JPMorgan Global Emerging Markets Income Trust plc

Annual Report & Financial Statements
for the year ended 31st July 2022

J.P.Morgan
ASSET MANAGEMENT

Key Features

Your Company

Objective

The investment objective of JPMorgan Global Emerging Markets Income Trust plc (the 'Company' or 'JEMI') is to provide investors with a dividend income combined with the potential for long term capital growth from a diversified portfolio of emerging markets investments.

Investment Policy

In order to achieve its investment objective and to seek to manage risk, the Company invests in a diversified portfolio of high quality emerging markets companies which, collectively, are expected to pay a higher dividend yield than the benchmark.

The Company invests predominantly in listed equities. It is free to invest in any particular market, sector or country in the global emerging markets universe and there are no fixed limits on portfolio construction with regard to region, country, sector or market capitalisation. The portfolio will typically contain around 50 to 80 holdings.

No more than 15% of gross assets will be invested in any one company at the time of investment.

Borrowings may be utilised to gear the portfolio to enhance shareholder returns.

Detailed information on investment policies, investment guidelines and risk management are given in the Business Review on page 28.

Risk

Investors should note that there can be significant economic and political risks inherent in investing in emerging economies. As such, emerging markets can exhibit more volatility than developed markets and this should be taken into consideration when evaluating the suitability of the Company as a potential investment.

Benchmark

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

Capital Structure

At 31st July 2022, the Company's issued share capital comprised 297,289,438 Ordinary shares of 1p each, including 449,277 shares held in Treasury.

Continuation Vote

At the Annual General Meeting ('AGM') of the Company held on 25th November 2021, an ordinary resolution was put to shareholders that the Company continue in existence for a further three year period. The resolution received the support of 100% of voting Shareholders at the AGM, representing 45.37% of the Company's issued share capital at the time of the AGM. In accordance with the Company's Articles of Association, an ordinary resolution that the Company will continue in operation will be put to Shareholders at the 2024 AGM.

Management Company

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

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

The Company currently conducts its affairs so that the shares it issues can be recommended by Independent Financial Advisers to ordinary retail investors in accordance with the rules of the Financial Conduct Authority ('FCA') 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 ordinary shares are not classified as 'complex instruments' under the FCA's revised appropriateness criteria adopted in the implementation of MiFID II.

Association of Investment Companies

The Company is a member of the Association of Investment Companies (the 'AIC').

Website

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

"We look to invest in emerging market companies that can provide consistent income plus growth for many years to come, rather than just investing in the highest yielding stocks. A dividend approach to investing in the growing asset class can deliver a resilient income stream to your portfolio and offer a more conservative way to participate in emerging market growth."

Omar Negyal, Investment Manager,
JPMorgan Global Emerging Markets Income Trust plc

Why invest in the JPMorgan Global Emerging Markets Income Trust plc

Our heritage and our team

The Company looks to deliver a combination of income plus growth through a diversified portfolio of high quality emerging markets companies. It benefits from the comprehensive research capabilities and local knowledge of one of the largest investment teams dedicated to emerging markets, with close to 100 specialist portfolio managers and analysts based in eight locations around the world, speaking multiple languages. The investment team integrates Environmental, Social and Governance ('ESG') considerations into its entire approach, for the benefit of the Company, its shareholders and society as a whole. Further detail on how ESG considerations are integrated into the investment process can be found on page 17.

Our investment approach

We aim to build a high quality, high conviction portfolio that provides a more defensive and conservative exposure to the long-term secular emerging market growth story. In emerging markets, dividends are a strong proxy for corporate governance and understanding corporate risk. The Company's stock specific, fundamental approach taps into the ideas generated by our large emerging markets team to seek out strong companies that can provide long-term growth and a robust dividend stream.

5.2p
Dividends per share for financial year 2022

92
Investment professionals across Emerging Markets and Asia

20+
Languages spoken, nationalities represented on the investment team

4,000+
Company meetings conducted per annum

Contents

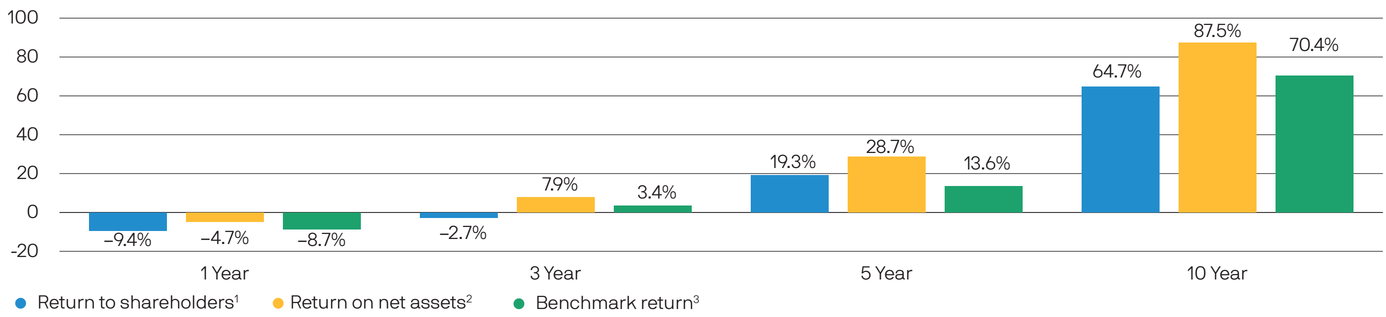
Photo: Electronics, Hong Kong.

Financial Highlights

Total returns (including dividends reinvested)

	2022	2021	3 years Cumulative	5 years Cumulative	10 years Cumulative
Return to shareholders[1,A]	–9.4%	+27.8%	–2.7%	+19.3%	+64.7%
Return on net assets[2,A]	–4.7%	+24.6%	+7.9%	+28.7%	+87.5%
Return on the MSCI Emerging Markets Index[3]	–8.7%	+13.9%	+3.4%	+13.6%	+70.4%
Dividends	5.2p	5.1p			

Performance to 31st July 2022



[1] Source: Morningstar.
[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 to 97.

Financial Highlights

Summary of results

	2022	2021	% change
Total returns for the year ended 31st July			
Return to shareholders[1,A]	–9.4%	+27.8%	
Return on net assets[2,A]	–4.7%	+24.6%	
Benchmark return[3]	–8.7%	+13.9%	
Net asset value, share price and discount at 31st July			
Net assets (£'000)	416,535	452,500	–7.9[4]
Number of shares in issue (excluding shares held in Treasury)	296,840,161	297,240,161	—
Net asset value per share[A]	140.3p	152.2p	–7.8[4]
Share price	124.0p	142.0p	–12.7[4]
Share price discount to net asset value per share[A]	11.6%	6.7%	
Revenue for the year ended 31st July			
Gross revenue return (£'000)	22,298	18,934	+17.8
Net revenue return available for shareholders (£'000)	18,153	14,699	+23.5
Revenue return per share	6.11p	4.94p	+23.7
Dividend per share	5.20p	5.10p	+2.0
Gearing at 31st July[A]	**5.7%**	**5.4%**	
Ongoing Charges[A]	**0.92%**	**1.04%**	

[1] Source: Morningstar.
[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] Excludes dividends reinvested.
[A] Alternative Performance Measure ('APM').

A glossary of terms and APMs is provided on pages 95 to 97.

Chairman's Statement

Sarah Fromson
Chairman

Performance

Following the Company's strong performance in the previous financial year, unexpected economic and geopolitical events impacted our performance this year. Emerging Markets have suffered significantly since Russia's invasion of Ukraine in February. This conflict and the accompanying economic sanctions imposed on Russia and the knock-on effects on the supply and price of energy and other commodities weighed heavily on global economic growth and intensified existing inflationary pressures. China's interventionist policies, its developing geopolitical tensions with the US and its economic slowdown resulting from a 'zero COVID' policy have further dented Chinese market sentiment and adversely impacted global markets.

Against this challenging backdrop, the Company's total return on net assets, including dividends, was –4.7% (in GBP) for the financial year to 31st July 2022, whilst our benchmark, the MSCI Emerging Markets Index, declined by 8.7%. The total return to shareholders was –9.4%, reflecting a widening of the discount to net asset value at which the Company's shares trade, to 11.6% by the end of the period, from 6.7% a year earlier.

The Company's stock selection in China and Mexico was the most positive influence on relative performance. In addition, the Manager's decision to reduce the portfolio's exposure to the geopolitical and macroeconomic risks associated with the Russian market from November 2021 onwards lessened the adverse impact of the Russian invasion and contributed to relative performance over the review period. Unfortunately, our Taiwanese exposure was a drag on both absolute and relative performance. The Investment Managers' Report that follows provides more detail on the Company's investment strategy and performance.

Dividends

Gross revenue for the year amounted to £22.2 million (2021: £18.9 million) with net revenue of £18.1 million (2021: £14.7 million). Net revenue return per ordinary share for the year, calculated on the average number of shares in issue, was 6.11p (2021: 4.94p).

In the current financial year, the Board paid three interim dividends of 1.0p per share, and announced the payment of a fourth interim dividend of 2.2p per share on 5th September 2022. This brings the total dividend for the year to 5.2p per share, a modest increase from the previous year (2021: 5.1p per share). We recognise that the Company's dividend generation is important to our shareholders, and it is a distinguishing feature of investment trusts that we have the capacity to smooth the dividend stream in this way. We cannot guarantee that we will always be able to do this, but we currently have revenue reserves of £11.13 million (July 2021: £8.4 million), after payment of the fourth quarterly interim dividend which equates to nearly three quarters of future annual dividends at the current level.

The Board pays four interim dividends, reflecting the support we have received from shareholders for a regular and timely income stream. It is seeking shareholder authority to maintain this dividend payment policy at the forthcoming Annual General Meeting ('AGM').

The Board continues to monitor dividend receipts, recognising that some companies within the portfolio may experience pressure in maintaining historic dividend payout ratios in the short term. Over the longer term, both the Investment Manager and the Board remain of the view that Emerging Markets continue to offer long term growth potential with attractive income prospects. The Board carefully considers the outlook and potential risks with the investment team on a regular basis, including the impact of currency movements on revenue receipts. As shareholders are aware, the Company receives dividends in the currencies of developing countries and US dollars, but pays dividends in sterling. It has not been the Company's policy to hedge currency risk as that is expensive and, for many currencies, impracticable. That policy inevitably means that the Company's asset values and cash flows will be buffeted by adverse currency movements (if sterling strengthens) and flattered by favourable moves (if sterling weakens relative to emerging market currencies and US dollars).

Share Purchases and Issuance

During the financial year to 31st July 2022, the Company's share price traded at an average discount to net asset value of 10.4%. In line with the Company's investment policy, as a mechanism to manage the discount to net asset value, the Company bought back into Treasury 400,000 shares for a total consideration of £510,815. Since the year end, the Company has bought back 88,243 shares for a total consideration of £110,587.

The Board is seeking shareholder authority at the forthcoming AGM to have the flexibility to issue up to a further 10% of the Company's issued share capital. The Board intends to use the authority to meet demand for the Company's shares as and when they trade at an appropriate premium to net asset value.

Key Performance Indicators ('KPIs')

The Board tracks a series of KPIs. Further details may be found on page 29. The Board pays particular attention to performance, ongoing charges, gearing, income available to pay dividends and the investment risk of the portfolio.

Gearing and Loan Facilities

The Board regularly discusses gearing with the Investment Managers, who use it to enhance long-term shareholder returns. As at the beginning of the financial year, the Company had a US$20 million fixed interest loan facility with National Australia Bank ('NAB'), repayable in November 2022 and a US$20 million floating rate loan facility with ING Bank, repayable in October 2023. The facility with NAB will be repaid in November 2022 as NAB has notified the Company of its strategic decision to move away from investment trust lending.

The Company has provisionally agreed a $20 million loan with a two year term with an international bank replacing the NAB facility which matures in November 2022.

Management Fee

As previously reported, with effect from 1st August 2021 the Manager agreed to reduce its investment management fee, which is now being charged at the rate of 0.75% per annum (previously 0.90% per annum) on the net asset value of the Company's portfolio. The fee will continue to be calculated and paid monthly.

Board and Corporate Governance

Following the Board's annual evaluation by the Nomination Committee, it is felt that the Board's composition and size are appropriate. During the financial year, as part of the Board's succession plan, the Board engaged an independent external recruitment consultant to assist in the search for a new non-executive Director to be appointed to the Board. Following a rigorous recruitment process, the Board is delighted to welcome Elisabeth Scott as a non-executive Director of the Company. Elisabeth joined the Board on 3rd May 2022. She has over 35 years' experience in the asset management industry. She was appointed the Chair of the Association of Investment Companies in January 2021 and has extensive knowledge of and experience in the investment companies sector as a fund manager, investor and non-executive director. Elisabeth's appointment has further increased the Board's diversity of skills, experience and background.

In addition, having served as a Director since 2011 and as Chairman since 2018, I will be retiring from the Board upon the conclusion of the forthcoming AGM in November. Following a thorough selection process led by the Senior Independent Director, Lucy Macdonald, I am delighted that the Board has agreed that Elisabeth Scott will succeed me as Chairman. I am confident that Elisabeth will make an invaluable contribution to the Company and provide experienced leadership for the Company during the years ahead.

The Board supports the annual appointment/reappointment for all Directors, as recommended by the AIC Code of Corporate Governance, and therefore all of the Directors, with the exception of myself, will

Chairman's Statement

stand for appointment/reappointment at the forthcoming AGM. Shareholders who wish to contact the Chairman or other members of the Board may do so through the Company Secretary or the Company's website, details of which can be found on page 99.

Environmental, Social and Governance

Through the investment process, the Investment Managers look beyond the purely financial attributes of a company or its shares. In looking for sustainable business models and long-lasting competitive advantages, they are assessing the environmental, social and governance ('ESG') aspects of the companies in which the Company invests. ESG considerations are fully integrated into the investment process and the Board shares the Manager's view of the importance of ESG factors when making investments for the long term and of the necessity of continued engagement with investee companies throughout the duration of the investment. Further information on the Manager's ESG process and engagement is set out in the ESG section on pages 17 to 22.

Annual General Meeting

The Company's AGM will be held at 60 Victoria Embankment, London EC4Y 0JP on Monday, 28th November 2022 at 2.00 p.m. Full details of the format and explanations of the business proposed at the AGM can be found in the Notice of Meeting on page 91.

We are delighted that this year we will once again be able to invite shareholders to join us in person for the Company's AGM. However, Shareholders wishing to follow the AGM proceedings but those choosing not to attend in person, will be able to view them live and ask questions (but not vote) through conferencing software. Details on how to register, together with access details, will be available shortly on the Company's website at www.jpmglobalemergingmarketsincome.co.uk or by contacting the Company Secretary at invtrusts.cosec@jpmorgan.com.

As is best practice, all voting on the resolutions will be conducted on a poll. Shareholders who are unable to attend the AGM in person are strongly encouraged to submit their proxy votes in advance of the meeting, so that they are registered and recorded at the AGM. Proxy votes can be lodged in advance of the AGM either by post or electronically: detailed instructions are included in the Notes to the Notice of Meeting on pages 92 to 94.

Shareholders are encouraged to send any questions ahead of the AGM to the Board via the Company Secretary at the email address above. We will endeavour to answer relevant questions at the meeting or via the Company's website. My fellow Board members, representatives of JPMorgan and I also look forward to the opportunity to meet and speak with shareholders after the formalities of the meeting have been concluded. We would also welcome comments and questions from shareholders throughout the year – please use the same contact details as above.

If there are any changes to the above AGM arrangements, the Company will update shareholders through an announcement to the London Stock Exchange and on the Company's website.

Stay in touch: receive the JEMI bulletin

In a new initiative to keep investors informed, our Manager will be offering regular email updates on the Company's progress. The JEMI bulletin will deliver topical and relevant news and views directly to your inbox. The updates could be particularly helpful to investors holding shares through an investment platform who may not otherwise have a direct line of communication with the Company. By signing up you will receive our updates including:

- Performance updates
- Insights and analysis from the Investment Managers
- Independent research
- Links to annual and half-year reports as and when they are published
- News and views, including press coverage and notification of future events.

To receive the JEMI Bulletin directly to your inbox please opt in by visiting https://tinyurl.com/bdhkakhf. The Manager will do the rest. Please be reassured that we will not pass your details to third parties and you may always unsubscribe at any time. If you have an independent financial adviser, please contact them for guidance.

Outlook

After a brief summer rally, global equity markets have once again weakened and are transitioning away from the wild boom triggered by the post pandemic fiscal and monetary stimulus. Concerns about interest rate rises, inflationary pressures and geo-political tensions are reflected in an increasingly challenging economic backdrop, with a potential recession looming.

This said, economic activity in many of the Emerging Market economies remains strong and their debt to GDP levels are less stretched than those in several major developed countries. 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, many emerging economies should continue to show higher growth underpinned by several positive structural trends such as generally favourable demographics which support growing working-age populations and rising incomes.

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 remain confident, that the Manager's disciplined investment process and careful approach to risk management will enable the strategy to continue to outperform over the longer term, as it has done in the past.

On behalf of the Board, I would like to thank you for your ongoing support.

Sarah Fromson
Chairman

26th October 2022

Investment Managers' Report

Omar Negyal
Investment Manager

Jeffrey Roskell
Investment Manager

Isaac Thong
Investment Manager

Introduction

For the year ended 31st July 2022, the Company's total return on net assets, including dividends, was –4.7% (in GBP). This compares with our benchmark, the MSCI Emerging Markets Index with dividends reinvested, which declined 8.7%. Shareholder return, including dividends, was –9.4%, reflecting a widening in the share price discount to NAV to 11.6%, from 6.7% at end FY21. We think it is important to note the Company's strong long term performance track record. The Company achieved annualised NAV returns (including dividends) of 2.6% per annum ('p.a.') over three years and 5.2% p.a. over five years, compared to index returns (MSCI EM) of 1.1% p.a. and 2.6% p.a. over three and five years respectively. Over ten years, NAV return was 6.5% p.a. vs 5.5% p.a. for the index.

