire, WN4 8DT
16. Tregear House, Longueville Road, St Saviour, Jersey JE2 7WF
17. Hougue Jehannet, Vale, Guernsey GY3 5UF
18. Butcombe Brewery Havyatt Road Trading Estate, Havyatt Road, Wrington, Bristol, BS40 5PA
19. Marais Hall, Marais Square, St Anne, Alderney GY9 3TS
- 20.1 Cooke Close, Thurmaston, Leicester LE4 8PT
21. 4131 Vanowen Place, Burbank, CA 91505, USA
22. Rooms 503/504, No 1 Building, No 908 Xiuwen Road, Minhang District, Shanghai, China
23. TMF Hong Kong Limited, 31F, Tower Two, Times Square, Matheson Street, Causeway Bay, Hong Kong
24. C/o Late B Krishna Murthy Plot No. 8, Road No 13, Banjara Hills, Hyderabad, Telangana India 500034
25. Unit 16 Thompson Road, Whitehills Business Park, Blackpool, FY4 5PN

## Other information

# Thoughtful & sustained

Bringing together supporting disclosures, definitions and reference information to aid understanding of our performance, valuations and governance.

## WHAT'S IN OTHER INFORMATION?

Company performance record	147
Investments summary	147
Glossary of terms and alternative performance measures	148
Valuation methodology	150
Information for investors	152
Directors and advisers	153

## Company performance record (unaudited)

The 10-year record of the company's financial performance is as follows:

	Profit/(loss) for the year £m	Diluted earnings per share <sup>2</sup> p	Annual dividend <sup>1,2</sup> p	Net assets £m	Diluted NAV per share <sup>2</sup> p	Rolling 10 years annualised		
						Share price <sup>2</sup> p	Total share- holder return %	FTSE All-Share Total Return %
2017	290.1	51.8	5.480	1,899	339.5	275.0	5.2	5.7
2018	26.5	4.7	5.700	1,837	328.5	265.0	5.3	6.7
2019	198.2	35.5	5.930	2,002	358.2	298.0	11.6	11.1
2020	(172.5)	(31.5)	6.110	1,787	323.6	243.5	6.7	4.4
2021	467.6	83.8	6.290	2,225	400.0	264.5	7.1	6.0
2022	611.3	110.2	6.480	2,783	504.1	354.0	11.9	7.2
2023	144.0	25.9	6.740	2,798	506.8	339.0	9.5	5.8
2024	203.4	36.9	7.040	2,965	536.9	328.0	8.6	5.8
2025	66.9	12.1	7.360	2,932	547.5	354.0	7.5	6.2
2026	135.1	25.5	7.684	2,980	567.6	321.0	6.3	8.7

1. Annual dividends are stated in relation to the year's results from which they were paid. Dividends for 2017 and 2022 exclude the special dividend of 10.0p and 17.5p.
2. On 25 July 2025, the company executed a 10:1 sub-division of its ordinary shares which reduced the nominal value from 5p to 0.5p. As a result of the increased number of ordinary shares now in issue, all earnings, dividend and NAV per share figures and share price have been restated for the prior year comparatives.

