



JPMorgan Emerging Markets Investment Trust plc

Annual Report & Financial Statements
for the year ended 30th June 2022

Key Features

Your Company

Objective

To maximise total return from emerging markets worldwide through a diversified portfolio of underlying investments.

Investment Policies

- To invest in a diversified portfolio, concentrating on countries and shares with the most attractive prospects. To have no more than 50% of the Company's assets invested in any one region or 10% above the equivalent benchmark weighting, whichever is the greater.
 - To invest no more than 15% of gross assets in other UK listed closed-ended investment funds (including investment trusts).
- Further details on investment policies and risk management are given in the Business Review on page 31.

Benchmark

The MSCI Emerging Markets Index with net dividends reinvested, in sterling terms.

Capital Structure

At 30th June 2022 the Company's issued share capital comprised 1,323,635,250 Ordinary shares of 2.5p each, including 153,123,020 shares held in Treasury.

Continuation Vote

At the Annual General Meeting held on 5th November 2020 an ordinary resolution of the shareholders approved the continuation of the Company until the Annual General Meeting in November 2023.

Management Company and Company Secretary

The Company employs JPMorgan Funds Limited ('JPMF' or the 'Manager') as its Alternative Investment Fund Manager and Company Secretary. JPMF delegates the management of the Company's portfolio to JPMorgan Asset Management (UK) Limited ('JPMAM').

Financial Conduct Authority ('FCA') regulation of 'non-mainstream pooled investments' and MiFID II 'complex instruments'

The Company currently conducts its affairs so that the shares issued by the Company can be recommended by independent financial advisers to ordinary retail investors in accordance with the FCA's rules in relation to non-mainstream investment products and intends to continue to do so for the foreseeable future.

The shares are excluded from the FCA's restrictions which apply to non-mainstream investment products because they are shares in an investment trust. The Company's shares are not classified as 'complex investments' under the FCA's revised appropriateness criteria adopted in the implementation of MiFID II.

Association of Investment Companies ('AIC')

The Company is a member of the AIC.

Website

The Company's website, which can be found at www.jpmemergingmarkets.co.uk includes useful information on the Company, such as daily prices, factsheets and current and historic half year and annual reports.



“ We continue to look for high quality corporate franchises able to compound intrinsic value through economic cycles, and when we find them we expect to own them for a long time. ”

**Austin Forey, Investment Manager,
JPMorgan Emerging Markets Investment Trust plc**

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JPMorgan Emerging Markets Investment Trust

Our heritage and our team

JPMorgan Emerging Markets Investment Trust plc has an established long-term track record of investing in emerging markets. The investment team, led by Austin Forey — who has been at the helm for over 25 years and is assisted by John Citron, an established member of the Emerging Markets Asia Pacific Equities team since 2012 — benefits from J.P. Morgan Asset Management’s extensive network of emerging market specialists around the world. Their on-the-ground experience and in-depth knowledge of local markets coupled to an established investment process enable them to make longer-term appraisals of companies and not be side tracked by short-term noise.

Our Investment Approach

The Company takes an active, bottom-up approach to investing in emerging markets. Austin and John look at the growth potential of specific companies rather than simply taking a view on individual countries, which is reflected in the Company’s low stock turnover and concentrated portfolio. Investing sustainably has always been an integral part of the Manager’s fundamental research and investment approach, well before environmental, social and governance (‘ESG’) factors became mainstream. With an investment approach which identifies profitable companies that demonstrate sustained growth potential over the long-term rather than focusing on short-term market movements, the Company has created value for investors over the long term.

4,000

Company meetings conducted per annum, on average¹

95

Investment professionals in Emerging Markets and Asia

20+

languages spoken, nationalities represented on the investment team

72.4%

Active share — a measure of active management²

85%

Carbon Emissions (per \$M invested) for the portfolio are more than 85% lower than the carbon emissions for the benchmark

¹ Company meetings have continued despite the impact of COVID-19.

² Active share is a measurement of the difference in the Company’s portfolio compared to the benchmark index.

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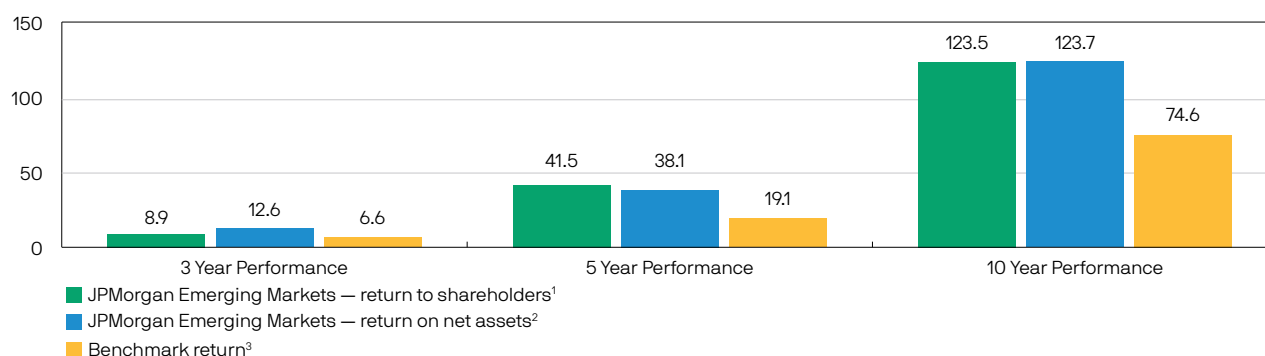


Financial Highlights

Total returns (including dividends reinvested) to 30th June

	2022	2021	3 years Cumulative	5 years Cumulative
Return to shareholders ^{1,A}	-20.6%	+36.2%	+8.9%	+41.5%
Return on net assets ^{2,A}	-17.3%	+32.7%	+12.6%	+38.1%
Benchmark return ³	-15.0%	+26.0%	+6.6%	+19.1%
Dividend per share	1.35p	1.35p		

Long term performance (total returns) for periods ended 30th June 2022



¹ Source: Morningstar. Change in share price with dividends reinvested.

² Source: Morningstar/J.P. Morgan, using cum income net asset value per share.

³ Source: MSCI. The Company's benchmark is the MSCI Emerging Markets Index with net dividends reinvested, in sterling terms.

^A Alternative performance measure ('APM').

A glossary of terms and APMs is provided on pages 95 and 96.

Financial Highlights

Summary of Results

	2022	2021	% change
Total returns for the year ended 30th June			
Return to shareholders ^{1,A}	-20.6%	+36.2%	
Return on net assets ^{2,A}	-17.3%	+32.7%	
Benchmark return ³	-15.0%	+26.0%	
Net asset value, share price and discount as at 30th June			
Shareholders' funds (£'000)	1,369,306	1,698,043	-19.4
Net asset value per share	117.0p	143.0p	-18.2
Share price	105.0p	133.8p	-21.5
Share price discount to net asset value per share ^A	10.3%	6.4%	
Shares in issue (excluding shares held in Treasury)	1,170,512,230	1,187,666,096	
Revenue for the year ended 31st March			
Gross revenue return (£'000)	23,201	19,623	+18.2
Net revenue attributable to shareholders (£'000)	15,992	12,137	+31.7
Revenue return per share	1.36p	1.02p	+33.3
Dividend per share	1.35p	1.35p	
Net cash at 30th June^A	4.1%	0.8%	
Ongoing charges to 30th June^A	0.84%	0.90%	

¹ Source: Morningstar. Change in share price with dividends reinvested.

² Source: Morningstar/J.P. Morgan, using cum income net asset value per share.

³ Source: MSCI. The Company's benchmark is the MSCI Emerging Markets Index with net dividends reinvested, in sterling terms.

^A Alternative Performance Measure ('APM').

A glossary of terms and APMs is provided on pages 95 and 96.

Chairman's Statement



Sarah Arkle
Chairman

Over the year stock markets rotated away from the quality growth and technology companies that had benefited the portfolio over the period of low interest rates, and into energy and more cyclical stocks.

The year under review has been a challenging period for global financial markets due to rising inflation, the Russian invasion of Ukraine, Central Bank interest rate rises and slowing global economies. In emerging markets China's interventionist policies, the developing geopolitical tensions with the US and the economic slowdown resulting from China's 'zero Covid' policy have further dented sentiment.

Against this challenging backdrop, the return to shareholders fell by 20.6% over the period following seven years of consecutive rises, and the Company's net asset value (NAV) underperformed the benchmark for the first time in five years. However, the Investment Manager looks at investment opportunities over a five-year time horizon and the longer-term performance remains strong with the five year cumulative return to shareholders at 41.5% and the NAV total return up 38.1%, well ahead of the benchmark return of 19.1% and our peer group (including OEICs and ETFs) average return of 17.1% over the same period.

Reducing the discount has been one of the Directors' key objectives and it was disappointing that, following several years of making progress on the narrowing of the Company's share price discount to NAV, the discount widened over the year from 6.4% to 10.3%. Apart from continuing the strong performance record and narrowing the discount, the Directors' other two objectives are broadening the shareholder base and ensuring that the increasing focus on ESG and sustainable investing and the integration of these into the manager's investment process are more fully communicated to the Company's shareholders. We have made further progress in broadening the shareholder base with institutional investors now owning 34.6% of the company, down slightly from last year and materially down from 63.5% five years ago. Retail investors and wealth managers have correspondingly increased their shareholding. We have also been committed to the development of the ESG credentials of the Company and communicating them to both existing and prospective shareholders.

Investment Performance

Investment performance in the year to 30th June 2022 was negative in absolute and relative terms. The return to shareholders was -20.6% over the year and the Company's return on net assets was -17.3%. Our benchmark index (the MSCI Emerging Markets index with net dividends reinvested, in sterling terms) returned -15.0%.

Over the year there was a significant rotation in stock markets away from the quality growth and technology related companies that had benefitted the portfolio over the period of low interest rates, and into energy and more cyclical stocks. Stock selection was the main reason for the underperformance against the benchmark over the year. The key detractors from performance against the index over the year were the underweight positions in the energy sector and the Middle East coupled with sharp falls in some of the portfolio's best performing growth companies where the valuations had become stretched, particularly when looked at against an environment of higher interest rates. The Company had less than 1% in Russia before the invasion of Ukraine and this underweight position against the index was a positive. However, the valuation of Sberbank (the only Russian company held) had to be written down to virtually nothing.

Over the longer term our NAV and share price performance remain strong. They both are well ahead of our benchmark over three, five and ten years as the graph on page 6 illustrates, showing the benefits that can be achieved from high conviction active management. This consistent long-term outperformance has also been recognised by the Company winning a number of impressive awards: for the second year running the Company won the Investment Week Best Emerging Markets Trust and for the third consecutive year it was the winner of the Citywire Global Emerging Market Equities award.

The Investment Manager's Report provides a review of the financial year to 30th June 2022 and more detail on the investment performance.

Chairman's Statement

Discount

The discount (to the cum income net asset value) ended the financial year at 10.3%. This compares with a discount of 6.4% at the end of the previous financial year and 6.2% at the half year ended 31st December 2021. This reflects a general widening of discounts across both emerging market investment trusts and the overall investment trust sector.

Over the last 12 months the discount on the Company's shares ranged between 13.4% and 4.8%, averaging 8.2%, which compares with an average discount of 5.0% for the previous financial year. At the time of writing the Company's shares are trading on a discount of 13.3%.

The Board regularly reviews the merits of buying back shares in order to manage the level and volatility of the discount and would, for example, consider buying back shares if the discount is out of line with the Company's peers, markets are orderly and it is in the best interests of shareholders to do so. As shares are only bought back at a discount to the prevailing net asset value, share buybacks benefit shareholders as they increase the net asset value per share. Over the financial year 17,153,866 shares (representing 1.4% of share capital) were bought back at an average discount of 8.6% and at a cost of £20.9 million which added 0.1% to performance. A further 7,491,080 shares have been bought back post the year end. This compares with buybacks of 9,261,304 shares last year at an average discount of 9.4%. If the shares were to trade at a premium to NAV for a sustained period of time, the Board may decide to use its authority to re-issue shares out of Treasury, but only if the impact of any share issuance after costs is of benefit to existing shareholders and not dilutive to NAV.

One of the advantages of being an investment trust over other types of collective fund is the ability to use the Company's revenue reserves to smooth dividends paid to shareholders from year to year which the Board has utilised in the previous two financial years.

Revenue and Dividends

The Company is managed to produce total return rather than any particular level of dividend which means that the level of dividends will vary. For individual years dividends received in sterling terms may fluctuate in line with underlying earnings, as well as currency movements and any changes in the portfolio. In the financial year just ended the dividends increased and the weakness in sterling enhanced the revenue compared with the previous year resulting in the revenue return per share increasing markedly for the first time in three years. The revenue return per share for the year rose to 1.36 pence from 1.02 pence in 2021 which is an increase of 33.3%.

One of the advantages of being an investment trust over other types of collective fund is the ability to use the Company's revenue reserves to smooth dividends paid to shareholders from year to year which the Board has utilised in the previous two financial years. Given the lack of certainty over next year's revenue figures, the Board is proposing for this year an unchanged final dividend of 0.83 pence per share, subject to shareholder approval at the forthcoming Annual General Meeting ('AGM'). This means that the dividend will be covered by this year's revenues. Together with the interim dividend of 0.52 pence paid in April, the total dividend for the year will again be 1.35 pence.

Environment, Social and Governance ('ESG') Issues

Your Manager has long held the belief that sustainable companies are more attractive investments, able to deliver superior returns over time. The consideration of ESG factors in the evaluation of companies has long been a critical part of the Manager's investment process. In more recent years, the integration of ESG has become formalised and the application of JPMorgan Asset Management's proprietary analysis adds further rigour to the process. Engagement with companies has always been an important way for the Manager to promote their standards and principles. This ongoing endeavour is ably supported by one of the largest emerging markets investment teams of over 90 analysts around the world, conducting over 4,000 company meetings over the past year. They are further supported by a 32 strong team of sustainable investing specialists. While the Company is not described as a 'sustainable' fund, the profile of the portfolio shows favourable ESG characteristics, including a very low carbon footprint compared against the benchmark. We expect the market and regulators will continue to demand higher ESG standards over time and the Board has confidence that the Manager can continue to meet these and demonstrate high integrity in its approach. Further information and discussion can be found in the ESG Report on pages 17 to 22.

Chairman's Statement

Consideration of sustainability has always been an intrinsic part of the Manager's investment approach to assessing risk and reward, directly linking valuation consequences with companies' environmental, social and governance standards. The Company received its inaugural MSCI ESG rating in September 2021 scoring an 'A' and ranked very highly among the Lipper Peer Group.

The Manager

The Board monitors the performance of our Manager through its Management Engagement Committee. It judges performance over the longer term and thus we remain pleased with the Manager's overall performance, not only in terms of investment performance but also in terms of risk management, administration, controls and compliance, where we continue to be very well served by J.P.Morgan.

Following the fee review at the beginning of the financial year the ongoing charge ratio is 0.84%, down from 0.90% last year and 1.07% five years ago. The Directors will continue to monitor the Company's fee to ensure that it remains competitive against the peer group and is attractive for our shareholders against the other emerging market options available to them.

The Directors also reviewed the key third party providers in terms of quality of service provided and fees and found them to be competitive.

Board Succession

I have been a Director of the Company since 2013 and have served as Chairman since 2018.

As announced in March, in accordance with the Board's succession plan, I will be retiring as Chairman of the Board and a Director at this year's AGM. I am delighted that the Board has agreed that Aidan Lisser will succeed me as Chairman of the Board immediately following the AGM. I am confident that his broad experience across wealth management, banking and international consumer products, alongside considerable investment trust board knowledge and expertise, will be of great value to the Company and its shareholders.

In the early part of this year, the Company engaged an independent search consultancy to find a suitably qualified Director to join our Board. After a thorough selection process we announced in July 2022 the appointment of Zoe Clements as non-executive Director to the Board with effect from 1st September 2022. Zoe is an experienced non-executive director, investor and finance professional and spent six years of her career at PricewaterhouseCoopers LLP where she qualified as a Chartered Accountant.

In compliance with corporate governance best practice, all Directors, except myself, will be standing for re-appointment at the forthcoming AGM.

The FTSE Women Leaders Review continues the important work, and success, of the Hampton-Alexander and Davies Reviews that came before it. The Board remains committed to working towards the voluntary target of 40% female representation on the Board by 2025.

AGM

This year's AGM will be held at JPMorgan's office at 60 Victoria Embankment, London EC4Y 0JP on Wednesday, 9th November 2022 at 3.00 p.m. Austin Forey and John Citron will give a presentation to shareholders, reviewing the past year and giving their view on the outlook for emerging markets for the current year. The meeting will be followed by afternoon tea, which will provide shareholders with the opportunity to meet the Directors and the Investment Managers. We look forward to seeing as many shareholders as possible at the AGM.

Chairman's Statement

Outlook

A global environment of higher inflation and interest rates together with geopolitical concerns will continue to pose challenges for world stockmarkets. However, it is encouraging that inflationary pressures are less extreme in many emerging economies than in a number of Western countries and preemptive interest rate rises have meant that further rises are likely to be more subdued than in the developed world. Economic activity in many of the emerging market economies where your Company invests remains stronger than in the developed world and their debt to GDP levels are less stretched. Lower debt levels will also make emerging market economies more resilient to the impact of a stronger US dollar than in past cycles. Over the longer term, emerging economies should continue to show superior growth underpinned by several positive structural trends such as generally favourable demographics which support growing working-age populations and rising incomes.

Valuations have now returned to more reasonable levels following the recent falls in stock markets and a period of underperformance for the Manager's investment strategy, which focuses on high-quality companies that can sustain earnings growth over the longer term. Strong franchises and healthy balance sheets should support the earnings of these companies in a period of rising interest rates and slower global growth. Any further stockmarket volatility will create a number of interesting investment opportunities for stock pickers. The performance track record of your Company over three years and beyond remains excellent. Whilst in future there may be further shorter term periods when the Manager's strategy underperforms, the Directors believe that over the longer term the strategy will continue to outperform, as it has done in the past.

Sarah Arkle
Chairman

29th September 2022

Investment Managers' Report



Austin Forey
Investment Manager



John Citron
Investment Manager

The primary purpose of your Company remains unchanged: it is to achieve good investment returns for you, its shareholders. As the Company's investment managers, we aim to achieve this by taking a long term approach to investment, based on fundamental research, and focused on selecting stocks rather than countries or industries.

Objectives & outcomes

Purpose & Approach

The primary purpose of your Company remains unchanged: it is to achieve good investment returns for you, its shareholders. As the Company's investment managers, we aim to achieve this by taking a long term approach to investment, based on fundamental research, and focused on selecting stocks rather than countries or industries. We continue to look for high quality corporate franchises able to compound intrinsic value through economic cycles, and when we find them we expect to own them for a long time.

We also strive to be a responsible and engaged investor in the companies in which your portfolio is invested. As we have explained in previous years, a long term approach to investment leads naturally to a consideration of sustainability in the widest sense, and we have always sought to incorporate this in our investment process. More details on both our approach and on portfolio characteristics can be found in our ESG Report, which also contains examples of how we analyse and engage with investee companies with regards to sustainability.

Returns for shareholders

Last year we were able to report results that were positive both in absolute terms, and relative to our benchmark index. Regrettably this year we can report neither. The twelve months to June 2022 were a challenging period for equity markets, and for the approach we take to investment: the overall asset class declined by 15% in sterling terms, and your portfolio did worse than this, producing a total return on net asset value of -17.3%. In the commentary below we will address some of the reasons for this, how we responded, and what we think when we look forwards. At a high level, however, we can say that the Company's lack of exposure to purely cyclical sectors, especially energy, proved a meaningful drag on performance. The de-rating of higher quality and faster growing companies' stocks in a period of rising interest rates was a further headwind.

Active management

We are active managers and do not seek to replicate index returns, but to enhance them. Over the last twenty years the additional return before costs added to your Company's portfolio by active management has averaged more than 4% per annum compared to the index, which gives us confidence that our approach, while it will not work in every single year, creates value for shareholders over the long term. As investors, we try to take a long term view of our investments, and we hope that our clients will assess us in the same way.

Investment Managers' Report

The year and the portfolio

The past year

PERFORMANCE ATTRIBUTION

Contributions to total returns as at 30th June 2022

Benchmark Total return	-15.0%
Asset allocation	0.1%
Stock selection	-3.5%
Currency effect	1.1%
Gearing/Cash	0.7%
Investment Manager contribution	-1.6%
Portfolio Total Return	-16.6%
Management Fees/Other Expenses	-0.8%
Share Buy-Back/Issuance	0.1%
Return on net assets^A	-17.3%
Return to shareholders^A	-20.6%

Source: JPMAM and Morningstar. All figures are on a total return basis.

Performance attribution analyses how the Company achieved its recorded performance relative to its benchmark index.

A glossary of terms and APMs is provided on pages 95 and 96.

In June 2021 the world seemed hopeful. The pandemic was gradually passing and the shadow it cast over economies and lives was gradually fading, especially in the West. The Chinese equity market was grappling with changes in the regulatory policy of the government, but in general it seemed reasonable to expect that companies in most industries in most countries would slowly claw their way back to something resembling pre-pandemic normality. Markets also assumed that monetary policy around the world would remain very accommodating, especially given how much additional debt governments had assumed during the pandemic. What a lesson on the perils on consensus thinking the last year has given. It became clear as the year progressed how much operational capacity in many sectors has been reduced during the last two years, and how unable all kinds of industries were to meet the recovery in demand. In market economies, that dislocation of the supply/demand balance can only mean one thing – higher prices. And higher levels of inflation must eventually mean tighter economic policy, which means higher interest rates, which mean lower valuations for risk assets of all kinds. And all this before we consider the impact of Russia's invasion of the Ukraine, which has sharply exacerbated these trends, and reshaped our addressable investment universe as well.

Geopolitics

This has been a very political year for investors, and geopolitical events and decisions have had a large effect on markets. The clearest example of this is Russia's invasion of the Ukraine, a military intervention which has produced many negative consequences. We could not understand, before it happened, how it could possibly work out positively from any perspective, including Russia's. Yet not for the first time, political actions were taken whose logic and purpose escaped us. International isolation, sanctions, and the acceleration of a strategic shift in European energy policy which ultimately will threaten Russia's only strategic export; that does not seem like a set of choices which will look good when seen through the lens of history. But we are, as they say, where we are, and for the second year in a row, political decisions had a direct cost to your Company's portfolio. Our sole investment in Russia, (Sberbank, representing less than one percent of the Company's net asset value before the invasion), was effectively written off, and Russia is no longer an investable market for us. Although Russia's demise as an investable country didn't actually hurt our relative performance, a near total loss of value for any investment is a failure.

If Russia and the Ukraine came as a sudden shock to markets, political risk in China is something we have worked with for years. I wrote in last year's annual report about China and how we think about risks there. Political risks in China are endemic; far more than in most countries, the government and the economy cannot be separated. Last year this risk found its clearest expression in regulatory interventions in various industries; this year, it has been the government's "zero Covid" policy which has had the biggest effect on the economy and on the corporate sector. Some aspects of this policy, especially the desire to protect the healthcare system, seem familiar from other countries' experience of the pandemic; what is different is the lack of public policy debate, and the consequent difficulty of judging how policy may evolve. The probability that China will change its approach must be high; eventually the economic costs of maintaining it will prove too burdensome, and the need to do so will fade too. But how long that change takes seems hard to judge.

Investment Managers' Report

One could say much the same of the other big political issues that involve China – its relations with the USA, and its actions regarding Taiwan. Nobody should expect a return to the previous norms here: for the USA in particular, China is a strategic rival that will be treated as such. Given the economic interdependency that exists, including China's importance for major American companies, this is not a simple thing to do. We should expect tensions to continue, and we need to factor that into our assessment of every stock we own in China. The companies that are probably least affected are those which operate domestically within China, and are listed, regulated and owned in China. It is not a coincidence that our recent new investments in China, in companies in the consumer and software industries, conform to this pattern.

Returns in the portfolio

Our framework for thinking about prospective equity returns remains a simple one: we can summarise it simply as dividends, growth, valuation change and currency change. This framework can also be run retrospectively, and be used for portfolios too. This is not a perfect analysis when applied to the Company : the portfolio changes over time both because of transactions and because of the different returns from stocks held; but looking at the last year through this lens, we can explain much of what we need to understand about the portfolio's performance. Put simply, the sources of return for the portfolio over the last financial year in sterling terms were as follows:

Dividend yield	+1.5%
Earnings growth	+9.4% in sterling terms
Valuations	-28.2%
Total return	-17.3% in sterling terms

So we see that while the companies in the portfolio collectively grew their intrinsic value at a double digit clip (dividends plus growth), the de-rating of their share prices more than offset this.

Valuations

In June 2021 the Company's portfolio stood at a price/earnings ratio of 26.2x forward earnings, and I wrote in last year's annual report that our primary concern was not about the resilience or even profit performance of the companies held in your portfolio, but about the valuations being assigned to them. That concern turned out to be well founded, though not for the reasons we expected. We argued a year ago that it was potentially contradictory to combine low interest rates, imposed because economies seemed fragile, with high valuations which required strong profit growth to be justified. In practice, it was inflation which caused interest rates to start rising, and it has been higher interest rates which have depressed equity valuations, especially for companies with a long expected duration of future growth. Currently, the market is pricing the portfolio at 18.8x forward earnings, a level that is not only more normal when considered against the past, but which seems justifiable for a collection of resilient and strong businesses, especially given that we expect these companies to be able to grow their profits into the long term. Our analysis suggests that the greatest opportunity in markets at present is precisely in these higher quality, long duration businesses which have seen their shares de-rate sharply. If that is correct, the Company will be well positioned for the next few years.

Growth

Underlying earnings from the companies in the portfolio continued to grow, even as their share prices fell. Of course, there is more to it than that. Markets are forward-looking, and are anticipating a cycle in corporate profits; if western economies slide into recession, which appears possible, then companies exposed to global demand will not be immune.

Given that, what is the outlook for growth now? The major exposures in the portfolio are in three sectors: technology, financial services and consumer. Of these three, technology is the most sensitive to global economic conditions. The technology companies held in the portfolio, whether hardware manufacturers like Taiwan Semiconductor or service providers like Infosys and Tata Consultancy, are export businesses whose primary markets are the USA and Europe. They are bound to reflect cycles in demand to some extent in their revenues in the short term, though there is little sign of this in their latest results. All four of the IT services companies in the portfolio reported double digit revenue growth in their results to June 2022, with three of them reporting similar growth in profits (the exception being EPAM Systems, which not surprisingly suffered one-off costs incurred in relocating part of its workforce from the Ukraine). The same applies to the technology manufacturing stocks; Samsung Electronics and Delta Electronics also grew revenues at over 10% in the twelve months to June 2022, while Taiwan Semiconductor had an extraordinary year, with both revenues and net profit over 40% higher than the previous year. In the past these companies have grown partly because global demand for technology rises over time, but mostly because they have been able to grow their share of that growing pie. If both persist in the future, which we expect they will, we should see good returns in the future as well.

Investment Managers' Report

The second category, financial services, is a far more localised industry; macroeconomic conditions at the national level are important, and it's more difficult to generalise about prospects. Growth rates for our largest financial holdings have slowed in the last year, but also remain positive. Many of our larger holdings, including Housing Development Finance, Capitec, Chailease, Bank Rakyat and Banorte grew both revenues and earnings at over 10% in the last twelve months while also continuing to strengthen their balance sheets. Looking ahead, we should expect some cycle in credit quality, but our holdings are in companies with very strong capital ratios and a history of prudent risk management, which should stand them in good stead.

Finally, the consumer sector; companies in this sector cater mostly to everyday demand for everyday products, including staples like food and beverages. They are intrinsically less cyclical than many other industries, and tend to be strongly financed because they generate cash continually. Here too, growth has been solid in the last year: Kweichou Moutai, ITC, President Chain Store, Walmart Mexico, United Breweries are further examples of companies still expanding at a double digit rate in places as diverse as China, Mexico, India and Taiwan.

We should add one last comment about the outlook for growth. It's much easier to assess a company's relative strengths than it is to make specific and accurate forecasts about its financial performance in any one period. When times are more challenging, advantage accrues faster to the strongest companies than it does in times when all are prospering. We cannot be certain about the growth that will be achieved as the world goes through an economic cycle, but we can be confident about the competitive position of the companies in the portfolio, and about their ability to come through a cycle in good shape. With the exception of the financial companies, for whom leverage is an inherent part of their business, the companies held in your portfolio have unleveraged balance sheets; which is to say that in aggregate they have a net cash position with no net debt. So in addition to their operational strengths as businesses, they are well-placed to withstand higher interest rates too.