Investment environment

The market's decline over the past year reflects the impact of several particularly challenging events. Foremost of these was Russia's invasion of Ukraine in February 2022. In addition to the tragic and disturbing human toll this war continues to take, it also has had wide ramifications for the global economy. The constraints it has imposed on the supply of energy and other commodities added to already concerning inflationary pressures and forced central banks, led by the US Federal Reserve, to take a more aggressive monetary policy stance. Sharply higher rates will create an inevitable drag on growth this year and next, and potentially drive some countries into recession. The dramatic shift in the US interest rate environment has also resulted in a major upward move in the US Dollar, which has strengthened against both developed and emerging market currencies. These developments had a detrimental impact on global equity markets. In particular, stocks with high valuations (which in many cases were dependent on high growth assumptions far into the future) saw those valuations decline. However, we believe we have navigated these events relatively successfully, acting quickly to manage portfolio risk from Q4 2021 onwards, as geo-political tensions and economic uncertainties escalated. Both our asset allocation and stock selection decisions supported relative performance over the year. (See table and details below.)

Performance attribution

for the year ended 31st July 2022

	%	%
Contributions to total returns		
Benchmark total return		**–8.7%**
Asset allocation	3.6%	
Stock selection	2.7%	
Gearing/cash	–1.3%	
Investment manager contribution		**5.0%**
Portfolio total return		**–3.7%**
Management fees/other expenses	–0.9%	
Share buy-back/issuance	–0.1%	
Other effects		–1.0%
Cum income net asset value total return		**–4.7%**
Cum income share price total return		**–9.4%**

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 to 97.

The other important and surprising development over the past year was China's continued harsh enforcement of its zero COVID policy. At the start of the year, our base case scenario assumed that we would see some relaxation of restrictions, and that this would be positive for the economy. Instead, as we write, Chengdu, a city of 21m people, is in another lockdown, and, if anything, the government appears to have doubled down on its efforts to eradicate COVID. This approach would appear unsustainable in the long term, yet events over the past year suggest that we should not assume the Chinese government will necessarily soften its severe anti-COVID stance any time soon.

Performance drivers over the past year

We build the portfolio on a bottom-up basis, selecting stocks based on their sound fundamental qualities, strong balance sheets and capacity to pay dividends over the long term. Naturally, some areas within Emerging Markets offer more investment opportunities than others, and this results in tilts within the portfolio towards some sectors and countries. From a sectoral viewpoint, we tend to find the most attractive income opportunities within Technology, Consumer Staples and Financials, so these are the portfolio's three key sector overweights, while historically, the portfolio is usually underweight in Materials, Energy and Industrials.

Stock selection enhanced relative returns during FY22, due to contributions from stocks that we own and also from others that we do not. The table below, showing the top five and bottom five contributors to performance over this period, illustrates.

Top five contributors	Top five detractors
Alibaba (not owned)	Moscow Exchange
Walmart de Mexico	Severstal
Telkom Indonesia	Petrobras (not owned)
Tencent (not owned)	Novatek Microelectronics
Bank Rakyat Indonesia	Reliance Industries (not owned)

From a country viewpoint, the Company's exposure to China was the most important favourable influence on relative performance, as can be seen from the table below. This was due mainly to stock selection – our underweights to some of the pure growth areas (for example, technology companies and ecommerce platforms such as Alibaba and Tencent) made a positive contribution to relative returns, as these sectors underperformed over the period, due to investors' concerns about the implications of the Chinese government's 'common prosperity' agenda. In addition, our positions in financials and consumer stocks (for example China Construction Bank and Inner Mongolia Yili, a dairy company) performed relatively well during the year.

Country contributors to relative performance

POSITIVE	NEGATIVE
China	India
Mexico	Saudi Arabia
Indonesia	Taiwan

Our exposure to Mexico was another positive contributor to relative performance, thanks in large part to our position in Walmart de Mexico (Walmex). This multi-format retailer is a good example of the kind of investment opportunity in which we are most interested. It is delivering a high return on equity and strong free cash flow generation and has a positive dividend policy. During the year, Walmex reported healthy earnings numbers and it appears to be coping with changes in the retail operating landscape. It is investing in technology and enabling its stores with omnichannel capability (such as 'drive through pickup' services or home delivery).

Indonesia was another market where we derived positive relative returns. Rakyat, a regional bank, announced its dividend for 2021, which showed a strong recovery after the challenges of 2020. Dividends per share rose 80.6%, implying a healthy yield. In addition, we welcome the company's announcement of a buyback programme to reacquire shares totalling 0.4% of its market capitalisation, as we view share buybacks alongside regular dividend payouts as a healthy indicator of good corporate governance, as discussed in the ESG section below.

On the negative side, markets in both India and Saudi Arabia performed well, but our underweight positions relative to benchmark created a drag on relative performance. In the case of India, we find it difficult to find stocks offering an attractive yield, partly because India is more of a 'growth' market,

Investment Managers' Report

and also, simply, because valuations are high, thanks to positive investor sentiment towards the country, which means the yields on offer are low.

Our exposure to Taiwan has been a source of positive performance for us for many years, but was a drag on returns in FY22. This was primarily due to our positioning in technology stocks, which suffered as interest rates rose and markets became more concerned about the possibility of a US recession which would dampen demand for tech products. This caused a derating of positions, including semiconductor manufacturers Novatek Microelectronics and Realtek Semiconductor.

Portfolio positioning and changes

Given the year's particularly challenging investment environment discussed above, some key portfolio changes over the past year have been motivated by our efforts to limit the portfolio's exposure to geo-political and macroeconomic risks. Firstly, as tensions between Russia and the West began to escalate in Q4 2021, we started to reduce our Russian positions and we continued on this path in Q1 2022 as a Russian invasion looked increasingly likely. This meant we were underweight in the Russian market when Russia invaded Ukraine. This portfolio shift was not driven by individual stock decisions, but rather by our overriding desire to reduce Russia-related portfolio risk. This decision paid off, as our reduced Russian exposure contributed to relative performance over the review period. We were unable to sell all our Russian positions down to zero due to trading suspensions. For the remaining Russian assets, we have applied a fair valuation methodology in accordance with our established policies; as at end-July 2022 they represented 0.006% of total investments in the portfolio.

At the sector level, technology, together with consumer staples and financials, have been a rich source of income ideas for the portfolio and a positive contributor to performance over the long term, although, as mentioned above, our tech positions have detracted recently. During H1 2022, as our assessment of the global economic outlook deteriorated and our fears of a US recession mounted, we scaled down our overweight exposure to technology stocks. We still like this sector from a long-term perspective, but the extent of uncertainties pervading global markets suggests it is prudent to control overall position sizing in the near term.

We also reduced our overweight position in the Taiwanese market in H1 2022, and we continued to scale back exposure in the early months of H2 2022. As at 30th September 2022, our active weight stood at +2.4%, down from +9.3% at the end of the 2021 financial year. This decision was partly driven by our caution about the near term outlook for tech stocks, as discussed above, as many of our tech positions are listed in Taiwan. It also reflects a desire to limit risks arising from heightened tensions between China and Taiwan.

While these portfolio construction decisions were driven, somewhat unusually, by top-down concerns and portfolio risk management, most of our portfolio adjustments are still driven by our views on individual stocks, which are derived from our analysis of each company's return on equity, free cash flow and dividend policy. ESG considerations are also an important factor, incorporated into our investment process via our risk profile analysis and materiality framework, as discussed below and in our ESG Report on pages 17 to 22.

Sales/reductions

In terms of stock disposals, in addition to reducing our exposure to Russia, we trimmed exposure to the tech sector, also mentioned above, including a cut to our position in Taiwan Semiconductor Manufacturing (TSMC), the dominant global producer of these key components. This partial sale also served to lower our exposure to Taiwan, consistent with our concerns about mounting tensions between Taiwan and China. However, TSMC remains an important position for us, as it is well positioned, with a strong competitive advantage in cutting edge chip manufacturing. The company is also able to invest heavily, with the expectation of high returns on capital, while still maintaining a stable and increasing dividend.

Elsewhere, we reduced our position in China Pacific Insurance, in recognition of the fact that it has become harder for the Chinese insurance sector to grow at the pace we had previously anticipated. COVID lockdowns have of course played a role here, but companies in the sector also seem to be facing broader challenges related to the establishment of effective sales channels and agency networks. Additionally, a lack of clarity over capital rules for the sector makes future dividend payments less certain.

Purchases/additions

The proceeds of the above sales were used to fund a number of new positions and top ups to existing holdings. One purchase was PZU, a Polish insurer with strong fundamentals. This company's leading position in the Polish market allows it to generate strong profits, which support an attractive dividend. We often describe our portfolio as a combination of value and quality, and this stock fits into the value component of the portfolio, as its high dividend yield acts as a valuation support. Another key point we considered during our analysis of PZU was governance. This has been a weaker area for this company due to its historic purchase of stakes in Polish banks, something we viewed at the time as a poor capital allocation decision. Having considered this carefully, we concluded that this was unlikely to be repeated as their ambition for meaningful exposure in the Polish banking sector has already been attained. We also judged that this risk was reflected in the stock's valuation at current levels, so overall, we were comfortable building a position in the company.

We also opened a new position in HCL Technologies, an Indian IT services company. This acquisition is a good example of how we think about individual stocks' quality and value characteristics. HCL demonstrates many of the positive quality characteristics we seek. It has a high return on equity (22% in FY22), strong free cash flow generation, and a much improved dividend policy (which now pays out 75% or more of net income). Within our materiality framework, which looks at specific ESG issues, we think certain social factors are particularly important for IT services companies, for example, their hiring and compensation practices, as well as their efforts to protect user privacy and data. From a value point of view, the stock trades on an earnings multiple significantly lower than some comparable Indian IT services companies (partly reflecting its positioning within the market which is not quite as strong as bigger competitors such as Infosys). This lower earnings multiple translates into a relatively higher dividend yield. This quality/value combination looked attractive and we initiated a position during the year (partly rotating from an existing position in Tata Consultancy Services, which attracts a higher valuation in the market).

Another new addition to the portfolio is Wuliangye, a Chinese producer of baiju (spirits). Wuliangye commands a strong position at the high end of the Chinese alcoholic beverages market. Again from a quality perspective, this company appeals to us given its 75% gross margin, which translates into a 25% return on equity. However, the stock saw some derating due to understandable concerns over its sales trajectory during China's harsh and ongoing lockdowns. But in our view the company is well-positioned to perform strongly over the long term, and we saw the valuation decline as an opportunity to add the stock to the portfolio at an attractive level.

Our engagement on ESG issues

We believe that sound ESG practices are extremely important to the sustainability of business models, and we welcome the fact that more Emerging Market companies are explicitly recognising this fact and improving their practices accordingly. ESG considerations are therefore integral to our investment process. When considering potential investments, our analysts assess each company on a list of related factors, including its carbon emissions, renewable energy and recycling policies, employment and diversity practices and its approach to corporate governance.

We place particular emphasis on governance, and we draw a direct link between a company's dividend policy and the quality of its governance. In our view, a company's willingness to return cash to shareholders is a tangible and positive governance indicator. We have engaged with many companies on this issue over time, to understand their motivations and capital allocation objectives. We also discuss the magnitude of returns to shareholders and the rationale behind any split between dividends and buybacks.

Further examples of recent ESG engagement with portfolio companies can be seen in the ESG Report on page 19.

Investment Managers' Report

Dividends

The pandemic had a significant impact on companies' ability to maintain dividend payments. However, the post-pandemic resurgence in activity saw the portfolio's dividend receipts grow by 24% in the financial year ended July 2022. Dividend income in this year also benefited from some favourable timing effects, as a couple of Taiwanese companies paid two dividends over the course of the year (this was simply a function of delays in their Annual General Meetings due to COVID).

As a reminder, the Company receives dividends from portfolio companies in local currencies and pays out dividends in sterling. Currency movements therefore have an impact on revenue receipts year-on-year. All else being equal, a falling pound increases revenue receipts from Emerging Markets, and vice versa.

Other factors apart from currency will also impact near term dividend receipts. Aggressive central bank policy could well drive much of the developed world into recession in coming quarters, and this risk is casting a shadow over the dividend outlook for the immediate future. Despite these near-term uncertainties, we are confident that the portfolio's long-term dividend generating power remains intact.

Outlook

Global financial markets are presently processing a number of considerations. In addition to the rising risk of recession in the US, and elsewhere, China's property market contraction, while apparently manageable, must inevitably have an impact on the country's growth outlook. The way in which China manages its zero COVID policies in coming months will be an equally important influence on near-term growth, and indications are that restrictions could be maintained for some time, creating a further drag on activity. The impact from the Russian invasion of Ukraine will continue to be felt globally, whether via energy prices or further geo-political tensions. In our view, Emerging Markets have begun to discount these risks, and overall market valuations look low relative to historical levels, although not excessively so. For example, the trailing price-to-book ratio for Emerging Markets is presently around 1.5x, compared to a historical average of 1.8x.

In the current higher inflation, higher interest rate environment, the pricing power of the companies we hold and their stock valuations are foremost in our minds as we make decisions regarding the company's portfolio holdings. On the former, for obvious reasons we are attracted to companies with the capacity to exercise pricing power in a world of higher costs. But, at the same time, we are also aware of the negative impact of higher rates on stock valuations. So we are very mindful of the need to strike a careful balance between these two considerations when assessing individual stock positions across the portfolio.

As always, we remain focused on our aim of investing in quality businesses with sound fundamentals, strong balance sheets and sustainable dividend policies. We believe this quality focus puts the Company's portfolio in the best position to successfully navigate current market uncertainties and we are confident in the Company's potential to keep delivering attractive dividends, capital returns and outperformance for shareholders over the long-term. Thank you for your ongoing support.

Omar Negyal
Jeffrey Roskell
Isaac Thong
Investment Managers

26th October 2022

Environmental, Social and Governance Report

Introduction

ESG has become a convenient label for describing the broad field of sustainability in the corporate sector and is widely used when assessing the environmental impact of businesses, when considering how companies acquit themselves in respect of their broad social responsibilities, and when reviewing the practices and standards used in governing corporate organisations.

Awareness of these issues has increased significantly in recent years among investment practitioners and their clients, and indeed in society at large, and our practices at J.P.Morgan Asset Management have been at the forefront of these developments. In these pages we explain how our approach has developed and how it is applied for the benefit of shareholders in this investment trust.

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.

Why do we integrate ESG into our investment processes?

Consideration of sustainability is intrinsic to our long-term approach to investment. When we invest our clients' assets, we have to make judgements about the future risks and rewards of any investment. Those risks and rewards have always included all ESG factors, because they have the potential to affect the future value of a security. A business that produces huge amounts of carbon emissions or plastic waste, for example, is likely to find itself the subject of scrutiny from regulators and consumers and failure to anticipate this and to change will likely bring a loss of value for shareholders in the long run. The same is true of businesses that neglect their social responsibilities or fail in matters of governance. In all these instances, investors will eventually assign a higher discount rate to future cash flows, with consequences for the price of that company's securities.

ESG integration within the Company's portfolio

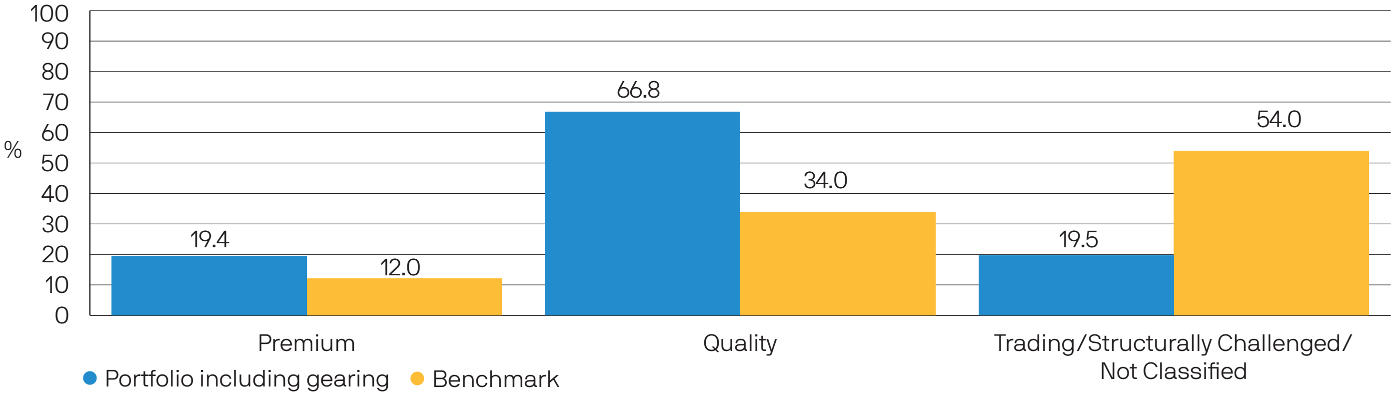
We integrate ESG considerations across all three parts of our qualitative assessment of a business.

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 (does the business create value for shareholders), Duration (can this value creation be sustained) and Governance (how will governance impact shareholder value).

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.