## Investments summary (unaudited)

### Holdings over 1% of net assets at 31 March 2026

Name	Pool	Geography	Business	Value £m	Net assets %
Stonehage Fleming	Private Capital	Chan Is.	Family office services	279.3	9.4
AIR-serv Europe	Private Capital	UK	Forecourt vending	215.0	7.2
Cobepa	Private Capital	Europe	Investment company	206.5	6.9
Butcombe Group	Private Capital	Chan Is.	Pubs, bars & inns	142.4	4.8
Philip Morris	Public Companies	US	Tobacco & smoke-free products	88.1	3.0
De Cheng funds	Funds	Asia	Private equity funds	76.9	2.6
Texas Instruments	Public Companies	US	Semiconductors	76.2	2.6
Axiom Asia funds	Funds	Asia	Funds of funds	69.9	2.3
HighVista funds	Funds	US	Funds of funds	67.7	2.3
Microsoft	Public Companies	US	Software	65.8	2.2
Watsco	Public Companies	US	Ventilation products	64.3	2.1
Direct Tyre Management	Private Capital	UK	Tyre management services	57.7	1.9
Fastenal	Public Companies	US	Industrial supplies	48.8	1.6
Hill & Smith	Public Companies	UK	Infrastructure	46.4	1.6
Charles Schwab	Public Companies	US	Investment management	43.5	1.5
Moody's Corporation	Public Companies	US	Financial services	43.0	1.4
Unicorn funds	Funds	Asia	Funds of funds	41.8	1.4
Thermo Fisher Scientific	Public Companies	US	Pharma and life sciences services	41.7	1.4
Oracle	Public Companies	US	Software	41.6	1.4
Croda International	Public Companies	UK	Chemicals	37.4	1.3
Spirax Sarco	Public Companies	UK	Steam engineering	34.3	1.1
Vance Street funds	Funds	US	Private equity funds	32.9	1.1
Asia Alternatives funds	Funds	Asia	Funds of funds	32.5	1.1
Ironbridge funds	Funds	US	Private equity funds	30.3	1.0
American Industrial Partners	Funds	US	Private equity funds	28.9	1.0
Other assets				934.9	31.4
Investment portfolio				2,847.8	95.6
Cash and other net assets				132.2	4.4
Net assets				2,980.0	100.0

## Glossary of terms and alternative performance measures

(unaudited)

### Alternative performance measures ('APMs')

APMs are not prescribed by accounting standards but are industry-specific performance measures which help users of the annual accounts and financial statements to better interpret and understand performance.

Terms in this glossary identified as APMs have been highlighted by the symbol: APM

### Discount

Ordinary shares are quoted on the stock market and can trade at a discount to the NAV of the company. The following discount applied to the shares:

	2026 £m	2025 £m
Share price (b)	321.0p	354.0p
Diluted NAV per share (a)	567.6p	547.5p
Discount ((a-b)/a) (expressed as a percentage)	43.4%	35.3%

### Distributable profits

Distributable profits include profits distributable under the Companies Act 2006 and include distributable reserves, being realised revenue and capital profits, less any unrealised losses in excess of unrealised profits.

	2026 £m	2025 £m
Retained earnings	56.2	104.5
Distributable capital gains and losses	2,493.3	2,487.0
	2,549.5	2,591.5

### Dividend cover

Dividend cover is the ratio of net revenue (as defined below) to the annual dividend payable (excluding special dividends) to shareholders out of profits for the year. It helps to indicate the sustainability of annual dividends.

	2026 £m	2025 £m
Net revenue (b)	40.4	30.9
Dividend payable (a)	39.9	38.7
Dividend cover ((b)/a) (expressed as a percentage)	101%	80%

### Ex-dividend date

The date immediately preceding the record date (as described below) for a given dividend. Shareholders who acquire their shares on or after the ex-dividend date will not be eligible to receive the relevant dividend.

### Investment and pool returns APM

The company uses the Modified Dietz method as a measure of the performance of an investment or investment pool over a period. This method divides the gain or loss in value plus any income, less any capital cash flows, by the average capital invested over the period of measurement. Average capital takes into account the timing of individual cash flows.

### Net assets

Net assets provides a measure of the value of the company to shareholders and is taken from the IFRS group net assets.

### Net asset value per share ('NAVPS') APM

NAV is a measure of the value of the company, being its assets – principally investments made in other companies and cash held minus any liabilities. NAV per share is calculated by dividing net assets by the number of shares in issue, adjusted for shares held by The Employee Share Trust, The 2024 Employee Benefit Trust and free and matching shares held by the trustees of The Caledonia Investments Share Incentive Plan on behalf of employees and for dilution by the exercise of outstanding share awards and withdrawal of free and matching share incentive plan awards. NAV takes account of dividends payable on the ex-dividend date.

See financial statements note 17.

