

The European Smaller Companies Trust PLC
Notice of 2024 Annual General Meeting

Letter from the Chairman

Dear Members

Notice of the 34th Annual General Meeting (the 'AGM' or 'Meeting')

The 34th Annual General Meeting of The European Smaller Companies Trust PLC (the 'Company') will be held at 201 Bishopsgate, London, EC2M 3AE on Monday 25 November 2024 at 11.00 a.m.

Your Fund Manager, Ollie Beckett, will provide his usual update on the Company's performance and he, as well as your directors, will be available to answer questions.

For those unable to travel, the event will be streamed live on the internet: www.janushenderson.com/esct-agm.

Voting will be carried out on a show of hands so we encourage all members not planning or able to attend, to submit their votes via proxy ahead of the deadline. Members holding shares through share dealing platforms, such as Hargreaves Lansdown, Halifax Share Dealing and Interactive Investor, may find this link, which outlines how you can vote your shares, useful: www.theaic.co.uk/how-to-vote-your-shares.

The Notice of Meeting can be found on pages 2 and 3 of this document and a map showing the venue for the Meeting is provided on page 3. Further details of each of the resolutions to be proposed at the Meeting are set out in the explanatory notes on pages 6 to 7. I also refer you to the Company's annual report and financial statements for the year ended 30 June 2024 (the 'Annual Report'), which is available on the Company's website, www.europeansmallercompaniestrust.com. Printed copies of the Annual Report are being sent, with this document, to those members who have requested it and are available, on request, to those who have not.

The Board considers that all resolutions to be proposed at the Meeting are in the best interests of the Company's members as a whole and therefore recommends to members that they vote in favour of each resolution, as the directors intend to do in respect of their own holdings.

Yours faithfully

Christopher Casey
Chairman
9 October 2024

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

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

If you have sold, transferred or otherwise disposed of all your shares in The European Smaller Companies Trust PLC (the 'Company'), please pass this document, but not any accompanying personalised Form of Proxy, to the purchaser or transferee or to the bank, stockbroker or other agent through whom or by whom the sale or transfer was made, for delivery to the purchaser or transferee. If you have sold or transferred or otherwise disposed of only part of your holding, you should retain this document and the accompanying Form of Proxy and consult the stockbroker, bank or other agent through whom you made the sale, transfer or disposal.

The European Smaller Companies Trust PLC

(an investment company within the meaning of section 833 of the Companies Act 2006,
incorporated in England and Wales with registered number 2520734)

Notice of Annual General Meeting

Notice is hereby given that the 34th Annual General Meeting of The European Smaller Companies Trust PLC (the 'Company') will be held at 201 Bishopsgate, London, EC2M 3AE on **Monday 25 November 2024 at 11.00 a.m.** for the purposes of considering and, if thought fit, passing the following resolutions, of which resolutions 1 to 11 will be proposed as ordinary resolutions and resolutions 12 to 13 will be proposed as special resolutions:

Ordinary resolutions

1. To receive the annual report and audited financial statements for the year ended 30 June 2024.
2. To approve the Directors' Remuneration Report for the year ended 30 June 2024.
3. To approve a final dividend of 3.35p per ordinary share.
4. To re-elect James Williams as a director.
5. To re-elect Daniel Burgess as a director.
6. To re-elect Ann Grevelius as a director.
7. To re-elect Simona Heidemperger as a director.
8. To re-appoint Ernst & Young LLP as auditor to the Company.
9. To authorise the Audit Committee to determine the auditor's remuneration.
10. THAT in substitution for all existing authorities the directors be and hereby are generally and unconditionally authorised pursuant to section 551 of the Companies Act 2006 ('Act') to exercise all the powers of the Company to allot relevant shares (within the meaning of section 540 of the Act) up to an aggregate nominal amount of £616,613 (or such other amount representing 10% of the issued ordinary share capital at the date of passing of this resolution) for a period expiring (unless previously renewed, varied or revoked by the Company in general meeting) on the earlier of the date falling 15 months, or from the conclusion of the next annual general meeting, after the passing of this resolution, provided that the Company may make an offer or agreement which would or might require relevant shares to be allotted after expiry of this authority and the Board may allot relevant shares in pursuance of that offer or agreement as if the authority conferred hereby had not expired.