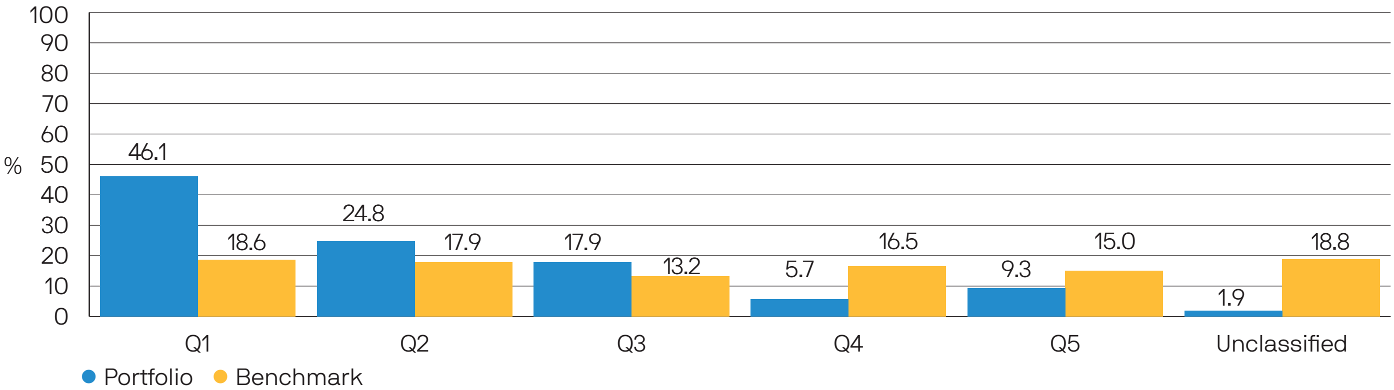
Environmental, Social and Governance Report

Strategic Classification: Portfolio vs. Benchmark



Secondly our research analysts complete a 98-question risk profile for each of the 1,000+ companies covered. 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.

Risk Profile: Portfolio vs. Benchmark

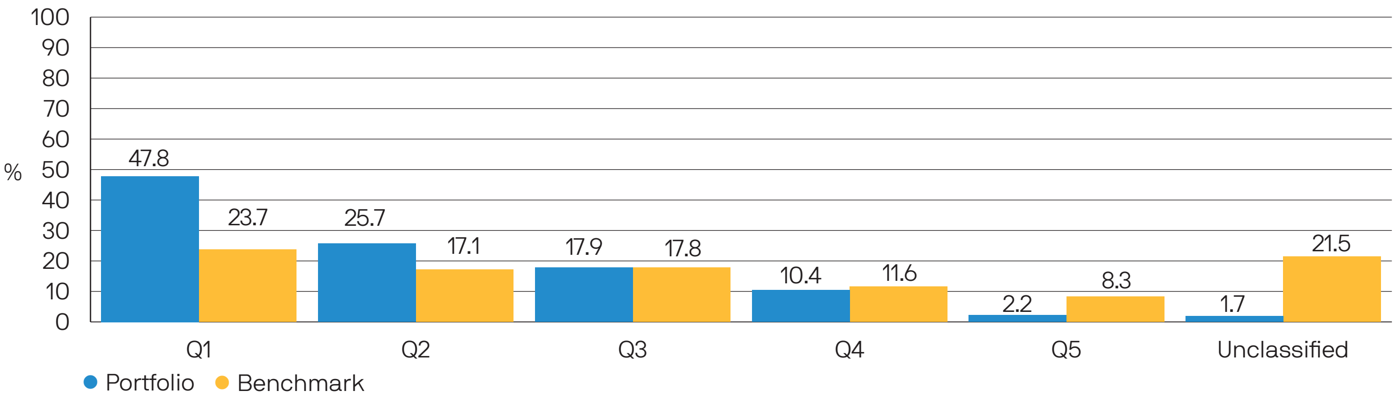


The Materiality Framework is a proprietary tool used to score companies on the ESG issues that are relevant to the sub-industry in which they operate.

Analysts consider the five most financially material ESG risks (as identified by the analysts) in 54 sub-industries and companies are rated 1 to 5 on each of those five risk factors. For example issues around pollution would be material for commodity company but immaterial to a software company (where instead issues like data protection would be more material). Most of the ESG risks are linked to one of the 17 UN Sustainable Development Goals. The goals that feature most frequently are (1) No poverty, (8) Decent work and economic growth, (13) Climate action, and (16) Peace, justice and strong institutions.

The 1-5 scoring system reflects a desire to differentiate between leaders and laggards, and to do so in a way which emphasises judgement over data gathering. Quintile 1 shows companies with the fewest red flags, while quintile 5 is companies with the highest number of red flags.

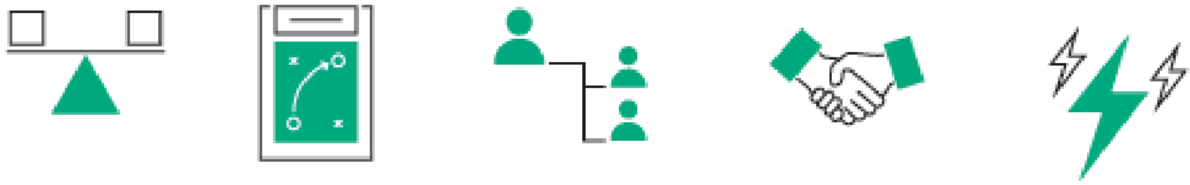
ESG Materiality Score: Portfolio vs. Benchmark



Engagement

Consideration of ESG issues should not be seen as a purely reactive activity in investment. It also involves active engagement with investee companies to promote standards, principles and outcomes that we would like to see companies demonstrate in practice.

In this report, we seek to explain how we are setting about achieving these aspirations and to share examples of progress as we continue to seek ever more productive corporate engagement. Each example has been tagged to one of our Five Investment Stewardship Principles. These are the highest-level statement of universal priorities that we have. They are set by our Global Sustainable Investing Function and are principles we believe will have universal applicability and stand the test of time, and are as follows:



Governance	Strategy alignment with the long term	Human capital management	Stakeholder engagement	Climate risk

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.

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

Governance

Stakeholder Engagement

Climate risk

In its 2020 sustainability report, the company adopted some recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD) framework when reporting greenhouse gas emissions. We welcome the progress made and we further recommended Rakyat to disclose a breakdown of its loan portfolio by industry and its lending policies for energy, utilities, mining and agriculture and other emission sensitive industries.

In late July 2021, Rakyat's life insurance subsidiary was probed for the leak of personal data for about 1% of policy holders. We agreed with the bank's emphasis on the quality and reliability of its IT security system, which is critical to its business, but we recommended a holistic investigation of the company's entire information system.

In Indonesia, boards comprise of directors, who participate in daily management, and commissioners, who are positioned to oversee directors. While the company's board has a majority (60%) of independent commissioners, representation of women is only 20%. We encouraged Rakyat to further increase representation of women and independent commissioners on the board. The company seemed receptive and this year it appointed a new female independent commissioner, which increased female representation on the board of commissioners to 30%.

Following our first diversity engagement meeting with **China Construction Bank** (CCB), we wrote a follow-up letter summarising our recommendations on diversity, equity and inclusion. Within the letter, we shared diversity disclosure examples by two industry peers, HSBC and DBS Bank, as illustration.

Governance

Human capital management

In the meeting, we encouraged CCB to establish and disclose a diversity policy as a start before formulating a strategy and action plan on diversity, equality and inclusion. Specifically, we suggested an explicit reference to the International Labor Organization's convention, the types of discrimination it is committed to eliminate, and its commitment to equal opportunity in the policy.

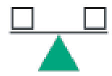
We also encouraged gender diversity on the board. While we commend the diversity of CCB's independent non-executive directors in terms of ethnicity and nationality, we believe CCB can increase its number of fit and proper female directors. There are only two female directors and as they make up just 15% of the board,

Environmental, Social and Governance Report

CCB is flagged in our ESG checklist as lacking board diversity with a severity score of 2 out of 3. On gender diversity, we are also taking strong voting action related to director election and generally hold the nomination committee accountable.

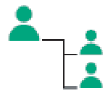
Moreover, we encouraged the bank to disclose gender pay gap statistics to improve data transparency, drawing upon examples by HSBC to illustrate the level of disclosure that should be considered. For example, HSBC discloses its gender pay gap (fixed pay and total compensation, respectively) by location (UK, US, Hong Kong, Mainland China, Mexico) and employee seniority. Even though there is currently no legislative requirement for gender pay gap reporting across the US, Hong Kong, Mainland China and Mexico, HSBC voluntarily conducts the analysis and discloses the information for both internal and external comparison.

We held a discussion with **NetEase's** new ESG team lead regarding ESG governance and human capital management.



Governance

In terms of ESG governance, the company currently has an ESG working group comprising of representatives from different departments. It is in the process of establishing an ESG committee at the board level and is actively searching for the right board candidate, ideally a female candidate with ESG expertise. We offered to connect the company to the 30% Club Hong Kong's Women Pipeline programme (JPMAM is a member of this investor working group that encourages at least 30% female board representation) and the company was receptive to this.



Human capital management

On diversity data, we encouraged NetEase to disclose female representation both at the middle management and executive level, as well as its turnover rate. We also shared our diversity engagement framework after the meeting which the company agreed to review. However, the company shared that there has been internal resistance publishing certain sensitive data such as turnover rate.

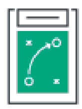
Stakeholder engagement

On human capital management, we asked about the company's mitigation of crunch culture (unpaid overtime work to meet game development deadlines) and 996 culture (working 9.00 a.m. to 9.00 p.m., six days a week) in China's technology sector. In its view, neither applies to the company. NetEase stated that it does not force employees to work overtime and according to the company, the employee satisfaction rate is high. The company has been conducting an annual employee engagement survey in which it asks for all employees' feedback on various aspects ranging from business and strategy, innovation, to company culture and teamwork. Whilst we are pleased that the company does not view this as a box-ticking exercise, we encouraged it to disclose more details about its employee engagement survey findings.

We have been engaging with **Tingyi Holding**, a major Taiwan-based food and beverage producer that markets its products under the 'Master Kong' brand, on climate-related topics since last year.

Climate risk

On climate change, Tingyi does not report against the TCFD framework but has engaged a professional consulting agency to analyse key climate change risks such as the negative impact of extreme weather on raw material supply. Whilst this is a good starting point, we will continue to recommend use of the TCFD framework as this also covers climate governance, strategy, metrics and targets, in addition to climate risks.



Strategy alignment with the long term

Moreover, we are delighted that the carbon inventory work that the company carried out in 2021 covers both the upstream and downstream of Master Kong's value chain. We are also pleased about the company's disclosure of time-series scope 1 and 2 data, and scope 3 data for the first time this year, but we will further encourage the company to include greenhouse gas emissions as a mandatory requirement for suppliers.

With regards to natural resources stewardship, the company said it is in the process of establishing relevant water-related targets with key performance indicators including total water consumption and water consumption intensity (per ton of output). On plastics management, we asked the company to establish time-bound targets, with 100% of plastic packaging becoming reusable, recyclable or compostable by 2025 being the industry best practice.

In general we seek engagements to result in tangible outcomes and reforms within three years from the start of the engagement. The key reason is that it takes time before the board or management acknowledge an issue and start to implement a roadmap of action to deliver meaningful change. Sometimes, our engagement asks can require structural and organisational changes that are not easy or quick to achieve. Monitoring of progress on engagements is facilitated by setting engagement objectives and systematically using our document system to identify the status of the engagement.

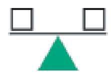
Proxy Voting

J.P. Morgan Asset Management exercises the voting rights of shares held in all client portfolios 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	416	10	4	14	430	3.3
Directors Related	464	51	33	84	548	15.3
Capitalisation	125	22	0	22	147	15.0
Reorganisation and Mergers	71	9	0	9	80	11.3
Non-salary Compensation	57	8	0	8	65	12.3
Shareholder Routine / Business	2	0	0	0	2	0.0
Shareholder Directors Related	26	1	0	1	27	3.7
Shareholder Compensation	6	2	0	2	8	25.0
Shareholder Health/Environment	3	0	0	0	3	0.0
Total	**1170**	**103**	**37**	**140**	**1310**	**10.7**

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

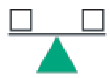

Governance

We voted against the re-election of **Kimberly-Clark de Mexico's** current board of directors.

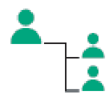
Out of the company's 12 board of directors, six members are considered independent however, these six members have been with the hygiene product manufacturer for 32 years on average. We believe that they should not be considered independent, and the company should refresh the board with new members that can contribute fresh ideas. Consequently, we consider the company's current board to have no independent directors.


Stakeholder engagement

Electing new members is especially important given that non-independent members such as the Chairman have been with the company for 60 years. We have reflected the board's lack of independence in our ESG checklist for the company and flagged it with a maximum severity score of 3.


Governance

We voted against the election of a newly nominated independent director, Jun-Sung Kim, at **Samsung Electronics** due to concerns about the candidate's true independence and concerns about overall board diversity. Samsung argued that the election of Jun-Sung Kim, a former Chief Investment Officer at Samsung Asset Management and former Managing Director at GIC, would bring an investor's perspective to the board.


Human capital management

However, the company's inadequate disclosure about his previous role as the Chief Investment Officer at Samsung Asset Management provided insufficient information for us to conclude that he would be truly independent of management. Samsung argued that as he worked for this subsidiary nine years ago, it was unnecessary to provide information regarding his role to shareholders. We disagreed and reasoned our right as minority shareholders to receive this information to make an informed decision. We urged the company to include more details about the backgrounds of director candidates in future.

Moreover, Jun-Sung Kim is South Korean by ethnicity. As one of the supporting conditions for exceptionally supporting all management proposals last year, we asked for the appointment of directors with different ethnicities to align board composition with the company's global business footprint. While Jun-Sung Kim may bring an investor's perspective to the board, we believe that Samsung could obtain similar perspectives by further enhancing the dialogue between shareholders and the board.

Environmental, Social and Governance Report

Portfolio Carbon Footprint

As at 31st July 2022

	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 Global Emerging Markets Income Trust plc	**94.8**	**48,152**	**132.4**	**114.1**
MSCI Emerging Markets	**309.3**	**157,133**	**381.1**	**336.9**
Aim / Purpose	What is my portfolio's normalised 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	Normalised 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

Net Zero Asset Managers Initiative

JPMAM has recently become a signatory to the Net Zero Asset Managers Initiative. This is an international group of asset managers committed to supporting investing aligned with the goal of net zero greenhouse gas emissions by 2050 or sooner. In addition to the transition to net zero, they will continue to accelerate corporate engagement and stewardship, consistent with net zero ambitions. The initiative includes 220 members with $57.4 trillion in assets under management (as at 17th November 2021). In addition, JPMorgan Chase is a member of the Net Zero Banking Alliance – a group of financial institutions representing over a third of global banking assets committed to aligning their lending and investment portfolios with the goal of net-zero emissions by 2050.

The Future

In investing your Company's assets we have always looked for companies with the ability to create value in a sustainable way.

That scrutiny remains firmly embedded in our process and we know that the Directors of the Company, shareholders and potential investors view attention to ESG factors as important in their assessment of us as Investment Managers. We expect ESG to remain a major theme in the Company's portfolio and the course being taken by regulators suggests that its importance will only increase in years to come. The research we do and the approach we take in investing the Company's assets will continue to reflect that and to evolve as necessary.

On 7th September 2022, J.P.Morgan Asset Management successfully become a signatory to the UK Stewardship Code. This reflects our commitment to our stewardship responsibilities to drive positive corporate change and industry developments that benefit both the Company and the communities that we serve.

J.P. Morgan Asset Management 26th October 2022

Portfolio Information

Ten largest investments

At 31st July

Company	Country	Sector	2022 Valuation £'000	2022 %[1]	2021 Valuation £'000	2021 %[1]
Taiwan Semiconductor Manufacturing	Taiwan	Information Technology	31,148	7.1	40,083	8.4
Samsung Electronics	South Korea	Information Technology	21,580	4.9	27,318	5.7
Wal-Mart de Mexico	Mexico	Financials	12,903	2.9	14,636	3.1
Infosys, ADR	India	Financials	12,249	2.8	13,843	2.9
Inner Mongolia Yili Industrial Group 'A'[2]	China & Hong Kong	Consumer Staples	11,509	2.6	7,575	1.6
B3 SA - Brasil Bolsa Balcao[3]	Brazil	Financials	11,295	2.5	—	—
OPAP[2]	Greece	Consumer Discretionary	10,669	2.4	6,514	1.4
Bank Rakyat Indonesia Persero[2]	Indonesia	Financials	10,467	2.4	6,854	1.4
Telkom Indonesia Persero[2]	Indonesia	Communication Services	10,032	2.3	6,897	1.4
Haier Smart Home 'H'[2]	China & Hong Kong	Consumer Discretionary	10,029	2.3	7,733	1.6
Total			**141,881**	**32.2**		

[1] Based on total portfolio of £440.4m (2021: £476.7m).
[2] Not included in the ten largest investments at 31st July 2021.
[3] Not held in the portfolio at 31st July 2021.

As at 31st July 2021, the value of the ten largest investments amounted to £176.6 million representing 37.0% of total investments.

Sector analysis

At 31st July

	2022 Portfolio %[1]	2022 Benchmark %	2021 Portfolio %[1]	2021 Benchmark %
Financials	28.7	21.5	28.6	18.4
Information Technology	25.5	20.1	32.4	21.2
Consumer Discretionary	14.3	13.8	12.8	16.3
Consumer Staples	14.2	6.2	12.1	5.6
Communication Services	7.1	10.0	5.1	10.7
Industrials	3.8	5.8	2.1	4.8
Basic Materials	2.5	8.5	4.0	9.2
Energy	2.1	5.2	1.1	5.1
Real Estate	1.2	1.9	0.8	1.8
Utilities	0.6	3.0	0.7	2.0
Health Care	—	4.0	0.3	4.9
Total Portfolio	**100.0**	**100.0**	**100.0**	**100.0**

[1] Based on total portfolio of £440.4m (2021: £476.7m).