### NAV total return ('NAVTR') APM

NAVTR is a measure of how the NAV per share has performed over a period, considering both capital returns and dividends paid to shareholders. NAVTR is calculated as the increase in NAV per share between the beginning and end of the period, plus accretion from the assumed dividend reinvestment in the period. We use this measure as it enables comparisons to be drawn against an investment index in order to benchmark performance. The result is plotted on page 22 and the calculation follows the method prescribed by the Association of Investment Companies ('AIC').

See financial statements note 17.

	2026	2025	
Closing diluted NAV per share (p)	567.6p	547.5p	a
Dividends paid out (p)	9.1p	7.1p	b
Effect of re-investing dividends (p)	0.4p	-	c
Adjusted diluted NAV per share (p)	577.1p	544.6p	d=a+b+c
Opening diluted NAV per share (p)	547.5p	536.9p	e
NAV total return (%)	5.4%	3.3%	=(d/e)-1

## Glossary of terms and alternative performance measures *continued*

(unaudited)

### Net revenue profit APM

Net revenue profit comprises income from investments less management expenses, financing costs and tax. Net revenue profit comprises the revenue column presented in the group statement of comprehensive income on page 112 and differs from total comprehensive income in excluding gains and losses on investments and other items of a capital nature. The separation of revenue and capital profits and losses is required by the AIC SORP as of fundamental importance to shareholders and other users of the financial statements of investment trust companies.

### Ongoing charges APM

The total of investment management fees and other expenses as shown in the income statement, as a percentage of the average monthly net asset value, following the guidance provided by the AIC.

Expense items included in the ongoing charges calculation comprise recurring costs relating to the operation of the company. Ongoing charges exclude transaction costs, external performance fees and share-based payment expenses, which are directly linked to investment performance, and re-measurement of defined benefit pension schemes, also linked to market movements. Share-based payments comprise awards under the company's performance share scheme, which vest subject to achieving NAVTR targets, as well as service requirements, plus deferred bonus awards which arise from annual bonus awards over 50% of basic salary, which also relate to the company's investment performance.

	2026 £m	2025 £m
Management expenses (a)	24.6	25.9
Annualised average net assets (b)	2,950.1	2,960.5
Ongoing charges (a)/(b) (expressed as a percentage)	0.83%	0.87%

Annualised average net assets:

2026	£m	2025	£m
April 2025	2,873.1	April 2024	2,937.2
May 2025	2,902.8	May 2024	2,963.1
June 2025	2,886.8	June 2024	2,946.1
July 2025	2,957.8	July 2024	2,978.7
August 2025	2,928.2	August 2024	2,946.8
September 2025	3,011.7	September 2024	2,917.7
October 2025	3,025.4	October 2024	2,950.3
November 2025	2,986.9	November 2024	3,004.5
December 2025	2,932.0	December 2024	2,963.4
January 2026	2,940.6	January 2025	3,007.1
February 2026	2,976.2	February 2025	2,978.9
March 2026	2,980.0	March 2025	2,931.6
Average	2,950.1	Average	2,960.5

### Record date

The cut-off date on which a shareholder needs to be beneficially entitled to a share on the company's share register in order to qualify for a forthcoming dividend.

### Total Shareholder Return ('TSR') APM

TSR measures the return to shareholders, taking into account the change in share price over a period of time as well as all the dividends paid during that period. It is assumed that the dividends are reinvested at the time the shares are quoted ex dividend.

## Valuation methodology

Investments are measured at the directors' estimate of fair value at the reporting date, in accordance with IFRS 13 Fair Value Measurement. Fair value is the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date.

### Publicly traded securities

Listed investments in an active market are valued based on the closing bid price on the relevant exchange on the reporting date. When a bid price is unavailable, the price of the most recent transaction will normally be used.

### Unquoted securities

Caledonia's valuation methodology for unquoted securities is derived from the International Private Equity and Venture Capital ('IPEV') Valuation Guidelines (December 2025) which supersedes previous guidance.