Special resolutions

11. THAT in substitution for all existing authorities and subject to the passing of resolution 10 the directors be and hereby are empowered pursuant to section 570 and 573 of the Companies Act 2006 (the 'Act') to allot shares or make offers or agreements to allot shares (within the meaning of section 560 of the Act) for cash pursuant to the authority conferred

by resolution 11 and to sell ordinary shares from treasury for cash (by virtue of section 560(3) of the Act) in each case, as if section 561 of the Act did not apply to the allotment or sale. This power is limited to:

- (a) the allotment or issue from treasury of shares whether by way of a rights issue, open offer or otherwise to ordinary members and/or holders of any other shares in accordance with the rights of those shares where the shares respectively attributable to the interests of all ordinary members and/or such holders are proportionate (or as nearly as may be) to the respective numbers of ordinary shares and such shares held by them (or are otherwise allotted in accordance with the rights attaching to such shares) subject in either case to such exclusions or other arrangements as the directors may deem necessary or expedient in relation to fractional entitlements or local or practical problems under the laws of, or the requirements of, any regulatory body or any stock exchange in any territory or otherwise howsoever; and
- (b) the allotment or issue from treasury (otherwise than pursuant to subparagraph (a) above) of shares up to a maximum aggregate nominal value of £616,613 (or such other amount representing 10% of the Company's issued ordinary share capital at the date of passing of this resolution); and
- (c) the allotment or issue from treasury of shares at a price not less than the net asset value per share as at the latest practicable date before such allotment of shares as determined by the directors in their reasonable discretion;

and shall expire at the earlier of the date falling 15 months, or from the conclusion of the next annual general meeting of the Company, after the date of the passing of this resolution, save that the directors may before such expiry make an offer or agreement which would or might require shares to be allotted after such expiry and the directors may allot shares in pursuance of such an offer or agreement as if the power conferred hereby had not expired.

12. THAT in substitution for all existing authorities the Company be and is hereby generally and unconditionally authorised in accordance with section 701 of the Companies Act 2006 to make market purchases (within the meaning of section 693(4) of the Act) of ordinary shares of 1.5625p each in the capital of the Company, on such terms and in such manner as the directors may from time to time determine, provided that:

Notice of Annual General Meeting

continued

- (a) (the maximum aggregate number of ordinary shares hereby authorised to be purchased is 59,155,385 (representing approximately 14.99% of the issued ordinary share capital of the Company as at 9 October 2024, being the latest practicable date prior to the publication of this Notice) or, if changed, the number representing 14.99% of the issued ordinary share capital of the Company as at the date of the passing of this resolution;
- (b) the maximum price (exclusive of expenses) which may be paid for an ordinary share shall not exceed the higher of:
 - (i) an amount equal to 105% of the average of the middle market quotations for an ordinary share as taken from the London Stock Exchange Daily Official List for the five business days immediately preceding the date of purchase; and
 - (ii) the higher of the price of the last independent trade and the highest current independent bid on the London Stock Exchange when the purchase is carried out;
- (c) the minimum price (exclusive of expenses) which may be paid for an ordinary share shall be the nominal value of that share;
- (d) the authority hereby conferred shall expire at the earlier of the date falling 15 months, or from the conclusion of the next annual general meeting of the Company, after the passing of this resolution, unless such authority is renewed before that expiry; and
- (e) the Company may make a contract to purchase ordinary shares under the authority hereby conferred which will or may be executed wholly or partly after the expiration of such authority and may make a purchase of ordinary shares pursuant to any such contract.

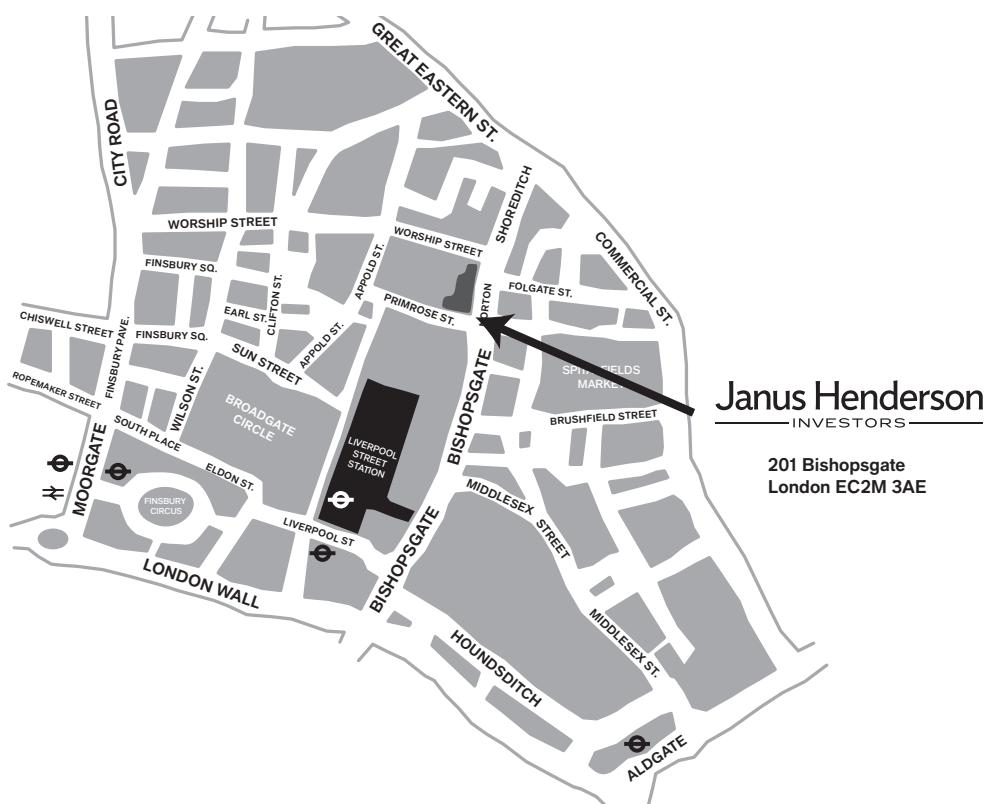
13. THAT a general meeting other than an annual general meeting may be called on not less than 14 clear days' notice, such authority to expire at the conclusion of the next annual general meeting of the Company following the passing of this resolution.