Portfolio changes

We did not make many changes to the portfolio during the year; overall turnover remained low at 10%. But, as in any period, some of the decisions taken proved more important than others. By far the biggest change was a large reduction in two information technology holdings, EPAM and Globant, purely on the grounds of valuation. We continue to hold both these stocks in the portfolio, but at reduced weights: this was one instance in which a decision motivated purely by high valuations proved justifiable. Our largest addition to the portfolio was Samsung Electronics, the leading global producer of DRAM memory chips.

We do not expect the overall shape of the portfolio to change dramatically as we look forwards (high oil prices do not suddenly make oil a great industry to invest in). What we most want to achieve, as ever, is to find the very best companies discounted unreasonably by a market that has been spooked by short term worries.

What next?

Inflation and then what?

It seems that central banks have awoken from a trance and remembered that their primary function is to prevent inflation. That is not going to be a comfortable experience for economies or for capital markets. In the near term, most risk assets face some headwinds, as interest rate rises affect bonds, equity, real estate and most other assets as well. We are currently carrying a little more cash in the portfolio than usual. But for those with long memories, current conditions will seem more like a throwback to the eighties and nineties: this looks like an inflationary cycle rather than a systemic financial crisis, and even though cycles are never comfortable times to be investing, they do bring opportunities and they do eventually pass. When markets are most negative, the risk/reward is actually at its most attractive.

In emerging markets, central banks have been tackling inflation with sharper rate rises than we have seen in the developed world, and mostly without the same challenges involved in changing energy supplies. Macroeconomic fundamentals actually look much better in some countries than they have in previous periods of monetary tightening, and the long-term economic growth rate achievable by emerging markets should continue to outpace that of the developed world. The scope for productivity gains remains significant, and other macro-economic factors like demographics also look relatively favourable. But much more important than that will be economic results achieved by companies, especially the returns they make on the capital they invest in their businesses.

Sources of return again

What do our forecasts tell us about the future now? One of the most striking things is that the dollar looks very expensive, having appreciated strongly against many other currencies. For sterling-based investors, this is less of a factor: developed world currencies like sterling, the euro and the Japanese yen have weakened against the dollar just as much as many emerging market currencies. But historically a strong dollar has not been a good thing for emerging equity markets: if that trend of dollar strength fades or reverses, it could lead to a more propitious environment for the Company's asset class.

Investment Managers' Report

It's also logical to feel more relaxed about valuations now than a year ago; as we wrote above, the portfolio looks reasonably valued to us for the quality of the businesses it owns.

So a lot will come down to growth rates, and here we should reiterate that we try to think about all the factors which determine any business's ability to generate returns on the capital it invests, and thereby create value over the long term. If we hold a collection of highly competitive, strongly financed companies on reasonable aggregate valuations, which we believe we do, it is not hard to believe that they will in the long run continue to grow their intrinsic value, which will in turn translate into good returns for their shareholders.

Closing thoughts

As Warren Buffett is reputed to have said, investment is simple, but not easy. This past year stands as a good illustration of that maxim. We will keep investing in strong businesses with the ability to compound their intrinsic value, mindful of two other comments attributed to Buffett: "time is the friend of the wonderful business, the enemy of the mediocre", and "the stock market is a device for transferring money from the active to the patient".

Austin Forey

John Citron

29th September 2022

Environmental, Social and Governance Statement

Introduction

It is perhaps worth starting by standing right back and explaining how environmental, social and governance issues fit both with each other and also into a broader theory of sustainability which has always been the bedrock of your manager's investment process.

The essence of what a company does is to turn economic inputs into outputs. Those economic inputs come from the natural world (environmental), the human world (social) and the financial world (governance). Similarly, the economic activity of a company has external impact on the natural (environmental), human (social) and financial (governance) spheres. For a simple illustration, imagine a software company. It needs natural resources like silicon transformed into computers; it needs human resources in the form of developers to write code; it needs financial resources to buy the computers and pay the developers. As it operates it impacts the environmental world via emissions from its data centres, has social bonds with its clients and employees, and a governance relationship with its Board and shareholders. Sustainability is an analysis of whether a company will continue to have access to the inputs it requires to operate effectively and whether the output of its activity will have adverse consequences which threaten its future. 'Environmental', 'social' and 'governance' simply capture the most natural spheres into which the analysis can be segmented.

Understood in these terms, any investment analysis which does not consider sustainability (or ESG) would be incomplete. A company which loses access to the economic inputs it needs, or which places an unmanageable burden on external stakeholders will not endure. In emerging markets, where resources can be constrained and local populations often less resilient these considerations are even more paramount. Not only do they explain many business failures, but they can also explain business success. One of your holdings, United Breweries, has led the global beer industry in reducing the amount of water required to produce a pint of beer. This has given it a cost advantage, and the origin of its innovation was the scarcity of water within India for much of its corporate history.

We are long term shareholders and the time periods over which we own businesses can be measured in decades rather than years. We have therefore always incorporated an analysis of sustainability into our investment discussion and the sections below give more detail on the tools we use to do this and what our corporate engagements look like in practice.

The basics: what is ESG?

E is for Environmental. This component considers a company's impact on the world we live in, relating to the quality and functioning of the natural environment and natural systems.

S is for Social. Social factors address the way that companies act within society; this includes the way that employee interests are managed, and the broader impact a company has on society.

G is for Governance. This component relates to how companies are managed. It considers the measures that protect shareholder interests as well as the way any company meets regulatory and other external obligations.

Environmental	Social	Governance
Carbon pollution and emissions	Human rights	Board structure: effectiveness, diversity, independence
Environmental regulations (and adherence)	Diversity	Executive pay and criteria
Climate change policies	Health and safety	Shareholder rights
Sustainable sourcing of materials	Product safety	Financial reporting and accounting standards
Recycling	Employee management	How a business is run
Renewable energy use	Employee well-being	
Water and waste management	Commitment to communities	

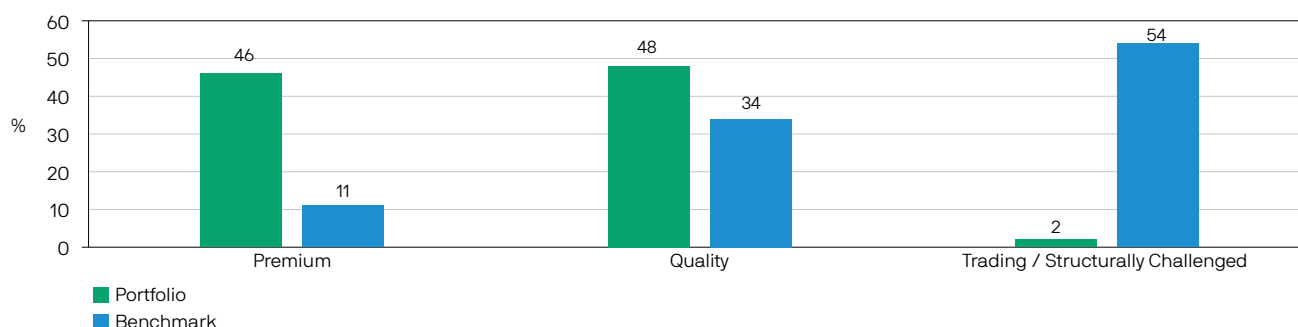
Environmental, Social and Governance Statement

ESG Integration within the Company's portfolio

We integrate ESG considerations across all three parts of our qualitative assessment of a business.

Firstly, we assign each business a strategic classification which is a label of franchise quality that ranges from Premium (best) to Quality and then to Trading and Structurally Challenged. This label is arrived at after a thorough examination of Economics, Duration and Governance. Environmental and Social issues have always been part of our assessment of Duration, along with broader considerations like the competitive and regulatory landscape faced by the business. As can be seen from the chart below, the Company's portfolio has a strong bias towards the higher quality end of the corporate landscape, especially when compared to its benchmark index.

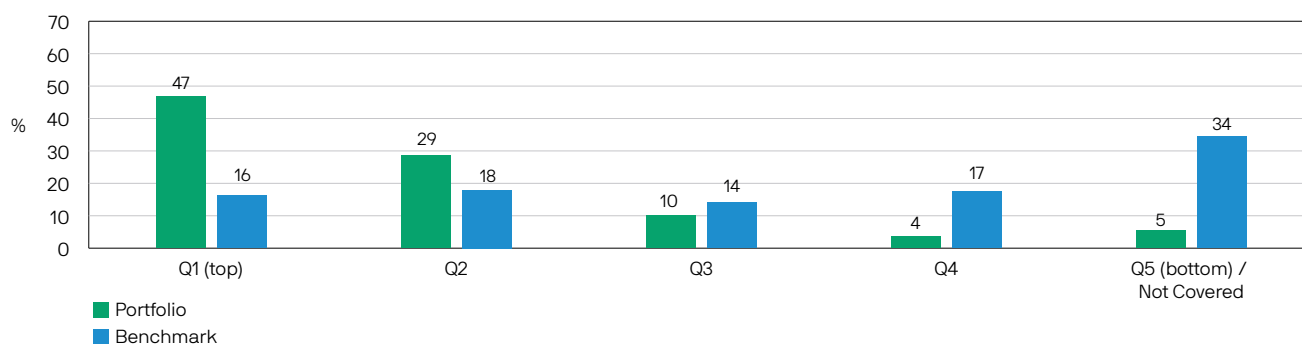
Strategic Classification: Portfolio vs. Benchmark



Source: J.P.Morgan Asset Management as 17th September 2021.

Secondly our research analysts complete a 98-question risk profile for each of the 1,000+ companies that we cover. Two thirds of these questions relate to environmental, social and governance issues with the remainder considering broader aspects of risk such as financial risk and regulatory risk. The graph below splits the portfolio and the benchmark based on how exposed they are to each quintile (equal groupings of 20%) of the risk profile responses. Looking at this metric, we again see the strong tilt of the portfolio to the higher quality or lower risk end of the opportunity set compared to the index.

Risk Profile: Portfolio vs. Benchmark

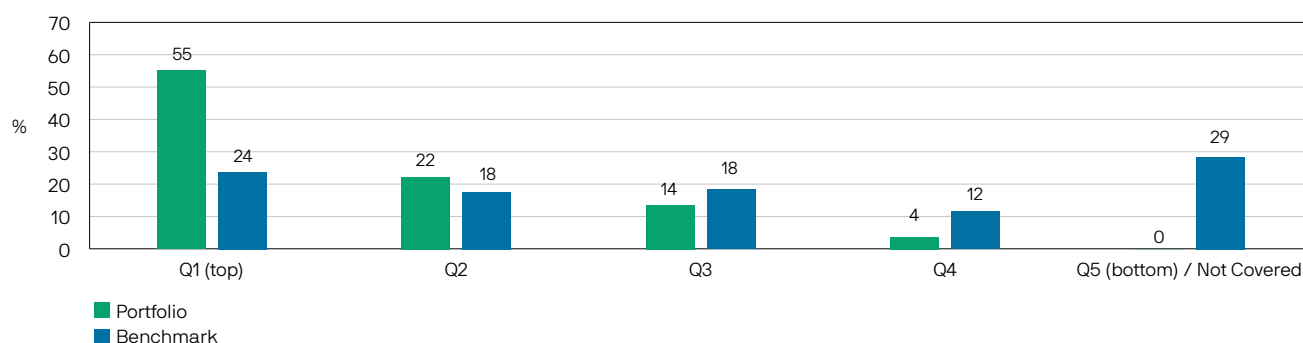


Source: J.P.Morgan Asset Management as at 30th June 2022.

Thirdly, our analysts complete an ESG materiality score for every stock under coverage. The materiality framework splits our investable universe into over 50 sub-industries with companies scored only on the ESG issues that are likely to be financially material to the industry in which they operate. For example we analyse software companies on issues such as cyber security and carbon footprint of data centres of their data centres, while we focus more on environmental and safety issues for commodity extraction and processing names. Once again, we see that the portfolio is notably biased towards the "better" companies in this regard. Since this framework assesses companies on issues that are specific to any given industry, the data shown on this third chart indicate that the overall ESG profile of the portfolio is not solely due to the avoidance of some industries, but is achieved at a more granular level by favouring the better companies within any given sector as well.

Environmental, Social and Governance Statement

ESG Materiality Score: Portfolio vs. Benchmark



Source: J.P.Morgan Asset Management as at 30th June 2022.

Finally, the three qualitative assessment tools above feed into various parts of our valuation framework. This allows us to increase discount rates when valuing businesses with higher levels of ESG risks.

Carbon Footprint

MSCI provides one of the more comprehensive sources of carbon analysis for portfolios, and the data shown here comes from their service. There are several different ways of measuring carbon intensity for an investment portfolio, but in all four calculations explained in this table, your Company's portfolio demonstrates a notably lower carbon footprint than the asset class as a whole, when compared with the MSCI Emerging Markets Index.

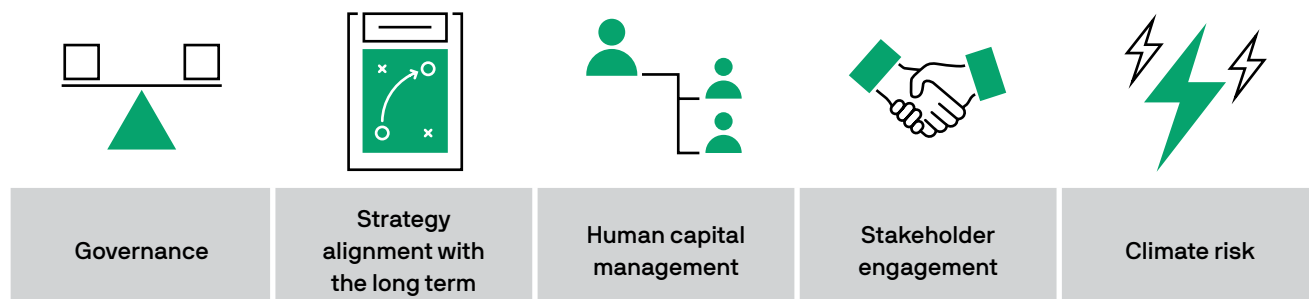
	Carbon Emissions tons CO2e / USDm invested	Total Carbon Emissions tons CO2e	Carbon Intensity tons CO2e / USDm sales	Weighted Average Carbon Intensity tons CO2e / USDm sales
JPMorgan Emerging Markets Investment Trust plc	17.3	28,772.0	44.4	60.0
Carbon Emissions Data Availability	95.1%	95.1%	95.1%	95.1%
MSCI Emerging Markets	286.5	477,288.1	354.9	326.2
Carbon Emissions Data Availability	99.6%	99.6%	99.6%	99.6%
Aim / Purpose	What is my portfolio's normalized carbon footprint per million dollars invested?	What is my portfolio's total carbon footprint?	How efficient is my portfolio in terms of carbon emissions per unit of output?	What is my portfolio's exposure to carbon intensive companies?
Description	Normalized measure of a portfolio's contribution to climate change that enables comparisons with a benchmark, between multiple portfolios, and over time, regardless of portfolio size.	Measures the carbon footprint of a portfolio – i.e. the total carbon emissions for which an equity portfolio is responsible – by summing up the proportionate carbon emissions of portfolio companies based on the investor's ownership share.	Expresses the carbon efficiency of the portfolio and allows investors to measure how much carbon emissions per dollar of sales are generated by portfolio companies. This metric adjusts for company size and is a more accurate measurement of the efficiency of output rather than a portfolio's absolute footprint.	Since companies with higher carbon intensity are likely to face more exposure to carbon related market and regulatory risks, this metric indicates a portfolio's exposure to potential climate change-related risks relative to other portfolios or a benchmark. Agnostic to ownership share, it also facilitates comparison with non-equity asset classes.

Source: MSCI Carbon Footprint Calculator

Environmental, Social and Governance Statement

Engagement

JPMorgan Asset Management engages actively with investee companies to promote standards, principles and outcomes that it believes desirable. To shape that engagement, five over-arching principles are defined by the specialist Sustainable Investment team within JPMAM. These priority areas are deemed to have universal and lasting applicability, and are as follows:



We hope the case studies set out below help illustrate how these principles and frameworks work together to create a coherent and effective approach to corporate engagement. The companies mentioned are all held in your company's portfolio and are just a few examples of the ongoing dialogue that we maintain with all the companies in which we invest on your behalf.

Indusind (India)

We engaged with **Indusind Bank** on several ESG issues which our materiality framework had highlighted as important topics.

Firstly, we clarified the bank's approach to financial inclusion and how it avoids "debt trap" where borrowers take out loans that they are unable to repay. The company emphasized that its loan officers are not incentivized by the amount of debt issued but by the number of new borrowers. The company sticks to the regulatory cap of Rs80,000 (c.\$1,000) for a microfinance loan and its loan pricing is lower than the industry average of 20%. This encouraged us but we felt more disclosure would give more comfort, particularly in demonstrating the potentially positive impact of access to credit for its customers. For example, Grameen Bank which is founded by Nobel Laureate Professor Muhammad Yunus in Bangladesh in the late 1970s details 10 diverse indicators to evaluate whether a member is considered to have moved out of poverty on its website.

On climate change, the bank is proud of its achievement in its operations (e.g., scoring A for CDP Climate Change survey, FY21 target to reduce 15% greenhouse gas emissions intensity). We dug deeper by asking how the bank incorporates climate concerns into lending. For high-risk sectors such as mining, coal and palm oil, corporate bankers have to first seek the environmental and social committee's approval before their credit application. The committee comprises the chief risk officer, the business head and the head of sustainable finance. We asked about the approval rate. It admitted that it is close to 100%, but mainly because bankers would have spent months engaging and assessing the borrowers before they officially submit the paperwork. We would like to see more robust frameworks being made more transparent over time.

Netease (China)

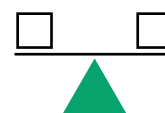
In last year's annual report, we detailed a letter we had written to **Netease** addressing a number of governance concerns around board composition, both on gender diversity and on the lack of refresh of long tenured directors. This year we saw some pleasing progress with the election of a highly qualified female director. However, we still voted against the re-election of several other directors who have been on the board 15-19 years which in our mind reduces independence.



Stakeholder
engagement



Climate risk



Governance

Environmental, Social and Governance Statement

Our continued dialogue and engagement with the company is not just limited to board composition and we met with the company's new ESG head to raise several other issues. In July 2021, the Ministry of Industry and Information Technology (MIIT) called out >100 apps including NetEase's Dashen for violating users' rights. This surprised us as we recalled the firm's efforts to comply with the EU's General Data Protection Regulation (GDPR) when launching games in Europe which should have ensured high standards. This made us worry as to whether the company has been reactively complying in different jurisdictions rather than having a privacy-by-design strategy which would address the problem universally from first principles. We asked the company to provide comfort on this point and were pleased to see some new disclosure in latest reporting, including international best practice (ISO27001) certification for its infrastructure and the establishment of a new Security Executive Council to cover cyber and data issues.

On human capital management, the company's strategy is to recruit passionate gamers. We asked about the company's mitigation of crunch culture, an industry-wide issue where employees work excessive hours in the run up to a game launch, as well as the '996' culture that can exist in the Chinese technology sector. Netease emphasized that its culture is very different, and better, as compared to these stereotypes. It does not force employees to work overtime, and according to the company employees' satisfaction rate is high. The company offers sports facilities, free annual health check-up and counseling sessions to employees to uphold employees' wellbeing. We asked that it start to disclose relevant metrics like employee turnover rates to enable us to gain further confidence. Our view remains that regularly disclosed data is the only way for shareholders to track ESG issues properly.

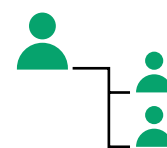
Bank Rakyat (Indonesia)

Bank Rakyat Indonesia is one of the 'Big Four Banks' in Indonesia and it focuses primarily on commercial microfinance. We engaged with the company for its climate risks reporting and management, cybersecurity and board composition.

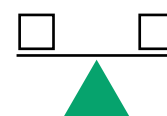
The company has started to adopt some of the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD) framework when reporting greenhouse gas emissions. We welcomed this progress but further recommended Rakyat to disclose a breakdown of its loan portfolio by industry and its lending policies for energy, utilities, mining, and agriculture given these are emission sensitive industries.

In Q3 2021, Rakyat's life insurance subsidiary was probed for the leak of personal data for about 1% of policy holders. The bank told us that they put a lot of emphasis on the reliability and quality of its IT security system, but we recommended a holistic investigation of the company's entire information system.

Finally, in terms of board composition we noted that whilst the board has a majority of independent commissioners, representation of women is only 20% and we would like to see this improved.



Human capital management



Governance



Climate risk



Stakeholder engagement

Environmental, Social and Governance Statement

Proxy Voting

J.P. Morgan Asset Management exercises the voting rights of shares held in the Company's portfolio where entrusted with this responsibility. We seek to vote in a prudent and diligent manner, based exclusively on our reasonable judgement of what will best serve the financial interests of our clients. So far as is practicable, we will vote at all of the meetings called by companies in which we are invested.

A summary of key voting statistics and activity for the Company during the period is detailed below:

	For	Against	Abstain	Against /Abstain Total	Total Items	% Against /Abstain
Routine Business	285	3	0	3	288	1.0
Directors Related	358	32	18	50	408	12.3
Capitalisation	73	7	0	7	80	8.8
Reorganisation and Mergers	47	3	0	3	50	6.0
Non-salary Compensation	67	4	0	4	71	5.6
Miscellaneous	3	0	0	0	3	0.0
Director Election	12	0	0	0	12	0.0
Shareholder Directors Related	4	0	0	0	4	0.0
Shareholder Corp Governance	1	0	0	0	1	0.0
TOTAL	850	49	18	67	917	7.3

The following examples should help illustrate the some of the principles which inform our voting:

We voted against the compensation increase proposed for members of **Lojas Renner's** management. The proposed compensation amounts did not align with company earnings with compensation up 26% vs. 2019 despite earnings per share that are still flat as compared to pre pandemic levels.

We are also increasingly wary about the company's compensation alignment as the remuneration of the Chairman, Jose Gallo, in the last fiscal year seemed overextended for his role. He received R\$10.8mn in 2021 whilst the CEO, Fabio Adegas Faccio, received R\$8.8mn. Whilst we acknowledge the strategic importance and contribution of Jose Gallo to the board given his 30 years' experience in the company and knowledge of the Brazilian apparel retail sector, his remuneration exceeds market levels.

We voted against the re-election of the Chair of the Audit and Risk Committee of **Clicks Group**, John Bester, as we consider him as non-independent due to his tenure on the board. He had already been on the board for 13 years, most of which overlapped with the company's current CEO Bertina Engelbrecht. Voting to re-elect him would not have aligned with our policies on best practice, especially given other independent directors are also long tenured.

We held discussions with **Wuxi Biologics** ahead of a vote on a new management incentive program which the proxy advisory service ISS had recommended voting against. After discussion with the company, we felt able to support the part of the scheme that was going to a vote, which was an ESOP plan. Firstly, we felt the scheme was necessary to attract talent in what remains a dynamic industry; this contrasted with ISS who we think incorrectly labelled the subsidiaries where options would be granted as "mature". Secondly although we felt disclosure around the scheme could be better, and pushed the company to improve this, overall, we felt the design of the scheme did align interests.

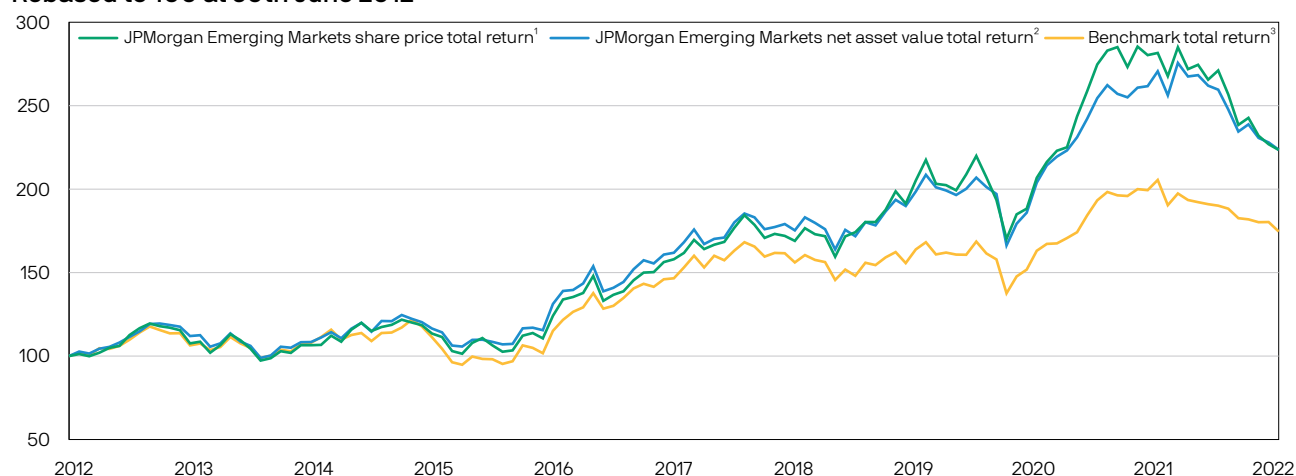
The Future

We know that our shareholders, including the Directors of your Company, see attention to ESG factors as critical in their assessment of us as investment manager. We expect ESG to remain a dominant theme within the financial services industry going forward; the course being taken by regulators suggests that its importance will only increase in years to come; our research process and the investment judgements we make will continue to reflect that and to evolve as necessary. In investing your Company's assets, however, we have always looked for companies with the ability to create value in a sustainable way and that will not change.

Ten Year Performance

Ten year performance

Rebased to 100 at 30th June 2012



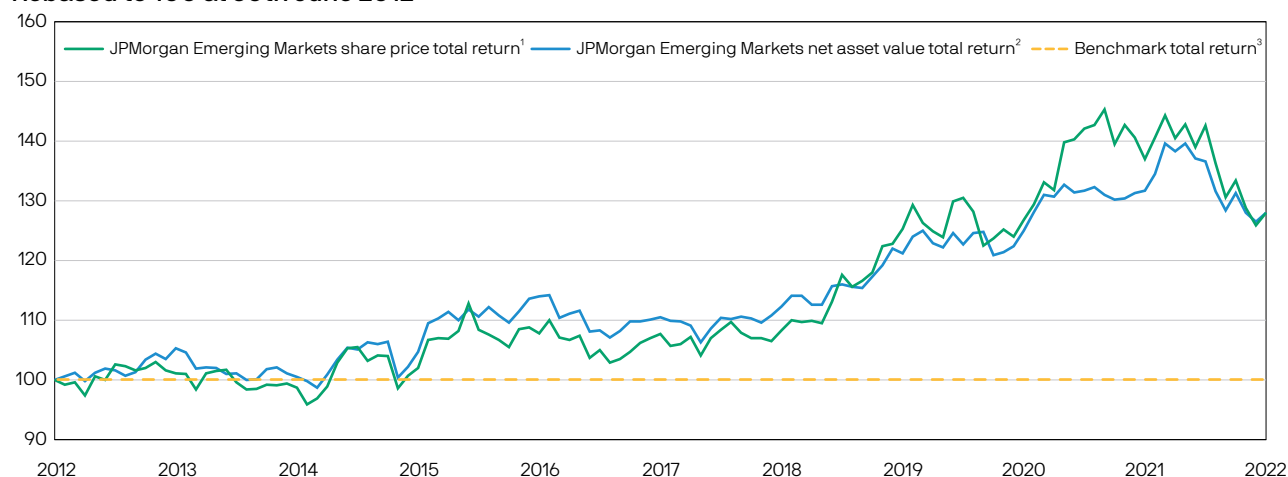
¹ Source: Morningstar.

² Source: Morningstar/J.P.Morgan, cum income net asset value.

³ Source: MSCI. The Company's benchmark is the MSCI Emerging Markets Index with net dividends reinvested, in sterling terms.

Ten year performance relative to benchmark

Rebased to 100 at 30th June 2012



¹ Source: Morningstar.

² Source: Morningstar/J.P.Morgan, cum income net asset value.

³ Source: MSCI. The Company's benchmark is the MSCI Emerging Markets Index with net dividends reinvested, in sterling terms.