### Unquoted companies

Unquoted company investments are valued by applying an appropriate valuation technique, which makes maximum use of market-based information, is consistent with models generally used by market participants and is applied consistently from period to period, except where a change would result in a better estimation of fair value.

The value of an unquoted company investment is generally crystallised through the sale or flotation of the entire business, rather than the sale of an individual instrument. Therefore, the estimation of fair value is based on the assumed realisation of the entire enterprise at the reporting date. Recognition is given to the uncertainties inherent in estimating the fair value of unquoted companies and appropriate caution is applied in exercising judgements and in making the necessary estimates.

The valuation methodology applies the following steps:

1. determine the enterprise value using an appropriate valuation technique
2. adjust the enterprise value for factors that a market participant would take into account, such as surplus assets, excess liabilities and other contingencies
3. deduct the value of instruments ranking ahead of those held to derive the attributable value
4. apportion the attributable value between the remaining financial instruments
5. allocate the amounts derived according to the holding in each financial instrument.

### Valuation methods

Enterprise value is normally determined using one of the following valuation methodologies:

#### Multiples

This methodology involves the application of an earnings multiple to the maintainable earnings of the business and is likely to be appropriate for an investment in an established business with an identifiable stream of continuing earnings.

Maintainable earnings are assessed using the latest available financial data. Earnings and balance sheet data are adjusted, where appropriate, for exceptional or non-recurring items and an average of more than one year's earnings may be used to estimate maintainable earnings for cyclical or volatile businesses.

The earnings multiple used is most commonly earnings before interest, tax, depreciation and amortisation ('EBITDA') and is determined by reference to market-based multiples appropriate for the business. Where possible, an average of several appropriate market multiples will be used. The aim is to identify comparator companies that are similar in terms of risk and growth prospects to the company being valued. The transaction multiples of similar comparator unquoted companies may also be considered in determining the earnings multiple.

Multiples of comparable companies may be adjusted individually or in aggregate to reflect points of difference between the comparators and the company being valued, with reference to the risk profile and earnings growth prospects that underpin the earnings multiple. Risk arises from a range of factors, including the nature of the company's operations, markets, competitive position, quality of management and employees and capital structure. Other reasons for adjustment may include the size and diversity of the entity, the rate of growth of earnings, reliance on key employees, diversity of products and customer base, and the level of borrowing. Adjustment will also be considered to the extent that a prospective acquirer would take account of additional risks associated with holding an unquoted share, including their ability to drive a realisation at will.

#### Net assets

The net assets methodology is likely to be appropriate for a business whose value derives mainly from the underlying value of its assets rather than its ongoing earnings, such as a property holding company or an investment business. It may also be appropriate for a business that is not making an adequate return on assets and for which a greater value can be realised by liquidating the business and selling its assets. A third-party valuation may be used to give the fair value of a certain asset or group of assets, most commonly property assets.

## Valuation methodology *continued*

### Indicative offers

We regularly receive indications of interest from potential acquirers for our private capital assets, either as part of a structured sale process or in the form of a direct approach. Where we judge it appropriate, the insight gained from such approaches is incorporated into the data sets used in arriving at valuations. Where there is an offer from a credible buyer or buyers, and there is an intention to advance discussions, our practice is to consider fair values derived from an indicative enterprise value based on offers received with an appropriate discount applied. Discounts aim to reflect the unique uncertainty associated with the execution of each transaction and are normally in a range of 5-20%.

### Calibration and backtesting

When the price of an initial investment is deemed fair value (which is generally the case if the investment is considered an orderly transaction), the valuation techniques that are expected to be used to estimate fair value in the future are calibrated by using market inputs at the date the investment was made. Calibration validates that the valuation techniques using contemporaneous market inputs will generate fair value at inception and therefore give confidence that subsequent valuations using updated market inputs will generate fair value at each future measurement date.

Backtesting enables the valuer to understand any substantive differences that legitimately occur between the exit price and the previous fair value assessment, by applying the information known at exit to the previous valuation technique. Backtesting is used to help refine the valuation process.