Portfolio Information

Geographical analysis

At 31st July

	2022		2021	
	Portfolio %[1]	Benchmark %	Portfolio %	Benchmark %
China & Hong Kong	35.4	32.0	33.2	34.6
Taiwan	19.7	14.6	22.7	14.6
Mexico	9.7	2.1	7.3	1.9
South Africa	7.0	3.5	3.4	3.7
South Korea	5.9	12.0	6.7	13.4
India	5.1	14.0	6.4	10.7
Indonesia	4.7	1.9	2.9	1.2
Brazil	3.6	5.2	0.9	5.3
Thailand	2.7	1.9	2.3	1.6
Greece	2.4	0.3	1.4	0.2
Malaysia	1.0	1.5	0.8	1.3
Poland	0.9	0.6	—	0.7
Chile	0.9	0.6	0.3	0.4
Romania	0.9	—	1.0	—
Saudi Arabia	0.1	4.5	1.1	3.1
United Arab Emirates	—	1.3	—	0.8
Qatar	—	1.1	—	0.7
Kuwait	—	0.8	—	0.6
Philippines	—	0.7	—	0.6
Turkey	—	0.3	0.4	0.3
Colombia	—	0.2	—	0.1
Czech Republic	—	0.2	—	0.1
Hungary	—	0.2	—	0.2
Peru	—	0.2	—	0.2
United States	—	0.2	—	—
Egypt	—	0.1	—	0.1
Russia	—	—	9.2	3.5
Argentina	—	—	—	0.1
Total Portfolio	**100.0**	**100.0**	**100.0**	**100.0**

[1] Based on total portfolio of £440.4m (2021: £476.7m).

Portfolio Information

Investment Portfolio

At 31st July 2022

Company	Valuation £'000
China & Hong Kong	
Inner Mongolia Yili Industrial	11,509
Haier Smart Home[1]	10,029
NetEase	9,808
Hong Kong Exchanges & Clearing	9,075
China Construction Bank[1]	8,939
China Merchants Bank[1]	8,356
Tingyi Cayman Islands	7,465
Postal Savings Bank of China[1]	6,879
Jiangsu Expressway[1]	6,231
Midea	6,212
Wuliangye Yibin	5,968
Huayu Automotive Systems	5,520
Ping An Insurance Group Co. of China[1]	5,388
China Resources Land	5,239
Hang Seng Bank	4,530
China Petroleum & Chemical[1]	4,432
Xinyi Glass	4,338
Zhejiang Supor	4,240
HKT Trust & HKT	4,144
Topsports International[1]	4,086
Xinyi Solar	3,946
JS Global Lifestyle	3,873
Joyoung	3,792
Fuyao Glass Industry[1]	3,658
China Pacific Insurance[1]	3,635
Guangdong Investment	2,714
Yum China	1,715
	155,721
Taiwan	
Taiwan Semiconductor Manufacturing	31,148
Vanguard International Semiconductor	7,827
President Chain Store	7,332
Novatek Microelectronics	6,782
Advantech	6,448
Eclat Textile	5,111
Realtek Semiconductor	3,877
Delta Electronics	3,441
ASE Technology	3,361
Chailease	3,218
Wiwynn	2,461
Nien Made Enterprise	2,017
MediaTek	1,872
Accton Technology	1,739
	86,634

Company	Valuation £'000
Mexico	
Wal-Mart de Mexico	12,903
Grupo Financiero Banorte	7,436
Grupo Aeroportuario del Pacifico	6,443
Grupo Mexico	6,182
Kimberly-Clark de Mexico	5,718
Bolsa Mexicana de Valores	3,921
	42,603
South Africa	
Sanlam	7,038
Standard Bank	5,269
Vodacom	5,024
JSE	3,994
AVI	3,644
Bid	2,403
Mr Price	2,090
SPAR	1,215
	30,677
Korea	
Samsung Electronics	21,580
LG Chem Preference	2,480
NCSoft	2,116
	26,176
India	
Infosys, ADR[2]	12,249
Petronet LNG	4,657
Tata Consultancy Services	2,829
HCL Technologies	2,789
	22,524
Indonesia	
Bank Rakyat Indonesia Persero	10,467
Telkom Indonesia Persero	10,032
	20,499
Brazil	
B3 SA - Brasil Bolsa Balcao	11,295
Itau Unibanco Preference	2,581
BB Seguridade Participacoes	1,889
	15,765
Thailand	
Tisco Financial	9,504
Siam Cement	2,317
	11,821

Portfolio Information

Investment Portfolio

At 31st July 2022

Company	Valuation £'000
Greece	
OPAP	10,669
	10,669
Malaysia	
Carlsberg Brewery Malaysia	4,371
	4,371
Poland	
Powszechny Zaklad Ubezpieczen	4,196
	4,196
Chile	
Banco Santander Chile, ADR[2]	4,116
	4,116
Romania	
Banca Transilvania	4,080
	4,080
Saudi Arabia	
Al Rajhi Bank	539
	539
Russia	
Moscow Exchange MICEX-RTS	22
Magnitogorsk Iron & Steel Works	6
Severstal Pao GDR[2]	—
	28
Total Investments	**440,419**

[1] 'H' Shares.

[2] Includes ADRs (American Depositary Receipts)/GDRs (Global Depositary Receipts).

Ten Year Record

At 31st July	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Net assets (£m)	194.7	288.5	332.2	310.5	344.4	385.4	399.5	431.0	376.4	452.5	416.5
Net asset value per share (p)[A]	112.0	123.1	119.3	105.5	117.1	131.0	134.6	145.0	126.6	152.2	140.3
Share price (p)	114.3	123.0	122.0	100.3	115.3	126.5	126.0	143.5	115.5	142.0	124.0
Premium/(discount) (%)[A]	2.0	(0.1)	2.3	(4.9)	(1.5)	(3.4)	6.4	(1.0)	(8.8)	(6.7)	(11.6)
Gearing (%)[A]	5.4	7.2	5.4	6.6	4.7	6.8	6.2	5.9	6.9	5.4	5.7
Year ended 31st July											
Gross revenue return (£'000)	10,553	13,713	17,361	21,335	17,168	19,854	21,419	22,274	16,374	18,934	22,298
Revenue return per share (p)	5.41	5.45	5.41	5.85	4.79	5.54	5.78	5.92	4.28	4.94	6.11
Dividend per share (p)	4.85	4.90	4.90	4.90	4.90	4.90	5.00	5.10	5.10	5.10	5.20
Ongoing charges (%)[A]	1.26	1.21	1.22	1.24	1.35	1.30	1.26	1.26	1.16	1.04	0.92
Rebased to 100 at 31st July 2012											
Share price total return[1,A]	100.0	112.1	116.2	99.5	120.7	138.0	142.8	169.2	142.2	181.7	164.7
Net asset value total return[2,A]	100.0	114.6	116.1	107.1	125.2	145.7	155.3	173.8	158.0	196.8	187.5
Benchmark total return[3]	100.0	105.4	109.1	102.3	119.3	150.0	157.3	164.8	163.8	186.6	170.4

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 to 97.

Business Review

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 restrictions and guidelines, performance, total return, revenue and dividends, key performance indicators, share capital, Board diversity, share price discount or premium, employees, social, community and human rights issues, principal and emerging risks and how the Company seeks to manage those risks and finally its long term viability.

The Company's Purpose, Values, Strategy and Culture

The purpose of the Company is to provide an investment vehicle which meets the needs of investors, whether large institutions, professional advisers or individuals, who seek a dividend income combined with capital growth from emerging markets investments in an accessible, cost effective way. We do this by following an investment process and invest in a diversified portfolio of companies in emerging markets. The Company seeks to outperform its benchmark index, the MSCI Emerging Markets Index, with net dividends reinvested (in sterling terms) over the longer term and manages risk by investing in a diversified portfolio of emerging markets based companies.

To achieve this, the Board of Directors is responsible for engaging and overseeing an Investment Manager that has the appropriate capability, resources and controls in place to actively manage the Company's assets in order to meet its investment objective. The Board maintains a relationship with the Investment Manager that is characterised by openness, challenge and professional integrity. This extends to the Board's expectations from its relationships with its third party suppliers. The Investment Manager has an investment process with a strong focus on research that integrates environmental, social and governance considerations and enables it to identify what it believes to be the most attractive stocks in the market.

The Company has no employees and the Board is comprised of non-executive Directors. To ensure that the Company's purpose, values, strategy and culture are aligned, the Board comprises independent non-executive Directors from a diverse background who have a breadth of relevant skills and experience, act with professional integrity and who contribute in an open boardroom culture that both supports and challenges the Investment Manager and its other third party suppliers. For more information, please refer to pages 37 and 38.

Structure and Objective of the Company

The Company is an investment trust company that has a premium listing on the London Stock Exchange. It does not have employees, premises or operations. Its objective is to provide investors with a dividend income combined with the potential for long term capital growth from a diversified portfolio of emerging markets investments. The Board has determined an investment policy and related guidelines and limits as described below.

The Board is accountable to shareholders, who have the ability to remove a director from office where they deem it to be in the best interests of the Company. The Company is governed by its articles of association, amendments to which must be approved by shareholders through a special resolution. As the Company is listed on the Main Market of the London Stock Exchange, it is subject to the Listing Rules, Prospectus Rules and Disclosure Guidance and Transparency Rules published by the Financial Conduct Authority ('FCA').

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 approval will not continue to be retained. The Company is not a close company for taxation purposes.

Management

The Company has appointed JPMorgan Funds Limited ('JPMF') or the ('Manager') to act as its alternative investment fund manager. JPMF delegates investment management services to JPMorgan Asset Management (UK) Limited ('JPMAM' or the 'Investment Manager') in accordance with an agreement. The management agreement with JPMF is reviewed annually by the Board as a whole as part of its annual evaluation of the performance of the Manager.

JPMF and its subsidiaries provide accounting, company secretarial, sales, marketing, accounting and general administrative services.

Investment Policy, Investment Guidelines and Risk Management

In order to achieve the investment objective, the Company invests in a diversified portfolio and employs a Manager with a strong focus on research (including ESG considerations) and company visits that enables it to identify what it believes to be the most attractive stocks in the market.

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

- The Company invests predominantly in listed equities but retains the flexibility also to invest in other types of securities, including, but not limited to, unlisted equities, convertible securities, preference shares, debt securities, cash and cash equivalents.
- The Company is free to invest in any particular market, sector or country in the global emerging markets universe. It may also invest in securities issued by companies based in or operating in emerging markets but listed or traded on the stock exchanges of developed markets and in the

securities of issuers based in developed markets that have substantial exposure to emerging markets.

- The Company's portfolio will typically contain between 50 and 80 holdings.
- There are no fixed limits on portfolio construction with regard to region, country, sector or market capitalisation. In the normal course of business the Company typically invests at least 80% of its gross assets in listed equities but other security types may be used in the event of adverse equity market conditions or where they represent a more efficient means of obtaining investment income for the purposes of making dividend payments. Non-equity portfolio assets are expected to comprise predominantly cash or fixed income securities issued by companies, states or supra-national organisations domiciled in, or with a significant exposure to, emerging markets. In the event of adverse equity market conditions, the Company may increase its holdings in fixed income securities of any kind to a maximum of 50% of its gross assets.
- Despite the absence of specific region, country, sector or market capitalisation limits, the Company will at all times invest and manage its assets in a manner that is consistent with spreading investment risk and in accordance with its published investment policy. The Company shall not conduct any trading activity that is significant in the context of the Company as a whole.
- No more than 15% of the Company's gross assets shall be invested in the securities of any one company or group at the time the investment is made.
- The Company shall not invest more than 10% of its gross assets in unlisted securities or in other listed closed-ended investment funds at the time the investment is made.
- The Company may undertake option writing in respect of up to 10% of the Company's net assets.
- The Company may use derivative instruments for the purposes of efficient portfolio management. The Company does not have a policy of hedging or otherwise seeking to mitigate foreign exchange risk but reserves the right to do so from time to time as part of the Company's efficient portfolio management.
- For the purposes of the investment policy, emerging markets are the capital markets of developing countries, including both recently industrialised countries and countries in transition from planned economies to free-market economies. Many, but not all, emerging market countries are constituents of the MSCI Emerging Markets Index or, in the case of smaller or less developed emerging markets, the MSCI Frontier Index. The Company may invest in securities listed in, or exposed to, these countries or other countries that meet the definition in this paragraph. These markets will tend to be less mature than developed markets and will not necessarily have such a long history of substantial foreign investment.
- The Company measures its performance against the total return of the MSCI Emerging Markets Index (in sterling) with net dividends reinvested.
- The Company has power under its Articles of Association to borrow up to an amount equal to 30% of its net assets at the time of the drawdown, although the Board intends only to utilise borrowings on such occasions as the Manager believes that gearing will enhance returns to shareholders.

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 ended 31st July 2022, the Company produced a total return on net assets of –4.7%. This compares with the total return on the Company's benchmark index of –8.7%. The total return to shareholders was –9.4%. As at 31st July 2022, the value of the Company's investment portfolio was £440.4 million. The Investment Managers' 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 (loss)/return for the year amounted to £(12.0) million (2021 gross returns: £98.6 million) and net total (loss)/return amounted to £(20.3) million (2021 net return: £91.2 million). Net revenue return for the year amounted to £18.2 million (2021: £14.7 million).

It is the Company's policy to pay four quarterly interim dividends during the year. On 5th September 2022 the Board announced the payment of a fourth interim dividend of 2.2p per share (2021: 2.1p per share), payable on 21st October 2022 to shareholders on the register of members as at the close of business on 16th September 2022. This dividend amounts to £6.5 million (2021: £6.2 million) and the revenue reserve after allowing for the dividend will amount to £11.1 million. Together with three interim dividends of 1.0p per share each, this will bring the total dividend in respect of the year to 5.2p (2021: 5.1p).

Key Performance Indicators ('KPIs')

At each Board meeting the Directors consider a number of performance measures to assess the Company's success in achieving its objectives. The principal KPIs are performance against the benchmark index, performance attribution, income and the amount available to pay dividends, share price premium or discount to net asset value per share, ongoing charges, and the investment risk of the portfolio (on absolute and relative bases). Unless there is a particular reason for the Board to change the KPIs (which would require

* Alternative Performance Measure. Please refer to the glossary on page 95 for details.

Business Review

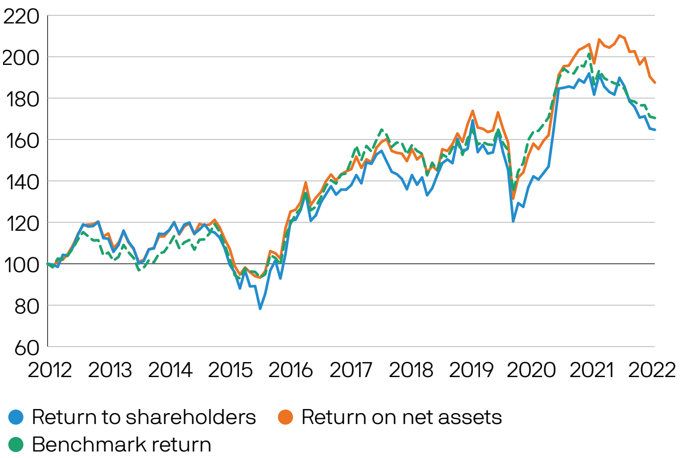
an explanation to shareholders), consistency is maintained. Further details of the principal KPIs are given as follows:

- **Performance against the benchmark index**

  This is the most important KPI by which performance is judged. Due to its income focus, the Company does not have a wholly comparable benchmark against which to measure its performance. Therefore, the Board has chosen the closest possible index of stocks as its benchmark for these purposes. However, the Company's investment strategy does not 'track' this index and, consequently, there may be some divergence between the Company's performance and that of the benchmark. The Company's net asset value total return is measured against the benchmark's total return (i.e. both with dividends reinvested). Information on the Company's performance is given in the Chairman's Statement and the Investment Managers' Report on pages 8 and 12 respectively.

Ten Year Performance

Figures have been rebased to 100 at 31st July 2012



Source: Morningstar.

- **Performance attribution**

  The purpose of performance attribution analysis is to assess how the Company achieved its performance relative to its benchmark index. Details of the attribution analysis for the year ended 31st July 2022 are given in the Investment Managers' Report on page 12.

- **Income and the amount available to pay dividends**

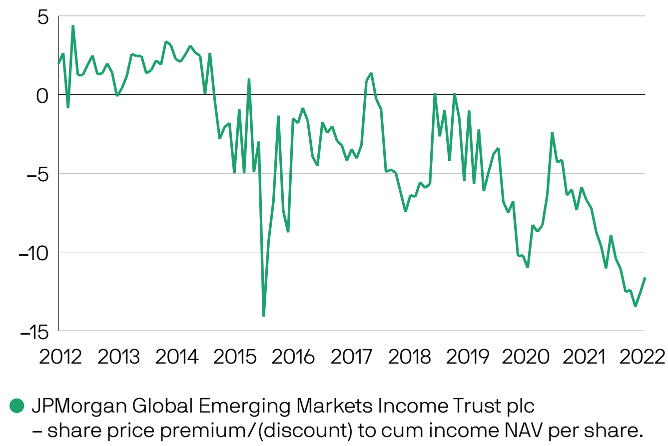
  The Board recognises the importance of income to shareholders and undertakes detailed consideration of the forecast income for the Company with the Investment Managers and the Company's fund accountants, including reviews of any potential impact of exchange rate movements, further share issues or potential risk of non-receipt of a particular dividend. The review takes place on a monthly basis.

  It is not the Company's investment objective to target a particular level of dividend growth and there is no guarantee that any dividends will be paid in respect of any financial year, the ability to pay dividends being dependent on the level of dividends earned from the portfolio.

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

  The Board recognises that the possibility of a narrowing premium or a widening discount can be a key disadvantage of investment trusts that can discourage investors. The share issuance and repurchase programme therefore seeks to address imbalances in supply of and demand for the Company's shares within the market in normal market conditions and thereby reduce the volatility and absolute level of the premium or discount to the NAV at which the Company's shares trade.