Ten Year Financial Record

Ten year financial record

At 30th June	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Shareholders' funds (£m)	691.9	785.8	750.6	852.7	934.6	1,121.0	1,196.9	1,313.8	1,303.9	1,698.0	1,369.3
Net asset value per share (p) ⁴	58.4	64.9	62.3	66.4	74.1	90.5	96.8	107.6	108.9	143.0	117.0
Share price (p) ⁴	53.2	56.7	55.6	58.7	63.5	79.9	84.3	100.2	99.4	133.8	105.0
Discount (%) ^A	9.0	12.7	10.8	11.6	14.3	11.7	12.9	6.9	8.7	6.4	10.3
Net cash (%) ^A	(3.7)	(4.2)	(4.6)	(3.5)	(3.6)	(1.0)	(0.6)	(0.7)	(1.2)	(0.8)	(4.1)

Year ended 30th June

Gross revenue return (£'000)	16,480	18,487	16,071	19,805	17,119	21,902	23,207	25,162	20,383	19,623	23,201
Revenue return per share (p) ⁴	0.62	0.67	0.51	0.67	0.95	1.28	1.34	1.49	1.17	1.02	1.36
Dividend per share (p) ⁴	0.45	0.55	0.55	0.60	0.90	1.10	1.25	1.40	1.42	1.35	1.35
Ongoing charges (%) ^A	1.18	1.14	1.17	1.14	1.16	1.07	1.02	1.02	0.95	0.90	0.84

Rebased to 100 at 30th June 2012

Share price total return ^{1,A}	100.0	107.6	106.5	113.5	124.1	158.0	169.0	205.2	206.8	281.6	223.5
Net asset value total return ^{2,A}	100.0	112.0	108.4	116.5	131.2	161.9	175.3	198.6	203.9	270.6	223.6
Benchmark total return ³	100.0	106.4	107.9	111.3	115.1	146.6	156.1	163.9	163.1	205.5	174.6

¹ Source: Morningstar. Change in share price with dividends reinvested.

² Source: Morningstar/J.P.Morgan, using cum income net asset value per share.

³ Source: MSCI. The Company's benchmark is the MSCI Emerging Markets Index with net dividends reinvested, in sterling terms.

⁴ Comparative figures have been restated following the sub-division of each existing ordinary share of 25p into ten ordinary shares of 2.5p each on 6th November 2020.

^A Alternative performance measure ("APM").

A glossary of terms and APMs is provided on pages 95 and 96.

Portfolio Information

Ten largest equity investments

At 30th June

Company	Country	2022				2021			
		Portfolio £'000	Benchmark % ¹	Over/ (Under) Weight %		Portfolio £'000	Benchmark % ¹	Over/ (Under) Weight %	
Taiwan Semiconductor Manufacturing² TSMC is the world's leading semiconductor foundry company, based in Taiwan. It produces semiconductor chips for third-party designers.	Taiwan	104,378	7.9	6.1	1.8	153,435	9.1	6.1	3.0
Tencent Tencent is an internet services company. From its headquarters in Shenzhen, Tencent provides gaming and social network services, digital payments and other online products and services in China and elsewhere.	China and Hong Kong	80,436	6.1	4.3	1.8	117,740	7.0	5.0	2.0
Housing Development Finance HDFC is a financial services company in India. Its core business is mortgage lending. It was a founding shareholder of HDFC Bank, a leading commercial bank in the same country. HDFC also has operations in life insurance, general insurance, asset management and rural lending.	India	73,168	5.6	0.7	4.9	78,630	4.7	0.7	4.0
Tata Consultancy Services TCS is a global IT services business headquartered in India. It provides a comprehensive range of IT services to clients around the world in many different industries.	India	64,773	4.9	0.6	4.3	64,540	3.8	0.5	3.3
AIA AIA is an insurance company operating throughout Asia. The company offers life insurance; it also provides health and accident insurance, wealth management services and retirement planning.	China and Hong Kong	57,577	4.4	—	4.4	58,065	3.4	—	3.4
Infosys² Infosys Limited provides IT consulting and software services, including e-business, program management and supply chain solutions. The Group's services include application development, product co-development, and system implementation and system engineering. Infosys targets businesses specialising in the insurance, banking, telecommunication and manufacturing sectors.	India	47,825	3.6	0.8	2.8	48,131	2.9	0.8	2.1
Samsung Electronics³ Samsung Electronics Co., Ltd. manufactures a wide range of consumer and industrial electronic equipment and products such as semiconductors, personal computers, peripherals, monitors, televisions, and home appliances including air conditioners and microwave ovens. The Company also produces Internet access network systems and telecommunications equipment including mobile phones.	South Korea	42,030	3.2	3.2	—	—	—	—	—
Kweichow Moutai⁴ Kweichow Moutai Co., Ltd. manufactures and sells spirits. The Company produces and markets Moutai and other spirits. Kweichow Moutai markets its products worldwide.	China and Hong Kong	33,551	2.6	0.4	2.2	30,782	1.8	0.3	1.5
Ping An Insurance Group Co. of China 'H'⁴ Ping An Insurance (Group) Company of China Limited provides products and services through its five ecosystems in financial services, healthcare, auto services, real estate services and Smart City solutions. The Group's insurance business writes property, casualty, and life insurance products.	China and Hong Kong	31,353	2.4	0.7	1.7	39,701	2.4	0.7	1.7
Capitec Bank⁴ Capitec Bank Holdings Limited operates as a bank controlling company. The Company conducts retail banking services including saving, credit and transacting. Capitec Bank Holdings serves customers in South Africa.	South Africa	31,335	2.4	0.2	2.2	28,510	1.7	0.1	1.6
Total		566,426	43.1	17.0					

¹ Based on total portfolio of £1,313.3m (2021: £1,685.0m).² Includes investments in American Depositary Receipts (ADRs).³ Not included in the list of investments at 30th June 2021.⁴ Not included in the ten largest equity investments at 30th June 2021.

At 30th June 2021, the value of the ten largest equity investments amounted to £847.0 million representing 50.2% of the total portfolio.

Portfolio Information

Geographic by region

	30th June 2022			30th June 2021		
	Portfolio % ¹	Benchmark %	Over/(Under) Weight %	Portfolio % ¹	Benchmark %	Over/(Under) Weight %
East Asia						
China and Hong Kong	35.9	35.4	0.5	36.7	37.5	(0.8)
Taiwan	14.0	14.5	(0.5)	13.0	13.9	(0.9)
South Korea	5.9	11.3	(5.4)	2.7	13.2	(10.5)
	55.8	61.2	(5.4)	52.4	64.6	(12.2)
South Asia						
India	20.4	12.7	7.7	16.5	9.9	6.6
Indonesia	3.9	1.8	2.1	2.3	1.1	1.2
Singapore	1.2	—	1.2	4.1	—	4.1
Thailand	—	1.9	(1.9)	—	1.6	(1.6)
Malaysia	—	1.4	(1.4)	—	1.2	(1.2)
Philippines	—	0.7	(0.7)	—	0.6	(0.6)
	25.5	18.5	7.0	22.9	14.4	8.5
Latin America						
Argentina	3.4	—	3.4	6.0	0.1	5.9
Brazil	3.3	4.8	(1.5)	3.4	5.2	(1.8)
Mexico	3.1	2.1	1.0	2.3	1.8	0.5
Peru	0.6	0.2	0.4	0.4	0.2	0.2
Chile	—	0.5	(0.5)	—	0.5	(0.5)
Colombia	—	0.2	(0.2)	—	0.2	(0.2)
	10.4	7.8	2.6	12.1	8.0	4.1
Europe/Middle East/Africa						
South Africa	6.2	3.5	2.7	4.6	3.5	1.1
Belarus*	1.6	—	1.6	6.3	—	6.3
Poland	0.5	0.6	(0.1)	0.9	0.7	0.2
Saudi Arabia	—	4.3	(4.3)	—	2.9	(2.9)
United Arab Emirates	—	1.3	(1.3)	—	0.7	(0.7)
Qatar	—	1.0	(1.0)	—	0.6	(0.6)
Kuwait	—	0.8	(0.8)	—	0.5	(0.5)
Turkey	—	0.3	(0.3)	—	0.3	(0.3)
Hungary	—	0.2	(0.2)	—	0.2	(0.2)
Greece	—	0.2	(0.2)	—	0.1	(0.1)
Czech Republic	—	0.2	(0.2)	—	0.1	(0.1)
Egypt	—	0.1	(0.1)	—	0.1	(0.1)
Russia	—	—	—	0.8	3.3	(2.5)
	8.3	12.5	(4.2)	12.6	13.0	(0.4)
Total	100.0	100.0		100.0	100.0	

¹ Based on total portfolio of £1,313.3m (2021: £1,685.0m).

* Shares in EPAM Systems are listed on the New York Stock Exchange. The company's software engineering workforce is located predominantly across Eastern Europe, including Belarus, and other emerging markets. The company is not impacted by sanctions imposed following the Russian invasion of Ukraine.

Portfolio Information

Sector analysis

	30th June 2022			30th June 2021		
	Portfolio % ¹	Benchmark %	Over/(Under) Weight %	Portfolio % ¹	Benchmark %	Over/(Under) Weight %
Financials	26.7	21.2	5.5	21.9	17.8	4.1
Information Technology	26.1	19.2	6.9	25.8	20.4	5.4
Consumer Staples	18.4	6.1	12.3	14.4	5.6	8.8
Communication Services	10.3	10.6	(0.3)	14.4	11.3	3.1
Consumer Discretionary	9.7	14.9	(5.2)	15.1	17.6	(2.5)
Health Care	3.4	4.0	(0.6)	4.4	5.1	(0.7)
Materials	2.5	8.4	(5.9)	1.6	8.4	(6.8)
Industrials	2.2	5.6	(3.4)	2.4	4.9	(2.5)
Real Estate	0.7	2.1	(1.4)	—	2.0	(2.0)
Energy	—	5.0	(5.0)	—	5.0	(5.0)
Utilities	—	2.9	(2.9)	—	1.9	(1.9)
Total	100.0	100.0		100.0	100.0	

¹ Based on total portfolio of £1,313.3m (2021: £1,685.0m) The company's software engineering workforce is located predominantly across Eastern Europe, including Belarus, and other emerging markets. The company is not impacted by sanctions imposed following the Russian invasion of Ukraine.

Portfolio Information

Investment activity

During the year ended 30th June 2022

	Value at 30th June 2021		Purchases £'000	Sales £'000	Changes in value £'000	Value at 30th June 2022	
	£'000	% of portfolio				£'000	% of portfolio
China and Hong Kong	617,875	36.7	24,528	(27,745)	(142,931)	471,727	35.9
India	277,523	16.5	—	(4,334)	(5,316)	267,873	20.4
Taiwan	219,144	13.0	11,142	(21,278)	(24,905)	184,103	14.0
South Africa	76,860	4.6	—	(3,340)	7,598	81,118	6.2
South Korea	45,717	2.7	70,293	—	(38,450)	77,560	5.9
Indonesia	38,515	2.3	3,507	(17)	9,612	51,617	3.9
Argentina	101,714	6.0	—	(27,605)	(29,576)	44,533	3.4
Brazil	57,036	3.4	—	(993)	(12,378)	43,665	3.3
Mexico	37,954	2.3	—	—	2,052	40,006	3.0
Belarus*	106,814	6.3	—	(84,036)	(1,236)	21,542	1.6
Singapore	68,908	4.1	—	(11,134)	(42,792)	14,982	1.1
Peru	6,983	0.4	—	—	885	7,868	0.6
Poland	15,946	0.9	—	—	(9,324)	6,622	0.5
Russia	14,052	0.8	—	—	(13,992)	60	—
Total investments	1,685,041	100.0	109,470	(180,482)	(300,753)	1,313,276	100.0

*Shares in EPAM Systems are listed on the New York Stock Exchange. The company's software engineering workforce is located predominantly across Eastern Europe, including Belarus, and other emerging markets. The company is not impacted by sanctions imposed following the Russian invasion of Ukraine.

Portfolio Information

List of investments

At 30th June

Company	Valuation £'000	Company	Valuation £'000
China and Hong Kong		Taiwan	
Tencent	80,436	Taiwan Semiconductor Manufacturing ²	104,378
AIA	57,577	Chailease Holding	25,138
Kweichow Moutai	33,551	Advantech	18,340
Ping An Insurance Group Co. of China ¹	31,353	President Chain Store	16,640
Hong Kong Exchanges & Clearing	23,031	Delta Electronics	9,990
JD.com	22,302	Silergy	9,617
Budweiser Brewing Co. APAC	22,130		184,103
NetEase	21,527	South Africa	
Wuxi Biologics Cayman	20,731	Capitec Bank	31,335
Techtronic Industries	19,987	Clicks	30,980
Alibaba	19,307	Bid	18,803
Sichuan Swellfun	17,445		81,118
Midea	16,394	South Korea	
Foshan Haitian Flavouring & Food	15,599	Samsung Electronics	42,030
Yum China	15,009	NAVER	14,444
Kingdee International Software	10,285	LG Chem	11,390
Greentown Service	8,720	LG Household & Health Care	9,696
Amoy Diagnostics	8,156		77,560
Guangzhou Kingmed Diagnostics Group 'A'	7,935	Indonesia	
Qingdao Haier Biomedical	7,575	Bank Rakyat Indonesia Persero	24,444
Huazhu ²	6,621	Bank Central Asia	21,227
Zhejiang Supor	6,056	Unilever Indonesia	5,946
	471,727		51,617
India		Argentina	
Housing Development Finance	73,168	MercadoLibre	30,708
Tata Consultancy Services	64,773	Globant	13,825
Infosys ²	47,825		44,533
Supreme Industries	22,140	Brazil	
United Breweries	17,911	WEG	9,303
ITC	14,760	Lojas Renner	8,307
IndusInd Bank	14,748	B3 SA - Brasil Bolsa Balcao	7,293
HDFC Life Insurance	12,548	Raia Drogasil	6,940
	267,873	Itau Unibanco	5,923
		Ambev ²	5,899
			43,665

Portfolio Information

Company	Valuation £'000
Mexico	
Wal-Mart de Mexico	18,629
Grupo Financiero Banorte	14,541
Fomento Economico Mexicano ²	6,836
	40,006
Belarus*	
EPAM Systems	21,542
	21,542
Singapore	
Sea ²	14,982
	14,982
Peru	
Credicorp	7,868
	7,868
Poland	
CD Projekt	3,499
Allegro.eu	3,123
	6,622
Russia	
Sberbank of Russia ³	60
	60

¹ Hong Kong 'H' shares, that is, shares in companies incorporated in mainland China and listed in Hong Kong and other foreign stock exchanges.

² Includes investments in American Depositary Receipts (ADRs).

³ Held at fair value due to the restrictions on transacting in Russian securities.

* Shares in EPAM Systems are listed on the New York Stock Exchange. The company's software engineering workforce is located predominantly across Eastern Europe, including Belarus, and other emerging markets. The company is not impacted by sanctions imposed following the Russian invasion of Ukraine.

Business Review

The aim of the Strategic Report is to provide shareholders with the ability to assess how the Directors have performed their duty to promote the success of the Company during the year under review. To assist shareholders with this assessment, the Strategic Report sets out the structure and objective of the Company, its investment policies and risk management, investment limits and restrictions, performance and key performance indicators, share capital, the Company's environmental, social and ethical policy, principal and emerging risks and how the Company seeks to manage those risks and finally its long term viability.

The Company's Purpose, Values and Objectives

Purpose

To achieve superior long term returns for shareholders from a portfolio of emerging markets equities.

Guiding Principles

To take a long-term approach to investing.

To use fundamental research to inform active management of the portfolio.

To focus on stock selection above all.

To act as a responsible and engaged shareholder of the companies owned.

To use the benefits of the closed-end fund structure for the Company's shareholders.

Values

Integrity: to act with integrity and to ensure that third party suppliers also do so.

Transparency: to promote transparency in the Company's reporting to shareholders and others.

Accountability: to hold the Directors, the Manager and other third party suppliers of services accountable.

Sustainability: To manage the Company in a sustainable manner and oversee the portfolio in the same regard.

Current Business Objectives

To continue the strong record of investment performance.

To promote the Company effectively in order to broaden the Company's shareholder base.

To manage and reduce the volatility and absolute level of the discount to net asset value.

To enhance the Company's reporting in the field of ESG and sustainability.

Business Review

Structure and Objective of the Company

JPMorgan Emerging Markets Investment Trust plc (the 'Company') is an investment trust company that has a premium listing on the London Stock Exchange. In seeking to achieve the Company's purpose, the investment objective is to maximise total return from emerging markets worldwide through a diversified portfolio of underlying investments. To achieve this objective the Company employs JPMorgan Funds Limited ('JPMF') to actively manage the Company's assets. The Board has determined an investment policy and related guidelines and limits, as described below. It aims to outperform the MSCI Emerging Markets Index with net dividends reinvested, in sterling terms.

The Company is subject to UK legislation and regulations including UK company law, Financial Reporting Standards, the UKLA Listing, Prospectus, Disclosure Guidance and Transparency Rules, Market Abuse Regulation, taxation law and the Company's own Articles of Association. The Company is an investment company within the meaning of Section 833 of the Companies Act 2006 and has been approved by HM Revenue & Customs as an investment trust (for the purposes of Sections 1158 and 1159 of the Corporation Tax Act 2010). The Directors have no reason to believe that the Company will not continue to retain its investment trust status. The Company is not a close company for taxation purposes.

A review of the Company's activities and prospects is given in the Chairman's Statement on pages 8 to 11 and in the Investment Managers' Report on pages 12 to 16.

Investment Policies and Risk Management

In order to achieve the investment objective and to seek to manage risk, the Company invests in a well diversified spread of countries, industries and companies. The Company invests primarily in quoted securities in emerging stock markets but, where necessary or appropriate in the absence of suitable quoted securities, it may invest in unquoted securities. It may invest in other collective investment schemes, but usually only where legal restrictions prevent direct investment by foreign investors or prudent diversification can best be achieved in this way. The Company conducts its affairs so as to maintain approved investment trust status in the UK.

Business Review

The Company is managed to produce total return and not to produce any particular level of dividend and therefore the level of dividend will vary. The Board aims to grow the Company's dividend over the long term in line with earnings per share, but there are likely to be short term fluctuations.

The Board determines the Company's capital structure and gearing policy, with input from the Manager. The Board's gearing policy is that the Company will remain invested in the range of 90-120% under normal market conditions.

The Board has set no minimum or maximum limits on the number of investments in the portfolio but it is a relatively concentrated portfolio consisting typically of between 50 and 80 investments. The assets are managed by the investment managers based in London.

It should be noted that historically, emerging market companies (and investments in their shares) have shown greater volatility and may be subject to certain political and corporate governance risks which are not typically associated with more developed markets and economies.

Investment Restrictions and Guidelines

The Board seeks to manage the Company's risk by imposing various investment limits and restrictions:

- The Company will not invest more than 10% of its total assets in any one individual stock (excluding investment trusts) at the time of acquisition.
- No more than 50% of the Company's assets may be invested in any one region or 10% above the equivalent benchmark weighting, whichever is the greater.
- No more than an aggregate of 25% of the Company's assets (before deducting borrowings) may be invested in: (i) securities not listed on any recognised investment exchange; and (ii) holdings in which the Company's interest amounts to 20% or more of the aggregate of the equity capital (including any capital having an element of equity) of any one listed company (other than an investment trust which has been approved by HM Revenue & Customs or which would qualify for such approval but for the fact that it is not listed).
- In accordance with the Listing Rules of the UK Listing Authority, the Company will not invest more than 15% of its gross assets in other UK listed closed-ended investment funds and will not invest more than 10% of its gross assets in companies that themselves may invest more than 15% of gross assets in UK listed closed-ended investment funds.
- The Company does not normally enter into derivative transactions, other than short term forward currency contracts to manage working capital requirements and to do so requires prior Board approval.

These limits and restrictions may be varied by the Board at any time at its discretion.

Compliance with the Board's investment restrictions and guidelines is monitored continuously by the Manager and is reported to the Board on a monthly basis.

Performance

In the year to 30th June 2022, the Company produced a total return to shareholders of -20.6% (2021: +36.2%) and a total return on net assets of -17.3% (2021: +32.7%). This compares with the total return on the Company's benchmark index of -15.0% (2021: +26.0%). At 30th June 2022, the value of the Company's investment portfolio was £1,313.3 million (2021: £1,685.0 million). The Investment Manager's Report on pages 12 to 16 includes a review of developments during the year as well as information on investment activity within the Company's portfolio.

Total Return, Revenue and Dividends

Gross total loss for the year amounted to £271.0 million (2021: Gross total return £438.1 million) and net total loss after deducting the management fee, other administrative expenses, finance costs and taxation amounted to £291.9 million (2021: Gross total return £421.7 million). Distributable income for the year amounted to £16.0 million (2021: £12.1 million).

The Directors recommend a final dividend of 0.83p per share payable on 18th November 2022 to holders on the register at the close of business on 14th October 2022. This distribution will amount to £9.7 million. The revenue reserve after payment of the final dividend will amount to £8.3 million.

Key Performance Indicators ('KPIs')

The Board uses a number of financial KPIs to monitor and assess the performance of the Company. The principal KPIs are:

● Total return performance against the benchmark index

This is the most important KPI by which performance is judged. Information on the Company's performance is given in the Chairman's Statement and the Investment Manager's Report. (Also, please refer to the graphs on page 23).

● Performance attribution

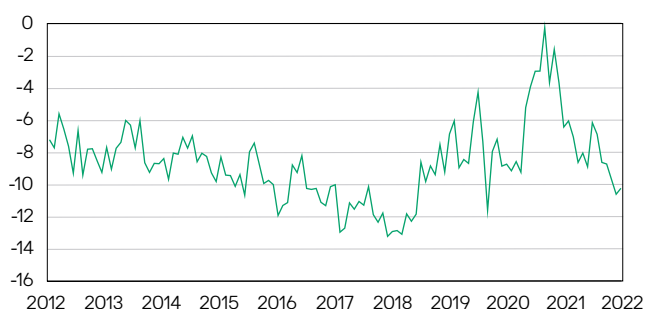
The purpose of performance attribution analysis is to assess how the Company achieved its performance relative to its benchmark index, i.e. to understand the impact on the Company's relative performance of the various components such as asset allocation and stock selection. Further details are given in the Investment Manager's Report on page 13.

Business Review

● Share price discount/premium to net asset value ('NAV') per share

The Board has a share repurchase and issuance policy which seeks to address imbalances in supply of and demand for the Company's shares within the market. This should help to reduce the volatility and absolute level of the discount or premium to NAV per share at which the Company's shares trade in relation to its peers in the sector. In the year to 30th June 2022, the Company's shares traded between a discount to cum income net asset value of 4.8% and 13.4%, averaging a discount of 8.2%.

Discount Performance



Source: Datastream.

— JPMorgan Emerging Markets — share price discount to cum income net asset value per share. The graph is based on month end data and therefore the figures differ from those stated above and in the Chairman's Statement, which are based on daily data.

● Ongoing charges

The ongoing charges represent the Company's management fee and all other operating expenses excluding finance costs, expressed as a percentage of the average daily net assets during the year. The ongoing charges for the year ended 30th June 2022 were 0.84% (2021: 0.90%). The Board reviews each year an analysis which shows a comparison of the Company's ongoing charges and its main expenses with those of its peers. The latest analysis shows the Company's ongoing charges ratio to be one of the lowest in its peer group (including OEICs and ETFs).

Share Capital

The Directors have, on behalf of the Company, the authority both to repurchase shares in the market for cancellation, or to hold in Treasury, and to issue new shares for cash or from Treasury.

A total of 17,153,866 shares were repurchased into Treasury during the year under review, for a total consideration of £20,890,000. This represented 1.4% of the shares in issue at the start of the financial year. The Company did not allot any new shares for cash. Since the year end 3,300,000 shares have been repurchased into Treasury.

Resolutions to renew the authorities to issue new shares and to repurchase shares for cancellation and/or for holding in Treasury will be put to shareholders for approval at the forthcoming Annual General Meeting.

The full text of these Resolutions is set out in the Notice of Meeting on pages 92 to 94.

Board Diversity

At 30th June 2022, there were four male Directors and two female Directors on the Board. Following the retirement of Sarah Arkle at the forthcoming Annual General Meeting, the Board will comprise of six Directors following the appointment of Zoe Clements on 1st September 2022. The Company has no employees. When recruiting a new Director, the Board's policy is to appoint individuals on merit. Diversity is important in bringing an appropriate range of skills and experience to the Board.

The Board's policy on diversity, including gender, is to take account of the benefits of this during the appointment process. The Board remains committed to appointing the most appropriate candidate and has met the Hampton-Alexander recommendation of having 33% female representation on the Board.

Employees, Social, Community and Human Rights Issues

The Company has a management contract with JPMF. It has no employees and all of its Directors are non-executive. The day-to-day activities are carried out by third parties. There are therefore no disclosures to be made in respect of employees.

Environmental, Social and Governance ('ESG')

The Board supports and receives reporting on the Investment Manager's approach to ESG considerations which are fully embedded into the investment process. A detailed explanation of the Investment Manager's overall approach to ESG is on page 17 to 22. The Board further notes the JPMorgan Asset Management's ('JPMAM') global policy statements in respect of Social, Community and Environmental and Human Rights issues, as highlighted in *italics*:

JPMAM believes that companies should act in a socially responsible manner. Although our priority at all times is the best economic interests of our clients, we recognise that, increasingly, non-financial issues such as social and environmental factors have the potential to impact the share price, as well as the reputation of companies. Specialists within JPMAM's environmental, social and governance ('ESG') team are tasked with assessing how companies deal with and report on social and environmental risks and issues specific to their industry.

JPMAM is also a signatory to the United Nations Principles of Responsible Investment, which commits participants to six principles, with the aim of incorporating ESG criteria into their processes when making stock selection decisions and promoting ESG disclosure. Our approach to how we implement the principles is set out in the ESG statement on pages 17 to 22.

Business Review

JPMAM have made significant investments in its climate-related investment capabilities and enhanced its efforts to help clients consider the material implications of climate change within their portfolios. In 2021 JPMAM became a signatory of the Net Zero Asset Managers Initiative and is committed to working with the industry to promote action on climate change.

JPMAM is also committed to reporting more widely on its activities, including working to meet the practices laid out by the Financial Reporting Council ('FRC') in the UK Stewardship Code, which JPMAM is a signatory to.

The Manager has implemented a policy which seeks to restrict investments in securities issued by companies that have been identified by an independent third party provider as being involved in the manufacture, production or supply of cluster munitions, depleted uranium ammunition and armour and/or anti-personnel mines. Shareholders can obtain further details on the policy by contacting the Manager.

A comprehensive ESG statement is included on pages 17 to 22.

Greenhouse Gas Emissions

The Company is managed by JPMF with portfolio management delegated to JPMAM. It has no employees and all of its Directors are non-executive, the day to day activities being carried out by third parties. There are therefore no disclosures to be made in respect of employees.

The Company has no premises, consumes no electricity, gas or diesel fuel and consequently does not have a measurable carbon footprint. Further detail regarding the Company's carbon footprint can be found on page 19. JPMAM is also a signatory to CDP (formerly known as Carbon Disclosure Project). JPMorgan Chase is a signatory to the Equator Principles on managing social and environmental risk in project finance.

The Modern Slavery Act 2015 (the 'MSA')

The MSA requires companies to prepare a slavery and human trafficking statement for each financial year of the organisation. As the Company has no employees and does not supply goods and services, the MSA does not apply directly to it. The MSA requirements more appropriately relate to JPMF and JPMAM. J.P.Morgan's statement on the MSA can be found on the following website: <https://www.jpmorganchase.com/about/ourbusiness/human-rights>

Corporate Criminal Offence

The Company has zero tolerance for tax evasion. Shares in the Company are purchased through intermediaries or brokers and no funds flow directly into the Company. As the Company has no employees, the Board's focus is to ensure that the risk of the Company's service providers facilitating tax evasion is also low. To this end it seeks assurance from its service providers that effective policies and procedures are in place.

Business Review

Principal and Emerging Risks

The Directors confirm that they have carried out a robust assessment of the principal risks facing the Company, including those that would threaten its business model, future performance, solvency or liquidity. With the assistance of JPMF, the Audit Committee has drawn up a risk matrix, which

identifies the key risks to the Company. These are reviewed and noted by the Board. The risks identified and the broad categories in which they fall, and the ways in which they are managed or mitigated are summarised below. The AIC Code of Corporate Governance requires the Audit Committee to put in place procedures to identify emerging risks. The key emerging risks identified are also summarised below.

Principal Risk	Description	Mitigating Activities
Investment Underperformance	An inappropriate investment strategy, for example poor stock selection, the level of gearing or the degree of portfolio risk, could lead to underperformance against the Company's benchmark index and peer companies, resulting in the Company's shares trading on a wider discount.	The Board manages these risks by diversification of investments and through a set of investment restrictions and guidelines which are monitored and reported on by the Manager. The Manager provides the Directors with timely and accurate management information, including performance data and attribution analyses, revenue estimates, liquidity reports and shareholder analyses. The Board monitors the implementation and results of the investment process with the Manager, whose representatives attend all Board meetings, and reviews data which show statistical measures of the Company's risk profile.
Loss of Investment Team or Investment Manager	A sudden departure of an investment manager or several members of the investment management team could result in a short-term deterioration in investment performance.	The Manager takes steps to reduce the likelihood of such an event by ensuring appropriate succession planning and the adoption of a team based approach, as well as special efforts to retain key personnel.
Political and Economic	Historically, emerging market companies (and investments in their shares) have shown greater volatility and may be subject to certain political, geopolitical and corporate governance risks which are not typically associated with more developed markets and economies. Sustained underperformance of emerging markets as an asset class may occur as a result of risks such as the imposition of restrictions on the free movement of capital or other government regulatory changes.	These risks are discussed by the Board on a regular basis.
Strategy/Business Management	An inappropriate corporate initiative, for example a takeover of another company or an issue of new capital; misuse of the investment trust structure, for example inappropriate gearing; or if the Company's business strategy is no longer appropriate, may lead to a lack of investor demand.	The Board discusses these risks regularly and takes advice from the Manager and its professional advisers.