### Fund interests

Fund interests refer to participations in externally managed investment vehicles that invest in a wider range of assets than is feasible for an individual investor to value separately.

Open-end funds, including investment companies with variable capital, typically report regular net asset values, which usually provide a reliable basis to estimate fair value. Management periodically assesses whether reported net asset values are fair value based through consideration of a range of information, including but not limited to underlying valuation methodologies, governance and assurance frameworks, and correspondence with third-party managers. If the price reported by the fund is not available at the reporting date, the latest available price is used and may be adjusted to take account of changes or events to the reporting date, if material.

Closed-end funds include unlisted investment companies and limited partnerships. For these investments, the fair value estimate is based on a summation of the estimated fair value of the underlying investments ('fund NAV') attributable to the investor. Fund NAV may be used where there is evidence that the valuation is derived using fair value principles. Fund NAV reports are normally received some time after the reporting date, typically two or three months, but sometimes up to six months. The latest available fund NAV will normally provide the basis of a fair value estimate, adjusted for subsequent investments and realisations. Adjustment may also be necessary for features of the fund agreement not captured in the valuation report, such as performance fees or carried interest. The timing of fund NAV reports creates a risk of changes or events occurring between the fund NAV and reporting dates, which impacts valuation. This issue is monitored carefully and, if of a material nature, can lead to adjustments either at the specific fund level or more broadly across the relevant funds affected by the identified change or event. If a decision has been made to sell the fund interest or portion thereof, the expected sale price would normally provide the best estimate of fair value.

### Other investments

Other investments include preference shares, loan notes or facilities, options, warrants and treasury instruments that are not publicly traded and do not form part of an investment in an unlisted company. For such investments, appropriate valuation techniques are adopted and used consistently.

### Environmental, Social and Governance factors

Environmental, Social and Governance ('ESG') factors, both quantitative and qualitative, may impact fair value. Our fair estimates therefore incorporate ESG initiatives and the ESG regulatory environment to the extent they are known or knowable.

## Information for investors

### Registrar

Our Registrar is:  
 MUFG Corporate Markets ('MUFG')  
 Central Square  
 29 Wellington Street  
 Leeds  
 LS1 4DL

Shareholder enquiries: (open 9.00am to 5.30pm)  
 0371 664 0300 or +44 371 644 0300 if calling  
 from overseas.

Share dealing service: (open 8.00am to 4.30pm)  
 0371 664 0445 or +44 371 664 0445 if calling  
 from overseas.

Calls to 0371 are charged at the standard  
 geographic rate and will vary by provider.  
 Calls outside the United Kingdom are charged  
 at the applicable international rate.

MUFG also provide an online service, Signal  
 Shares, through which you can view your  
 shareholding details, transaction and dividend  
 histories, change your address, bank mandate  
 and electronic communication preference and  
 use the online proxy voting service. Signal  
 Shares is available at [www.signalshares.com](http://www.signalshares.com).

### Electronic communications

You may elect to receive communications from  
 the company electronically via our website as  
 an alternative to receiving hard copy accounts  
 and circulars. If you would like to change your  
 communication preference, you may do so at  
[www.signalshares.com](http://www.signalshares.com) or by writing to MUFG  
 at FREEPOST SAS, MUFG Corporate Markets,  
 Central Square, 29 Wellington Street, Leeds,  
 LS1 4DL (if you are a UK based shareholder) or to  
 SAS, MUFG Corporate Markets, Central Square,  
 29 Wellington Street, Leeds, LS1 4DL. No stamp  
 is required for letters from UK shareholders.

### Share price information

The company's ordinary shares are listed on the  
 London Stock Exchange under the SEDOL code  
 of BTNQ8K3 or TIDM code of CLDN. Prices are  
 published daily in the Financial Times under the  
 'Investment Companies' heading and in other  
 leading newspapers and can also be viewed  
 on the company's website at [caledonia.com](http://caledonia.com).