Premium/(Discount) Performance



Source: Datastream.

- **Ongoing Charges***

  The Ongoing Charges represents 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 31st July 2022 was 0.92% (2021: 1.04%). Each year, the Board reviews an analysis which shows a comparison of the Company's Ongoing Charges and its main expenses with those of its peers.

- **The investment risk of the portfolio**

  The Board considers the risk profile of the Company's portfolio, on absolute and relative bases, regularly and monitors the changes in this, challenging the Investment Managers and seeking additional explanations where necessary. See note 23 on pages 79 to 85 for further information.

Share Capital

At 31st July 2022, the Company's issued share Capital comprised 297,289,438 Ordinary shares of 1p each, including 449,277 shares held in Treasury.

The Directors seek annual authority from the shareholders to allot new shares for cash at a premium to net asset value, to disapply pre-emption rights of existing shareholders and to buy back shares for cancellation or to be held in Treasury at a discount to net asset value.

At the AGM held on 25th November 2021, shareholders granted Directors authority to issue 29,724,016 shares in the Company (being approximately 10% of the issued share capital of the Company (excluding Treasury shares) as at 25th October 2021) for cash. Shareholders also granted the Directors authority to disapply pre-emption rights in respect of these share issues and for sale of shares out of Treasury.

During the year, the Company did not issue any shares. Shares are only issued or sold out of Treasury when the share price is at a premium to the net asset value per share. During the year, the Company bought back 400,000 shares into Treasury. In the period from 1st August 2022 to 25th October 2022, being the latest practicable date prior to publication of this Annual Report, the Company did not issue any shares but the Company bought back 88,243 shares into Treasury.

Resolutions to renew the authority to issue new shares and to repurchase shares for cancellation or to be held in Treasury will be put to shareholders at the forthcoming Annual General Meeting. The full text of those resolutions are set out in the Notice of Meeting on pages 91 and 92.

Board Diversity

At 26th October 2022, there were four female Directors and one male Director on the Board. The Company has no employees. The Board's policy on diversity is based on its belief in the benefits of having a diverse range of experience, skills, length of service and backgrounds, including but not limited to gender diversity. The policy is always to appoint individuals on merit and there will be no discrimination on the grounds of gender, race, ethnicity, religion, sexual orientation, age or physical ability. The overriding aim of the policy is to ensure that the Board is composed of the best combination of people for ensuring the delivery of investment outperformance for shareholders over the long term. The current Directors have a range of business, financial and asset management skills as well as experience relevant to the direction and control of the Company. Brief biographical details of the members of the Board are shown on page 41 and further information on the composition of the Board can be found on page 42.

Employees, Social, Community and Human Rights Issues

The Company is managed by JPMF, 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.

Environmental, Social and Governance

The Board supports and receives reporting on the Investment Manager's approach to Environmental, Social and Governance considerations which are fully embedded into the investment process. A detailed explanation of the Investment Manager's overall approach to Environmental, Social and Governance is on page 17 to 22. The Board further notes JPMAM's global policy statements in respect of Environmental, Social and Governance issues:

JPMAM believes that companies should act in a socially responsible manner. We believe environmental, social and governance ('ESG') considerations, particularly those related to governance, can play a critical role in long-term investment strategy. As an active investment manager, engagement is an important and ongoing component of our investment process, and we view frequent and direct contact with company management as critically important. When considering investment options, we supplement our proprietary thinking with research from a variety of third-party specialist providers and engage directly with companies on a wide array of ESG issues. Our governance specialists regularly attend scheduled one-on-one company meetings alongside investment analysts to help identify and discuss relevant issues. Although our priority at all times is in the best economic interests of our clients, we recognise that ESG issues have the potential to impact the share price, as well as the reputation of companies.

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. 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.

Business Review

Greenhouse Gas Emissions

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. The Company itself has no premises, consumes no electricity, gas or diesel fuel and consequently has a measurable carbon footprint. As a low energy user under HMRC guidelines it is not required to disclose energy and carbon information. However, details of the portfolio's current carbon footprint can be found on page 22.

The Board notes the JPMAM policy statements in respect of Employers, Social, Community and Environmental and Human Rights issues and Greenhouse Gas Emissions and that JPMAM is a signatory to the Carbon Disclosure Project and JPMorgan Chase is a signatory to the Equator Principles on managing social and environmental risk in project finance. See www.jpmorganinvestmenttrusts.co.uk/governance for further details.

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. JPMorgan's statement on the MSA can be found on the following website: https://www.jpmorganchase.com/about/our-business/human-rights. Furthermore, the Investment Managers, as part of their investment process, do consider the labour practices of companies before making any investment decisions.

Corporate Criminal Offence

The Company maintains zero tolerance towards tax evasion. Shares in the Company are purchased through intermediaries or brokers, therefore no funds flow directly into the Company.

Principal and Emerging Risks

The Board has overall responsibility for reviewing the effectiveness of the Company's system of risk management and internal control. The Board is supported by the Audit and Risk Committee in the management of risk. The risk management process is designed to identify, evaluate, manage, and mitigate risks faced. Although the Board believes that it has a robust framework of internal controls in place this can provide only reasonable, and not absolute, assurance against material financial misstatement or loss and is designed to manage, not eliminate, risk.

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 the Manager, the Audit and Risk Committee has drawn up a risk matrix, which identifies the principal and emerging risks to the Company. These are reviewed and noted by the Board through the Audit and Risk Committee, which includes the ways in which these risks are managed or mitigated.

The principal risks fall broadly under the following categories: investment; strategy; financial; corporate governance and shareholder relations; operational and cybercrime; accounting, legal and regulatory; political and economic; environmental, social and governance.

The Board considers that the risks detailed below are the principal risks facing the Company currently, along with the financial risks detailed in note 23 to the financial statements. These are the risks that could affect the ability of the Company to deliver its strategy.

Principal risk	Description	Mitigation/Control	Movement in risk status in year to 31st July 2022
Investment	Inappropriate investment decisions, for example poor stock selection or asset allocation, or foreign exchange weakness, may lead to underperformance against the Company's benchmark index and peer companies or it may lead to insufficient local currency income generation which may lead to a cut in the dividend.	The Manager provides the Directors with timely and accurate management information, including performance data and attribution analyses, revenue estimates, currency performance, liquidity reports and peer group analyses. The Board monitors the implementation and results of the investment process with the Investment Managers, who attend Board meetings, and reviews data which show statistical measures of the Company's risk profile.	→
Strategy	If the Company's business strategy is no longer appropriate, it may lead to a lack of investor demand. This may result in the Company's shares trading at a narrower premium or a wider discount. A widening discount out of line with the industry may lead to hostile action by shareholders or arbitrageurs. An inappropriate gearing strategy may lead to suboptimal returns; poor performance if over-geared in weak markets or performance foregone if under-geared in strong markets.	The Board seeks to narrow the discount by undertaking measured buybacks of the Company's shares. The Company has authority to buy back its existing shares to enhance the NAV per share for its shareholders and to reduce the absolute level of discount and discount volatility. The Company and Investment Manager works with the Corporate Broker to seek to increase demand for the Company's shares. The Board has set a gearing range within which the Investment Managers employ the Company's gearing on a strategic basis. Gearing levels are detailed in the monthly investment restrictions and guidelines report provided to the Board and the level of gearing is discussed at each Board meeting.	→

Principal and Emerging Risks

Principal risk	Description	Mitigation/Control	Movement in risk status in year to 31st July 2022
Financial	The financial risks faced by the Company include market price risk, interest rate risk, liquidity risk and credit risk.	Further details are disclosed in note 23 on pages 79 to 85.	↑
Corporate Governance and Shareholder relations	Failure to maintain corporate governance best practice could raise reputational issues which may damage the Company's share price and reduce demand for its shares.	Further information on the Company's compliance with Corporate Governance best practice, including information on relations with shareholders, are set out in the Corporate Governance Report on page 45.	→
Operational and Cyber Crime	Failure of, disruption to or inadequate service levels by key third-party service providers could prevent the accurate reporting and monitoring of the Company's financial position. The threat of cyber-attack is regarded as at least as important as more traditional physical threats to business continuity and security. In addition to threatening the Company's operations, such an attack is likely to raise reputational issues which may damage the Company's share price and reduce demand for its shares.	The Board monitors effectiveness and efficiency of service providers' processes through ongoing compliance and operational reporting. The Company benefits directly and/or indirectly from all elements of JPMorgan's Cyber Security programme. The information technology controls around physical security of JPMorgan's data centres, security of its networks and security of its trading applications, are tested by independent auditors and reported every six months against the AAF Standard.	→
Accounting, Legal and Regulatory	Loss of its investment trust status and, as a consequence, gains within the Company's portfolio could be subject to Capital Gains Tax. A breach of the Companies Act 2006 could result in the Company and/or the Directors being fined or the subject of criminal proceedings. Breach of the FCA Listing Rules or Disclosure, Guidance & Transparency Rules ('DTRs') could result in the Company's shares being suspended from listing which in turn would breach Section 1158.	The Section 1158 qualification criteria are continuously monitored by the Manager and the results reported to the Board at each Board meeting. The Board relies on the services of its Company Secretary, the Manager and its professional advisers to ensure compliance with the Companies Act 2006, the FCA Listing Rules, DTRs and the Alternative Investment Fund Managers' Directive.	→

Principal and Emerging Risks

Principal risk	Description	Mitigation/Control	Movement in risk status in year to 31st July 2022
Political and Economic	Sustained underperformance of emerging markets as an asset class as a result of risks such as the imposition of restrictions on the free movement of capital, ability to pay corporate dividends and change in legislation. Risks of economic, political and ultimately military conflicts between nations, regions and trading blocks are an ever present risk. So too are the risks of social dislocation or civil unrest within countries. These bring with them risks to economic growth, to investors' risk appetites and, consequently, to the valuations of companies in the portfolio.	This risk is managed to some extent by diversification of investments and by regular communication with the Investment Managers on matters of investment strategy and portfolio construction which will directly or indirectly include an assessment of these risks. The Board receives regular reports from the Manager and Company Broker regarding market outlook and considers thematic and factor risks, stock selection and levels of gearing on a regular basis.	↑
Environmental, Social and Governance	The Board acknowledges that there are risks associated with investments in companies which fail to conduct business in a responsible manner. Insufficient consideration given to ESG factors may lead to poor performance and a reduction in demand for the Company's shares as investors seek greater ESG oversight in their portfolios. Climate change is one of the most critical issues confronting asset managers and their investors. Climate change may have a disruptive effect on the business models and profitability of individual investee companies, and indeed, whole sectors.	The Manager has integrated the consideration of ESG factors into the Company's investment process. Further details are set out in the ESG report on pages 17 to 22. The Board is also considering the threat posed by the direct impact of climate change on the operations of the Manager and other key service providers.	→

Emerging Risks

The AIC Code of Corporate Governance also requires the Audit and Risk Committee to put in place procedures to identify emerging risks. Emerging risks, which are not deemed to represent an immediate threat, are considered by Audit and Risk Committee as they come into view and are incorporated into the existing review of the Company's risk register. However, since emerging risks are likely to be more dynamic in nature, they are considered on a more frequent basis, through the remit of Board when the Audit and Risk Committee does not meet. The Board considers that the following are emerging risks:

Economic Contraction – A long term reduction in returns available from investments as a result of recession, stagnation, inflation or other extended exogenous factor which may render the Company's investment objectives and policies unattractive or unachievable.

China and Taiwan Conflict – The political tensions between China and Taiwan have the potential to lead to war which would have a detrimental effect on the Company's investments in China and Taiwan and, probably, on many other global markets.

Long Term Viability

The UK Corporate Governance Code and the AIC Code of Corporate Governance require the Board to assess the prospects of the Company over a longer period than the 12 months required by the 'Going Concern' provision.

The Company's current position and prospects are set out in the Chairman's Statement, the Investment Managers' Report and the Strategic Report. The principal and emerging risks are set out on pages 33 to 35.

The Directors have assessed the prospects of the Company, to the extent that they are able to do so, over the next five years. In conducting the assessment, the Board has taken account of the Company's current position, the principal and emerging risks that it faces, including the aftermath of COVID-19, the geopolitical uncertainties as a result of the Russia-Ukraine conflict which has heightened macroeconomic uncertainty, inflation and the impact of climate change, and has considered the potential impact of these on the Company's future development and prospects. In addition, the Board has assessed the mitigation measures which key service providers, including the Manager have in place to maintain operational resilience and business continuity. It also noted that as an investment company with a relatively liquid equity portfolio capable of being realised fairly quickly and largely fixed ongoing charges which equate to a very small proportion of net assets, the Company would easily be able to meet its ongoing operating costs as they fall due. Further, the Board has considered the Company's investment objective and strategy, the investment capabilities of the Manager and the current outlook for the global economy and equity market, and ascertained comfort from the fact that the Company had 100% support from shareholders at the 2021 AGM in respect to the continuation vote.

Furthermore, as part of the assessment, the Board reviewed the outcome of sensitivity analysis carried out by the Manager which analysed factors that could force the Company into a wind-down scenario. The Board challenged the assumptions on the viability of the Company and reviewed stress tests focused on its ability to continue to remain viable.

One of these factors included the Company's borrowings in place when considering the viability of the Company over the next five years, which included its new loan facility. This included consideration of the duration of the Company's loan and borrowing facilities and how a breach of any covenants could impact the Company's NAV and share price.

In determining the appropriate period of assessment the Directors were of the view that, given the Company's objective of providing investors with dividend income combined with the potential for long term capital growth, 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 following a rigorous assessment of the prospects of the Company and taking account of the Company's risk profile set out in note 23 on pages 79 to 85, and other factors set out under this heading, 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 over the next five years to 31st July 2027.

By order of the Board
Emma Lamb, for and on behalf of JPMorgan Funds Limited
Company Secretary

26th October 2022

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, premium/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, its investee companies, and its other professional third party service providers (corporate broker, registrar, auditor, custodian and depositary) and wider society. The Board believes the best interests of the Company are aligned with those of these key 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 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 understanding the views of shareholders in order to incorporate them into the Board's strategic thinking and objectives, including in respect of the Company's continuation votes. Full details on how the Board ensures it is fully appraised of shareholder views and how it engages with all shareholders can be found on page 47.
Manager
The Manager's performance, in particular that of the investment management team who are responsible for managing the Company's portfolio, is fundamental to the long term success of the Company and its ability to deliver its investment strategy and meet its 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 whose interactions extend well beyond the formal business addressed at each Board and Committee meeting. This enables the Board to remain regularly informed of the views of the Manager and the Company's shareholders (and vice versa).
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 behalf of the Company on all resolutions proposed by the investee companies. In respect of the year under review, the Manager voted at all of the annual general meetings and extraordinary meetings held during the year by the Company's portfolio companies (full details can be found in the ESG report on page 21). The Board monitors investments made and divested and challenges the Manager's 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 considers the Company's Custodian, Depositary, Registrar, Auditor and Broker to be stakeholders. The Board maintains regular contact with its key external service providers, either directly, or via its dedicated company secretary or client director, and receives regular reporting from these providers at Board and Committee meetings. The Board regularly reviews and appraises its key service providers, including performance, level of service and cost.

Duty to Promote the Success of the Company

Wider society and the Environment

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. ESG 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. Some of the 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

Dividends to Shareholders

The Company aims to pay, in the absence of unforeseen circumstances, a regular quarterly dividend. The Board recognises that dividend generation from the Company is important to shareholders. In respect of the year to 31st July 2022, quarterly dividends totalling 5.2p (2021: 5.1p) per share were declared. This was of benefit to shareholders as it provided a return on their investment and attracts potential shareholders to invest in the Company as it generates a regular income.

Appointment of Auditor

During the year under review, the Audit and Risk Committee undertook an audit tender on behalf of the Company in accordance with audit regulation. Whilst complying with audit regulation, the audit tender ensured that shareholders benefited from receiving value for money and a good service from the Company's statutory auditor.

Following the tender process, which included presentations and proposals from a selection of audit firms, Mazars LLP was appointed auditor to the Company with effect from 25th November 2021 and has concluded its first audit of the Company.

Succession Planning

During the financial year, as part of the ongoing succession planning, the Nomination Committee reviewed the balance of skills and calibre on the Board, following which a search process was undertaken by Cornforth Consultancy to find a new non-executive Director for appointment to the Board. After a rigorous recruitment process, Elisabeth Scott was recommended by the Nomination Committee and subsequently appointed to the Board on 3rd May 2022. The search requirements included a preference for candidates with experience working in the asset management industry, as well as gender and ethnic diversity. In addition, on 6th April 2022 the Board announced that its Chair, Sarah Fromson would retire as Director of the Company following the conclusion of the Company's AGM in November 2022. The Board has agreed that, subject to her appointment by shareholders at the AGM, Elisabeth Scott will assume the role of Chair following Sarah's retirement. Shareholder interests are best served by ensuring a smooth and orderly succession for the Board which serves to provide both continuity and refreshment whilst ensuring diversity of both background, thought and experience.

Targeted buybacks

In yet another exceptional year, very few investment trusts, regardless of performance, asset class or investment approach, were immune from discount volatility as global markets reacted to the Russian invasion of Ukraine, and rising commodity and energy prices led to a surge in inflation across the globe, which included the UK. The Board recognises that a widening of, and volatility in, the Company's discount is seen by some investors as a disadvantage of investment trusts. With a strong investment team, a strong process and long term performance, a narrower and more stable discount has been an increasingly important area of focus for the Board. Over the long term the Board is seeking the Company's shares to trade at a premium. This commitment has resulted this year in a small number of targeted buybacks, with buybacks continuing post the reporting year end. The Board recognises that it is in the long-term interests of Shareholders that shares do not trade at a significant discount to their prevailing NAV.