Principal and Emerging Risks

Principal Risk	Description	Mitigating Activities
Operational and Counterparty Failure	<p>Disruption to, or failure of, the Manager's or a counterparty's accounting, dealing or payments systems or the Depositary or Custodian's records may prevent accurate reporting and monitoring of the Company's financial position. This includes the failure of the Manager's continuity plans in the face of systems outage, office disruption or a pandemic and the risk of cyber crime and the consequent potential threat to security and business continuity. Under the terms of its agreement, the Depositary has strict liability for the loss or misappropriation of assets held in custody. See note 21(c) for further details on the responsibilities of the Depositary.</p>	<p>Details of how the Board monitors the services provided by JPMF and its associates and the key elements designed to provide effective risk management and internal controls are included within the Risk Management and Internal Controls section of the Corporate Governance Statement on page 48.</p>
Cyber Crime	<p>The threat of cyber attack, in all its guises, is regarded as at least as important as more traditional physical threats to business continuity and security. The Board has received the cyber security policies for its key third party service providers and JPMF has assured Directors that the Company benefits directly or indirectly from all elements of J.P.Morgan's Cyber Security programme.</p>	<p>The information technology controls around the physical security of J.P.Morgan's data centres, security of its networks and security of its trading applications are tested by an independent third party and reported every six months against the AAF Standard.</p>
Share Price Discount	<p>A disproportionate widening of the share price discount relative to the Company's peers could result in loss of value for shareholders.</p>	<p>The Board regularly discusses discount policy and has set parameters for the Manager and the Company's broker to follow.</p>
Manager	<p>Change of corporate control of the Manager or similar event that changes focus of the Manager.</p>	<p>The Board holds regular meetings with senior representatives of JPMF in order to obtain assurance that the Manager continues to demonstrate a high degree of commitment to its investment trusts business through the provision of significant resources.</p>

Business Review

Principal Risk	Description	Mitigating Activities
Legal and Regulatory	In order to qualify as an investment trust, the Company must comply with Section 1158. Details of the Company's approval are given under 'Structure and Objective of the Company' on page 31. Should the Company breach Section 1158, it might lose investment trust status and, as a consequence, gains within the Company's portfolio would be subject to Capital Gains Tax.	The Section 1158 qualification criteria are continually monitored by the Manager and the results reported to the Board each month. The Company must also comply with the provisions of the Companies Act 2006 and, since its shares are listed on the London Stock Exchange, the UKLA Listing Rules and Disclosure Guidance and Transparency Rules ('DTRs'). A breach of the Companies Act could result in the Company and/or the Directors being fined or the subject of criminal proceedings. Breach of the UKLA Listing Rules or DTRs could result in the Company's shares being suspended from listing which in turn would breach Section 1158. The Board relies on the services of its Company Secretary and its professional advisers to ensure compliance with the Companies Act and the UKLA Listing Rules and DTRs.
Corporate Governance and Shareholder Relations	Details of the Company's compliance with Corporate Governance best practice, including information on relations with shareholders, are set out in the Corporate Governance Statement on pages 46 to 50.	
Financial	The financial risks faced by the Company include market price risk, interest rate risk and credit risk. Further details are disclosed in note 21 on pages 81 to 87.	

Emerging Risks

The Board has considered and kept under review emerging risks, including but not limited to the impact of climate change, geopolitical conflict risk, inflationary pressures, natural disasters and social dislocation and conflict. Climate change, which barely registered with investors a decade ago, has today become one of the most critical issues confronting asset managers and their investors. Investors can no longer ignore the impact that the world's changing climate will have on their portfolios, with the impact of climate change on returns now potentially significant. However, the transition to a low-carbon economy across the globe may also provide attractive investment opportunities. The Board receives ESG reports from the Manager on the portfolio and the way ESG considerations are integrated into the investment decision-making, so as to mitigate risk at the level of stock selection and portfolio construction. The Board also considers the threat posed by the direct impact of climate change and extreme weather events on the operations of the Manager and other major service providers.

Long Term Viability

Taking account of the Company's current position, the principal and emerging risks that it faces and their potential impact on its future development and prospects, the Directors have assessed the prospects of the Company, to the extent that they are able to do so, over the next five years. They have made that assessment by considering those principal risks, the Company's investment objective and strategy, the investment capabilities of the Manager and the current outlook for emerging markets economies and equity markets.

In determining the appropriate period of assessment the Directors had regard to their view that, given the Company's objective of maximising total return, shareholders should consider the Company as a long term investment proposition. This is consistent with advice provided by investment advisers, that investors should consider investing in equities for a minimum of five years. Thus the Directors consider five years to be an appropriate time horizon to assess the Company's viability.

The Directors confirm that, assuming a successful continuation vote at the 2023 AGM, they have a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due over the five year period of assessment.

Duty to promote the success of the Company

Duty to promote the success of the Company

Section 172 of the Companies Act 2006 requires that a Director must act in the way they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members (i.e. shareholders) as a whole and in doing so, have regard (amongst other matters) to the likely consequences of any decision in the long term; the need to foster the Company's business relationships with suppliers, customers and others; the impact of the Company's operations on the community and the environment; the desirability of the Company maintaining a reputation for high standards of business conduct; and the need to act fairly as between members of the Company.

The Board is responsible for all decisions relating to the Company's investment objective and policies, gearing, discount management, corporate governance and strategy, and for monitoring the performance of the Company's third party service providers, including the Manager. The Board's

philosophy is that the Company should foster a culture where all parties are treated fairly and with respect and the Board recognises the importance of keeping the interests of the Company's stakeholders, and of acting fairly between them, front of mind in its key decision making. As an externally managed investment company, with no employees, the Board considers that the Company's key stakeholders are its shareholders, its Manager, investee companies, other professional third party service providers (corporate brokers, registrar, custodian and depositary) and wider society. The Board believes the best interests of the Company are aligned with those of these core stakeholders as all parties wish to see and ultimately benefit from the Company achieving its investment objectives whilst carrying on business in compliance with the highest possible regulatory, legal, ethical and commercial standards.

The table below sets out details of the Company's engagement with these stakeholders:

Stakeholder Engagement

Shareholders

Continued shareholder engagement is critical to the continued existence of the Company and the successful delivery of its long-term strategy. The Board is focused on fostering and maintaining good working relationships with shareholders and on understanding the views of shareholders in order to incorporate them into the Board's strategic thinking and objectives. Full details on how the Board ensures it is fully apprised of shareholder views and how it engages with all shareholder groups can be found on page 48.

Manager

The principal supplier is the Manager, in particular the investment management team who are responsible for managing the Company's assets in order to achieve its stated investment objective. The Board maintains a good working relationship with the Manager, who also provides administrative support and promotes the Company through its investment trust sales and marketing teams. The Manager's investment management function is fundamental to the long term success of the Company through the pursuit of the investment objective. The Board monitors the Company's investment performance at each Board Meeting in relation to its objective and also to its investment policy and strategy. The Board also maintains strong lines of communication with the Manager via its dedicated company secretary and client director which extend well beyond the formal business addressed at Board meetings ensuring the Board is rapidly informed of Manager and shareholder views and of the discount levels and the Manager is fully aware of the Board's views and their requirements.

Investee companies

The Board is committed to responsible investing and actively monitors the activities of investee companies through its delegation to the Manager. In order to achieve this, the Manager has discretionary powers to exercise voting rights on all resolutions proposed by the investee companies. On behalf of the Company, the Manager voted on all shareholder resolutions put to AGMs and EGMs by investee companies during the year; the Manager aims to maintain this record in so far as it is practically possible (full details can be found in the ESG report on pages 17 to 22). The Board monitors investments made and divested and questions the rationale for exposures taken and voting decisions made.

Other key service providers

The Board ensures that it promotes the success of the Company by engaging specialist third party suppliers, with appropriate capability, performance records, resources and controls in place to deliver the services that the Company requires for support in meeting relevant obligations and safeguarding the Company's assets. For this reason, the Board consider the Company's Custodian, Depositary, Registrar and Broker to be stakeholders. The Board maintains regular contact with its key external service providers, either directly, or via its Company Secretary, and receives regular reporting from them through the Board and Committee meetings. The Management Engagement Committee meets annually to appraise and review its key service providers.

Duty to promote the success of the Company

Wider Society

Whilst strong long term investment performance is essential for an investment trust, the Board recognises that to provide an investment vehicle that is sustainable over the long term, both it and the Manager must have regard to ethical and environmental issues that impact society. Hence environmental, social and governance considerations are integrated into the Manager's investment process and will continue to evolve. Further details of the Manager's integrated approach to ESG can be found on pages 17 to 22.

The Directors confirm that they have considered their duty under Section 172 when making decisions during the financial year under review. Key decisions and actions during the year which have required the Directors to have regard to applicable section 172 factors include:

Key Decisions and Actions

Objectives

The Board has sought to engage with and understand the views of the Company's shareholders, either directly or through its corporate broker, and other key stakeholders as it regards an understanding of their views as essential in being able to fulfil its duty. The Company's broker and JPMF hold regular web conferences and 1:1 meetings with larger shareholders. The feedback from the meetings is shared with the Board. In addition to this the 2020 continuation vote received strong shareholder support (99.97% in favour) for the continuation of the Company.

In particular they have sought to achieve four objectives in 2022: to continue the strong record of investment performance; to reduce the discount of the Company's share price to the net asset value; and to broaden the shareholder base and to ensure that the increasing focus on ESG and sustainable investing and its more formalised integration into the Manager's investment process is more fully communicated to the Company's shareholders.

Dividends Payable to Shareholders

The Company is managed to produce total return rather than any particular level of dividend which means that the level of dividends will vary. For individual years dividends received in sterling terms may fluctuate in line with underlying earnings, as well as currency movements and any changes in the portfolio. In the financial year just ended the dividends increased and the weakness in sterling enhanced the revenue compared to the previous year resulting in the revenue return per share increasing markedly for the first time in three years. The revenue return per share for the year rose from 1.36 pence in 2021 which is an increase of 33.3%.

One of the advantages of being an investment trust over other types of collective fund is the ability to use the Company's revenue reserves to smooth dividends paid to shareholders from year to year which the Board has utilised in the previous two financial years. This year the dividend will be covered by the year's revenues. Together with the interim dividend of 0.52 pence paid in April, the total dividend for the year will again be 1.35 pence, subject to shareholder approval at the forthcoming AGM.

Succession Planning

In compliance with corporate governance best practice, the Chairman of the Company shall retire from the Board at the forthcoming Annual General Meeting having served on the Board as Director since 2013 and as Chairman since 2018. The Board agreed that Aidan Lisser would succeed Ms Arkle as Chairman of the Board, Nomination Committee and Management Engagement Committee.

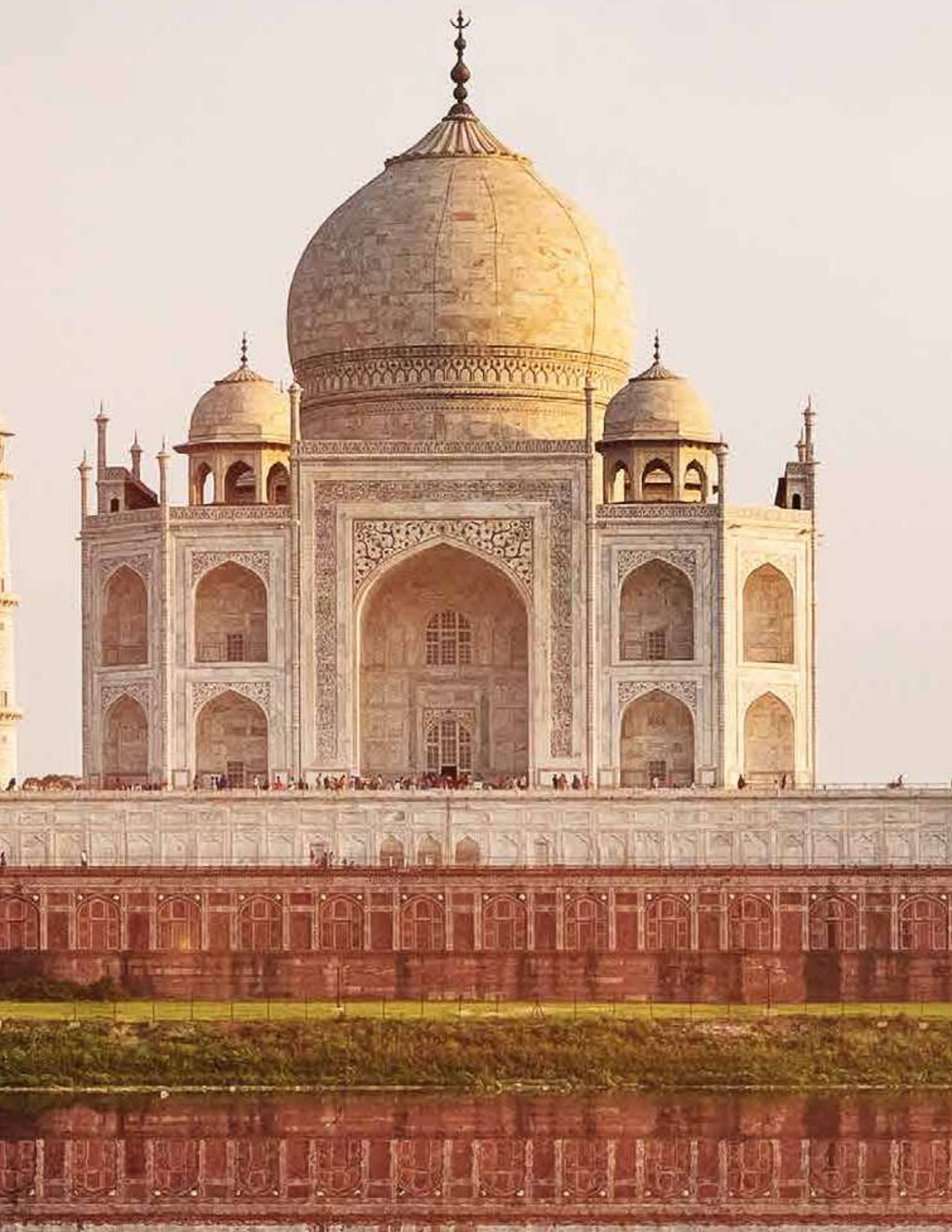
The Board further considered the structure and skill set of the Board following Ms Arkle's retirement and as a result of a thorough search process involving an external search consultant, it was decided that Zoe Clements be appointed as non-executive Director to the Board with effect from 1st September 2022.

Miscellaneous

In addition, the Directors continue to keep under review the merits of buying back shares in order to manage the level and volatility of the discount, the competitiveness of the management fee and the Company's other operating costs; continue to hold the Manager to account on investment performance; undertake a robust review of the principal and emerging risks faced by the Company; and continue to encourage the Manager to enhance its sales and marketing efforts.

Furthermore, throughout the course of the COVID-19 pandemic and the recent heightened market volatility arising from the Russian invasion of Ukraine, the Board has been in regular contact with the Manager, receiving regular updates on the operational effectiveness of the Manager and key service providers and on areas such as portfolio activity, portfolio liquidity, gearing and the discount or premium to NAV at which the Company's shares trade.

By order of the Board
Nira Mistry, for and on behalf of
JPMorgan Funds Limited
Company Secretary
29th September 2022



Board of Directors



Sarah Arkle ^{§†#} (Chairman of the Board, Nomination and Management Engagement Committees)

A Director since September 2013.

Last reappointed to the Board: 2021.

Remuneration: £49,000.

Non-executive director of Vietnam Enterprise Investments Ltd and a member of the finance committee of the Royal Commission for the Exhibition of 1851. She was previously a non-executive director of Janus Henderson Group plc and Foreign & Colonial Investment Trust plc, a member of the Newnham College Cambridge Investment Committee, an advisor to the South Yorkshire Pension Fund and was Chief Investment Officer of Threadneedle Asset Management where she held a number of other senior positions.

Connections with Manager: None.

Shared directorships with other Directors: None.

Shareholding in Company: 200,000 Ordinary shares.



Richard Laing ^{§†#} (Chairman of the Audit Committee)

A Director since January 2015.

Last reappointed to the Board: 2021.

Remuneration: £39,750.

Non-executive Chairman of 3i Infrastructure plc, non-executive director of Tritax Big Box REIT plc and Deputy Chairman of Leeds Castle Foundation. From 2000 until 2012 he worked for CDC Group plc where he was finance director and latterly chief executive officer. Beforehand he had a number of executive appointments including finance director of De La Rue plc. Previous non-executive roles include the chair of Perpetual Income and Growth Investment Trust and Miro Forestry, as well as being a non-executive director at the London Metal Exchange, Madagascar Oil, Plan International UK, and the Overseas Development Institute. He was a member of the Emerging Markets Private Equity Association, where he was chairman of the Advisory Council. He is a qualified accountant.

Connections with Manager: None.

Shared directorships with other Directors: None.

Shareholding in Company: 60,000 Ordinary shares.



Andrew Page ^{§†#} (Senior Independent Director, Chairman of the Remuneration Committee)

A Director since January 2015.

Last reappointed to the Board: 2021.

Remuneration: £36,250.

Mr Page was, until August 2014, the Chief Executive Officer of The Restaurant Group plc ("TRG"), a FTSE 250 company operating 460 restaurants throughout the UK. He has previously served as both Chairman and Senior Independent Director on several listed company boards and has also served as Chairman of Private Equity owned businesses. He is the Senior Independent Director of the Schroder UK Mid Cap Fund plc. Prior to joining TRG in 2001, Mr Page held a number of senior positions within the leisure and hospitality sector including senior vice president with InterContinental Hotels. Before that he spent six years with Kleinwort Benson's Corporate Finance department. Mr Page is a chartered accountant.

Connections with Manager: None.

Shared directorships with other Directors: None.

Shareholding in Company: 50,000 Ordinary shares.

Board of Directors



Ruary Neill *†‡#

A Director since 1st January 2017.

Last reappointed to the Board: 2021.

Remuneration: £33,000.

Non-executive director of Baillie Gifford UK Growth Fund plc, and a member of The Advisory Council, The SOAS China Institute, London University. Formerly Chairman of the Investment Committee, Great Ormond Street Hospital's Children's Charity, he previously worked in investment banking, managing the multi asset sales business at UBS Investment Bank and working closely with chief investment officers and senior asset managers on strategic and tactical asset allocation decisions. Prior to this he spent a number of years working in the Asian equity markets for UBS Investment Bank and Schroder Securities.

Connections with Manager: None.

Shared directorships with other Directors: None.

Shareholding in Company: 50,000 Ordinary shares.



Aidan Lisser *†‡#

A Director since 1st December 2018.

Last reappointed to the Board: 2021.

Remuneration: £33,000.

Non-executive director of Henderson International Income Trust plc and the Edinburgh Investment Trust plc. He is also a marketing ambassador for the Association of Investment Companies, a board member of Chapter Zero UK and a trustee of Crossways Community Charity. From 2010 until 2020 he worked for Investec Wealth & Investment as chief marketing officer and subsequently as head of strategy and before this he held senior marketing roles at Allianz Global Investors and Standard Chartered Bank plc. Previously he spent over twenty years at Unilever plc, including seven years based in China and Thailand.

Connections with Manager: None.

Shared directorships with other Directors: None.

Shareholding in Company: 50,000 Ordinary shares.



Helena Coles *†‡#

A Director since 1st September 2020.

Last reappointed to the Board: 2021.

Remuneration: £33,000.

Non-executive director of Shaftesbury Plc and Schroder Japan Growth Fund plc, and independent investment adviser to the Joseph Rowntree Charitable Trust. She was previously an advisory committee member of the Schroders Charities Authorised Investment Funds and a co-founder and portfolio manager at Rexit Capital Management, a specialist emerging markets asset management firm. Helena has also worked with Fidelity International's Sustainable Investing team, and at the Bank of England.

Connections with Manager: None.

Shared directorships with other Directors: None.

Shareholding in Company: 24,000 Ordinary shares.



Zoe Clements *†‡#

A Director since 1st September 2022.

Last reappointed to the Board: n/a.

Remuneration: £33,000.

Ms Clements is an experienced non-executive director, investor and finance professional. She is a Trustee of The Money and Mental Health Policy Institute and a member of Social Investment Advisory Committee of The Growth Impact Fund. She is a Chartered Accountant.

Connections with Manager: None.

Shared directorships with other Directors: None.

Shareholding in Company: nil Ordinary shares.

* Member of the Audit Committee § Member of the Nomination Committee † Member of the Remuneration Committee

‡ Considered by the Board to be independent # Member of the Management Engagement Committee

Directors' Report

The Directors present their report and the audited financial statements for the year ended 30th June 2022.

Management of the Company

The Manager and Company Secretary is JPMorgan Funds Limited ('JPMF'), a company authorised and regulated by the FCA. The active management of the Company's assets is delegated by JPMF to an affiliate, JPMorgan Asset Management (UK) Limited ('JPMAM'). The Manager is a wholly-owned subsidiary of JPMorgan Chase Bank which, through other subsidiaries, also provides marketing, banking, dealing and custodian services to the Company.

The Manager is employed under a contract which can be terminated on one year's notice, without penalty, unless notice is given as a result of poor investment performance, in which case the contract can be terminated on six months' notice, without penalty. If the Company wishes to terminate the contract on shorter notice, the balance of remuneration is payable by way of compensation.

The Board, through the Management Engagement Committee, conducts a formal evaluation of the Manager on an annual basis. The evaluation includes consideration of the investment strategy and the process of the Manager, performance against the benchmark and a relevant peer group over the long term and the support the Company receives from JPMF. The Company has consistently outperformed its benchmark index over the long term and as a result of the evaluation process, the Board confirms that it is satisfied that the continuing appointment of the Manager is in the interests of shareholders as a whole.

The Alternative Investment Fund Managers Directive ('AIFMD')

JPMF is the Company's alternative investment fund manager ('AIFM'). It is approved as an AIFM by the FCA. For the purposes of the AIFMD the Company is an alternative investment fund ('AIF'). JPMF has delegated responsibility for the day to day management of the Company's portfolio to JPMorgan Asset Management (UK) Limited ('JPMAM'). The Company has appointed Bank of New York Mellon (International) Limited ('BNY') as its depositary. BNY has appointed JPMorgan Chase Bank, N.A. as the Company's custodian. BNY is responsible for the oversight of the custody of the Company's assets and for monitoring its cash flows.

The AIFMD requires certain information to be made available to investors in AIFs before they invest and requires that material changes to this information be disclosed in the annual report of each AIF. An Investor Disclosure Document, which sets out information on the Company's investment strategy and policies, leverage, risk, liquidity, administration, management, fees, conflicts of interest and other shareholder information is available on the Company's website at www.jpmemergingmarkets.co.uk. There have been no material changes (other than those reflected in these financial statements) to this information requiring disclosure.

Any information requiring immediate disclosure pursuant to the AIFMD will be disclosed to the London Stock Exchange through a primary information provider.

The Company's leverage and JPMF's remuneration disclosures are set out on page 89.

Management Fee

During the year under review the management fee was charged at the rate of 0.75% per annum on the value of the Company's total assets less current liabilities. The fee is calculated and paid monthly in arrears. Investments on which JPMAM earns a fee are excluded from the calculation and therefore attract no additional management fee.

Directors

The Directors of the Company who held office at the end of the year are detailed on pages 41 and 42.

Details of Directors' beneficial shareholdings in the Company may be found in the Directors' Remuneration Report on page 56. No changes have been reported to the Directors' shareholdings since the year end.

In accordance with corporate governance best practice, all Directors will retire at the forthcoming Annual General Meeting and, being eligible, will offer themselves for reappointment or appointment. Sarah Arkle will retire at the forthcoming Annual General Meeting and therefore not stand for reappointment. The Nomination Committee, having considered their qualifications, performance and contribution to the Board and its committees, confirms that each Director continues to be effective and demonstrates commitment to the role and the Board recommends to shareholders that they be reappointed.

Director Indemnification and Insurance

As permitted by the Company's Articles of Association, the Directors have the benefit of an indemnity which is a qualifying third party indemnity, as defined by Section 234 of the Companies Act 2006. The indemnities were in place during the year and as at the date of this report.

An insurance policy is maintained by the Company which indemnifies the Directors of the Company against certain liabilities arising in the conduct of their duties. There is no cover against fraudulent or dishonest actions.

Disclosure of information to Auditors

In the case of each of the persons who are Directors of the Company at the time when this report was approved:

Directors' Report

- (a) so far as each of the Directors is aware, there is no relevant audit information (as defined in the Companies Act 2006) of which the Company's Auditors are unaware, and
- (b) each of the Directors has taken all the steps that he or she ought to have taken as a Director in order to make him or herself aware of any relevant audit information and to establish that the Company's Auditors are aware of that information.

The above confirmation is given and should be interpreted in accordance with the provision of Section 418 of the Companies Act 2006.

Independent Auditor

BDO LLP were appointed Auditor of the Company with effect from the 2019 Annual General Meeting. BDO LLP have expressed their willingness to continue in office as the Auditors and resolutions to reappoint BDO LLP and authorise the Directors to determine their remuneration for the ensuing year will be proposed at the Annual General Meeting.

Companies Act 2006 Requirements

The following disclosures are made in accordance with the Companies Act 2006.

Capital Structure

The Company's capital structure is summarised on the inside front cover of this report.

Voting Rights in the Company's shares

Details of the voting rights in the Company's shares as at the date of this report are given in note 16 to the Notice of Annual General Meeting on page 94.

Notifiable Interests in the Company's Voting Rights

At the year end, the following had declared a notifiable interest in the Company's voting rights:

Shareholder	Ordinary shares	%
Lazard Asset Management	166,010,318	14.2
Rathbones	97,993,077	8.4
City of London Investment Management Company	69,110,583	5.9

The rules concerning the appointment and replacement of Directors, amendment of the Articles of Association and powers to issue or repurchase the Company's shares are contained in the Articles of Association of the Company and the Companies Act 2006.

There are no restrictions concerning the transfer of securities in the Company; no special rights with regard to control attached to securities; no agreements between holders of securities regarding their transfer known to the Company; no agreements which the Company is party to that affect its control following a takeover bid; and no agreements between the Company and its Directors concerning compensation for loss of office.

Listing Rule 9.8.4R

Listing Rule 9.8.4R requires the Company to include certain information in the identifiable section of the Annual Report or across reference table indicating where the information is set out. The Directors confirm that there are no disclosures to be made in this report.

Annual General Meeting

NOTE: THIS SECTION IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to the action you should take, you should seek your own personal financial advice from your stockbroker, bank manager, solicitor or other financial advisor authorised under the Financial Services and Markets Act 2000.

Resolutions relating to the following items of special business will be proposed at the forthcoming Annual General Meeting ('AGM'):

- (i) **Authority to allot new shares and to disapply statutory pre-emption rights (resolutions 13 and 14)**

The Directors will seek renewal of the authority at the AGM to issue up to 58,360,611 new ordinary shares or sell shares held in Treasury for cash up to an aggregate nominal amount of 1,459,015 such amount being equivalent to 5% of the present issued ordinary share capital as at the last practicable date before the publication of this document. This authority will expire at the conclusion of the AGM of the Company in 2023 unless renewed at a prior general meeting.

It is advantageous for the Company to be able to issue new shares (or to sell Treasury shares) to investors when the Directors consider that it is in the best interests of shareholders to do so. As issues are only made at prices greater than the net asset value (the 'NAV'), they increase the NAV per share and spread the Company's administrative expenses, other than the management fee which is charged on the value of the Company's assets, over a greater number of shares. The issue proceeds are available for investment in line with the Company's investment policies.

The Company currently holds 156,423,020 shares in the capital of the Company in Treasury. The full text of the resolutions is set out in the Notice of Annual General Meeting on pages 92 to 94.

Directors' Report

(ii) Authority to repurchase the Company's shares (resolution 15)

The authority to repurchase up to 14.99% of the Company's issued ordinary share capital, granted by shareholders at the 2021 AGM will expire on 21st May 2023, unless renewed prior to that time. The Directors consider that the renewing of the authority is in the interests of shareholders as a whole, as the repurchase of shares at a discount to the underlying NAV enhances the NAV of the remaining shares.

Resolution 15 gives the Company authority to repurchase its own issued ordinary shares in the market as permitted by the Companies Act 2006 (the 'Act'). The authority limits the number of shares that could be purchased to a maximum of 174,980,103 ordinary shares, representing approximately 14.99% of the Company's issued ordinary shares as at 28th September 2022 (being the latest practicable date prior to the publication of this document). The authority also sets minimum and maximum prices.