By order of the Board

Janus Henderson Secretarial Services UK Limited
Corporate Secretary
9 October 2024

Registered Office:
201 Bishopsgate, London EC2M 3AE

Annual General Meeting venue



Notes to the Meeting

1. Rights to attend and vote

Subject to Note 2, all of the Company's members are entitled to attend, speak and vote at the forthcoming annual general meeting or at any adjournment(s) thereof. On a poll each member has one vote per share.

2. Voting record date

Only members registered in the Register of Members of the Company at 6.30 p.m. on Thursday 21 November 2024 (the 'specified time') shall be entitled to attend, speak and vote at the annual general meeting in respect of the number of voting rights registered in their name at that time. Changes to entries on the Register of Members after the specified time shall be disregarded in determining the rights of any person to attend and vote at the Meeting.

If the annual general meeting is adjourned for no more than 48 hours after the original meeting time, the same specified time will also apply for the purpose of determining the entitlement of members to attend, speak and vote (and for the purpose of determining the number of votes they may cast) at the adjourned meeting.

If the annual general meeting is adjourned for a longer period then, to be so entitled, members must be entered on the Company's Register of Members at 6.30 p.m. on the day which is two days (excluding non-working days) before the day of the adjourned meeting or, if the Company gives notice of the adjourned meeting, at any time specified in that notice.

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

3. Right to appoint proxies

Pursuant to section 324 of the Act a member entitled to attend and vote at the Meeting may appoint one or more proxies, provided that each proxy is appointed to exercise the rights attached to different shares held by him. A proxy need not be a member of the Company.

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

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

Nominated persons should contact the registered member by whom they were nominated (not the Company) in respect of their arrangements. The rights of members relating to the appointment of proxies do not apply to nominated persons.

4. Proxies' rights to vote at the Meeting

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

On a poll, all or any of the voting rights of the member may be exercised by one or more duly appointed proxies. However, where a member appoints more than one proxy, section 285(4) of the Act does not permit the exercise by the proxies taken together of more extensive voting rights than could be exercised by the member in person.

5. Voting by corporate representatives

Corporate representatives are entitled to attend, speak and vote on behalf of the corporate member in accordance with section 323 of the Act provided they do not do so in relation to the same shares.

6. Receipt and termination of proxies

To be valid the enclosed Form of Proxy must be lodged with the Company's registrar (Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA) before 11.00 a.m. on Thursday 21 November 2024.

A member may terminate a proxy's authority at any time before the commencement of the Meeting. Termination must be provided in writing and submitted to the Company's registrar.

In accordance with the Company's articles of association, in determining the deadline for receipt of proxies, no account shall be taken of any part of a day that is not a working day.

7. Communication with the Company

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

Notes to the Meeting

continued

8. Electronic receipt of proxies

To appoint one or more proxies or to give an instruction to a proxy (whether previously appointed or otherwise) via the CREST system, CREST messages must be received by the Company's agent (ID number RA19) no later than the deadline specified in Note 6. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp generated by the CREST system) from which the issuer's agent is able to retrieve the message. The Company may treat as invalid a proxy appointment sent by CREST in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

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

If you are an institutional investor you may be able to appoint a proxy electronically via the Proxymity platform, a process which has been agreed by the Company and approved by the registrar. For further information regarding Proxymity, please go to www.proxymity.io. Your proxy must be lodged by 11.00 am on 21 November 2024 in order to be considered valid. Before you can appoint a proxy via this process you will need to have agreed to Proxymity's associated terms and conditions. It is important that you read these carefully as you will be bound by them and they will govern the electronic appointment of your proxy.