Enhanced Marketing Efforts

The Board has enhanced the Company's marketing initiatives through the use of additional marketing and public relations in support of the Investment Manager and made enhancements to the Company's website. These initiatives are proposed to generate further interest in the Company's shares and the reach of the Company to potential shareholders and also supported an improvement in communications with existing shareholders. This should improve the liquidity of the Company's shares.

Duty to Promote the Success of the Company

Other Actions that Continue to Promote the Success of the Company

In addition, the Directors have kept under review the Company's other operating costs; continued to hold the Manager to account on investment performance; undertaken a robust review of the principal and emerging risks faced by the Company; and continued to encourage the Manager and the Broker to enhance its sales, marketing and PR efforts, having initiated a series of new promotional strategies to raise the Company's awareness.

Furthermore, the Board has been in regular contact with the Manager, receiving frequent updates on the operational effectiveness of the Manager and key service providers and on areas such as portfolio activity with an enhanced ongoing focus on ESG, portfolio liquidity, gearing and the discount to NAV at which the Company's shares trade.

For and on behalf of the Board
Sarah Fromson
Chairman

26th October 2022

Photo: advanced, automated, automation, autonomous, cassette, chip, chipmaker, cleanroom, computer, conveyor and cpu.

Directors' Report

Board of Directors

Sarah Fromson (Chairman of the Board)

A Director since June 2011.

Head of Risk at Wellcome Trust until retirement on 30th September 2019. A Board member of the Boston based Arrowstreet Capital Partners and a non-executive Chairman of Baronsmead Second Venture Trust plc. She is a trustee of the Wellcome Trust and the Genome Research Limited pension plans. Sarah is also on the board of Quilter Investors Limited, a subsidiary of Quilter plc. She was previously at RBS Asset Management (formerly Coutts) where she held a number of senior positions, including Chief Investment Risk Officer, Co-Head of Investments and Head of the Long-Only Investment team.

Connections with Manager: None.

Shared directorships with other Directors: None.

Mark Edwards

A Director since February 2018.

A Chartered Accountant, he has over 30 years experience in the asset management industry with over 20 years as a Portfolio Manager in the Emerging Markets sector. He spent most of his career with T. Rowe Price specialising in Asian equities, based in London and Hong Kong before his retirement in 2015. He is a director of the Green Dragon Hotel Group. He qualified as a Chartered Accountant with KPMG in 1984.

Connections with Manager: None.

Shared directorships with other Directors: None.

Caroline Gulliver (Chairman of the Audit and Risk Committee)

A Director since January 2015.

A Chartered Accountant, she spent 25 years with Ernst & Young LLP, latterly as an Executive Director before leaving in 2012. During that time she specialised in the asset management sector and developed an extensive experience of investment trusts and was a member of The Association of Investment Companies' Technical Committee. She is also a director of International Biotechnology Trust plc, abrdn European Logistics Income plc and Civitas Social Housing PLC.

Connections with Manager: None.

Shared directorships with other Directors: None.

Lucy Macdonald (Senior Independent Director)

A Director since April 2021.

Over 30 years' experience in the asset management industry, most recently as CIO Global Equities at Allianz Global Investors. She was also Lead Portfolio Manager of Brunner Investment Trust, a global income and growth trust from 2016 until May 2020. She is on the CFA UK investor panel. Lucy is also a non-executive director of the Duchy of Lancaster Council.

Connections with Manager: None.

Shared directorships with other Directors: None.

Elisabeth Scott

A Director since May 2022.

With over 35 years' experience in the asset management industry, Elisabeth began her career as an investment manager with the British Investment Trust. She was appointed the Chair of the Association of Investment Companies in January 2021. Elisabeth is also the Chair of India Capital Growth Fund and a non-executive director of Capital Group UK Management Company and of Allianz Technology Trust.

Connections with Manager: None.

Shared directorships with other Directors: None.

Directors' Report

The Directors present their report and the audited financial statements for the year ended 31st July 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 accounting, banking, dealing and custodian services to the Company.

The Manager is employed under a contract which 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 Nomination 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, performance against the benchmark over the long term and the quality of support that the Company receives from the Manager including the marketing support provided. The latest evaluation of the Manager was carried out in June 2022. As a result of that 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 Board was also satisfied with the continuation of the other key third-party service providers.

No separate Management Engagement Committee has been established because all Directors are considered to be independent of the Manager and, given the nature of the Company's business, it is felt that all Directors as members of the Nomination Committee should take part in the review process.

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 JPMAM. 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 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.jpmglobalemergingmarketsincome.co.uk. There have been no material changes 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 78.

Management Fee

For the year ended 31st July 2022, the management fee was charged at the rate of 0.75% per annum (0.90% for the year ended 31st July 2021) on the Company's total assets less current liabilities. Loans that are drawn down under a loan facility with an original maturity date of one year or more are not classified as current liabilities for the purpose of the management fee calculation. The fee is calculated and paid monthly in arrears. Investments made by the Company in investment funds on which the Manager or a member of its group earns a fee are excluded from the calculation and therefore attract no additional management fee.

Directors

All Directors of the Company who held office at the end of the year under review are detailed on page 41. Details of their beneficial shareholdings in the Company may be found in the Directors' Remuneration Report on page 54. 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 AGM. Being eligible, all Directors, with the exception of Sarah Fromson who will retire at the conclusion of the AGM, will offer themselves for appointment/reappointment by shareholders. The Board seeks to balance the need for refreshment of its members with the value derived from their experience and continuity. The Nomination Committee, having considered their qualifications, performance and contribution to the Board and to the Committees, confirms that each Director standing for reappointment continues to be effective and demonstrates commitment to the role and the Board recommends to shareholders that they be reappointed.

Elisabeth Scott was appointed as an independent non-executive Director on 3rd May 2022. Cornforth Consultancy, the independent external search consultancy was engaged to assist with the search to identify suitable candidates. The search requirements included a preference for candidates with a strong background in asset management, as well as giving due consideration to diversity

Directors' Report

and ethnicity. From a long list of suitable candidates, taking into account the Company's Diversity Policy, a number were selected for interview by the Directors. Following the interview process, Elisabeth Scott was appointed to the Board, being the strongest candidate with relevant knowledge and experience. Following a selection process led by the Senior Independent Director, Lucy Macdonald, the Company has announced that Elisabeth Scott will succeed Sarah Fromson as Chair following Ms Fromson's retirement from the Board at the conclusion of the Company's AGM in November 2022 assuming that shareholders approve Ms Scott's appointment at the AGM.

Director Indemnification and Insurance

As permitted by the Company's Articles of Association, each Director has 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 insures 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 the Auditor

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

(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 Auditor is unaware; and

(b) each of the Directors has taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information (as defined) and to establish that the Company's Auditor is aware of that information.

The above confirmation is given and should be interpreted in accordance with the provision of Section 418(2) of the Companies Act 2006.

Independent Auditor

Mazars LLP succeeded Ernst & Young LLP and were appointed Auditor to the Company on 25th November 2021. Mazars LLP has expressed its willingness to continue in office as Auditor to the Company and a resolution proposing its reappointment and to authorise the Directors to determine their remuneration for the ensuing year, will be proposed at the AGM on 28th November 2022. In accordance with professional guidelines, the Audit Partner is rotated after no more than five years. The current year is the first year for which the present Audit Partner, Stephen Eames, has served. Further details about the Auditor's reappointment are given in the Audit and Risk Committee's Report on page 50.

Going Concern

The Directors believe that having considered the Company's investment objective (see page 2), risk management policies (see pages 79 to 85), capital management policies and procedures (see page 85), the nature of the portfolio and revenue as well as cashflow and expenditure projections, taking into account the ongoing impact of COVID-19 and the geopolitical crisis in Russia and Ukraine on the revenue expected from underlying investments in these 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. The Company's investments are in quoted securities which are readily realisable and exceed its liabilities significantly. Gearing levels and compliance with loan covenants are reviewed by the Board on a regular basis. The revenue projections have been stress tested for the potential impact of foreign exchange movements. The Company's key third party suppliers, including its Manager, are not experiencing any operational difficulties to adversely affect their services to the Company. In addition, in considering the aftermath of COVID-19 and the geopolitical crisis in Russia and Ukraine, the Board is of the view that these circumstances will have a limited financial impact on the Company's operational resources and existence. 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 12 months from the date of approval of these financial statements.

Companies Act 2006 Requirements

The following disclosures are made in accordance with Section 992 of the Companies Act 2006.

Share Capital

The Company's share capital comprises of Ordinary shares of 1p nominal value each.

The voting rights of the shares on a poll are one vote for each share held. At 31st July 2022 the number of shares in issue was 297,289,438. The Company holds 449,277 Ordinary shares in Treasury, thus the number of voting rights, was 296,840,161. There are no restrictions on the transfer of the Company's shares or voting rights, no shares which carry specific rights with regard to the control of the Company and no agreement to which the Company is party that would affect its control following a takeover bid. There are no agreements between holders of securities regarding their transfer known to the Company.

The directors seek annual authority from the shareholders to allot new shares, to disapply pre-emption rights of existing shareholders and to buy back shares for cancellation or to be held in Treasury. The Company's articles of association permit

Directors' Report

the Company to purchase its own shares. No shares were issued during the year under review. The Company bought back 400,000 shares into Treasury.

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 17 to the Notice of AGM on page 94.

Financial Instruments

The Company's policy on the use of financial instruments is set out in the Investment Policy on page 79.

Notifiable Interests in the Company's Voting Rights

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

Shareholders	Number of voting rights	%
Brewin Dolphin Limited[1]	29,692,676	9.99
Investec Wealth & Investment Limited[1]	24,990,809	8.49
Charles Stanley[2]	15,160,509	5.10
1607 Capital Partners[1]	14,945,420	5.03
Smith & Williamson[1]	14,866,084	5.00

[1] Indirect holding.
[2] Direct holding.

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

Shareholders	Number of voting rights	%
City of London Investment Management Company Limited[1]	14,958,023	5.04
Rathbone Investment Management Ltd[1]	14,802,938	4.99

[1] Indirect holding

Miscellaneous

The rules concerning the appointment, reappointment and replacement of Directors, amendment of the Company's 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 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 a single identifiable section of the Annual Report or a cross reference table indicating where the information is set out. The Directors confirm that there are no disclosures to be made in this regard.

Annual General Meeting

The notice covering the Annual General Meeting of the Company to be held on 28th November 2022 is given on pages 91 and 92.

Resolutions relating to the following items of special business will be proposed at the forthcoming Annual General Meeting. The full text of the resolutions is set out in the Notice of Annual General Meeting on pages 91 and 92.

(i) Authority to allot new shares and to disapply statutory pre-emption rights (resolutions 9 and 10)

The Directors will seek renewal of the authority at the Annual General Meeting to issue new Ordinary shares in the Company. The authority being sought is to issue new Ordinary shares for cash or by way of a sale of Treasury shares up to an aggregate nominal amount of £296,751, such amount being equivalent to approximately 10% of the issued share capital (excluding Treasury shares) as at the latest practicable date before the publication of this document or, if different, the number of Ordinary shares which is equal to 10% of the Company's issued share capital (excluding Treasury shares) as at the date of the passing of the resolution.

This authority will expire at the conclusion of the Annual General Meeting 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. Any such issues would only be made at prices greater than the cum income net asset value, thereby increasing the net asset value per share and spreading 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 would be available for investment in line with the Company's investment policy.

If Resolution 10 is passed, the Directors will also have the power to allot the shares over which they are granted authority pursuant to Resolution 9 for cash and sell shares out of Treasury on a non pre-emptive basis. Any Ordinary shares allotted or sold out of Treasury on a non pre-emptive basis will not be issued at a price less than the prevailing net asset value per Ordinary share.

(ii) Authority to repurchase the Company's shares (resolution 11)

The authority to repurchase up to 14.99% of the Company's issued share capital, granted by shareholders at the 2021 Annual General Meeting, will expire on 24th May 2023 unless renewed at the forthcoming Annual General Meeting. The Directors consider that the renewal of this authority is in the interests of shareholders as a whole, as the repurchase of shares at a discount to the underlying net asset value enhances the net asset value of the remaining shares.

Resolution 11 gives the Company authority to repurchase its own issued Ordinary shares in the market as permitted by the Companies Act 2006. The authority limits the number of shares that could be purchased to a maximum of 44,483,113 Ordinary shares, representing approximately 14.99% of the Company's issued Ordinary shares as at the latest practicable date before the publication of this document or, if less, the number of Ordinary shares which is equal to 14.99% of the Company's issued share capital (excluding Treasury shares) as at the date of the passing of the resolution. The authority also sets minimum and maximum prices.

If Resolution 11 is passed at the Annual General Meeting, the Board may repurchase the shares for cancellation or hold them in Treasury pursuant to the authority granted to it for possible resale at a premium to net asset value.

Any repurchases will be at the discretion of the Board and will be made in the market only at prices below the prevailing net asset value per share, thereby enhancing the net asset value of the remaining shares, as and when market conditions are appropriate. In the normal course of business the Directors would expect to exercise their discretion to repurchase shares if the discount to NAV (on an ex-income basis) at which they trade exceeded 5% over any significant period of time.

This new authority to repurchase shares if passed will expire on 27th May 2024, but it is the Board's intention to seek renewal of the authority at the 2023 Annual General Meeting.

(iii) Approval of dividend policy (resolution 12)

The Directors seek approval of the Company's dividend policy to continue to pay four quarterly interim dividends during the year, which for the year ended 31st July 2022 have totalled 5.2p per share.

Recommendation

The Board considers that resolutions 9 to 12 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, as at the year end, amounted in aggregate to 118,840 Ordinary shares.

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 in line with the AIC Code, therefore, provides more appropriate information to the Company's shareholders. Through ongoing advice throughout the year from the Company Secretary and the use of a detailed checklist 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.

Copies of the UK Code and the AIC Code may be found on the respective organisations' websites: www.frc.org.uk and www.theaic.co.uk

Role of the Board

A management agreement between the Company and the Manager sets out the matters which have been delegated to the Manager. This includes management of the Company's assets and the provision of accounting, company secretarial, administration 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, gearing policy, management of the capital structure, 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.

At each Board meeting, Directors' interests are considered. These are reviewed carefully, taking into account the circumstances surrounding them, and, if considered appropriate, are approved. It was resolved that there were no actual or indirect interests of a Director which conflicted with the interests of the Company, which arose during the year.

Following the introduction of The Bribery Act 2010, the Board has adopted appropriate procedures designed to prevent bribery. It confirms that the procedures have operated effectively during the year under review.

The Board meets on at least four occasions 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, 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, which is responsible to the Board for ensuring that Board procedures are followed and that applicable rules and regulations are complied with.

Corporate Governance Statement

Board Composition

The Board, chaired by Sarah Fromson, currently consists of five non-executive Directors, all of whom 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. Brief biographical details of each Director are set out on page 41. There were no changes to the Chairman's other significant commitments during the year under review.

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. Lucy Macdonald, as the Senior Independent Director, leads the evaluation of the performance of the Chairman and 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 page 41. 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 in the biographical details referred to above. All of the Directors held office during the year under review and will, with the exception of Sarah Fromson, stand for reappointment at the forthcoming AGM.

Resolution 4 is for the reappointment of Mark Edwards. He joined the Board in February 2018 and has served for four years as a Director.

Resolution 5 is for the reappointment of Caroline Gulliver. She joined the Board in January 2015 and has served for seven years as a Director (including as Chairman of the Audit and Risk Committee since November 2015).

Resolution 6 is for the reappointment of Lucy Macdonald. She joined the Board as a Director in April 2021.

Resolution 7 is for the appointment of Elisabeth Scott. She joined the Board as a Director in May 2022.

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

Tenure

Directors are initially appointed until the following AGM when, under the Company's Articles of Association, it is required that they be reappointed by shareholders. Subject to the performance evaluation carried out each year, the Board will agree whether it is appropriate for Directors to seek reappointment. The Board has adopted corporate governance best practice such that all Directors must stand for annual reappointment.

The Board has a succession plan in place and believes in regular refreshment of the Board and its Committees and in the benefits of having a diverse range of experience, skills, length of service and backgrounds (see our Diversity Policy on page 31).

The Board is also of the view that length of service will not necessarily compromise the independence or contribution of directors of an investment trust company or, indeed, its chairman. Continuity and experience can add significantly to the strength of the board especially in times of market turbulence. The Board has noted the inference of provisions in the UK Corporate Governance Code that non executive directors who have served for more than nine years should be presumed not to be independent. However, the AIC does not believe that this presumption is necessarily appropriate for investment companies and therefore does not recommend that long-serving directors be prevented from forming part of an investment trust board. However, in normal circumstances the Chairman and Directors are expected to serve for a nine-year term, but this may be adjusted for reasons of continuity and orderly succession.

Sarah Fromson will retire at the 2022 AGM. We note that the remainder of the current Board has served for less than nine years.

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 AGM.

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 the Audit and Risk Committee and the Nomination Committee of which all Directors are members.

The table below details the number of Board and Audit and Risk Committee meetings and Nomination Committee meetings attended by each Director. During the year under review there were four Board meetings, two Audit and Risk Committee meetings and two Nomination Committee meetings. In addition, there were other ad hoc Board meetings held to deal with various procedural matters and formal approvals. In addition, there is regular contact between the Directors and the Manager and Company Secretary throughout the year.

Director	Board Meetings Attended	Audit and Risk Committee Meetings Attended	Nomination Committee Meetings Attended
Sarah Fromson	4/4	2/2	2/2
Mark Edwards	4/4	2/2	2/2
Caroline Gulliver	4/4	2/2	2/2
Lucy Macdonald	4/4	2/2	2/2
Richard Robinson[1]	1/1	1/1	N/A
Elisabeth Scott[2]	1/1	N/A	1/1

[1] Retired from the Board on 25th November 2021.
[2] Appointed on 3rd May 2022.