If resolution 15 is passed at the AGM it is the Company's current intention to hold in Treasury any shares it may repurchase pursuant to the authority granted to it for possible re-issue at a premium to NAV. This policy is kept under review by the Board.

The full text of the resolution is set out in the Notice of Annual General Meeting on pages 92 to 94. Repurchases of ordinary shares will be made at the discretion of the Board and will only be made in the market at prices below the prevailing NAV per share, thereby enhancing the NAV of the remaining shares as and when market conditions are appropriate.

Recommendation

The Board considers that resolutions 13 to 15 are likely to promote the success of the Company and are in the best interests of the Company and its shareholders as a whole. The Directors unanimously recommend that you vote in favour of the resolutions as they intend to do in respect of their own beneficial holdings which amount in aggregate to 434,000 ordinary shares representing approximately 0.37% of the voting rights of the Company.

Other Information

The recommended final dividend, as well as information on acquisition of the Company's own shares and greenhouse gas emissions, can be found in the Business Review. Financial risk management objectives and policies, with information on exposure to price, credit and liquidity risk, can be found in Note 21 to the Financial Statements. Information on post balance sheet events can be found in Note 23.

Directors' Report

Corporate Governance Statement

Compliance

The Board is committed to high standards of corporate governance. It has considered the principles and provisions of the AIC Code of Corporate Governance published in 2019 (the 'AIC Code'), which addresses the principles and provisions set out in the UK Corporate Governance Code (the 'UK Code') published in 2018, as they apply to investment trust companies. It considers that reporting against the AIC Code, therefore, provides more appropriate information to the Company's shareholders. The Board confirms that the Company has complied with the principles and provisions of the AIC Code, in so far as they apply to the Company's business, throughout the year under review. As all of the Company's day-to-day management and administrative functions are outsourced to third parties, it has no executive directors, employees or internal operations and therefore has not reported in respect of the following:

- the role of the executive directors and senior management;
- executive directors' and senior management remuneration; and
- the workforce

Role of the Board

A management agreement between the Company and the Manager sets out the matters over which the Manager has authority. This includes management of the Company's assets and the provision of accounting, company secretarial, administrative and some marketing services. All other matters are reserved for the approval of the Board. A formal schedule of matters reserved to the Board for decision has been approved. This includes determination and monitoring of the Company's investment objectives and policy and its future strategic direction, capital structure and gearing policy (with input from the Manager), appointment and removal of third party service providers, review of key investment and financial data and the Company's corporate governance and risk control arrangements.

The Board has procedures in place to deal with potential conflicts of interest and, following the introduction of The Bribery Act 2010, has adopted appropriate procedures designed to prevent bribery. It confirms that the procedures have operated effectively during the year under review.

The Board meets at least quarterly during the year and additional meetings are arranged as necessary. Full and timely information is provided to the Board to enable it to function effectively and to allow Directors to discharge their responsibilities.

There is an agreed procedure for Directors to take independent professional advice if necessary and at the Company's expense. This is in addition to the access that every Director has to the advice and services of the company secretary, JPMF, which is responsible to the Board

for ensuring that Board procedures are followed and that applicable rules and regulations are complied with.

Board Composition

The Board, chaired by Sarah Arkle, consisted of six non-executive Directors until 1st September 2022, when this increased to seven following the appointment of Zoe Clements to the Board. The composition of the Board will return to six non-executive Directors following Ms Arkle's retirement at the forthcoming AGM. All non-executive Directors are regarded by the Board as independent of the Company's Manager, including the Chairman. The Directors have a breadth of investment knowledge, business and financial skills and experience relevant to the Company's business and brief biographical details of each Director are set out on pages 41 and 42.

A review of Board composition and balance is included as part of the annual performance evaluation of the Board, details of which may be found below. Andrew Page, the Senior Independent Director leads the evaluation of the performance of the Chairman and he is available to shareholders if they have concerns that cannot be resolved through discussion with the Chairman.

Reappointment of Directors

The Directors of the Company and their brief biographical details are set out on pages 41 and 42. The skills and experience that each Director brings to the Board, and hence why their contributions are important to the long term success of the Company, are summarised below. With the exception of Zoe Clements, all of the Directors held office throughout the year under review. All Directors will stand for reappointment at the forthcoming AGM, with the exception of Sarah Arkle who will retire from the Board.

Resolution 5 is for the reappointment of Zoe Clements. She joined the Board on 1st September 2022. Please note that although the forthcoming Annual General Meeting is the first since Ms Clements's appointment to the Board, the Company's Articles stipulate that a Director appointed by the Board shall retire at the next annual general meeting and shall then be eligible for reappointment.

Zoe is an experienced non-executive director, investor and finance professional and spent the first six years of her professional career at PricewaterhouseCoopers where she qualified as a Chartered Accountant.

Resolution 6 is for the reappointment of Helena Coles. She joined the Board on 1st September 2020. Helena has expertise in investment trusts and environmental, social and governance issues and many years experience in asset management within emerging markets.

Resolution 7 is for the reappointment of Richard Laing. He joined the Board in January 2015 and has served for almost seven years as a Director. Richard is a qualified accountant and has many years experience as a Chief Executive and Chief Financial Officer. He has held a number of non executive and trustee positions.

Directors' Report

Resolution 8 is for the reappointment of Aidan Lisser. He joined the Board in December 2018 and has served for almost three years as a Director. Aidan has broad senior level brand and marketing experience across consumer products, banking, asset and wealth management. During his career, he spent several years working in China and Thailand. Aidan is a Marketing Ambassador for the Association of Investment Companies.

Resolution 9 is for the reappointment of Ruary Neill. He joined the Board in January 2017 and has served for almost five years as a Director. Ruary worked in investment banking for almost three decades, managing the multi asset sales business of a global investment bank, prior to which he spent a number of years working in the Asian equity markets. He holds a number of positions with both profit and not for profit organisations.

Resolution 10 is for the reappointment of Andrew Page. He joined the Board in January 2015 and has served for almost seven years as a Director. Andrew is a chartered accountant and during his executive career, he held a number of senior positions within the leisure and hospitality sector as well as working in corporate finance. He has held a number of non executive positions.

The Board confirms that each of the Directors standing for reappointment at the forthcoming AGM continue to contribute effectively and recommends that shareholders vote in favour of their reappointment.

Tenure

Directors are initially appointed until the following Annual General Meeting when, under the Company's Articles of Association, it is required that they be reappointed by shareholders. Thereafter, subject to the performance evaluation carried out each year, the Board will agree whether it is appropriate for each Director to seek reappointment. In accordance with corporate governance best practice, Directors continuing in office seek annual reappointment and no Directors, including the Chairman, will seek reappointment after having served for nine years on the Board, unless there are exceptional circumstances for doing so.

The terms and conditions of Directors' appointments are set out in formal letters of appointment, copies of which are available for inspection on request at the Company's registered office and at the Annual General Meeting.

A schedule of interests for each Director is maintained by the Company and reviewed at every Board meeting. New interests are considered carefully, taking into account the circumstances surrounding them and, if considered appropriate, are approved.

Induction and Training

On appointment, the Manager and Company Secretary provide all Directors with induction training. Thereafter, regular briefings are provided on changes in law and regulatory requirements that affect the Company and the Directors. Directors are encouraged to attend industry and

other seminars covering issues and developments relevant to investment trust companies. Regular reviews of the Directors' training needs are carried out by the Chairman by means of the evaluation process described below.

Meetings and Committees

The Board delegates certain responsibilities and functions to committees. All Directors are members of the committees, with the exception of the Chairman who attends the Audit Committee by invitation.

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

Director	Board Meetings Attended	Audit Committee Meetings Attended	Management	Remuneration Committee Meetings Attended	Nomination Committee Meetings Attended
			Engagement Committee Meetings Attended		
Sarah Arkle	5	3	1	1	2
Richard Laing	5	3	1	1	2
Ruary Neill	5	3	1	1	2
Aidan Lisser	5	3	1	1	2
Andrew Page	5	3	1	1	2
Helena Coles	5	3	1	1	2
Zoe Clements ¹	n/a	n/a	n/a	n/a	n/a

¹ Appointed 1st September 2022

Board Committees

Nomination Committee

The Nomination Committee, chaired by Sarah Arkle, consists of all of the Directors and meets at least annually to ensure that the Board has an appropriate balance of skills and experience to carry out its fiduciary duties and to select and propose suitable candidates for appointment when necessary. The appointment process takes account of the benefits of diversity, including gender.

The Board's policy on diversity is set out on page 33.

The Committee conducts an annual performance evaluation of the Board, its committees and individual Directors to ensure that all Directors have devoted sufficient time and contributed adequately to the work of the Board and its Committees. The evaluation of the Board considers the balance of experience, skills, independence, corporate knowledge, its diversity, including gender, and how it works together. The evaluation of individual Directors is led by the Chairman. Andrew Page, the Senior Independent Director, leads the evaluation of the Chairman's performance. Every three years, a more thorough, externally facilitated independent Board evaluation is carried out which includes unattributable one-to-one interviews and results in the setting of a number of objectives. In the year under review, the Board undertook its triannual independent evaluation, externally facilitated by Lintstock Limited, which has no connection with the Company.

Directors' Report

Remuneration Committee

The Remuneration Committee, chaired by Andrew Page, comprises all of the Directors and meets annually to review the levels of remuneration of the Chairman, the Chairman of the Audit Committee and other Directors. This takes into account the level of fees paid to the directors of the Company's peers and within the investment trust industry generally to ensure that high quality individuals are attracted and retained. Recommendations are made to the Board as and when appropriate.

Management Engagement Committee

The Management Engagement Committee, chaired by Sarah Arkle, consists of all of the Directors and meets annually to review the performance of the Manager and key third party suppliers.

The Committee conducts a formal evaluation of the Manager on an annual basis. The evaluation includes consideration of the investment strategy and process of the Manager, noting consistent outperformance of the benchmark over the long term, and the quality of support that the Company receives from JPMF. As a result of the evaluation process, the Board confirms that it is satisfied that the continuing appointment of the Manager is in the interests of shareholders as a whole.

Audit Committee

The report of the Audit Committee is set out on page 51.

Terms of Reference

The Nomination, Remuneration, Audit and Management Engagement Committees all have written terms of reference which define clearly their respective responsibilities, copies of which are available on the Company's website and for inspection on request at the Company's registered office and at the Company's Annual General Meeting.

Relations with Shareholders

The Board regularly monitors the shareholder profile of the Company. It aims to provide shareholders with a full understanding of the Company's activities and performance and reports formally to shareholders twice each year by way of the annual report and accounts and the half year report. These are supplemented by the daily publication, through the London Stock Exchange, of the net asset value of the Company's shares and the Company's level of gearing.

In normal circumstances, all shareholders have the opportunity, and are encouraged, to attend the Company's Annual General Meeting at which the Directors and representatives of the Manager are available in person to meet shareholders and answer their questions. In addition, a presentation is given by the investment managers who review the Company's performance. The Board seeks regular engagement with the Company's major shareholders to understand their views on governance and performance against the Company's investment objective and investment

policy, either directly or through the Company's brokers, the investment managers and JPMF by holding discussions on an ongoing basis. The Directors may be contacted through the Company Secretary whose details are shown on page 98 or via the Company's website.

The Company's annual report and financial statements are published in time to give shareholders at least 20 working days notice of the Annual General Meeting. Shareholders wishing to raise questions in advance of the meeting are encouraged to submit questions via the Company's website or write to the Company Secretary at the address shown on page 98. A formal process is in place for all letters to the Directors to be forwarded immediately. As part of this process, any feedback from shareholders is also communicated to the Board.

Details of the proxy voting position on each resolution will be published on the Company's website shortly after the Annual General Meeting.

Risk Management and Internal Control

The AIC Code of Corporate Governance requires the Directors, at least annually, to review the effectiveness of the Company's system of risk management and internal control and to report to shareholders that they have done so. This encompasses a review of all controls, which the Board has identified as including business, financial, operational, compliance and risk management.

The Directors are responsible for the Company's system of risk management and internal control which is designed to safeguard the Company's assets, maintain proper accounting records and ensure that financial information used within the business, or published, is reliable. However, such a system can only be designed to manage rather than eliminate the risk of failure to achieve business objectives and therefore can only provide reasonable, but not absolute, assurance against fraud, material misstatement or loss.

Since investment management, custody of assets and all administrative services are provided to the Company by JPMF and its associates, the Company's system of risk management and internal control mainly comprises monitoring the services provided by the Manager and its associates, including the operating controls established by them, to ensure that they meet the Company's business objectives. There is an ongoing process for identifying, evaluating and managing the significant risks faced by the Company (see Principal Risks on pages 35 and 37). This process has been in place for the year under review and up to the date of the approval of the annual report and accounts and it accords with the Financial Reporting Council's guidance. Given the foregoing, and in common with most investment trust companies, the Company does not have an internal audit function of its own. The Manager's internal audit department conducts regular and rigorous reviews of the various functions within its asset management

Directors' Report

business. Any significant findings that are relevant to the Company and/or the Manager's investment trust business are reported to the Board.

The key elements designed to provide effective risk management and internal control are as follows:

- **Financial Reporting**

Regular and comprehensive review by the Board of key investment and financial data, including management accounts, revenue projections, analysis of transactions and performance comparisons.

- **Management Agreement**

Appointment of a manager and custodian regulated by the Financial Conduct Authority ('FCA'), whose responsibilities are clearly defined in a written agreement.

- **Management Systems**

The Manager's system of risk management and internal control includes organisational agreements which clearly define the lines of responsibility, delegated authority, control procedures and systems. These are monitored by the Manager's Compliance department which regularly monitors compliance with FCA rules.

- **Investment Strategy**

Authorisation and monitoring of the Company's investment strategy and exposure limits by the Board.

The Board, either directly or through the Audit Committee, keeps under review the effectiveness of the Company's system of risk management and internal control by monitoring the operation of the key operating controls of the Manager and its associates as follows:

- the Board, through the Management Engagement Committee, reviews the terms of the management agreement and receives regular reports from the Manager's Compliance department;
- the Board reviews a report, which is also independently reviewed, on the internal controls and the operations of its custodian, JPMorgan Chase Bank, N.A;
- the Board reviews every six months a report from the Company's Depositary, Bank of New York Mellon (International) Limited, which summarises the activities performed by the Depositary during the reporting period; and
- the Board reviews every six months an independent report on the internal controls and the operations of JPMF's investment trust department.

By the means of the procedures set out above, the Board confirms that it has reviewed the effectiveness of the Company's system of risk management and internal control for the year ended 30th June 2022 and to the date of approval of this Annual Report and Financial Statements.

During the course of its review of the system of risk management and internal control, the Board has not identified nor been advised of any failings or weaknesses which it has determined to be significant. Therefore a confirmation in respect of necessary actions has not been considered appropriate.

Corporate Governance and Voting Policy

The Company delegates responsibility for voting to JPMAM through the Manager. The following is a summary of JPMAM's policy statements on corporate governance, voting policy and social and environmental issues, which has been reviewed and noted by the Board. Details on social and environmental issues are included in the ESG statement on pages 17 to 22 and on page 33.

Corporate Governance

JPMAM believes that corporate governance is integral to its investment process. As part of its commitment to delivering superior investment performance to clients, it expects and encourage the companies in which it invests to demonstrate the highest standards of corporate governance and best business practice. JPMAM examines the share structure and voting structure of the companies in which it invests, as well as the board balance, oversight functions and remuneration policy. These analyses then form the basis of JPMAM's proxy voting and engagement activity.

Proxy Voting

JPMAM manages the voting rights of the shares entrusted to it as it would manage any other asset. It is the policy of JPMAM to vote in a prudent and diligent manner, based exclusively on a reasonable judgement of what will best serve the financial interests of our clients. So far as is practicable, JPMAM will vote at all of the meetings called by companies in which it is invested.

Stewardship/Engagement

JPMAM believe effective investment stewardship can materially contribute to helping build stronger portfolios over the long term for its clients. At the heart of JPMAM's approach lies a close collaboration between investment managers, research analysts and investment stewardship specialists to engage with the companies in which JPMAM invests. Regular engagement with JPMAM's investee companies through investment-led stewardship has been a vital component of JPMAM's active management heritage. JPMAM continues to exercise active ownership through regular and ad hoc meetings, and through its voting responsibilities.

JPMAM's formal stewardship structure is designed to identify risks and understand our portfolio companies' activities, in order to enhance value and mitigate risks associated with them. JPMAM has identified five main investment stewardship priorities we believe have universal applicability and will stand the test of time: governance; strategy alignment with the long term; human capital management; stakeholder engagement;

Directors' Report

and climate risk. Within each priority area, JPMAM identified related themes we are seeking to address over a shorter time frame. These themes will evolve as JPMAM engages with companies to understand issues and promote best practice. This combination of long-term priorities and evolving, shorter-term themes provides JPMAM with a structured and targeted framework to guide our investors and investment stewardship teams globally as JPMAM engages with investee companies around the world.

JPMAM is also committed to reporting more widely on our activities, including working to meet the practices laid out by the Financial Reporting Council ('FRC') in the UK Stewardship Code, which JPMAM is a signatory to.

JPMAM's Voting Policy and Corporate Governance Guidelines are available on request from the Company Secretary or can be downloaded from JPMAM's website:

<https://am.jpmorgan.com/gb/en/asset-management/institutional/about-us/investment-stewardship/>.

This also sets out its policy relating to conflicts of interest and its detailed voting record.

By order of the Board
Nira Mistry, for and on behalf of
JPMorgan Funds Limited,
Company Secretary
29th September 2022

Directors' Report

Audit Committee Report

Role and Composition

The Audit Committee, chaired by Richard Laing and whose membership is set out on pages 41 and 42, meets at least twice each year. The members of the Audit Committee consider that at least one member has recent and relevant financial experience and that the Committee as a whole has competency relevant to the sector in which the Company operates.

The Committee reviews the actions and judgements of the Manager in relation to the half year and annual accounts and the Company's compliance with the AIC Corporate Governance Code. At the request of the Board, the Audit Committee provides confirmation to the Board as to how it has discharged its responsibilities so that the Board may ensure that information presented to it is fair, balanced and understandable, together with details of how it has done so. It examines the effectiveness of the Company's internal control systems, receives information from the Manager's Compliance department and also reviews the scope and results of the external audit, its cost effectiveness and the independence and objectivity of the external auditors. The Audit Committee has reviewed the independence and objectivity of the auditors and is satisfied that the auditors are independent. The Audit Committee also has the primary responsibility for making recommendations to the Board on the reappointment and the removal of external auditors.

Financial Statements and Significant Accounting Matters

During its review of the Company's financial statements for the year ended 30th June 2022, the Audit Committee considered the following significant issues, including those communicated by the Auditors during their reporting:

Significant issue	How the issue was addressed
Valuation, existence and ownership of investments	The valuation of investments is undertaken in accordance with the accounting policies, disclosed in note 1(b) to the accounts on page 71. Controls are in place to ensure that valuations are appropriate and existence is verified through custodian reconciliations. The Company has appointed The Bank of New York Mellon (International) Limited ('BNY') as its depositary. BNY has appointed JPMorgan Chase Bank, N.A., as the Company's custodian. BNY remains responsible for the oversight of the custody of the Company's assets.

Significant issue	How the issue was addressed
Recognition of investment income	The recognition of investment income is undertaken in accordance with accounting policy note 1(d) to the accounts on page 71. Income reporting is conducted by the Manager and reviewed by the Board at every meeting.
Going Concern/ Long Term Viability	<p>The Committee has also reviewed the appropriateness of the adoption of the Going Concern basis in preparing the accounts, particularly in view of the impact of the COVID-19 pandemic and the heightened market volatility resulting from the conflict between Russia and Ukraine. The Committee recommended that the adoption of the Going Concern basis is appropriate (see Going Concern statement below).</p> <p>The Committee also assessed the Long Term Viability of the Company as detailed on page 37 and recommended to the Board its expectation that the Company would remain in operation for the five year period of the assessment.</p>
Compliance with Sections 1158 and 1159 Corporation Tax Act 2010 ('Section 1158 and 1159')	Approval for the Company as an investment trust under Sections 1158 and 1159 for financial years commencing on or after 1st October 2012 has been obtained and ongoing compliance with the eligibility criteria is monitored on a regular basis.

The Board was made fully aware of any significant financial reporting issues and judgements made in connection with the preparation of the financial statements.

Going Concern

The Directors believe that having considered the Company's investment objective (see page 31), risk management policies (see pages 81 to 87), capital management policies and procedures (see page 87), the nature of the portfolio and expenditure projections, the Company has adequate resources, an appropriate financial structure and suitable management arrangements in place to continue in operational existence for the foreseeable future. For these reasons, they consider that there is reasonable evidence to continue to adopt the going concern basis in preparing the financial statements. They have not identified any material uncertainties to the Company's ability to continue to do so over a period of at least twelve months from the date of these financial statements.

Directors' Report

Risk Management and Internal Control

The Committee examines the effectiveness of the Company's internal control systems, receives information from the Manager and also reviews the scope and results of the external audit, its cost effectiveness and the independence and objectivity of the external auditors. In the Directors' opinion the Auditors are independent. A risk matrix has been developed which covers all key risks the Company faces, the likelihood of their occurrence and their potential impact, how these risks are monitored and mitigating controls in place. The Board has delegated to the Committee the responsibility for the review and maintenance of the risk matrix.

Effectiveness of Audit

The Committee reviewed the audit planning and the standing, skills and experience of the firm and the audit team. The Committee also considered the independence of BDO and the objectivity of the audit process. BDO has confirmed that it is independent of the Company and has complied with relevant auditing standards. No modifications were required to the external audit approach. The Committee received a presentation of the audit plan from the external auditor prior to the commencement of the 2022 audit and a presentation of the results of the audit following completion of the main audit testing. Additionally, the Committee received feedback from the Manager regarding the effectiveness of the external audit process.

The Committee is satisfied that BDO has provided effective independent challenge in carrying out its responsibilities. After due consideration, the Committee recommended the re-appointment of BDO and their re-appointment will be put to the Company's shareholders at the 2022 AGM.

Auditor Appointment and Tenure

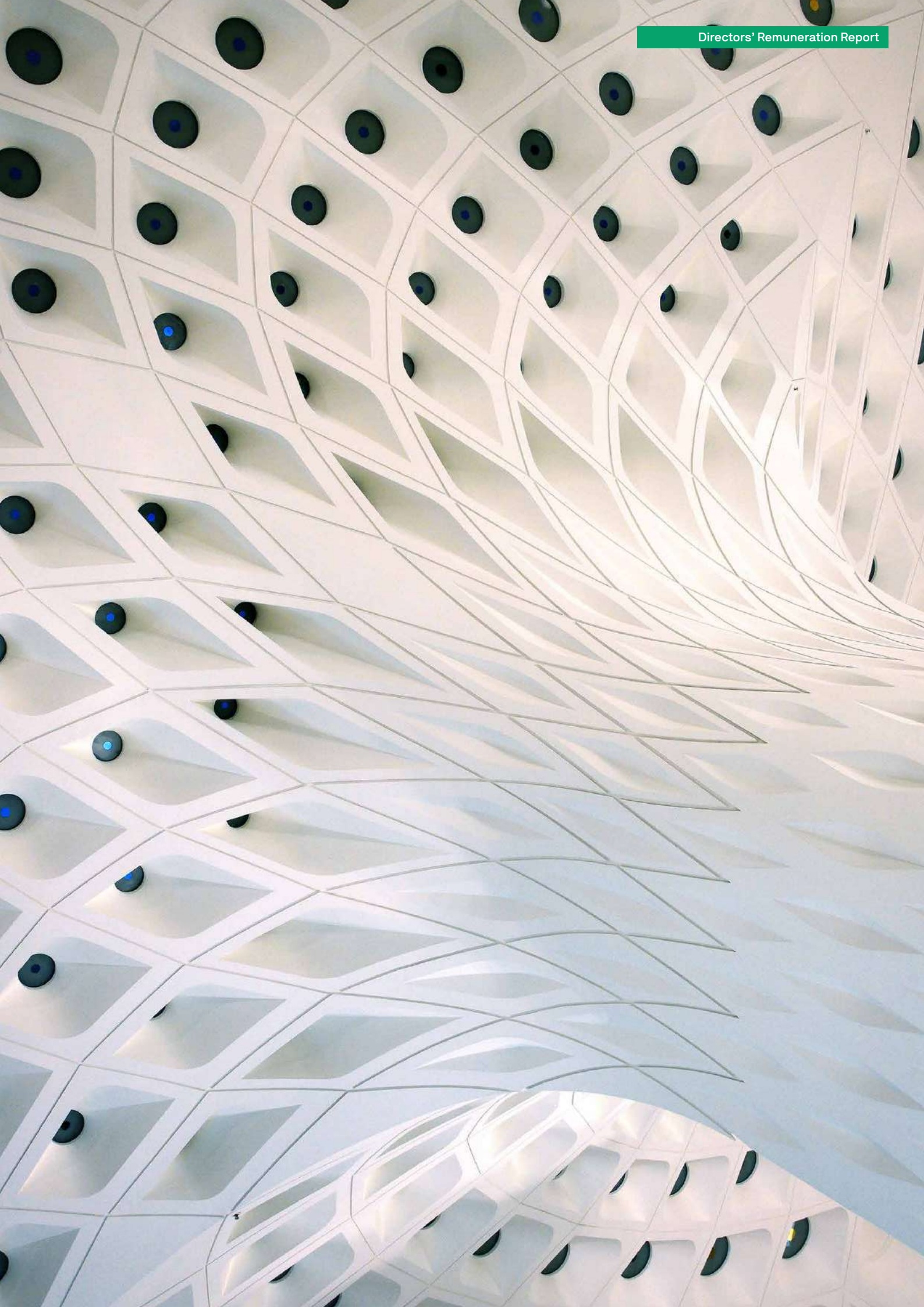
Representatives of the Company's Auditors attended the Audit Committee meeting at which the draft Annual Report & Financial Statements were considered and also engage with Directors as and when required. The Board reviews and approves any non-audit services provided by the independent auditors and assesses the impact of any non audit work on the ability of the auditors to remain independent. Details of the auditors fees paid are disclosed in note 6 on page 74. BDO LLP were appointed in 2019 and consequently this year is the third year for the current audit partner.

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

Fair, Balanced and Understandable

As a result of the work performed, the Committee has concluded that the Annual Report for the year ended 30th June 2022, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's position and performance, business model and strategy, and has reported on these findings to the Board. The Board's conclusions in this respect are set out in the Statement of Directors' Responsibilities on page 58.

Richard Laing
Audit Committee Chairman
29th September 2022



Directors' Remuneration Report

The Board presents the Directors' Remuneration Report for the year ended 30th June 2022, which has been prepared in accordance with the requirements of Section 421 of the Companies Act 2006.

The law requires the Company's Auditors to audit certain of the disclosures provided. Where disclosures have been audited they are indicated as such. The Auditors' opinion is included in their report on pages 60 to 65.

The law requires that the Directors' Remuneration Policy is subject to a triennial binding vote. The policy was last approved at the Annual General Meeting held in 2019, of the votes cast, 99.9% of votes were in favour of (or granted discretion to the Chairman who voted in favour of) the remuneration report and less than 0.1% voted against. Abstentions were received from less than 0.1% of the votes cast. The Directors' Remuneration Policy will be put to shareholders for approval at the forthcoming Annual General Meeting. The policy is set out in full below and is currently in force.

The Board's policy for this and subsequent years is that Directors' fees should properly reflect the time spent by the Directors on the Company's business and should be at a level to ensure that candidates of a high calibre are recruited to the Board. The Chairman of the Board, the Chairman of the Audit Committee and the Senior Independent Director are paid higher fees than the other Directors, reflecting the greater time commitment involved in fulfilling those roles.

The Remuneration Committee, comprising all Directors, reviews Directors' fees on a regular basis and makes recommendations to the Board as and when appropriate. Reviews are based on information provided by the Manager and industry research carried out by third parties on the level of fees paid to the directors of the Company's peers and within the investment trust industry generally. The involvement of remuneration consultants has not been deemed necessary as part of this review. The Company has no Chief Executive Officer and no employees and therefore there was no consultation of employees and there is no employee comparative data to provide, in relation to the setting of the remuneration policy for Directors.

All of the Directors are non-executive. There are no performance-related elements to their fees and the Company does not operate any type of incentive, share scheme, award or pension scheme and therefore no Directors receive bonus payments or pension contributions from the Company or hold options to acquire shares in the Company. Directors are not granted exit payments and are not provided with compensation for loss of office. No other payments are made to Directors, other than the reimbursement of reasonable out-of-pocket expenses incurred in attending the Company's business.