9. Questions at the Meeting

Any member attending the Meeting has the right to ask questions. Section 319A of the Act requires the directors to answer any question raised at the annual general meeting which relates to the business of the Meeting, although no answer need be given:

- if to do so would interfere unduly with the proceedings of the Meeting or involve disclosure of confidential information;
- if the answer has already been given on the Company's website; or
- if it is undesirable in the best interests of the Company or the good order of the Meeting that the question be answered.

By attending the Meeting, members and their proxies and representatives are understood by the Company to have agreed to receive any communications relating to the Company's shares made at the Meeting.

10. Documents available for inspection

Copies of the directors' letters of appointment may be inspected at the registered office of the Company during normal business hours on any day (with the exception of Saturdays, Sundays and public holidays) and will be available at the annual general meeting from 15 minutes prior to the commencement of the Meeting until its conclusion. No director has a contract of service with the Company.

11. Member's right to include a resolution at the AGM

Under sections 338 and 338A of the Act, members who satisfy the threshold requirements in those sections have the right to require the Company: i) to give, to members entitled to receive the Notice of Meeting, notice of a resolution which may properly be moved and is intended to be moved at the Meeting; and/or ii) to include in the business to be dealt with at the Meeting any matter (other than a proposed resolution) which may be properly included in the business. A resolution may properly be moved or a matter may properly be included in the business unless: a) it would, if passed be ineffective (whether by reason of inconsistency with an enactment of the Company's constitution or otherwise); (b) it is defamatory of any person; or (c) it is frivolous or vexatious.

Such a request may be in hardcopy or electronic form, must identify the resolution of which notice is to be given or the matter to be included in the business, must be authenticated by the person or persons making it, must have been received by the Company no later than the date on which this Notice is given and must be accompanied by a statement setting out the grounds for the request.

12. Members' statement of audit concerns

Section 527 of the Act allows members who meet the threshold requirements of that section to require the Company to publish a statement on its website setting out any matter relating to: i) the audit of the accounts to be laid at the meeting (including the auditor's report and the conduct of audit); or ii) any circumstances connected with the auditor ceasing to hold office since the last meeting at which annual accounts and reports were laid in accordance with section 437 of the Act.

This is known as a 'members' statement of audit concerns'. If such a request is received the Company cannot require those members requesting publication of the statement to meet its costs of complying with that request. The Company must also forward a copy of the statement to the auditor at the same time that it makes it available on the website. Where a members' statement of audit concerns is received it will be included in the business of the meeting at which the accounts are laid.

13. Website

A copy of this Notice, including the information required by section 311A of the Act, is available from the website, www.europeansmallercompaniestrust.com

14. Total voting rights

At 9 October 2024 (being the last practicable date prior to the publication of this Notice) the total number of shares in the Company was 394,632,326 with 173,034 shares held in treasury. The voting rights of the ordinary shares on a poll are one vote for every share held.

Explanations of the Resolutions

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

Resolutions 1 to 11 are proposed as ordinary resolutions. This means that for each of those resolutions to be passed more than half of the votes cast must be in favour of the resolution. Resolutions 12 to 13 are proposed as special resolutions. This means that for each of those resolutions to be passed at least three-quarters of the votes cast must be in favour of the resolution.

Resolution 1: Company's annual report and audited financial statements (ordinary resolution)

Shareholders will be given an opportunity at the meeting to ask questions on the annual report. At the end of the discussion, members will be invited to receive the annual report and audited financial statements.

Resolution 2: Approve the Directors' Remuneration Report

(ordinary resolution)

Members are requested to approve the Directors' Remuneration Report for the year ended 30 June 2024. This is set out on pages 38 to 40 of the annual report. The vote is advisory and does not affect the remuneration payable to any individual director. However, the Board will take feedback from members regarding remuneration and incorporate this into any future remuneration discussions.

Resolution 3: Final dividend (ordinary resolution)

The directors are proposing a final dividend of 3.35p per ordinary share. If approved, the dividend will be paid on 29 November 2024 to members on the Register of Members on 1 November 2024.

Resolutions 4 to 7: Election and re-election of directors

(ordinary resolutions)

As a matter of course, all directors retire at each annual general meeting.