The ISIN for Caledonia's ordinary shares  
 is GB00BTNQ8K38.

### Monthly net asset value

The company releases a net asset value  
 announcement and publishes a factsheet  
 shortly after each month end. These can  
 be found on the company's website at  
[caledonia.com](http://caledonia.com).



### ShareGift

We support ShareGift, the charity share  
 donation scheme (registered charity number  
 1052686). Through ShareGift, shareholders  
 who have only a small number of shares,  
 which might be considered uneconomic  
 to sell, are able to donate them to charity.

Donated shares are aggregated and sold by  
 ShareGift, the proceeds being passed on to a  
 wide range of UK charities. See [sharegift.org](http://sharegift.org)  
 or call +44 20 7930 3737 for further details.

### Boiler room and other scams

Investment and pension scams are often  
 sophisticated and difficult to spot. Shareholders  
 are advised to be wary of any unexpected  
 offers received by email, post or telephone and  
 to check the Financial Conduct Authority's  
 Warning List if any unsolicited communication  
 is received. Visit [fca.org.uk/scamsmart](http://fca.org.uk/scamsmart)  
 for more information.

## Financial calendar

Final dividend ex-dividend date	2 July 2026
Final dividend record date	3 July 2026
Annual general meeting	15 July 2026
Final dividend payment date	6 August 2026
Half-year results announcement	November 2026
Anticipated interim dividend payment date	January 2027
2027 Annual results announcement	May 2027
2027 Annual report publication	May 2027

## Directors and advisers

### Chair

David C Stewart<sup>2,3</sup>

### Executive directors

Mathew S D Masters (Chief Executive Officer)

Robert W Memmott (Chief Financial Officer)

Jamie M B Cayzer-Colvin

### Non-executive directors

Farah A Buckley<sup>1,2,3,4</sup>

The Hon Charles W Cayzer<sup>2</sup>

Guy B Davison<sup>1,2,4</sup>

M Anne Farlow<sup>1,2,3,4</sup>

Claire L Fitzalan Howard<sup>2,3,4</sup>

Michael G A McLintock<sup>2,4</sup>

William P Wyatt<sup>2</sup>

### Secretary

Richard Webster

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### Registrar

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7<sup>th</sup> Floor

100 Liverpool Street

London EC2M 2AT

### Solicitors

Freshfields LLP

100 Bishopsgate

London EC2P 2SR

1. Member of the Audit and Risk Committee.

2. Member of the Nomination Committee.

3. Member of the Remuneration Committee.

4. Member of the Governance Committee.







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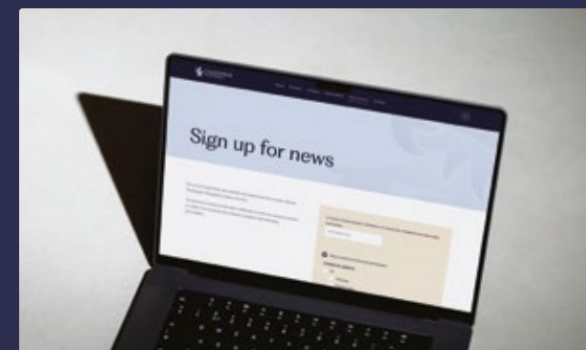
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We believe in the power of time.  
While others fight against it,  
Trying to conquer every passing minute,  
We work with it.  
We invest it patiently and judiciously.  
Harnessing its power year after year.  
Never afraid to wait, but always ready to act.  
Time is key to our knowledge, the trust we're given,  
And the relationships we build  
It is the source of our enduring partnerships,  
Carefully tended over decades.  
Never fleeting, always meaningful  
We dedicate time to our people:  
Giving it generously to nurture their growth,  
Both personal and professional.  
We invest time now to plan for success in the future,  
To sow seeds that will flourish for generations to come.  
Time cannot be tamed or altered.  
But its power can be harnessed.  
Invested in the things that matter most,  
To create something that lasts.



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