In the year under review, Directors' fees were paid at the following rates: Chairman £47,000; Audit Committee Chairman £38,200; Senior Independent Director £34,800

and other Directors £31,700. With effect from 1st July 2022, fees have been increased to £49,000, £39,750, £36,250 and £33,000 respectively.

The Company's articles of association stipulate that aggregate fees must not exceed £275,000 per annum and provide that any increase in the maximum aggregate annual limit on Directors' fees requires both Board and shareholder approval.

The Company has not sought shareholder views on its remuneration policy. The Remuneration Committee considers any comments received from shareholders on remuneration policy on an ongoing basis and takes account of those views.

The terms and conditions of Directors' appointments are set out in formal letters of appointment which are available for review at the Company's Annual General Meeting and the Company's registered office. Details of the Board's policy on tenure are set out on page 47.

Directors' Remuneration Policy Implementation

The Directors' Remuneration Report, which includes details of the Directors' remuneration policy and its implementation, is subject to an annual advisory vote and therefore an ordinary resolution to approve this report will be put to shareholders at the forthcoming Annual General Meeting. There have been no changes to the policy compared with the year ended 30th June 2022 and no changes are proposed for the year ending 30th June 2023.

At the Annual General Meeting held on 4th November 2021, of the votes cast, 99.8% of votes were in favour of (or granted discretion to the Chairman who voted in favour of) the remuneration report and 0.2% voted against. Abstentions were received from less than 0.1% of the votes cast.

Details of voting on both the Remuneration Policy and the Directors' Remuneration Report from the 2022 Annual General Meeting will be given in the annual report for the year ending 30th June 2023.

Directors' Remuneration Report

Details of the implementation of the Company's remuneration policy are given below.

Single total figure of remuneration

The single total figure of remuneration for the Board as a whole for the year ended 30th June 2022 was £215,100. The single total figure of remuneration for each Director is detailed below together with the prior year comparative.

Single total figure table¹

Directors' Name	2022			2021		
	Fees	Taxable expenses ²	Total	Fees	Taxable expenses ²	Total
	£	£	£	£	£	£
Sarah Arkle	47,000	-	47,000	44,500	-	44,500
Helena Coles ³	31,700	-	31,700	25,417	-	25,417
Richard Laing	38,200	521	38,200	36,750	-	36,750
Ruary Neill	31,700	-	31,700	30,500	-	30,500
Andrew Page	34,800	2,260	34,800	33,500	-	33,500
Aidan Lisser	31,700	549	31,700	30,500	-	30,500
Zoe Clements ⁴	-	-	-	-	-	-
Total	215,100	3,330	215,100	201,167	-	201,167

¹ Audited information. Other subject headings for the single figure table as prescribed by regulation are not included because there is nothing to disclose in relation thereto.

² Taxable travel and subsistence expenses incurred in attending Board and Committee meetings.

³ Appointed on 1st September 2020.

⁴ Appointed on 1st September 2022.

Annual Percentage Change in Directors Remuneration

The following table sets out the annual percentage change in Directors' fees for the year to 30th June 2022:

Directors' Name	% change for the year to 30th June 2022	% change for the year to 30th June 2021
Sarah Arkle	+5.6%	+3.5%
Helena Coles ¹	+24.7%	n/a
Richard Laing	+3.9%	+3.5%
Ruary Neill	+3.9%	+3.4%
Andrew Page	+3.9%	+3.1%
Aidan Lisser	+3.9%	+3.4%
Zoe Clements ²	n/a	n/a

¹ Appointed on 1st September 2020.

² Appointed on 1st September 2022.

A table showing the total remuneration for the Chairman over the five years ended 30th June 2022 is below:

Remuneration for the Chairman over the five years ended 30th June 2022

Year ended 30th June	Fees
2022	£47,000
2021	£44,500
2020	£43,000
2019	£41,000
2018	£40,000

Directors' Shareholdings¹

There are no requirements pursuant to the Company's Articles of Association for the Directors to own shares in the Company. The beneficial shareholdings of the Directors who held office at the year end are detailed below.

Directors' Name	30th June 2022	1st July 2021
Sarah Arkle	200,000	200,000
Helena Coles	24,000	12,000
Richard Laing	60,000	60,000
Aidan Lisser	50,000	50,000
Ruary Neill	50,000	50,000
Andrew Page	50,000	50,000
Zoe Clements ²	-	-
Total	434,000	422,000

¹ Audited information.

² Appointed 1st September 2022.

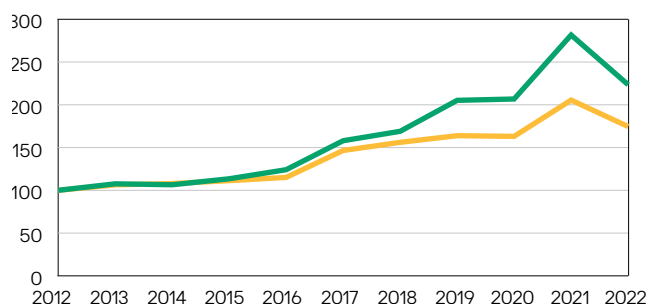
As at the latest practical date before the publication of this document, there have been no changes to the Directors' shareholdings.

The Directors have no other share interests or share options in the Company and no share schemes are available.

A graph showing the Company's share price total return compared with the return on its benchmark index, the MSCI Emerging Markets Index with net dividends reinvested, in sterling terms, over the last ten years is shown below. The Board believes that this index is the most appropriate for performance comparison purposes because it reflects the Investment Manager's investment universe.

Directors' Remuneration Report

Ten Year Share Price and Benchmark Total Return Performance to 30th June 2022



Source: Morningstar.

— Share price total return.

— Benchmark total return.

A table showing actual expenditure by the Company on remuneration and distributions to shareholders for the year and the prior year is below:

Expenditure by the Company on remuneration and distributions to shareholders

	Year ended 30th June	
	2022 £	2021 £
Remuneration paid to all Directors		
— by way of fees	215,100	201,167
Distribution to shareholders		
— by way of dividend	15,926,000	16,898,000
— by way of share repurchases	20,890,000	10,662,000

For and on behalf of the Board

Andrew Page

Chairman of the Remuneration Committee

29th September 2022



Statement of Directors' Responsibilities

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law). Under company law 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 Company and of the profit or loss of the Company for that period. In preparing the financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

and the Directors confirm that they have done so.

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 enable them to ensure that the financial statements and the Directors' Remuneration Report comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The accounts are published on the Company's website: www.jpmemergingmarkets.co.uk, which is maintained by the Company's Manager. The maintenance and integrity of the website maintained by the Manager is, so far as it relates to the Company, the responsibility of the Manager. The Directors are responsible for the maintenance and integrity of the corporate and financial information on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Under applicable law and regulations the Directors are also responsible for preparing a Strategic Report, a Directors' Report and Directors' Remuneration Report that comply with the law and those regulations.

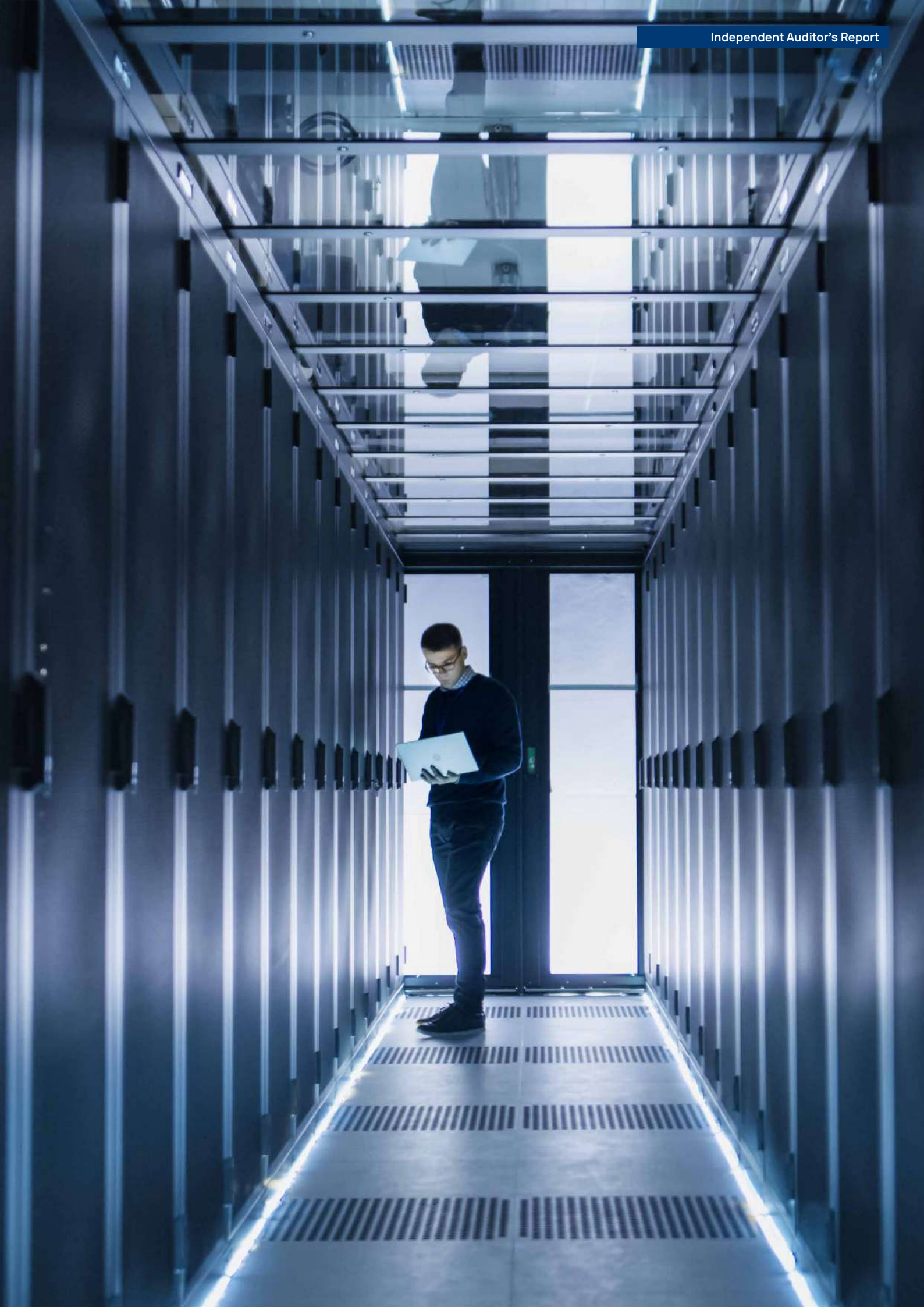
Each of the Directors, whose names and functions are listed in Directors' Report confirm that, to the best of their knowledge:

- the Company's financial statements, which have been prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', and applicable law), give a true and fair view of the assets, liabilities, financial position and profit of the Company; and
- the Directors' Report includes a fair review of the development and performance of the business and the position of the Company, together with a description of the principal risks and uncertainties that it faces.

The Directors consider that the annual report and accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's position and performance, business model and strategy.

For and on behalf of the Board
Sarah Arkle
Chairman

29th September 2022



Independent Auditor's Report to the members of JPMorgan Emerging Markets Investment Trust plc

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 June 2022 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice ; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of JPMorgan Emerging Markets Investment Trust plc (the 'Company') for the year ended 30 June 2022 which comprise of the Statement of Comprehensive Income, the Statement of Changes in Equity, the Statement of Financial Position, the Statement of Cash Flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

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

Following the recommendation of the audit committee, we were appointed by the Board of Directors on 13 November 2019 to audit the financial statements for the year ending 30 June 2020 and subsequent financial periods. The period of total uninterrupted engagement including retenders and reappointments is 3 years, covering the years ending 30 June 2020 to 30 June 2022. We remain independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. The non-audit services prohibited by that standard were not provided to the Company.

Conclusions relating to going concern

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

- Evaluating the appropriateness of the Directors' method of assessing the going concern in light of market volatility and the present uncertainties in economic recovery created by the ongoing Covid-19 pandemic and geo-political unrest by reviewing the liquidity of the investment portfolio;
- Assessing the liquidity position available to meet the future obligations and operating expenses for the next twelve months; and
- Challenging the reasonableness of management's assumptions and judgements made in their forecasts with reference to current economic indicators.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In relation to the 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.

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

Independent Auditor's Report

Overview

Key audit matters	2022	2021
Valuation and ownership of quoted investments	✓	✓
Materiality	Company financial statements £13.6m (2021:£16.9m) based on 1% (2021: 1%) of Net assets	

An overview of the scope of our audit

Our audit was scoped by obtaining an understanding of the Company and its environment, including the Company's system of internal control, and assessing the risks of material misstatement in the financial statements. We also addressed the risk of management override of internal controls, including assessing whether there was evidence of bias by the Directors that may have represented a risk of material misstatement.

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	How the scope of our audit addressed the key audit matter	
Valuation and ownership of quoted investments Note 1(b) and note 10	<p>The investment portfolio at the year end comprised of quoted investments which are carried at fair value through profit or loss.</p> <p>The investment portfolio is the most significant balance in the financial statements and is the key driver of performance. There is a risk that the Company does not legally own the investments at the year end or that the bid price used to value the investment is incorrect.</p> <p>Given the significance of the balance and the audit effort expended in executing our testing we considered the valuation and ownership of investment to be a key audit matter.</p>	<p>We responded to this matter by testing the valuation and ownership of the whole portfolio of quoted investments. We performed the following procedures:</p> <ul style="list-style-type: none"> Confirmed the year-end bid price was used by agreeing to externally quoted prices; Assessed if there were contra indicators, such as liquidity considerations, to suggest bid price is not the most appropriate indication of fair value by considering the realisation period for individual holdings; Recalculated the valuation by multiplying the number of shares held per the statement obtained from the custodian by the valuation per share; Obtained direct confirmation of the number of shares held per equity investment from the custodian regarding all investments held at the balance sheet date. <p>Key observations</p> <p>Based on our procedures performed we did not identify any matters to suggest that the valuation and ownership of investments was not appropriate.</p>

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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:

	Company financial statements	
	2022 £m	2021 £m
Materiality	13.6	16.9
Basis for determining materiality	1% of Net assets	1% of Net assets
Rationale for the benchmark applied	As an investment trust, the net asset value is the key measure of performance for users of the financial statements.	As an investment trust, the net asset value is the key measure of performance for users of the financial statements.
Performance materiality	10.2	12.7
Basis for determining performance materiality	Performance materiality was set at 75% of materiality. The level of performance materiality applied was set after having considered a number of factors including the expected total value of known and likely misstatements and the level of transactions in the year.	Performance materiality was set at 75% of materiality. The level of performance materiality applied was set after having considered a number of factors including the expected total value of known and likely misstatements and the level of transactions in the year.

Lower testing threshold

We determined that for net revenue returns, a misstatement of less than materiality for the financial statements as a whole, could influence users of the financial statements as it is a measure of the Company's performance of income generated from its investments after expenses. Thus, we have set a lower testing threshold for those items impacting net revenue return of £1,000,000 (2021: £1,500,000) which is based on 5% (2021: 10%) of net revenue returns before tax.

Reporting threshold

We agreed with the Audit Committee that we would report to them all individual audit differences in excess of £272,000 (2021: £338,000). We also agreed to report differences below this thresholds 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.

Independent Auditor's Report

Corporate governance statement

The Listing Rules require 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 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.

Going concern and longer-term viability	<ul style="list-style-type: none"> ● The Directors' statement with regards to the appropriateness of adopting the going concern basis of accounting and any material uncertainties identified; and ● The Directors' explanation as to their assessment of the Company's prospects, the period this assessment covers and why the period is appropriate.
Other Code provisions	<ul style="list-style-type: none"> ● Directors' statement on fair, balanced and understandable; ● Board's confirmation that it has carried out a robust assessment of the emerging and principal risks; ● The section of the annual report that describes the review of effectiveness of risk management and internal control systems; and ● The section describing the work of the audit committee.

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.

Strategic report and Directors' report	<p>In our opinion, based on the work undertaken in the course of the audit:</p> <ul style="list-style-type: none"> ● the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and ● the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements. <p>In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the Directors' report.</p>
Directors' remuneration	<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>
Matters on which we are required to report by exception	<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"> ● adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or ● the financial statements and the part of the Directors' remuneration report to be audited are not in agreement with the accounting records and returns; or ● certain disclosures of Directors' remuneration specified by law are not made; or ● we have not received all the information and explanations we require for our audit.

Independent Auditor's Report

Responsibilities of Directors

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

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

Auditor's responsibilities for the audit of the financial statements

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

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:

We gained an understanding of the legal and regulatory framework applicable to the Company and the industry in which it operates, and considered the risk of acts by the Company which were contrary to applicable laws and regulations, including fraud. We considered the significant laws and regulations to be the Companies Act 2006, the FCA listing and DTR rules, the principles of the AIC Code of Corporate Governance, industry practice represented by the AIC SORP, the applicable accounting framework, and qualification as an Investment Trust under UK tax legislation as any non-compliance of this would lead to the Company losing various deductions and exemptions from corporation tax.

We focused on laws and regulations that could give rise to a material misstatement in the Company financial statements. Our tests included, but were not limited to:

- agreement of the financial statement disclosures to underlying supporting documentation;
- enquiries of management and those charged with governance relating to the existence of any non-compliance with laws and regulations;
- review of minutes of board meetings throughout the period;
- obtaining an understanding of the control environment in monitoring compliance with laws and regulations; and
- reviewing the calculation in relation to Investment Trust compliance to check that the Company was meeting its requirements to retain their Investment Trust Status.

We assessed the susceptibility of the financial statement to material misstatement including fraud and considered the fraud risk areas in revenue recognition and management override of controls.

Our tests included, but were not limited to:

- We derived an independent expectation of total expected income based on the investment holding and records of distributions from independent sources. We also cross checked the portfolio against corporate actions and special dividends and challenged if these had been appropriately accounted for as income or capital.
- We analysed the whole population of dividend receipts to identify any unusual items that could indicate a capital distribution, for example where a dividend represented a particularly high yield and investigated the rationale of those distributions.
- We traced the sample of dividend income through from the nominal ledger to bank.
- Recalculating investment management fees in total;
- Obtaining independent confirmation of bank balances; and
- Testing journals which met a defined risk criteria by agreeing to supporting documentation and evaluating whether there was evidence of bias by the Investment Manager and Directors that represented a risk of material misstatement due to fraud.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Independent Auditor's Report

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: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

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

Vanessa Bradley (Senior Statutory Auditor)

For and on behalf of BDO LLP, Statutory Auditor

London, United Kingdom

29th September 2022

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).



Statement of Comprehensive Income

For the year ended 30th June 2022

	Notes	Revenue £'000	2022 Capital £'000	Total £'000	Revenue £'000	2021 Capital £'000	Total £'000
(Loss)/gains on investments held at fair value through profit or loss	3	—	(300,802)	(300,802)	—	420,640	420,640
Net foreign currency gains/(losses)		—	6,561	6,561	—	(2,201)	(2,201)
Income from investments	4	23,043	—	23,043	19,508	—	19,508
Interest receivable	4	158	—	158	115	—	115
Gross return/(loss)		23,201	(294,241)	(271,040)	19,623	418,439	438,062
Management fee	5	(3,537)	(8,252)	(11,789)	(3,798)	(8,862)	(12,660)
Other administrative expenses	6	(1,346)	—	(1,346)	(1,420)	—	(1,420)
Net return/(loss) before taxation		18,318	(302,493)	(284,175)	14,405	409,577	423,982
Taxation	7	(2,326)	(5,420)	(7,746)	(2,268)	—	(2,268)
Net return/(loss) after taxation		15,992	(307,913)	(291,921)	12,137	409,577	421,714
Return/(loss) per share	8	1.36p	(26.13)p	(24.77)p	1.02p	34.38p	35.40p

A final dividend of 0.83p (2021: 0.83p) per ordinary share has been proposed in respect of the year ended 30th June 2022, totalling £9.7 million (2021: £9.9 million). Further details are given in note 9 on page 76.

All revenue and capital items in the above statement derive from continuing operations. No operations were acquired or discontinued in the year.

The 'Total' column of this statement is the profit and loss account of the Company, and the 'Revenue' and 'Capital' columns represent supplementary information prepared under guidance issued by the Association of Investment Companies. Net return/(loss) after taxation represents the profit/(loss) for the year and also Total Comprehensive Income.

The notes on pages 72 to 87 form an integral part of these financial statements.

Statement of Changes in Equity

For the year ended 30th June 2022

	Called up share capital £'000	Share premium £'000	Capital redemption reserve £'000	Other reserves £'000	Capital reserves £'000	Revenue reserve ¹ £'000	Total £'000
At 30th June 2020	33,091	173,657	1,665	69,939	1,002,828	22,735	1,303,915
Repurchase of shares into Treasury	—	—	—	—	(10,662)	—	(10,662)
Share split charges	—	(26)	—	—	—	—	(26)
Net return	—	—	—	—	409,577	12,137	421,714
Dividends paid in the year (note 9)	—	—	—	—	—	(16,898)	(16,898)
At 30th June 2021	33,091	173,631	1,665	69,939	1,401,743	17,974	1,698,043
Repurchase of shares into Treasury	—	—	—	—	(20,890)	—	(20,890)
Net (loss)/return	—	—	—	—	(307,913)	15,992	(291,921)
Dividend paid in the year (note 9)	—	—	—	—	—	(15,926)	(15,926)
At 30th June 2022	33,091	173,631	1,665	69,939	1,072,940	18,040	1,369,306

¹ This reserve forms the distributable reserve of the Company and is used to fund distributions to investors.

The notes on pages 82 to 87 form an integral part of these financial statements.

Statement of Financial Position

At 30th June 2022

	Notes	2022 £'000	2021 £'000
Fixed assets			
Investments held at fair value through profit or loss	10	1,313,276	1,685,041
Current assets	11		
Debtors		4,203	13,869
Cash and cash equivalents		57,700	510
		61,903	14,379
Current liabilities			
Creditors: amounts falling due within one year	12	(453)	(1,376)
Derivative financial liabilities	12	—	(1)
Net current assets		61,450	13,002
Total assets less current liabilities		1,374,726	1,698,043
Non current liabilities	13		
Provision for capital gains tax		(5,420)	—
Net assets		1,369,306	1,698,043
Capital and reserves			
Called up share capital	14	33,091	33,091
Share premium	15	173,631	173,631
Capital redemption reserve	15	1,665	1,665
Other reserve	15	69,939	69,939
Capital reserves	15	1,072,940	1,401,743
Revenue reserve	15	18,040	17,974
Total shareholders' funds		1,369,306	1,698,043
Net asset value per share	16	117.0p	143.0p

The financial statements on pages 67 to 70 were approved and authorised for issue by the Directors on 29th September 2022 and were signed on their behalf by:

Sarah Arkle

Director

The notes on pages 71 to 87 form an integral part of these financial statements.

The Company is registered in England and Wales.

Company registration number: 2618994

Statement of Cash Flows

For the year ended 30th June 2022

	Notes	2022 £'000	2021 £'000
Net cash outflow from operations before dividends and interest	17	(11,608)	(15,601)
Dividends received		18,579	16,618
Interest received		158	115
Overseas tax recovered		93	56
Net cash inflow from operating activities		7,222	1,188
Purchases of investments		(109,362)	(132,793)
Sales of investments		192,011	145,707
Settlement of forward currency contracts		98	(197)
Net cash inflow from investing activities		82,747	12,717
Repurchase of shares into Treasury		(21,670)	(9,720)
Dividend paid		(15,926)	(16,898)
Costs in relation to share split		—	(26)
Net cash outflow from financing activities		(37,596)	(26,644)
Increase/(decrease) in cash and cash equivalents		52,373	(12,739)
Cash and cash equivalents at start of year		510	13,534
Unrealised gain/(loss) on foreign currency cash and cash equivalents		4,817	(285)
Cash and cash equivalents at end of year		57,700	510
Increase/(decrease) in cash and cash equivalents		52,373	(12,739)
Cash and cash equivalents consist of:			
Cash and short term deposits		487	232
Cash held in JPMorgan US Dollar Liquidity Fund		57,213	278
Total		57,700	510

The notes on pages 71 to 87 form an integral part of these financial statements.

Reconciliation of net cash

	As at 30th June 2021 £'000	Cash flows £'000	Other non-cash charges £'000	As at 30th June 2022 £'000
Cash and cash equivalents				
Cash	232	256	(1)	487
Cash equivalents	278	52,117	4,818	57,213
Total	510	52,373	4,817	57,700

Notes to the Financial Statements

For the year ended 30th June 2022

1. Accounting policies

(a) Basis of accounting

The financial statements are prepared under the historical cost convention, modified to include fixed asset investments at fair value, and in accordance with the Companies Act 2006, United Kingdom Generally Accepted Accounting Practice ('UK GAAP'), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and with the Statement of Recommended Practice 'Financial Statements of Investment Trust Companies and Venture Capital Trusts' (the 'SORP') issued by the Association of Investment Companies in April 2021.

All of the Company's operations are of a continuing nature.

The Directors believe that having considered the Company's investment objective (see page 31), risk management policies (see page 31), capital management policies and procedures (see page 87), the nature of the portfolio and expenditure projections, the Company has adequate resources, an appropriate financial structure and suitable management arrangements in place to continue in operational existence for the foreseeable future. For these reasons, they consider that there is reasonable evidence to continue to adopt the going concern basis in preparing the financial statements. They have not identified any material uncertainties to the Company's ability to continue to do so over a period of at least twelve months from the date of these financial statements.

The policies applied in these financial statements are consistent with those applied in the preceding year.

(b) Valuation of investments

The Company's business is investing in financial assets with a view to profiting from their total return in the form of income and capital growth. The portfolio of financial assets is managed and its performance evaluated on a fair value basis, in accordance with a documented investment strategy and information is provided internally on that basis to the Company's Board of Directors.

Accordingly, upon initial recognition the investments are designated by the Company as held at fair value through profit or loss. They are included initially at fair value which is taken to be their cost. Subsequently the investments are valued at fair value, which are quoted bid prices for investments traded in active markets. For investments which are not traded in active markets, unlisted and restricted investments, the Board takes into account the latest traded prices, other observable market data and asset values based on the latest management accounts.

All purchases and sales are accounted for on a trade date basis.

(c) Accounting for reserves

Gains and losses on sales of investments including the related foreign exchange gains and losses, realised gains and losses on foreign currency, management fees and finance costs allocated to capital and any other capital charges, are included in the Statement of Comprehensive Income and dealt with in capital reserves within 'Gains and losses on sales of investments'.

Increases and decreases in the valuation of investments held at the year end including the related foreign exchange gains and losses, are included in the Statement of Comprehensive Income and dealt with in capital reserves within 'Investment holding gains and losses'.

(d) Income

Dividends receivable from equity shares are included in revenue on an ex-dividend basis except where, in the opinion of the Board, the dividend is capital in nature, in which case it is included in capital.

Overseas dividends are included gross of any withholding tax.

Special dividends are looked at individually to ascertain the reason behind the payment. This will determine whether they are treated as revenue or capital.

Where the Company has elected to receive scrip dividends in the form of additional shares rather than in cash, the amount of the cash dividend foregone is recognised in revenue. Any excess in the value of the shares received over the amount of the cash dividend is recognised in capital.

Interest receivable is taken to revenue on an accruals basis.

Notes to the Financial Statements

1. Accounting policies *continued*

(e) Expenses

All expenses are accounted for on an accruals basis. Expenses are allocated wholly to revenue with the following exceptions:

- The management fee and any finance costs incurred are allocated 30% to revenue and 70% to capital, in line with Board's expected long term split of revenue and capital return from the Company's investment portfolio.
- Expenses incidental to the purchase and sale of an investment are charged to capital. These expenses are commonly referred to as transaction costs and comprise brokerage commission and stamp duty. Details of transaction costs are given in note 10 on page 1.

(f) Financial instruments

Cash and cash equivalents may comprise cash including demand deposits which are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value. Liquidity funds are considered cash equivalents as they are held for cash management purposes as an alternative to cash.

Other debtors and creditors do not carry any interest, are short term in nature and are accordingly stated at nominal value, with debtors reduced by appropriate allowances for estimated irrecoverable amounts.

Derivative financial instruments, including short term forward currency contracts are valued at fair value, which is the net unrealised gain or loss, and are included in current assets or current liabilities in the Statement of Financial Position.

(g) Taxation

Current tax is provided at the amounts expected to be paid or recovered.

Deferred tax is provided on all timing differences that have originated but not reversed by the balance sheet date. Deferred tax liabilities are recognised for all taxable timing differences but deferred tax assets are only recognised to the extent that it is more likely than not that taxable profits will be available against which those timing differences can be utilised.

Deferred tax is measured at the tax rate which is expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates that have been enacted or substantively enacted at the balance sheet date and is measured on an undiscounted basis.