Resolution 4 relates to the re-election of James Williams who joined the Board as a director on 1 November 2023. He has over 30 years' international business experience in Europe and Asia, including nearly 20 years in the investment banking industry. James will succeed Christopher Casey as Chairman of the Board at the conclusion of the Meeting.

Resolution 5 seeks the re-election of Daniel Burgess, who joined the Board on 25 November 2019. Daniel has significant auditing and accounting experience having been a partner at KPMG LLP for twenty-three years. He is Chairman of the Audit Committee.

Resolution 6 relates to the re-election of Ann Grevelius, who joined the Board on 23 September 2019. Ann has over 30 years' experience in the asset management sector and has been active in the venture capital industry for the last several years. Her experience of European markets provides useful context to the investment background.

Resolution 7 relates to the re-election of Simona Heidemperger, who joined the Board on 1 September 2014. Simona has a wealth of asset management experience and her knowledge of European markets provides useful context to the investment background.

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

All the directors are considered independent for the purposes of the AIC Corporate Governance Code. Biographical details for the directors are shown on pages 25 and 26 of the annual report.

Resolutions 8 and 9: Appointment and remuneration of the auditor (ordinary resolution)

Members are required to approve the appointment of the Company's auditor each year and to give authority to the Audit Committee to determine their remuneration. Ernst & Young LLP were appointed as the auditor at the annual general meeting on 27 November 2017 and reappointed by members at subsequent meetings. Following satisfactory performance, the Company is recommending their re-appointment in respect of the year ending 30 June 2025 and seeking authority for the Audit Committee to determine their remuneration.

Resolution 10: Authority to allot shares (ordinary resolution)

At the annual general meeting held on 27 November 2023, the directors were granted authority to issue up to 10% of the Company's issued share capital at the date of the passing of the resolution. No shares have been issued under this authority, which is due to expire at the Meeting. Resolution 10 will renew this authority and allow the directors to issue up to 39,463,233 ordinary shares (with a nominal value of £616,613) (or such other amount being 10% of the issued share capital as at the date of this resolution). The resolution is set out in full in the Notice. If renewed, the authority will expire at the earlier of the date falling 15 months, or from the conclusion of the next annual general meeting, after the passing of this resolution.

Explanations of the Resolutions

continued

Resolution 11: Power to disapply pre-emption rights

(special resolution)

Resolution 11 will give the directors power to disapply pre-emption rights in respect of any new shares issued under the authority provided by resolution 10 or sold from treasury. If renewed, the power will expire at the earlier of the date falling 15 months after, or from the conclusion of the next annual general meeting following the passing of this resolution.

The directors will only allot shares pursuant to resolutions 10 and 11 to take advantage of opportunities in the market as they arise and only if they believe it to be advantageous to the Company's existing members to do so and when it would not result in any dilution of net asset value per share (i.e. shares will only be issued at a premium to net asset value).

Resolution 12: Repurchase of the Company's shares

(special resolution)

At the annual general meeting held on 27 November 2023, the directors were granted authority to repurchase up to 14.99% of the Company's issued share capital at the date of the passing of the resolution. A total of 6,234,850 shares have been repurchased since October 2023 and this resolution seeks to renew the Company's authority to repurchase its own shares and cancel or hold them in treasury. If resolution 12 is passed, the maximum aggregate number of ordinary shares which may be purchased is 59,155,385 (representing approximately 14.99% of the issued ordinary share capital of the Company as at 9 October 2024, being the latest practicable date prior to the publication of the Notice of Meeting) or, if changed, the number representing 14.99% of the issued ordinary share capital of the Company as at the date of the passing of this resolution. The authority will expire at the earlier of the date falling 15 months, or the conclusion of the next annual general meeting, after the passing of this resolution. It is the present intention of the directors to seek a similar authority annually.

The directors believe that, from time to time and subject to market conditions, it will continue to be in the members'

interests to buy back the Company's shares when they are trading at a discount to the underlying net asset value per share. Repurchases of the Company's shares provide a modest uplift in the net asset value for existing members and often results in the share price more closely reflecting the underlying value of the portfolio. Repurchasing an overhang of stock in the market further ensures that the discount does not widen unduly.

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

Resolution 13: Notice of general meetings (special resolution)

The Companies Act 2006 stipulates that the notice period for general meetings (other than the annual general meeting) is 21 days unless member approval to reduce the period to 14 days has been given. In order to maintain maximum flexibility, the Board is seeking approval to allow general meetings (other than the annual general meeting) to be called on 14 days' notice. This authority will only be used if it is in the best interests of members to do so and where members are given the opportunity to vote at such meetings by electronic means. The authority will expire at the conclusion of the annual general meeting in 2025. Directors will seek to renew this authority annually.