As well as the formal meetings detailed above, the Board meets and communicates frequently by email or telephone to deal with day to day matters as they arise.

Board Committees

Nomination Committee

The Nomination Committee, chaired by Lucy Macdonald, meets at least annually.

The Committee ensures that the Board has an appropriate balance of skills and experience to carry out its fiduciary duties and to select and propose suitable candidates, when necessary, for appointment. A variety of sources, including independent search consultants or open advertising, may be used to ensure that a wide range of candidates is considered.

The appointment process takes into account the benefits of diversity. The Board's policy on diversity, including gender, is to take account of the benefits of these during the appointment process. However, the Board remains committed to appointing the most appropriate candidate, regardless of gender or other forms of diversity. Therefore, no targets have been set against which to report.

The Committee undertakes 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. Questionnaires, drawn up by the Board are completed by each Director. The responses are then collated and discussed by the Committee. The evaluation of the individual Directors is led by the Board Chairman who also meets with each Director. The Senior Independent Director leads the evaluation of the Chairman's performance. The Board reviews Directors' fees. 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.

The Committee has a succession plan to refresh the Board in an orderly manner over time. The Board seeks to balance the need for refreshment of its members with the value derived from experience and continuity.

The Board reviews the terms of the management agreement between the Company and the Manager, the performance of the Manager, the notice period that the Board has with the Manager and makes the decision as to the continued appointment of the Manager.

Audit and Risk Committee

The report of the Audit and Risk Committee is set out on pages 50 and 51.

Terms of Reference

Each Committee has written terms of reference which define clearly its responsibilities, copies of which are available for inspection on the Company's website, 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 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.

All shareholders are encouraged to attend the Company's AGM at which the Directors and representatives of the Manager are available in person to meet shareholders and answer their questions, subject to no public health or other restrictions. In addition, a presentation is given by the Investment Manager who reviews the Company's performance.

The Company's brokers, the Investment Managers and JPMF hold regular discussions with larger shareholders. The Directors are made fully aware of their views. The Chairman and Directors make themselves available as and when required to support these meetings and to address shareholder queries. The Directors may be contacted through the Company Secretary whose details are shown on page 99.

Corporate Governance Statement

The Company's annual report and accounts are published in time to give shareholders at least twenty working days' notice of the AGM. 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 99.

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 UK Corporate Governance Code 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 the Manager 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 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 and Emerging Risks on pages 33 to 35). 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 audit functions within its asset management 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 internal controls 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 and Other Agreements**

  Appointment of a manager, depositary and custodian regulated by the FCA, whose responsibilities are clearly defined in written agreements.

- **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 and Risk Committee, keeps under review the effectiveness of the Company's system of risk management and internal controls by monitoring the operation of the key operating controls of the Manager and its associates as follows:

  - reviews the terms of the management agreement and receives regular reports from the Manager's Compliance department;
  - reviews reports on the risk management and internal controls and the operations of its Depositary, BNY Mellon Trust & Depositary (UK) Limited, and its Custodian, JPMorgan Chase Bank; and
  - reviews every six months an independent report on the risk management and internal controls and the operations of the Manager.

By means of the procedures set out above, the Board confirms that it has carried out a robust assessment of the effectiveness of the Company's system of risk management and internal controls for the year ended 31st July 2022, and to the date of approval of this annual report and accounts.

The Board confirms that any failings or weaknesses identified during the course of its review of the system of risk management and internal control were not significant and did not affect the Company.

Corporate Governance and Voting Policy

The Company delegates responsibility for voting to the Manager. The following text in italics is a summary of the policy statements of J.P. Morgan Asset Management ('JPMAM') on corporate governance, voting policy and social and environmental issues, which has been reviewed and noted by the Board. Details on social, environmental and governance issues are included in the Strategic Report on pages 31 and 32 and in the Investment Managers' Report on pages 15 and 16.

Corporate Governance Statement

Corporate Governance

JPMAM believes that corporate governance is integral to our investment process. As part of our commitment to delivering superior investment performance to our clients, we expect and encourage the companies in which we invest to demonstrate the highest standards of corporate governance and best business practice. We examine the share structure and voting structure of the companies in which we invest, as well as the board balance, oversight functions and remuneration policy. These analyses then form the basis of our 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 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.

Stewardship/Engagement

JPMAM believes effective investment stewardship can materially contribute to helping build stronger portfolios over the long term for our clients. At the heart of JPMAM's approach lies a close collaboration between our portfolio 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 its portfolio companies' activities, in order to enhance value and mitigate risks associated with them. JPMAM has identified five main investment stewardship priorities it believes have universal applicability and will stand the test of time: governance; strategy alignment with the long term; human capital management; stakeholder engagement; and climate risk. Within each priority area, JPMAM identified related themes it is 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 its 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, to which JPMAM is a signatory.

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/assetmanagement/institutional/about-us/investment-stewardship/

By order of the Board
Emma Lamb, for and on behalf of
JPMorgan Funds Limited,
Secretary

26th October 2022

Audit and Risk Committee Report

Composition and Role

The Audit and Risk Committee, chaired by Caroline Gulliver and comprising all of the Directors, meets at least twice each year. The members of the Audit and Risk Committee consider that they have the requisite skills and experience to fulfil the responsibilities of the Committee. As a member of the Committee, Sarah Fromson provides a valuable contribution from her extensive knowledge and experience, in particular, of risk management. This is permitted under the AIC Code because the Board Chairman was deemed to be independent on appointment. At least one member of the Committee has recent and relevant financial experience and the Audit and Risk Committee as a whole has competence relevant to the sector.

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 UK Corporate Governance Code.

The Committee reviews and examines the effectiveness of the Company's internal control systems. It monitors the Company's key risks, and the controls relating to those risks. It receives controls reports on the Manager and the Custodian and, monitors the controls and service levels at the Depository and the Company's other key third party suppliers. It also receives information from the Manager's Compliance department and reviews the scope and results of the external audit, its cost effectiveness, the balance of audit and non-audit services and the independence and objectivity of the external Auditor. In the Directors' opinion the Auditor is considered independent. No non-audit services prohibited by the FRC's Ethical Standard were provided to the Company. The Committee also receives confirmations from the Auditor as part of its reporting, in regard to its objectivity and independence. Representatives of the Company's Auditor attend the Audit and Risk Committee meeting at which the draft annual report and accounts are considered and also engage with Directors as and when required.

Financial Statements and Significant Accounting Matters

During its review of the Company's financial statements for the year ended 31st July 2022, the Committee considered the following significant issues, in particular those communicated by the Auditor during its reporting:

Significant issue	How the issue was addressed
Recognition of investment income	The recognition of investment income is undertaken in accordance with accounting policy disclosed in note 1(d) to the financial statements on page 69. The Board regularly reviews subjective elements of income such as special dividends and agrees their accounting treatment.
Valuation, existence and ownership of the investment portfolio	The Board relies on the Investment Manager to use correct listed prices and seeks comfort in the testing of this process through the internal control statements. This was discussed with the Investment Manager and Auditor at the conclusion of the audit of the financial statements. The valuation of investments is undertaken in accordance with the accounting policies, disclosed in note 1b to the financial statements, on page 69. The Company uses the services of a Custodian to hold the assets of the Company. The investment portfolio is reconciled by the Investment Manager to the Custodian's records on a regular basis. The Investment Manager also reviewed the Custodian's service levels and performance throughout the year and conducted quarterly performance reviews with the Custodian. The Company has also appointed a Depositary whose responsibilities include monitoring the controls operated by the Custodian and overseeing the safekeeping of the Company's assets. The Audit and Risk Committee receives regular reports from the Depository, including details on its oversight of the Custodian.

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

The Committee assesses the Company's ability to continue as a going concern to 26th October 2023 and makes recommendations to the board to approve the going concern concept for preparation of the financial statements.

Auditor Appointment and Tenure

The Audit and Risk Committee has the primary responsibility for making recommendations to the Board on the reappointment and removal of external auditors. As part of its review of the continuing appointment of the Auditor, the Audit and Risk Committee considers the length of tenure of the audit firm, its fees, its independence from the Alternative Investment Fund Manager and the Investment Managers and any matters raised during the audit.

As reported in the Company's 2021 Annual Report, following a competitive audit tender undertaken during the financial year, Mazars LLP was appointed as the Company's Auditor at the AGM in 2021 and this is therefore the first audit of the Company's financial statements since its appointment.

Per the evolving best practice for corporate governance, a competitive tender must be carried out by the Company at least every ten years. The Company is therefore required to carry out a tender no later than in respect of the financial year ending 31st July 2031. In accordance with present professional guidelines the Audit Partner is rotated after no more than five years and the current year is the first year for which the present Audit Partner, Stephan Eames, has served. During the year, the Committee monitored and assessed the effectiveness and independence of Mazars LLP. Mazars LLP provided confirmation to the Committee of its independence within the meaning of all regulatory and professional requirements and that the objectivity of the audit was not impaired. Taking into consideration the performance and effectiveness, as well as the confirmation of independence of Mazars LLP, the Committee has recommended to the Board that a resolution to reappoint Mazars LLP as Auditor be put to shareholders at the forthcoming AGM. Mazars LLP has confirmed its willingness to continue in office.

Details of the fees paid for audit services are included in note 6 on page 72.

The Audit and Risk Committee annually monitors the non-audit services provided to the Company and has developed a formal policy to ensure that such services do not impair the independence or objectivity of the Auditor. No non-audit services were provided during the year. Following its review, the Audit and Risk Committee remains satisfied with the effectiveness of the audit provided and that the Auditor remains independent.

Fair, Balanced and Understandable

Having taken all available information into consideration and having discussed the content of the annual report and accounts with the Alternative Investment Fund Manager, Investment Managers, Company Secretary and other third party service providers, the Audit and Risk Committee has concluded that the annual report and financial statements for the year ended 31st July 2022, taken as a whole, are fair, balanced and understandable and provide the information necessary for shareholders to assess the Company's position and performance, business model and strategy, and has reported these findings to the Board. The Board's conclusions in this respect are set out in the Statement of Directors' Responsibilities on page 57.

The Directors' statement on the Company's system of Risk Management and Internal Control is set out on page 48.

By order of the Board
Emma Lamb,
for and on behalf of
JPMorgan Funds Limited, Secretary.

26th October 2022

Photo: Centro Bursátil, Mexico City.

Directors' Remuneration Report

The Board presents the Directors' Remuneration Report for the year ended 31st July 2022 which has been prepared in accordance with the requirements of Section 421 of the Companies Act 2006.

The law requires the Company's Auditor to audit certain of the disclosures provided. Where disclosures have been audited they are indicated as such. The Auditor's opinion is included in its report on pages 59 to 64.

As all of the Directors are non-executive, the Board has not established a Remuneration Committee. Instead remuneration of the Directors is considered by the Board on a regular basis.

Directors' Remuneration Policy

The law requires that the Directors' Remuneration Policy is subject to a triennial binding vote. However, the Board has decided to seek annual approval and therefore an ordinary resolution to approve this report will be put to shareholders at the forthcoming Annual General Meeting. The policy subject to the vote 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 and retained. The Chairman of the Board, the Chairman of the Audit and Risk Committee and the Senior Independent Director are paid higher fees than the other Directors, reflecting the greater time commitment involved in fulfilling those roles. As a guide, Directors' fees are determined with reference to the median level of the fees paid to directors of JPMorgan investment trusts.

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 no consultation of employees is required 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 annual rates: Chairman £36,500; Chairman of the Audit and Risk Committee £30,000; Senior Independent Director £26,500 and, other Directors £25,500. These have been revised to the following annual rates from 1st August 2022: Chairman £38,000; Chairman of the Audit and Risk Committee £31,500; Senior Independent Director £27,500 and, other Directors £26,500.

The Company's Articles of Association provide that any increase in the maximum aggregate annual limit on Directors' fees, currently £175,000, requires both Board and shareholder approval.

The Company has not sought shareholder views on its remuneration policy. The Board 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 46.

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 AGM. There have been no changes to the policy compared with the year ended 31st July 2021 and no changes are currently proposed for the year ending 31st July 2023.

At the AGM held on 25th November 2021, out of votes cast, 99.90% of votes cast were in favour of (or granted discretion to the Chairman who voted in favour of) the Resolution to approve the Directors' Remuneration Policy for the year ended 31st July 2021, and 0.10% voted against. Of votes cast in respect of the Directors' Remuneration Report, 99.91% were in favour (or granted discretion to the Chairman who voted in favour) and 0.09% were against.

Details of voting on both the Remuneration Policy and the Directors' Remuneration Report from the 2022 AGM will be given in the annual report for the year ending 31st July 2023.

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 each Director is detailed below together with the prior year comparative.

Directors' Remuneration Report

Single total figure table[1]

	Total fees[1] 2022 £	2021 £
Sarah Fromson	36,500	35,500
Mark Edwards	25,500	24,500
Caroline Gulliver	30,000	29,000
Lucy Macdonald[3]	26,500	6,125
Richard Robinson[2]	6,684	25,500
Elisabeth Scott[4]	6,373	n/a
Total	**131,557**	**120,625**

[1] Audited information. Other subject headings for the single figure table as prescribed by regulations are not included because there is nothing to disclose in relation thereto.
[2] Retired from the Board on 25th November 2021.
[3] Appointed on 1st April 2021.
[4] Appointed on 3rd May 2022.

Annual Percentage Change in Directors' Remuneration[1]

The following table sets out the annual percentage change in Directors' fees for the year to 31st July 2022:

	Percentage change for the year to 31st July 2022	Percentage change for the year to 31st July 2021
Sarah Fromson	2.8	—
Mark Edwards	4.1	—
Caroline Gulliver	3.4	—
Lucy Macdonald[3]	n/a	n/a
Richard Robinson[2]	n/a	—
Elisabeth Scott[4]	n/a	n/a

[1] Audited information.
[2] Retired from the Board on 25th November 2021.
[3] Appointed on 1st April 2021.
[4] Appointed on 3rd May 2022.

A table showing the total remuneration for the Chairman since launch to 31st July 2022 is below:

Remuneration for the Chairman over the five years ended 31st July 2022

Year ended 31st July	Fees
2022	£36,500
2021	£35,500
2020	£35,500
2019	£34,000
2018	£34,000

Directors' Shareholdings[1]

There are no requirements pursuant to the Company's Articles of Association for the Directors to own shares in the Company. The Directors' beneficial shareholdings are detailed below. All shares are held beneficially.

Directors' Name	31st July 2022	31st July 2021
Sarah Fromson	21,990	21,990
Mark Edwards	20,000	10,000
Caroline Gulliver	25,000	25,000
Lucy Macdonald	31,300	31,300
Richard Robinson[2]	20,550	20,550
Elisabeth Scott	—	—
Total	**118,840**	**108,840**

[1] Audited information.
[2] As at 25th November 2021. Richard Robinson held a further non-beneficial interest in 41,960 shares as at 25th November 2021 (2021: 41,960). He resigned from the Board on 25th November 2021.

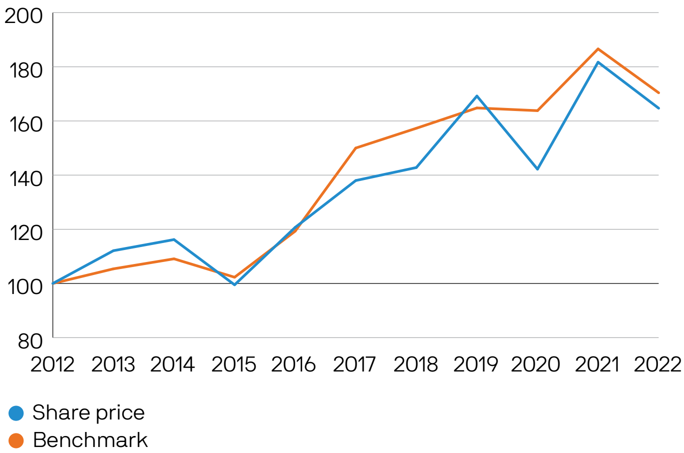
As at the latest practicable date before the publication of this document, there have been no changes to the Directors' shareholdings.

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 its benchmark, the MSCI Emerging Markets Index, with net dividends reinvested, in sterling terms, since the date the Company began investing is shown below. The MSCI Emerging Markets Index has been chosen as this is the Company's adopted benchmark index, for the reasons given on page 30.

Directors' Remuneration Report

Share price and benchmark total return since launch to 31st July 2022



Source: Morningstar/MSCI.

The table below is provided to enable shareholders to assess the relative importance of expenditure on Directors' remuneration. It compares the remuneration with distributions to shareholders by way of dividends.

Expenditure by the Company on remuneration and distributions to shareholders

	Year ended 31st July 2022	2021
Remuneration paid to all Directors	£131,557	£120,625
Distribution to shareholders — by way of dividend	£15,155,000	£15,161,000

For and on behalf of the Board
Sarah Fromson
Chairman

26th October 2022

Photo: Sunset. Suzhou, China.

Statement of Directors' Responsibilities

The Directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law, the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under Company law the Directors must not approve the financial statements unless they are satisfied that, taken as a whole, the annual report and financial statements are fair, balanced and understandable, provide the information necessary for shareholders to assess the Company's performance, business model and strategy and that they give a true and fair view of the state of affairs of the Company and of the total return or loss of the Company for that period. In order to provide these confirmations, and in preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 proper accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The financial statements are published on the www.jpmglobalemergingmarketsincome.co.uk website, 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 work carried out by the auditors does not involve consideration of the maintenance and integrity of this website and, accordingly, the auditor accepts no responsibility for any changes that have occurred to the financial statements since they were initially presented on the website. The financial statements are prepared in accordance with UK legislation, which may differ from legislation in other jurisdictions.