Gains and losses on sale of investments purchased and sold in India after 1st April 2017 are liable to capital gains tax in India.

At each year end date, a provision for capital gains tax is calculated based upon the Company's realised and unrealised gains and losses. There are two rates of tax: short-term and long-term. The short-term rate of tax is applicable to investments held for less than 12 months and the long-term rate of tax is applicable to investments held for more than 12 months.

The provision is recognised in the Statement of Financial Position and the year-on-year movement in the provision is recognised in the Statement of Comprehensive Income.

(h) Value Added Tax ('VAT')

Expenses are disclosed inclusive of the related irrecoverable VAT. Recoverable VAT is calculated using the partial exemption method based on the proportion of zero rated supplies to total supplies.

(i) Functional currency

The Company is required to identify its functional currency, being the currency of the primary economic environment in which the Company operates. The Board, having regard to the currency of the Company's share capital and the predominant currency in which its shareholders operate, has determined that sterling is the functional currency. Sterling is also the currency in which the financial statements are presented.

Transactions denominated in foreign currencies are converted at actual exchange rates at the date of the transaction. Monetary assets, liabilities and equity investments held at fair value, denominated in foreign currencies at the year end are translated at the rates of exchange prevailing at the year end.

Any gain or loss arising on monetary assets from a change in exchange rates subsequent to the date of the transaction is included as an exchange gain or loss in revenue or capital, depending on whether the gain or loss is of a revenue or capital nature.

Notes to the Financial Statements

(j) Dividends payable

Dividends are included in the financial statements in the year in which they are approved by shareholders.

(k) Repurchase of shares for cancellation or to hold in Treasury

The cost of repurchasing ordinary shares (for cancellation or to hold in Treasury) including the related stamp duty and transactions costs is charged to the 'capital reserves' and dealt with in the Statement of Changes in Equity. Share repurchase transactions are accounted for on a trade date basis.

Where shares are cancelled (or are subsequently cancelled having previously been held in Treasury), the nominal value of those shares is transferred out of 'Called up share capital' and into the 'Capital redemption reserve'.

Should shares held in Treasury be reissued, the sales proceeds will be treated as a realised capital profit up to the amount of the purchase price of those shares and will be transferred to capital reserves. The excess of the sales proceeds over the purchase price will be transferred to 'Share premium'.

2. Significant accounting judgements and estimates

The preparation of the Company's financial statements on occasion requires the Board to make judgements, estimates and assumptions that affect the reported amounts in the primary financial statements and the accompanying disclosures. These assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in the current and future periods, depending on circumstance.

The Directors do not believe that any significant accounting judgements or estimates have been applied to this set of financial statements, that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year.

3. (Losses)/gains on investments held at fair value through profit or loss

	2022 £'000	2021 £'000
Realised gains on sales of investments	123,997	81,115
Net change in unrealised gains and losses on investments	(424,750)	339,564
Other capital charges	(49)	(39)
Total capital (losses)/gains on investments held at fair value through profit or loss	(300,802)	420,640

Notes to the Financial Statements

4. Income

	2022 £'000	2021 £'000
Income from investments		
Overseas dividends	22,935	19,508
Scrip dividends	108	—
	23,043	19,508
Interest receivable and similar income		
Interest from liquidity fund	158	23
Deposit interest	—	92
	158	115
Total income	23,201	19,623

5. Management fee

	2022			2021		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Management fee	3,537	8,252	11,789	3,798	8,862	12,660

Details of the management fee are given in the Directors' Report on page 43.

6. Other administrative expenses

	2022 £'000	2021 £'000
Administrative expenses	472	532
Safe custody fees	465	495
Directors' fees ¹	215	201
Depositary fees ²	151	154
Auditors' remuneration — for audit services ³	43	38
	1,346	1,420

¹ Full disclosure is given in the Directors' Remuneration Report on page 54.

² Includes £nil (2021: £7,000) irrecoverable VAT.

³ Includes £nil (2021: £2,000) irrecoverable VAT.

Notes to the Financial Statements

7. Taxation

(a) Analysis of tax charge in the year

	2022			2021		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Overseas withholding tax on dividends	2,326	—	2,326	2,268	—	2,268
Capital gains tax	—	5,420	5,420	—	—	—
Total tax charge for the year	2,326	5,420	7,746	2,268	—	2,268

(b) Factors affecting total tax charge for the year

The tax charge for the year is higher than (2021: lower) the Company's applicable rate of corporation tax of 19% (2021: 19%)

The factors affecting the total tax charge for the year are as follows:

	2022			2021		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Net return/(loss) before taxation	18,318	(302,493)	(284,175)	14,405	409,577	423,982
Net return/(loss) before taxation multiplied by the applicable rate of corporation tax of 19% (2021: 19%)	3,480	(57,474)	(53,994)	2,737	77,819	80,556
Effects of:						
Non taxable scrip dividends	(20)	—	(20)	—	—	—
(Losses)/gains on investments not subject to UK income tax	—	55,906	55,906	—	(79,503)	(79,503)
Non taxable overseas dividends	(4,363)	—	(4,363)	(3,192)	—	(3,192)
Tax attributable to expenses charged to capital	(1,568)	1,568	—	(1,684)	1,684	—
Unutilised expenses carried forward to future periods	2,471	—	2,471	2,191	—	2,191
Overseas withholding tax	2,326	—	2,326	2,268	—	2,268
Capital gains tax	—	5,420	5,420	—	—	—
Double tax relief expensed	(52)	—	(52)	—	—	—
Total tax charge for the year	2,326	5,420	7,746	16,725	—	2,268

(c) Deferred taxation

Deferred tax provisions have been made in relation to the Indian capital gains tax on unrealised gains or losses of investments. The Company has not provided for UK deferred tax on any realised and unrealised gains or losses of investments as it is exempt from UK tax on these items due to its status as Investment Company.

The Company has an unrecognised deferred tax asset of £29,910,000 (2021: £26,603,726) based on a prospective corporation tax rate of 25% (2021: 25%). The March 2021 Budget announced an increase to the main rate of corporation tax to 25% from 1 April 2023. This increase in the standard rate of corporation tax was substantively enacted on 24th May 2021 and became effective from 2nd June 2021. The deferred tax asset has arisen due to the cumulative excess of deductible expenses over taxable income. Given the composition of the Company's portfolio, it is not likely that this asset will be utilised in the foreseeable future and therefore no asset has been recognised in the financial statements.

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.

Notes to the Financial Statements

8. Return/(loss) per share

	2022 £'000	2021 £'000
Revenue return	15,992	12,137
Capital (loss)/return	(307,913)	409,577
Total (loss)/return	(291,921)	421,714
Weighted average number of shares in issue during the year	1,178,582,565	1,191,294,140
Revenue return per share	1.36p	1.02p
Capital (loss)/return per share	(26.13)p	34.38p
Total (loss)/return per share	(24.77)p	35.40p

9. Dividends

(a) Dividends paid and proposed

	2022 £'000	2021 £'000
Dividends paid		
Unclaimed dividends refunded to the Company	(1)	—
2021 final dividend of 0.83p (2020: 0.9p) per share	9,813	10,710
2022 interim dividend of 0.52p (2021: 0.52p) per share	6,114	6,188
Total dividends paid in the year	15,926	16,898
Dividend proposed		
2022 final dividend proposed of 0.83p (2021: 0.83p) per share	9,715	9,858

All dividends paid and proposed in the year have been funded from the revenue reserve.

The dividend proposed in respect of the year ended 30th June 2022 is subject to shareholder approval at the forthcoming Annual General Meeting. In accordance with the accounting policy of the Company, this dividend will be reflected in the financial statements for the year ending 30th June 2023.

(b) Dividend for the purposes of Section 1158 of the Corporation Tax Act 2010 ('Section 1158')

The requirements of Section 1158 are considered on the basis of the dividend proposed in respect of the financial year, shown below.

The revenue available for distribution by way of dividend for the year is £15,992,000 (2021: £12,137,000). The revenue reserve after payment of the final dividend will amount to £8,323,000 (2021: £8,116,000).

	2022 £'000	2021 £'000
2022 interim dividend of 0.52p (2021: 0.52p) per share	6,114	6,188
2022 final dividend proposed of 0.83p (2021: 0.83p) per share	9,715	9,858
	15,829	16,046

Notes to the Financial Statements

10. Investments

	2022 £'000	2021 £'000
Investments listed on a recognised stock exchange	1,313,276	1,685,041
Opening book cost	641,682	585,112
Opening investment holding gains	1,043,359	703,795
Opening valuation	1,685,041	1,288,907
Movements in the year:		
Purchases at cost	109,470	132,793
Sales — proceeds	(180,482)	(157,338)
(Losses)/gains on investments	(300,753)	420,679
	1,313,276	1,685,041
Closing book cost	694,667	641,682
Closing investment holding gains	618,609	1,043,359
Total investments held at fair value through profit or loss¹	1,313,276	1,685,041

¹ For further analysis please see the Fair Value tables in Note 20.

Transaction costs on purchases during the year amounted to £119,000 (2021: £183,000) and on sales during the year amounted to £46,000 (2021: £103,000). These costs comprise mainly brokerage commission.

The Company received £180,482,000 (2021: £157,338,000) from investments sold in the year. The bookcost of these investments when they were purchased was £56,485,000 (2021: £76,223,000). These investments have been revalued over time and until they were sold any unrealised gains/losses were included in the fair value of the investments.

11. Current assets

	2022 £'000	2021 £'000
Debtors		
Securities sold awaiting settlement	—	11,592
Dividends and interest receivable	3,865	2,126
Other debtors	338	151
	4,203	13,869

The Directors consider that the carrying amount of debtors approximates to their fair value.

Cash and cash equivalents

Cash and cash equivalents comprise bank balances, short term deposits and liquidity funds. The carrying amount of these represents their fair value.

Notes to the Financial Statements

12. Current liabilities

	2022 £'000	2021 £'000
Creditors: amounts falling due within one year		
Repurchase of the Company's own shares awaiting settlement	162	942
Other creditors and accruals	291	434
	453	1,376

The Directors consider that the carrying amount of creditors falling due within one year approximates to their fair value.

Derivative financial liabilities

	2022 £'000	2021 £'000
Derivative financial liabilities		
Forward foreign currency contracts	—	1
	—	1

13. Non current liabilities: Provision for capital gains tax

	2022 £'000	2021 £'000
Provision for capital gains tax	5,420	—
	5,420	—

14. Called up share capital

	2022 £'000	2021 £'000
Issued and fully paid share capital:		
Ordinary shares of 2.5p (2021: 25p) each		
Opening balance of 1,187,666,096 (2021: 119,705,240) shares excluding shares held in Treasury	27,691	29,926
Repurchase of 17,153,866 (2021: 9,261,304) shares into Treasury	(428)	(235)
Subtotal of 1,170,512,230 (2021: 1,187,666,096) shares excluding shares held in Treasury	29,263	29,691
153,123,020 (2021: 135,969,154) shares held in Treasury	3,828	3,400
Closing balance of 1,323,635,250 (2021: 1,323,635,250) shares including shares held in Treasury	33,091	33,091
	33,091	33,091

Share capital transactions

During the year 17,153,866 shares were repurchased into Treasury for a total consideration of £20,890,000.

Further details of transactions in the Company's shares are given in the Business Review on page 31.

Notes to the Financial Statements

15. Capital and reserves

2022	Capital reserves							
	Called up share capital £'000	Share premium £'000	Capital redemption reserve £'000	Other reserve ¹ £'000	Gains and losses on sales of investments £'000	Investment holding gains and losses £'000	Revenue reserve ² £'000	Total £'000
Opening balance	33,091	173,631	1,665	69,939	358,992	1,042,751	17,974	1,698,043
Net foreign currency gains	—	—	—	—	6,561	—	—	6,561
Unrealised losses on forward foreign currency contracts from prior period now realised	—	—	—	—	(1)	1	—	—
Realised gains on sale of investments	—	—	—	—	123,997	—	—	123,997
Net change in unrealised gains and losses on investments	—	—	—	—	—	(424,750)	—	(424,750)
Repurchase of shares into Treasury	—	—	—	—	(20,890)	—	—	(20,890)
Management fee charged to capital	—	—	—	—	(8,252)	—	—	(8,252)
Other capital charges	—	—	—	—	(49)	—	—	(49)
Capital gains tax	—	—	—	—	(5,420)	—	—	(5,420)
Dividend paid in the year	—	—	—	—	—	—	(15,926)	(15,926)
Retained revenue for the year	—	—	—	—	—	—	15,992	15,992
Closing balance	33,091	173,631	1,665	69,939	454,938	618,002	18,040	1,369,306

2021	Capital reserves							
	Called up share capital £'000	Share premium £'000	Capital redemption reserve £'000	Other reserve ¹ £'000	Gains and losses on sales of investments £'000	Investment holding gains and losses £'000	Revenue reserve ² £'000	Total £'000
Opening balance	33,091	173,657	1,665	69,939	299,640	703,188	22,735	1,303,915
Net foreign currency loss	—	—	—	—	(2,200)	—	—	(2,200)
Unrealised losses on foreign currency contracts	—	—	—	—	—	(1)	—	(1)
Realised gains on sale of investments	—	—	—	—	81,115	—	—	81,115
Net change in unrealised gains and losses on investments	—	—	—	—	—	339,564	—	339,564
Repurchase of shares into Treasury	—	—	—	—	(10,662)	—	—	(10,662)
Management fee charged to capital	—	—	—	—	(8,862)	—	—	(8,862)
Share split cost	—	(26)	—	—	—	—	—	(26)
Other capital charges	—	—	—	—	(39)	—	—	(39)
Dividend paid in the year	—	—	—	—	—	—	(16,898)	(16,898)
Retained revenue for the year	—	—	—	—	—	—	12,137	12,137
Closing balance	33,091	173,631	1,665	69,939	358,992	1,042,751	17,974	1,698,043

¹ Created during the year ended 30th June 1999, following a cancellation of the share premium account.

² This reserve forms the distributable reserve of the Company and may be used to fund distributions to investors via dividend payments.

Notes to the Financial Statements

16. Net asset value per share

	2022	2021
Net assets (£'000)	1,369,306	1,698,043
Number of shares in issue	1,170,512,230	1,187,666,096
Net asset value per share	117.0p	143.0p

17. Reconciliation of net (loss)/return before taxation to net cash outflow from operations before dividends and interest

	2022 £'000	2021 £'000
Net (loss)/return before taxation	(284,175)	423,982
Add capital loss/(less capital return) before finance costs and taxation	302,493	(409,577)
Scrip dividends received as income	(108)	-
Increase in accrued income and other debtors	(1,728)	(523)
(Decrease)/increase in accrued expenses	(129)	205
Overseas withholding tax	(2,617)	(2,375)
Expenses charged to capital	(8,252)	(8,862)
Dividends received	(18,579)	(16,618)
Interest received	(158)	(115)
Realised gain/(loss) on foreign currency transactions	163	(359)
Exchange gain/(loss) on liquidity fund	1,482	(1,359)
Net cash outflow from operations before dividends and interest	(11,608)	(15,601)

18. Contingent liabilities and capital commitments

At the balance sheet date there were no contingent liabilities or capital commitments (2021: none).

19. Transactions with the Manager and related parties

Details of the management contract are set out in the Directors' Report on page 43. The management fee payable to the Manager for the year was £11,789,000 (2021: £12,660,000) of which £nil (2021: £nil) was outstanding at the year end.

Safe custody fees amounting to £465,000 (2021: £495,000) were payable during the year to JPMorgan Chase N.A. of which £81,000 (2021: £301,000) was outstanding at the year end.

The Manager may carry out some of its dealing transactions through group subsidiaries. These transactions are carried out at arm's length. The commission payable to JPMorgan Securities Limited for the year was £5,000 (2021: £1,000) of which £nil (2021: £nil) was outstanding at the year end.

The Company also holds cash in the JPMorgan US Dollar Liquidity Fund, which is managed by JPMF. At the year end this was valued at £57.2 million (2021: £0.3 million). Interest amounting to £158,000 (2021: £23,000) was received during the year of which £nil (2021: £nil) was outstanding at the year end.

Handling charges on dealing transactions amounting to £49,000 (2021: £39,000) were payable to JPMorgan Chase N.A. during the year of which £2,000 (2021: £16,000) was outstanding at the year end.

At the year end, total cash of £487,000 (2021: £232,000) was held with JPMorgan Chase. A net amount of interest of £220 (2021: £92,000) was receivable by the Company during the year from JPMorgan Chase of which £nil (2021: £nil) was outstanding at the year end.

Full details of Directors' remuneration and shareholdings can be found on page 54.

Notes to the Financial Statements

20. Disclosures regarding financial instruments measured at fair value

The Company's financial instruments within the scope of FRS 102 that are held at fair value comprise its investment portfolio. The investments are categorised into a hierarchy consisting of the following three levels:

(1) The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date

The best evidence of fair value is a quoted price for an identical asset in an active market. Quoted in an active market in this context means quoted prices are readily and regularly available and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted price is usually the current bid price.

(2) Inputs other than quoted prices included within Level 1 that are observable (ie: developed using market data) for the asset or liability, either directly or indirectly

When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has not been a significant change in economic circumstances or a significant lapse of time since the transaction took place. If the entity can demonstrate that the last transaction price is not a good estimate of fair value (e.g. because it reflects the amount that an entity would receive or pay in a forced transaction, involuntary liquidation or distress sale), that price is adjusted.

(3) Inputs are unobservable (ie: for which market data is unavailable) for the asset or liability

If the market for the asset is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, an entity estimates the fair value by using a valuation technique. The objective of using a valuation technique is to estimate what the transaction price would have been on the measurement date in an arm's length exchange motivated by normal business considerations.

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

Details of the valuation techniques used by the Company are given in note 1(b) on page 71.

The following table sets out the fair value measurements using the FRS 102 hierarchy at 30th June.

	2022		2021	
	Assets £'000	Liabilities £'000	Assets £'000	Liabilities £'000
Level 1	1,313,216	—	1,685,041	—
Level 3 ¹	60	—	—	—
Total	1,313,276	—	1,685,041	—

¹ The Level 3 investment relates to the Company's holdings in the Russian stock Sberbank of Russia.

There were no transfers between Level 1, 2 or 3 during 2021.

	2022		2021	
	Equity Investments £'000	Total £'000	Equity Investments £'000	Total £'000
Level 3				
Opening balance	—	—	—	—
Transfers into Level 3	14,052	14,052	—	—
Change in fair value of unquoted investment during the year	(13,992)	(13,992)	—	—
Closing balance	60	60	—	—

At the current year end the level 3 stock is Sberbank of Russia.

The price of this stock has been determined by taking the live market price as at 25th February 2022 and applying a 99% haircut for valuation.

21. Financial instruments' exposure to risk and risk management policies

As an investment trust, the Company invests in equities for the long term so as to secure its investment objective stated on the 'Features' page. In pursuing this objective, the Company is exposed to a variety of financial risks that could result in a reduction in the Company's net assets or a reduction in the profits available for dividends.

Notes to the Financial Statements

21. Financial instruments' exposure to risk and risk management policies *continued*

These financial risks include market risk (comprising currency risk, interest rate risk and other price risk), liquidity risk and credit risk.

The Directors' policy for managing these risks is set out below. The Company Secretary, in close cooperation with the Board and the Manager, coordinates the Company's risk management policy.

The objectives, policies and processes for managing the risks and the methods used to measure the risks that are set out below, have not changed from those applying in the comparative year.

The Company's classes of financial instruments are as follows:

- investments in equity shares of overseas companies, which are held in accordance with the Company's investment objective;
- cash held within a liquidity fund; and
- short term debtors, creditors and cash arising directly from its operations.

(a) Market risk

The fair value or future cash flows of a financial instrument held by the Company may fluctuate because of changes in market prices. This market risk comprises three elements – currency risk, interest rate risk and other price risk. Information to enable an evaluation of the nature and extent of these three elements of market risk is given in parts (i) to (iii) of this note, together with sensitivity analyses where appropriate. The Board reviews and agrees policies for managing these risks and these policies have remained unchanged from those applying in the comparative year. The Manager assesses the exposure to market risk when making each investment decision and monitors the overall level of market risk on the whole of the investment portfolio on an ongoing basis.

(i) Currency risk

Certain of the Company's assets, liabilities and income are denominated in currencies other than sterling which is the Company's functional currency and presentation currency. As a result, movements in exchange rates may affect the sterling value of those items.

Management of currency risk

The Manager monitors the Company's exposure to foreign currencies on a daily basis and reports to the Board, which meets on at least four occasions each year. The Manager measures the risk to the Company of this exposure by considering the effect on the Company's net asset value and income of a movement in rates of exchange to which the Company's assets, liabilities, income and expenses are exposed. Income denominated in foreign currencies is converted to sterling on receipt. The Company may use short term forward currency contracts to manage working capital requirements. It is currently not the Company's policy to hedge against foreign currency risk.

Foreign currency exposure

The fair value of the Company's monetary items that have foreign currency exposure at 30th June are shown below. Where the Company's equity investments (which are not monetary items) are priced in a foreign currency, they have been included separately in the analysis so as to show the overall level of exposure.

	2022						
	Hong Kong Dollar £'000	US Dollar £'000	Indian Rupee £'000	Chinese Yuan Renminbi £'000	South African Rand £'000	Other £'000	Total £'000
Net current assets	196	57,844	1,694	321	184	1,416	61,655
Foreign currency exposure on net monetary items	196	57,844	1,694	321	184	1,416	61,655
Investments held at fair value through profit or loss	337,386	275,555	220,048	112,711	81,118	286,460	1,313,278
Total net foreign currency exposure	337,582	333,399	221,742	113,032	81,302	287,876	1,374,933

Notes to the Financial Statements

				2021			
	US Dollar £'000	Hong Kong Dollar £'000	Indian Rupee £'000	Chinese Yuan Renminbi £'000	South African Rand £'000	Other £'000	Total £'000
Net current assets	12,225	—	1,182	—	152	266	13,825
Foreign currency exposure on net monetary items	12,225	—	1,182	—	152	266	13,825
Investments held at fair value through profit or loss	634,016	369,085	229,392	129,419	76,861	246,268	1,685,041
Total net foreign currency exposure	646,241	369,085	230,574	129,419	77,013	246,534	1,698,866

In the opinion of the Directors, the above year end amounts are broadly representative of the exposure to foreign currency risk on monetary items during the year. Cash held in the JPMorgan US Dollar Liquidity Fund has fluctuated between £nil and £82,824,068 during the year (2021: £nil and £45,953,780).

Foreign currency sensitivity

The following table illustrates the sensitivity of return after taxation for the year and net assets with regard to the Company's monetary financial assets and financial liabilities and exchange rates. The sensitivity analysis is based on the Company's monetary currency financial instruments held at each balance sheet date and the income receivable in foreign currency and assumes a 10% (2021:10%) appreciation or depreciation in sterling against the currencies to which the Company is exposed to, which is considered to be a reasonable illustration based on the volatility of exchange rates during the year.

	2022		2021	
	If sterling strengthens by 10% £'000	If sterling weakens by 10% £'000	If sterling strengthens by 10% £'000	If sterling weakens by 10% £'000
Statement of Comprehensive Income — return after taxation				
Revenue return	(2,320)	2,320	(1,953)	1,953
Capital return on monetary items from exposure table above	(6,166)	6,166	(1,383)	1,383
Capital return on non-monetary items ie: Investments held at fair value through profit and loss	(131,328)	131,328	(168,504)	168,504
Total return after taxation	(139,814)	139,814	(171,840)	171,840
Net assets	(139,814)	139,814	(171,840)	171,840

In the opinion of the Directors, the above sensitivity analysis is not representative of the whole year or comparative year due to fluctuations in the cash held in liquidity fund.

(ii) Interest rate risk

Interest rate movements may affect the level of income receivable on cash deposits and the liquidity fund.

Notes to the Financial Statements

21. Financial instruments' exposure to risk and risk management policies *continued*

(a) Market risk *continued*

(ii) Interest rate risk *continued*

Interest rate exposure

The exposure of financial assets and liabilities to floating interest rates using the year end figures, giving cash flow interest rate risk when rates are reset, is shown below.

	2022 £'000	2021 £'000
Exposure to floating interest rates:		
Cash and short term deposits	487	232
JPMorgan US Dollar Liquidity Fund	57,213	278
Total net exposure	57,700	510

Interest receivable on cash balances is at a margin below SONIA (2021: same).

The target interest earned on the JPMorgan US Dollar Liquidity Fund is the 7 day US Dollar London Interbank Bid Rate.

Interest rate sensitivity

The following table illustrates the sensitivity of the return after taxation for the year and net assets to a 1% (2021: 1%) increase or decrease in interest rates in regards to the Company's monetary financial assets and financial liabilities. This level of change is considered to be a reasonable illustration based on observation of current market conditions. The sensitivity analysis is based on the Company's monetary financial instruments held at the balance sheet date with all other variables held constant.

	2022		2021	
	1% increase in rate £'000	1% decrease in rate £'000	1% increase in rate £'000	1% decrease in rate £'000
Statement of Comprehensive Income — return after taxation				
Revenue return	577	(577)	5	(5)
Capital return	—	—	—	—
Total return after taxation for the year	577	(577)	5	(5)
Net assets	577	(577)	5	(5)

In the opinion of the Directors, this sensitivity analysis may not be representative of the Company's future exposure to interest rate changes due to fluctuations in the level of cash balances and cash held in the liquidity fund.

(iii) Other price risk

Other price risk includes changes in market prices, other than those arising from interest rate risk or currency risk, which may affect the value of equity investments.

Management of other price risk

The Board meets on at least four occasions each year to consider the asset allocation of the portfolio and the risk associated with particular industry sectors. The investment management team has responsibility for monitoring the portfolio, which is selected in accordance with the Company's investment objectives and seeks to ensure that individual stocks meet an acceptable risk/reward profile.

Notes to the Financial Statements

Other price risk exposure

The Company's total exposure to changes in market prices at 30th June comprises its holdings in equity investments as follows:

	2022 £'000	2021 £'000
Investments held at fair value through profit or loss	1,313,276	1,685,041

The above data is broadly representative of the exposure to other price risk during the current and comparative year.

Concentration of exposure to other price risk

An analysis of the Company's investments is given on pages 25 to 30. The Company's benchmark is the MSCI Emerging Markets Index but, it should also be noted that an investment may not be entirely exposed to the economic conditions in its country of domicile or of listing.

Other price risk sensitivity

The following table illustrates the sensitivity of the return after taxation for the year and net assets to an increase or decrease of 10% (2021: 10%) in the market value of equity investments.

The sensitivity analysis is based on the Company's equities, adjusting for changes in the management fee but with all other variables held constant.

	2022		2021	
	10% increase in fair value £'000	10% decrease in fair value £'000	10% increase in fair value £'000	10% decrease in fair value £'000
Statement of Comprehensive Income — return after taxation				
Revenue return	(295)	295	(506)	506
Capital return	130,638	(130,638)	167,325	(167,325)
Total return after taxation for the year and net assets	130,343	(130,343)	166,819	(166,819)

(b) Liquidity risk

This is the risk that the Company will encounter difficulty in meeting its obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

Management of liquidity risk

Liquidity risk is not significant as the Company's assets comprise mainly readily realisable securities, which can be sold to meet funding requirements if necessary.

Notes to the Financial Statements

21. Financial instruments' exposure to risk and risk management policies *continued*

(b) Liquidity risk *continued*

Liquidity risk exposure

Contractual maturities of the financial liabilities, based on the earliest date on which payment can be required are as follows:

	2022			2021	
	Within one year £'000	More than one year £'000	Total £'000	Within one year £'000	Total £'000
Creditors: amounts falling due within one year					
Repurchase of the Company's own shares awaiting settlement	162	—	162	942	942
Other creditors and accruals	291	—	291	434	434
Derivative financial liabilities	—	—	—	1	1
Creditors: amounts falling due after more than one year					
Provision for capital gains tax ¹	—	5,420	5,420	—	—
	453	5,420	5,873	1,377	1,377

¹ Although capital gains tax is a statutory obligation and not a contractual obligation, it is a liability of the Company that will impact upon the Company's liquidity and is therefore included in the table above.

The liabilities shown above represent future contractual payments and therefore may differ from the amounts shown in the Statement of Financial Position.

(c) Credit risk

Credit risk is the risk that the counterparty to a transaction fails to discharge its obligations under that transaction which could result in loss to the Company.

Management of credit risk

Portfolio dealing

The Company invests in markets that operate Delivery Versus Payment ('DVP') settlement. The process of DVP mitigates the risk of losing the principal of a trade during the settlement process. The Manager continuously monitors dealing activity to ensure best execution, a process that involves measuring various indicators including the quality of trade settlement and incidence of failed trades. Counterparty lists are maintained and adjusted accordingly.

Cash and cash equivalents

Counterparties are subject to regular credit analysis by the Manager and deposits can only be placed with counterparties that have been approved by JPMAM's Counterparty Risk Group. Cash and cash equivalents comprise balances held at JPMorgan Chase Bank, N.A. The liquidity funds which the company invests in have a credit rating of AAAM per S&P, Aaa-mf per Moody's, and AAAMmf per Fitch.

Exposure to JPMorgan Chase

JPMorgan Chase Bank, N.A. is the custodian of the Company's assets. The Company's assets are segregated from JPMorgan Chase's own trading assets. Therefore these assets are designed to be protected from creditors in the event that JPMorgan Chase were to cease trading. The Depositary, The Bank of New York Mellon (International) Limited, is responsible for the safekeeping of all custodial assets of the Company and for verifying and maintaining a record of all other assets of the Company. However, no absolute guarantee can be given on the protection of all the assets of the Company.

Credit risk exposure

The amounts shown in the Statement of Financial Position under debtors and cash and cash equivalents represent the maximum exposure to credit risk at the current and comparative year ends.

Notes to the Financial Statements

(d) Fair values of financial assets and financial liabilities

All financial assets and liabilities are either included in the Statement of Financial Position at fair value or the carrying amount is a reasonable approximation of fair value.

22. Capital management policies and procedures

The Company's capital comprises the following:

	2022 £'000	2021 £'000
Equity:		
Called up share capital	33,091	33,091
Reserves	1,336,215	1,664,952
Total capital	1,369,306	1,698,043

The Company's capital management objectives are to ensure that it will continue as a going concern and to maximise capital return to its shareholders.

The Board determines the Company's capital structure and gearing policy, with input from the Manager. The Board's gearing policy is that the Company will remain invested in the range of 90-120% under normal market conditions.

	2022 £'000	2021 £'000
Investments held at fair value through profit or loss	1,313,276	1,685,041
Net assets	1,369,306	1,698,043
Gearing/(net cash)	(4.1)%	(0.8)%

The Board, with the assistance of the Manager, monitors and reviews the broad structure of the Company's capital on an ongoing basis. This review includes:

- the need to buy back equity shares for cancellation or to hold in Treasury, which takes into account the share price discount or premium;
- the need for issues of new shares including issues from Treasury; and
- the ability to employ gearing.

23. Subsequent events

The Directors have evaluated the period since the year end and have not identified any subsequent events.



Regulatory Disclosures

Alternative investment fund managers directive ('AIFMD') disclosures (unaudited)

Leverage

For the purposes of the Alternative Investment Fund Managers Directive ('AIFMD'), leverage is any method which increases the Company's exposure, including the borrowing of cash and the use of derivatives. It is expressed as a ratio between the Company's exposure and its net asset value and can be calculated on a gross and a commitment method in accordance with AIFMD. Under the gross method, exposure represents the sum of the Company's positions without taking into account any hedging and netting arrangements. Under the commitment method, exposure is calculated after certain hedging and netting positions are offset against each other.

The Company is required to state its maximum and actual leverage levels, calculated as prescribed by the AIFMD, at 30th June 2022, which gives the following figures:

Leverage Exposure	Gross Method	Commitment Method
Maximum limit	175%	175%
Actual ¹	100%	100%

¹ It should be noted that the Company does not have a borrowing facility and does not currently employ gearing. At the year end the Company's position was 0.7% net cash. The above figures are theoretical and are calculated in accordance with the methodology prescribed by the AIFMD.

JPMF Remuneration

JPMorgan Funds Limited (the '**Management Company**') is the authorised manager of JPMorgan Emerging Markets Investment Trust plc (the '**Company**') and is part of the J.P. Morgan Chase & Co. group of companies. In this section, the terms 'J.P. Morgan' or 'Firm' refer to that group, and each of the entities in that group globally, unless otherwise specified.

This section of the annual report has been prepared in accordance with the Alternative Investment Fund Managers' Directive (the '**AIFMD**'), the European Commission Delegated Regulation supplementing the AIFMD, and the 'Guidelines on sound remuneration policies' issued by the European Securities and Markets Authority under the AIFMD. The information in this section is in respect of the most recent complete remuneration period (the '**Performance Year**') as at the reporting date.

This section has also been prepared in accordance with the relevant provisions of the Financial Conduct Authority Handbook (FUND 3.3.5).

Remuneration Policy

A summary of the Remuneration Policy currently applying to the Management Company (the '**Remuneration Policy Statement**') can be found at <https://am.jpmorgan.com/gb/en/asset-management/gim/per/legal/emea-remuneration-policy>. This Remuneration Policy Statement includes details of how remuneration and benefits are calculated, including the financial and non-financial criteria used to evaluate performance, the responsibilities and composition of the Firm's Compensation and Management Development Committee, and the measures adopted to avoid or manage conflicts of interest. A copy of this policy can be requested free of charge from the Management Company.

The Remuneration Policy applies to all employees of the Management Company, including individuals whose professional activities may have a material impact on the risk profile of the Management Company or the Alternative Investment Funds it manages ('**AIFMD Identified Staff**'). The AIFMD Identified Staff include members of the Board of the Management Company (the '**Board**'), senior management, the heads of relevant Control Functions, and holders of other key functions. Individuals are notified of their identification and the implications of this status on at least an annual basis.

The Board reviews and adopts the Remuneration Policy on an annual basis, and oversees its implementation, including the classification of AIFMD Identified Staff. The Board last reviewed and adopted the Remuneration Policy that applied for the 2021 Performance Year in June 2021 with no material changes and was satisfied with its implementation.

Regulatory Disclosures

Quantitative Disclosures

The table below provides an overview of the aggregate total remuneration paid to staff of the Management Company in respect of the 2021 Performance Year and the number of beneficiaries. These figures include the remuneration of all staff of JPMorgan Asset Management (UK) Ltd (the relevant employing entity) and the number of beneficiaries, both apportioned to the Management Company on an Assets Under Management ('AUM') weighted basis.

Due to the Firm's operational structure, the information needed to provide a further breakdown of remuneration attributable to the Company is not readily available and would not be relevant or reliable. However, for context, the Management Company manages 32 Alternative Investment Funds (with 4 sub-funds) and 2 UCITS (with 42 sub-funds) as at 31st December 2021, with a combined AUM as at that date of £23.4 billion and £24.8 billion respectively.

	Fixed remuneration	Variable remuneration	Total remuneration	Number of beneficiaries
All staff of the Management Company (\$'000s)	23,244	16,065	39,309	153

The aggregate 2021 total remuneration paid to AIFMD Identified Staff was USD \$84,714,000, of which USD \$6,570,000 relates to Senior Management and USD \$78,144,000 relates to other Identified Staff¹.

¹ Since 2017, the AIFMD identified staff disclosures includes employees of the companies to which portfolio management has been formally delegated in line with the latest ESMA guidance.

Securities financing transactions regulation ('SFTR') disclosure (unaudited)

The Company does not engage in Securities Financing Transactions (as defined in Article 3 of Regulation (EU) 2015/2365, securities financing transactions include repurchase transactions, securities or commodities lending and securities or commodities borrowing, buy-sell back transactions or sell-buy back transactions and margin lending transactions) or total return swaps. Accordingly, disclosures required by Article 13 of the Regulation are not applicable for the year ended 30th June 2022.



Notice of Annual General Meeting

Notice is hereby given that the thirty first Annual General Meeting of JPMorgan Emerging Markets Investment Trust plc will be held at 60 Victoria Embankment, London EC4Y 0JP on 9th November 2022 at 3.00pm for the following purposes:

1. To receive the Directors' Report, the Annual Accounts and the Auditors' Report for the year ended 30th June 2022.
2. To approve the Company's Remuneration policy.
3. To approve the Directors' Remuneration Report for the year ended 30th June 2022.
4. To approve a final dividend of 0.83p per share.
5. To reappoint Zoe Clements as a Director of the Company.
6. To reappoint Helena Coles as a Director of the Company.
7. To reappoint Richard Laing as a Director of the Company.
8. To reappoint Aidan Lisser as a Director of the Company.
9. To reappoint Ruary Neill as a Director of the Company.
10. To reappoint Andrew Page as a Director of the Company.
11. To reappoint BDO LLP as independent Auditors of the Company.
12. To authorise the Directors to determine the auditors remuneration.

Special Business

To consider the following resolutions:

Authority to allot new shares — Ordinary Resolution

13. THAT the Directors of the Company be and they are hereby generally and unconditionally authorised, (in substitution of any authorities previously granted to the Directors), pursuant to and in accordance with Section 551 of the Companies Act 2006 (the 'Act') to exercise all the powers of the Company to allot shares in the Company and to grant rights to subscribe for, or to convert any security into, shares in the Company ('Rights') up to an aggregate nominal amount of £58,365,611 representing approximately 5% of the Company's issued Ordinary share capital as at the date of the passing of this resolution, provided that this authority shall expire at the conclusion of the Annual General Meeting of the Company to be held in 2023 unless renewed at a general meeting prior to such time, save that the Company may before such expiry make offers or agreements which would or might require shares to be allotted or Rights to be granted after such expiry and so that the Directors of the Company may allot shares and grant Rights in pursuance of such offers or agreements as if the authority conferred hereby had not expired.

Authority to disapply pre-emption rights on allotment of relevant securities — Special Resolution

14. THAT subject to the passing of Resolution 12 set out above, the Directors of the Company be and they are hereby empowered pursuant to Sections 570 to 573 of the Act to allot equity securities (within the meaning of Section 560 of the Act) for cash pursuant to the authority conferred by Resolution 12 or by way of a sale of Treasury shares as if Section 561(1) of the Act did not apply to any such allotment, provided that this power shall be limited to the allotment of equity securities for cash up to an aggregate nominal amount of £58,365,611 representing approximately 5% of the issued Ordinary share capital as at the date of the passing of this resolution at a price of not less than the net asset value per share and shall expire upon the expiry of the general authority conferred by Resolution 12 above, save that the Company may before such expiry make offers or agreements which would or might require equity securities to be allotted after such expiry and so that the Directors of the Company may allot equity securities in pursuance of such offers or agreements as if the power conferred hereby had not expired.

Authority to repurchase the Company's shares — Special Resolution

15. THAT the Company be generally and, subject as hereinafter appears, unconditionally authorised in accordance with Section 701 of the Act to make market purchases (within the meaning of Section 693 of the Act) of its issued Ordinary shares on such terms and in such manner as the Directors may from time to time determine.

PROVIDED ALWAYS THAT

- (i) the maximum number of Ordinary shares hereby authorised to be purchased shall be 174,980,103, or if less, that number of Ordinary shares which is equal to 14.99% of the issued share capital as at the date of the passing of this Resolution;
- (ii) the minimum price which may be paid for an Ordinary share shall be the nominal value;
- (iii) the maximum price which may be paid for an Ordinary share shall be an amount equal to the highest of: (a) 105% of the average of the middle market quotations for an Ordinary share taken from and calculated by reference to the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which the Ordinary share is contracted to be purchased; or (b) the price of the last independent trade; or (c) the highest current independent bid;

Notice of Annual General Meeting

- (iv) any purchase of Ordinary shares will be made in the market for cash at prices below the prevailing net asset value per Ordinary share (as determined by the Directors);
- (v) the authority hereby conferred shall expire on 9th May 2023 unless the authority is renewed at the Company's Annual General Meeting in 2022 or at any other general meeting prior to such time; and
- (vi) the Company may make a contract to purchase Ordinary shares under the authority hereby conferred prior to the expiry of such authority which contract will or may be executed wholly or partly after the expiry of such authority and may make a purchase of Ordinary shares pursuant to any such contract.

By order of the Board
Nira Mistry, for and on behalf of
JPMorgan Funds Limited,
Company Secretary

29th September 2022

Notes

These notes should be read in conjunction with the notes on the reverse of the proxy form.

1. A member entitled to attend and vote at the Meeting may appoint another person(s) (who need not be a member of the Company) to exercise all or any of his rights to attend, speak and vote at the Meeting. A member can appoint more than one proxy in relation to the Meeting, provided that each proxy is appointed to exercise the rights attaching to different shares held by him.
2. A proxy does not need to be a member of the Company but must attend the Meeting to represent you. Your proxy could be the Chairman, another Director of the Company or another person who has agreed to attend to represent you. Details of how to appoint the Chairman or another person(s) as your proxy or proxies using the proxy form are set out in the notes to the proxy form. If a voting box on the proxy form is left blank, the proxy or proxies will exercise his/their discretion both as to how to vote and whether he/they abstain(s) from voting. Your proxy must attend the Meeting for your vote to count. Appointing a proxy or proxies does not preclude you from attending the Meeting and voting in person.
3. Any instrument appointing a proxy, to be valid, must be lodged in accordance with the instructions given on the proxy form no later than 3.00 p.m. two business days prior to the Meeting (i.e. excluding weekends and bank holidays).
4. You may change your proxy instructions by returning a new proxy appointment. The deadline for receipt of proxy appointments also applies in relation to amended instructions. Any attempt to terminate or amend a proxy appointment received after the relevant deadline will be disregarded. Where two or more valid separate appointments of proxy are received in respect of the same share in respect of the same Meeting, the one which is last received (regardless of its date or the date of its signature) shall be treated as replacing and revoking the other or others as regards that share; if the Company is unable to determine which was last received, none of them shall be treated as valid in respect of that share.
5. To be entitled to attend and vote at the Meeting (and for the purpose of the determination by the Company of the number of votes they may cast), members must be entered on the Company's register of members as at 6.30 p.m. two business days prior to the Meeting (the 'specified time'). If the Meeting is adjourned to a time not more than 48 hours after the specified time applicable to the original Meeting, that time will also apply for the purpose of determining the entitlement of members to attend and vote (and for the purpose of determining the number of votes they may cast) at the adjourned Meeting. If however the Meeting is adjourned for a longer period then, to be so entitled, members must be entered on the Company's register of members as at 6.30 p.m. two business days prior to the adjourned Meeting or, if the Company gives notice of the adjourned Meeting, at the time specified in that notice. Changes to entries on the register after this time shall be disregarded in determining the rights of persons to attend or vote at the Meeting or adjourned Meeting.
6. Entry to the Meeting will be restricted to shareholders and their proxy or proxies, with guests admitted only by prior arrangement.

Notice of Annual General Meeting

7. A corporation, which is a shareholder, may appoint an individual(s) to act as its representative(s) and to vote in person at the Meeting (see instructions given on the proxy form). In accordance with the provisions of the Companies Act 2006, each such representative may exercise (on behalf of the corporation) the same powers as the corporation could exercise if it were an individual member of the Company, provided that they do not do so in relation to the same shares. It is therefore no longer necessary to nominate a designated corporate representative.

Representatives should bring to the Meeting evidence of their appointment, including any authority under which it is signed.
8. Members that satisfy the thresholds in Section 527 of the Companies Act 2006 can require the Company to publish a statement on its website setting out any matter relating to: (a) the audit of the Company's accounts (including the Auditors' report and the conduct of the audit) that are to be laid before the AGM; or (b) any circumstances connected with Auditors of the Company ceasing to hold office since the previous AGM, which the members propose to raise at the Meeting. The Company cannot require the members requesting the publication to pay its expenses. Any statement placed on the website must also be sent to the Company's Auditors no later than the time it makes its statement available on the website. The business which may be dealt with at the AGM includes any statement that the Company has been required to publish on its website pursuant to this right.
9. Pursuant to Section 319A of the Companies Act 2006, the Company must cause to be answered at the AGM any question relating to the business being dealt with at the AGM which is put by a member attending the Meeting except in certain circumstances, including if it is undesirable in the interests of the Company or the good order of the Meeting or if it would involve the disclosure of confidential information.
10. Under sections 338 and 338A of the 2006 Act, members meeting the threshold requirements in those sections have the right to require the Company: (i) to give, to members of the Company entitled to receive notice of the Meeting, notice of a resolution which those members intend to move (and which may properly 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 properly be included in the business at the Meeting. A resolution may properly be moved, or a matter properly included in the business unless: (a) (in the case of a resolution only) it would, if passed, be ineffective (whether by reason of any inconsistency with any enactment or the Company's constitution or otherwise); (b) it is defamatory of any person; or (c) it is frivolous or vexatious. A request made pursuant to this right may be in hard copy 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 accompanied by a statement setting out the grounds for the request, must be authenticated by the person(s) making it and must be received by the Company not later than the date that is six clear weeks before the Meeting, and (in the case of a matter to be included in the business only) must be accompanied by a statement setting out the grounds for the request.
11. A copy of this notice has been sent for information only to persons who have been nominated by a member to enjoy information rights under Section 146 of the Companies Act 2006 (a 'Nominated Person'). The rights to appoint a proxy can not be exercised by a Nominated Person: they can only be exercised by the member. However, a Nominated Person may have a right under an agreement between him and the member by whom he was nominated to be appointed as a proxy for the Meeting or to have someone else so appointed. If a Nominated Person does not have such a right or does not wish to exercise it, he may have a right under such an agreement to give instructions to the member as to the exercise of voting rights.
12. In accordance with Section 311A of the Companies Act 2006, the contents of this notice of meeting, details of the total number of shares in respect of which members are entitled to exercise voting rights at the AGM, the total voting rights members are entitled to exercise at the AGM and, if applicable, any members' statements, members' resolutions or members' matters of business received by the Company after the date of this notice will be available on the Company's website www.jpmemergingmarkets.co.uk.
13. The register of interests of the Directors and connected persons in the share capital of the Company and the Directors' letters of appointment are available for inspection at the Company's registered office during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted). It will also be available for inspection at the Annual General Meeting. No Director has any contract of service with the Company.
14. You may not use any electronic address provided in this Notice of Meeting to communicate with the Company for any purposes other than those expressly stated.
15. As an alternative to completing a hard copy Form of Proxy/Voting Instruction Form, you can appoint a proxy or proxies electronically by visiting www.sharevote.co.uk. You will need your Voting ID, Task ID and Shareholder Reference Number (this is the series of numbers printed under your name on the Form of Proxy/Voting Direction Form). Alternatively, if you have already registered with Equiniti Limited's online portfolio service, Shareview, you can submit your Form of Proxy at www.shareview.co.uk. Full instructions are given on both websites.
16. As at 28th September 2022 (being the latest business day prior to the publication of this Notice), the Company's issued share capital consists of 1,323,635,250 Ordinary shares (of which 140,867,779 shares are held in Treasury), carrying one vote each. Therefore the total voting rights in the Company are 1,182,767,471.
17. A copy of the proposed new articles of association of the Company, together with a copy showing all of the proposed changes to the existing articles of association, will be available for inspection on the Company's website, www.jpmemergingmarkets.co.uk and at the offices of J.P. Morgan Asset Management, 60 Victoria Embankment, London EC4Y 0JP between the hours of 9.00am and 5.00pm (Saturdays, Sundays and public holidays excepted), from the date of the AGM Notice until the close of the AGM, and will also be available for inspection at the venue of the AGM from 15 minutes before and during the AGM.

Electronic appointment — CREST members

CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for the Meeting and any adjournment(s) thereof by using the procedures described in the CREST Manual. See further instructions on the proxy form.

Glossary of Terms and Alternative Performance Measures ('APMS') (Unaudited)

Return to Shareholders (APM)

Total return to shareholders, on a last traded price to last traded price basis, assuming that all dividends received were reinvested, without transaction costs, into the shares of the Company at the time the shares were quoted ex-dividend.

		Year ended 30th June 2022	Year ended 30th June 2021	
Total return calculation	Page			
Opening share price (p)	7	133.8	99.4	(a)
Closing share price (p)	7	105.0	133.8	(b)
Total dividend adjustment factor ¹		1.011456	1.011752	(c)
Adjusted closing share price (d = b x c)		106.2	135.4	(d)
Total return to shareholders (e = d / a – 1)		-20.6%	36.2%	(e)

¹ The dividend adjustment factor is calculated on the assumption that the dividends paid out by the Company are reinvested into the shares of the Company at the last traded price quoted at the ex-dividend date.

Return on Net Assets (APM)

Total return on net asset value ("NAV") per share, on a bid value to bid value basis, assuming that all dividends paid out by the Company were reinvested, without transaction costs, into the shares of the Company at the NAV per share at the time the shares were quoted ex-dividend.

		Year ended 30th June 2022	Year ended 30th June 2021	
Total return calculation	Page			
Opening cum-income NAV per share (p)	7	143.0	108.9	(a)
Closing cum-income NAV per share (p)	7	117.0	143.0	(b)
Total dividend adjustment factor ¹		1.010341	1.011067	(c)
Adjusted closing cum-income NAV per share (d = b x c)		118.2	144.6	(d)
Total return on net assets (e = d / a – 1)		-17.3%	32.7%	(e)

¹ The dividend adjustment factor is calculated on the assumption that the dividends paid out by the Company are reinvested into the shares of the Company at the cum-income NAV at the ex-dividend date.

Benchmark total return

Total return on the benchmark, on a closing-market value to closing-market value basis, assuming that all dividends received were reinvested, without transaction costs, in the shares of the underlying companies at the time the shares were quoted ex-dividend.

The benchmark is a recognised index of stocks which should not be taken as wholly representative of the Company's investment universe. The Company's investment strategy does not follow or 'track' this index and consequently, there may be some divergence between the Company's performance and that of the benchmark.

Gearing/(Net Cash) (APM)

Gearing represents the excess amount above shareholders' funds of total investments, expressed as a percentage of the shareholders' funds. If the amount calculated is negative, this is shown as a 'net cash' position.

		Year ended 30th June 2022 £'000	Year ended 30th June 2021 £'000	
Gearing calculation	Page			
Investments held at fair value through profit or loss	67	1,313,276	1,685,041	(a)
Net assets	67	1,369,306	1,698,043	(b)
Gearing/(net cash) (c = a / b – 1)		(4.1)%	(0.8)%	(c)

Glossary of Terms and Alternative Performance Measures ('APMS') (Unaudited)

Ongoing Charges (APM)

The ongoing charges represent the Company's management fee and all other operating expenses excluding finance costs payable, expressed as a percentage of the average of the daily cum-income net assets during the year and is calculated in accordance with guidance issued by the Association of Investment Companies.

		Year ended 30th June 2022 £'000	Year ended 30th June 2021 £'000	
Ongoing charges calculation	Page			
Management Fee	67	11,789	12,660	
Other administrative expenses	67	1,346	1,420	
Total management fee and other administrative expenses		13,135	14,080	(a)
Average daily cum-income net assets		1,557,252	1,559,517	(b)
Ongoing Charges (c = a / b)		0.84%	0.90%	(c)

Share Price Discount/Premium to Net Asset Value ('NAV') per Share (APM)

If the share price of an investment trust is lower than the NAV per share, the shares are said to be trading at a discount. The discount is shown as a percentage of the NAV per share. The opposite of a discount is a premium. It is more common for an investment trust company's shares to trade at a discount than at a premium.

Portfolio Turnover

Portfolio turnover is based on the average equity purchases and sales expressed as a percentage of average opening and closing portfolio values (excluding liquidity funds).

Performance attribution

Analysis of how the Company achieved its recorded performance relative to its benchmark.

Performance Attribution Definitions:

Asset allocation

Measures the impact of allocating assets differently from those in the benchmark, via the portfolio's weighting in different countries, sectors or asset types.

Stock selection

Measures the effect of investing in securities to a greater or lesser extent than their weighting in the benchmark, or of investing in securities which are not included in the benchmark.

Currency effect

Measures the impact of currency exposure differences between the Company's portfolio and its benchmark.

Gearing/(net cash)

Measures the impact on returns of borrowings or cash balances on the Company's relative performance.

Management fee/Other expenses

The payment of fees and expenses reduces the level of total assets, and therefore has a negative effect on relative performance.

Share Buyback

Measures the enhancement to net asset value per share of buying back the Company's shares for cancellation at a price which is less than the Company's net asset value per share.

American Depositary Receipts (ADRs)

Certificates that are traded on US stock exchanges representing a specific number of shares in a non-US company. ADRs are denominated and pay dividends in US dollars and may be treated like regular shares of stock.

Where to buy J.P. Morgan Investment Trusts

You can invest in a J.P. Morgan investment trust through the following:

1. Via a third party provider

Third party providers include:

AJ Bell Youinvest	Halifax Share Dealing
Barclays Smart Investor	Hargreaves Lansdown
Charles Stanley Direct	Interactive Investor
Fidelity Personal Investing	

Please note this list is not exhaustive and the availability of individual trusts may vary depending on the provider. These websites are third party sites and J.P. Morgan Asset Management does not endorse or recommend any. Please observe each site's privacy and cookie policies as well as their platform charges structure.

The Board encourages all of its shareholders to exercise their rights and notes that many specialist platforms, to include the default options offered by JPMorgan, provide shareholders with the ability to receive Company documentation, to vote their shares and to attend general meetings, at no cost. Please refer to your investment platform for more details, or visit the Association of Investment Companies' ('AIC') website at www.theaic.co.uk/aic/shareholder-voting-consumer-platforms for information on which platforms support these services and how to utilise them.

2. Through a professional adviser

Professional advisers are usually able to access the products of all the companies in the market and can help you find an investment that suits your individual circumstances. An adviser will let you know the fee for their service before you go ahead. You can find an adviser at unbiased.co.uk

You may also buy investment trusts through stockbrokers, wealth managers and banks.

To familiarise yourself with the Financial Conduct Authority (FCA) adviser charging and commission rules, visit fca.org.uk

Be ScamSmart

Investment scams are designed to look like genuine investments

Spot the warning signs

Have you been:

- contacted out of the blue
- promised tempting returns and told the investment is safe
- called repeatedly, or
- told the offer is only available for a limited time?

If so, you might have been contacted by fraudsters.

Avoid investment fraud

1 Reject cold calls

If you've received unsolicited contact about an investment opportunity, chances are it's a high risk investment or a scam. You should treat the call with extreme caution. The safest thing to do is to hang up.

2 Check the FCA Warning List

The FCA Warning List is a list of firms and individuals we know are operating without our authorisation.

3 Get impartial advice

Think about getting impartial financial advice before you hand over any money. Seek advice from someone unconnected to the firm that has approached you.

Remember: if it sounds too good to be true, it probably is!

Report a Scam

If you suspect that you have been approached by fraudsters please tell the FCA using the reporting form at www.fca.org.uk/consumers/report-scam-unauthorised-firm. You can also call the FCA Consumer Helpline on **0800 111 6768**

If you have lost money to investment fraud, you should report it to Action Fraud on 0300 123 2040 or online at www.actionfraud.police.uk

Find out more at
www.fca.org.uk/scamsmart



Information about the Company

FINANCIAL CALENDAR

Financial year end	30th June
Final results announced	September/October
Half year end	December
Half year results announced	February
Final dividend on ordinary shares paid	November
Annual General Meeting	November

History

The Company was launched in July 1991 with assets of £60 million. In March 1993 the Company raised a further £50 million by an issue of conversion shares. On 13th April 2006, an additional £76 million was raised by an issue of shares following the reconstruction of F&C Emerging Markets Investment Trust plc. The Company adopted its current name in November 2005.

Company Numbers

Company registration number: 2618994
LEI: 5493001VPQDYH1SSSR77

Ordinary Shares

London Stock Exchange number: 0341895
ISIN: GB00BMXWN182
Bloomberg code: JMG LN

Market Information

The Company's net asset value ('NAV') is published daily via the London Stock Exchange. The Company's Ordinary shares are listed on the London Stock exchange and quoted daily in the Financial Times, The Times, the Daily Telegraph, The Scotsman and on the J.P. Morgan website at www.jpmemergingmarkets.co.uk, where the Ordinary share price is updated every fifteen minutes during trading hours.

Website

www.jpmemergingmarkets.co.uk

Share Transactions

The Company's shares may be dealt in directly through a stockbroker or professional adviser acting on an investor's behalf.

Manager and Company Secretary

JPMorgan Funds Limited
Company's Registered Office
60 Victoria Embankment
London EC4Y 0JP

Telephone: 020 7742 4000

For Company Secretarial and administrative matters, please contact Nira Mistry.

Depository

The Bank of New York Mellon (International) Limited
160 Queen Victoria Street
London EC4V 4LA

The Depository has appointed JPMorgan Chase Bank, N.A. as the Company's custodian.

Registrars

Equiniti Limited
Reference 1081
Aspect House
Spencer Road
Lancing
West Sussex BN99 6DA

Telephone number: 0371 384 2320

Lines open 8.30 a.m. to 5.30 p.m. Monday to Friday, excluding public holidays in England and Wales. Calls to the helpline will cost no more than a national rate call to a 01 or 02 number. Callers from overseas should dial +44 121 415 0225.

Notifications of changes of address and enquiries regarding share certificates or dividend cheques should be made in writing to the Registrar quoting reference 1081.

Registered shareholders can obtain further details on individual holdings on the internet by visiting www.shareview.co.uk.

Independent Auditor

BDO LLP
Chartered Accountants and Statutory Auditors
55 Baker Street
London W1U 7EU
Telephone number: 020 7486 588

Brokers

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