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

Each of the Directors, whose names and functions are listed on page 41 confirm that, to the best of their knowledge:

- the financial statements, which have been prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), give a true and fair view of the assets, liabilities, financial position and return of the Company; and
- the Strategic 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 Board confirms that it is satisfied that the annual report and financial statements 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 Fromson
Chairman

26th October 2022

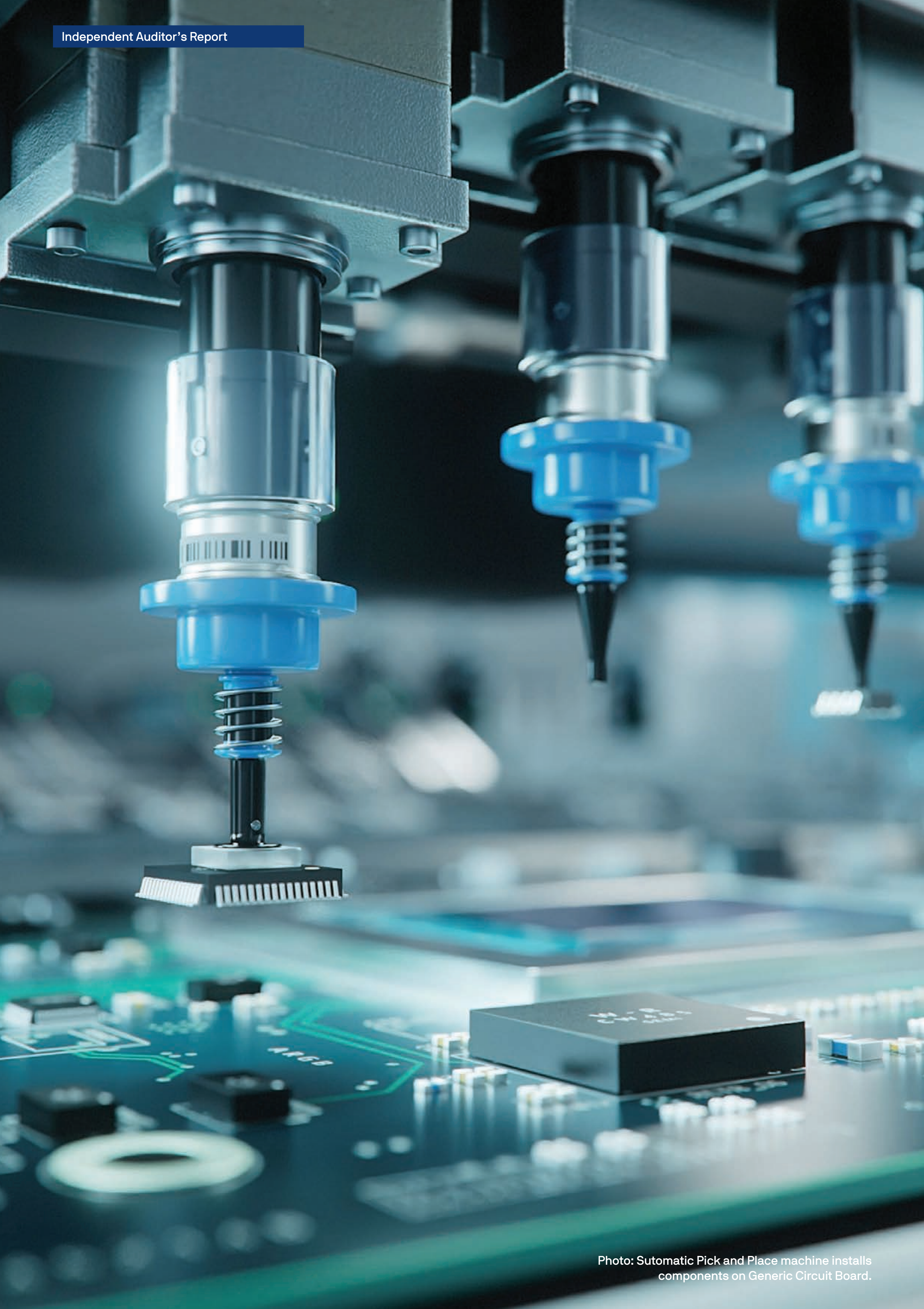


Photo: Sutomatic Pick and Place machine installs components on Generic Circuit Board.

Independent Auditor's Report

To the Members of JPMorgan Global Emerging Markets Income Trust plc

Opinion

We have audited the financial statements of JPMorgan Global Emerging Markets Income Trust plc (the 'Company') for the year ended 31st July 2022 which comprise the Statement of Comprehensive Income, the Statement of Changes in Equity, the Statement of Financial Position, the Statement of Cash Flows and 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 FRS 102, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31st July 2022 and of its net 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.

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 are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, as applied to listed entities and public interest entities and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 audit procedures to evaluate the directors' assessment of the Company's ability to continue to adopt the going concern basis of accounting included but were not limited to:

- Undertaking an initial assessment at the planning stage of the audit to identify events or conditions that may cast significant doubt on the Company's ability to continue as a going concern;
- Reviewing the directors' going concern assessment including Covid-19 and Russia's invasion of Ukraine, implications based on severe but plausible scenarios as approved by the Audit and Risk Committee on 20th October 2022 and challenging the appropriateness of the assumptions used;
- Making enquiries of the directors to understand the period of assessment considered by the directors, assessing and challenging the appropriateness of the directors' key assumptions in their income and expense projections and implication of those when assessing severe but plausible scenarios;
- Assessing the Company's ability to continue to operate within its financial covenants and the liquidity of the portfolio through reviewing management assessment of how quickly the portfolio could be liquidated if required; and
- Evaluating the appropriateness of the directors' disclosures in the financial statements on going concern.

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.

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

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 director's considered it appropriate to adopt the going concern basis of accounting.

Independent Auditor's Report

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) 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.

We summarise below the key audit matter in forming our audit opinion above, together with an overview of the principal audit procedures performed to address this matter and key observations arising from those procedures.

This matter, together with our findings, were communicated to those charged with governance through our Audit Completion Report.

Key Audit Matter	How our scope addressed the matter
Valuation, existence and ownership of the investment portfolio *(Refer to page 50 in the Audit and Risk Committee Report and as per the accounting policy set out on page 69)* Investments held as of 31st July 20222 were valued at £440.4 million (2021: £476.7 million). The investment portfolio comprises of mainly level one investments. These are measured in accordance with the requirements of UK GAAP and the Statement of Recommended Practice issued by the Association of Investment Companies. Investments represent 105.7% of net assets by value and are considered to be the key driver of performance for the Company. The investments are mostly made up of quoted investments that are classified upon initial recognition as held at fair value through profit or loss, and are measured initially and subsequently at fair value, which is based on their quoted bid prices at the close of business on the year-end date. There is a risk that the investments recorded might not exist or might not be owned by the Company. Although the investments are valued at quoted bid prices, there is a risk that errors in valuation can have a significant impact on the numbers presented. We therefore identified valuation, existence and ownership of investments as a key audit matter as it had the greatest effect on our overall audit strategy and allocation of resources.	• understanding management's process of recording and valuing quoted investments through discussions with management and examination of control reports from the third party service organisations; • for all investments in the portfolio, agreeing investment holdings to an independent custodian confirmation and an independent depositary confirmation in order to obtain comfort over existence and ownership; • for all investments in the portfolio, comparing the market prices to an independent source vendor and recalculating the investment valuations as at the year-end; • for the Level 3 Russian investments, we reviewed management's valuation methodology to taper 25th February 2022 close of day prices at a 99% haircut for valuation, as disclosed in accounting policy 1(b); • for all investments in the portfolio, assessing the frequency of trading to identify any prices that have not changed and testing whether the listed price is a valid fair value to ensure appropriateness of fair value classification; and • reviewing the adequacy of the disclosure in the financial statements and ensure that the methodology applied is in accordance with UK GAAP and the Statement of Recommended Practice issued by the Association of Investment Companies. **Our observations** We have no matters to communicate with regards to the valuation, existence and ownership of the investment portfolio held at 31st July 2022.

Independent Auditor’s Report

Our application of materiality and an overview of the scope of our audit

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and on the financial statements as a whole. Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

Overall materiality	£4.17 million
How we determined it	1% of net assets
Rationale for benchmark applied	Net assets have been identified as the principal benchmark within the financial statements as it is considered to be the main focus of the shareholders. Whilst valuation processes for these investments are not considered to be complex, there is a risk that errors in valuation could cause a material misstatement. 1% has been chosen as it is a generally accepted auditing practice for income trust audits and the Company is a public interest entity.
Performance materiality	Performance materiality is set to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements in the financial statements exceeds materiality for the financial statements as a whole. On the basis of our risk assessments, together with our assessment of the overall control environment, we determined 65% of overall materiality, amounting to £2.71 million to be appropriate performance materiality which reflects that this is the first year of the audit for Mazars.
Reporting threshold	We agreed with the Audit and Risk Committee that we would report to them misstatements identified during our audit above £0.12 million as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

As part of designing our audit, we assessed the risk of material misstatement in the financial statements, whether due to fraud or error, and then designed and performed audit procedures responsive to those risks. In particular, we looked at where the directors made subjective judgements such as making assumptions on significant accounting estimates.

We tailored the scope of our audit to ensure that we performed sufficient work to be able to give an opinion on the financial statements as a whole. We used the outputs of a risk assessment, our understanding of the Company, its environment, controls and critical business processes, to consider qualitative factors in order to ensure that we obtained sufficient coverage across all financial statement line items.

Other information

The other information comprises the information included in the Annual Report and Financial Statements other than the financial statements and our auditor’s report thereon. The directors are responsible for the other information. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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

Opinions on other matters prescribed by the Companies Act 2006

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

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

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements and those reports have been prepared in accordance with applicable legal requirements;
- the information about internal control and risk management systems in relation to financial reporting processes and about share capital structures, given in compliance with rules 7.2.5 and 7.2.6 in the Disclosure Guidance and Transparency Rules sourcebook made by the Financial Conduct Authority (the FCA Rules), is consistent with the financial statements and has been prepared in accordance with applicable legal requirements; and
- information about the Company's corporate governance code and practices and about its administrative, management and supervisory bodies and their committees complies with rules 7.2.2, 7.2.3 and 7.2.7 of the FCA rules.

Matters on which we are required to report by exception

In 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; or
- the information about internal control and risk management systems in relation to financial reporting processes and about share capital structures, given in compliance with rules 7.2.5 and 7.2.6 of the FCA Rules.

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

- adequate accounting records have not been kept by the Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Company financial statements and the part of the directors' remuneration report to be audited are not in agreement with the accounting records and returns; or
- 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; or
- a corporate governance statement has not been prepared by the Company.

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 Statement 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:

- Directors' statement with regards the appropriateness of adopting the going concern basis of accounting and any material uncertainties identified set out on page 43;
- Directors' explanation as to its assessment of the entity's prospects, the period this assessment covers and why they period is appropriate set out on page 36;
- Directors' statement on fair, balanced and understandable set out on page 51;
- Board's confirmation that it has carried out a robust assessment of the emerging and principal risks set out on page 33;
- The section of the annual report that describes the review of effectiveness of risk management and internal control systems set out on page 48; and;
- The section describing the work of the Audit and Risk Committee set out on pages 50 and 51.

Independent Auditor's Report

Responsibilities of Directors

As explained more fully in the directors' responsibilities statement set out on page 57, 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.

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.

Based on our understanding of the Company and its industry, we considered non-compliance with the following laws and regulations compliance might have a material effect on the financial statements:

United Kingdom Accounting Standards, including FRS 102, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Companies Act 2006, the Listing Rules, UK Corporate Governance Code, the Association of Investment Companies' Code and Statement of Recommended Practice, Section 1158 of the Corporation Tax Act 2010, HMRC Investment Trust conditions and The Companies (Miscellaneous Reporting) Regulations 2018.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing risks of material misstatement in respect to non-compliance, our procedures included but were not limited to:

- Gaining 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 the applicable laws and regulations, including fraud;
- Inquiring of the directors, management and, where appropriate, those charged with governance, as to whether the Company is in compliance with laws and regulations, and discussing their policies and procedures in place regarding compliance with laws and regulations;
- Inspecting correspondence with relevant licensing or regulatory authortities;
- Reviewing minutes of directors' meeting in the year; and
- Discussing amongst the engagement team the laws and regulations listed above, and remaining alert to any indications of non-compliance.

We also considered those other laws and regulations that have a direct impact on the preparation of financial statements, such as The Statement of Recommended Practice issued by the Association of Investment Companies, the Companies Act 2006 and UK tax legislation.

In addition, we evaluated the directors' and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of management override of controls, and determined that the principal risks related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, and significant one-off or unusual transactions.

Independent Auditor's Report

Our procedures in relation to fraud included but were not limited to:

- Making enquiries of the directors and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud;
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

The primary responsibility for the prevention and detection of irregularities including fraud rests with both those charged with governance and management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

The risks of material misstatement that had the greatest effect on our audit, including fraud & irregularities, are discussed under 'Key audit matters' within this report.

A further description of our responsibilities is available on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities.

Other matters which we are required to address

Following the recommendation of the Audit and Risk Committee, we were appointed by the Audit and Risk Committee on 25th November 2021 to audit the financial statements for the year ended 31st July 2022 and subsequent financial periods. The period of total uninterrupted engagement is one year, covering the year ended 31st July 2022.

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

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

Use of the audit 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.

Stephen Eames
Senior Statutory Auditor
for and on behalf of Mazars LLP
Chartered Accountants and Statutory Auditor
160 Midsummer Boulevard
Milton Keynes
MK9 1FF

26th October 2022

Photo: Macro computer circuit, Taiwan.

Statement of Comprehensive Income

For the year ended 31st July 2022

	Notes	2022 Revenue £'000	2022 Capital £'000	2022 Total £'000	2021 Revenue £'000	2021 Capital £'000	2021 Total £'000
(Losses)/gains on investments held at fair value through profit or loss	3	—	(31,037)	(31,037)	—	78,279	78,279
Net foreign currency (losses)/gains		—	(3,249)	(3,249)	—	1,416	1,416
Income from investments	4	22,232	—	22,232	18,877	—	18,877
Interest receivable and similar income	4	66	—	66	57	—	57
Gross return/(loss)		22,298	(34,286)	(11,988)	18,934	79,695	98,629
Management fee	5	(1,030)	(2,402)	(3,432)	(1,159)	(2,705)	(3,864)
Other administrative expenses	6	(758)	—	(758)	(724)	—	(724)
Net return/(loss) before finance costs and taxation		**20,510**	**(36,688)**	**(16,178)**	**17,051**	**76,990**	**94,041**
Finance costs	7	(239)	(557)	(796)	(254)	(594)	(848)
Net return/(loss) before taxation		**20,271**	**(37,245)**	**(16,974)**	**16,797**	**76,396**	**93,193**
Taxation	8	(2,118)	(1,205)	(3,323)	(2,098)	153	(1,945)
Net return/(loss) after taxation		**18,153**	**(38,450)**	**(20,297)**	**14,699**	**76,549**	**91,248**
Return/(loss) per share	9	**6.11p**	**(12.94)p**	**(6.83)p**	**4.94p**	**25.75p**	**30.69p**

All revenue and capital items in the above statement derive from continuing operations.

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. The net return/(loss) after taxation represents the profit/(loss) for the year and also the total comprehensive income.

The notes on pages 69 to 86 form an integral part of these financial statements.

Statement of Changes in Equity

	Called up share capital £'000	Share premium £'000	Capital redemption reserve £'000	Other reserve[1,2] £'000	Capital reserves £'000	Revenue reserve[2] £'000	Total £'000
At 31st July 2020	**2,973**	**222,582**	**13**	**100,605**	**35,111**	**15,129**	**376,413**
Net return	—	—	—	—	76,549	14,699	91,248
Dividends paid in the year (note 10)	—	—	—	—	—	(15,161)	(15,161)
At 31st July 2021	**2,973**	**222,582**	**13**	**100,605**	**111,660**	**14,667**	**452,500**
Repurchase of shares into Treasury	—	—	—	(513)	—	—	(513)
Net (loss)/return	—	—	—	—	(38,450)	18,153	(20,297)
Dividends paid in the year (note 10)	—	—	—	—	—	(15,155)	(15,155)
At 31st July 2022	**2,973**	**222,582**	**13**	**100,092**	**73,210**	**17,665**	**416,535**

[1] The balance of the share premium was cancelled on 20th October 2010 and transferred to the 'other reserve'.
[2] These reserves form the distributable reserve of the Company and may be used to fund distributions to investors.

The accompanying notes on pages 69 to 86 form an integral part of these financial statements.

Statement of Financial Position

At 31st July 2022

	Notes	2022 £'000	2021 £'000
Fixed assets			
Investments held at fair value through profit or loss	11	**440,419**	**476,731**
Current assets	12		
Derivative financial assets		1	—
Debtors		8,556	2,513
Cash and cash equivalents		4,287	2,467
		12,844	4,980
Current liabilities	13		
Creditors: amounts falling due within one year		(20,210)	(441)
Derivative financial liabilities		(2)	—
Net current (liabilities)/assets		**(7,368)**	**4,539**
Total assets less current liabilities		**433,051**	**481,270**
Creditors: amounts falling due after more than one year	14	(16,435)	(28,770)
Provision for capital gains tax	15	(81)	—
Net assets		**416,535**	**452,500**
Capital and reserves			
Called up share capital	16	2,973	2,973
Share premium	17	222,582	222,582
Capital redemption reserve	17	13	13
Other reserve	17	100,092	100,605
Capital reserves	17	73,210	111,660
Revenue reserve	17	17,665	14,667
Total equity shareholders' funds		**416,535**	**452,500**
Net asset value per share	18	**140.3p**	**152.2p**

The financial statements on pages 69 to 86 were approved by the Directors and authorised for issue on 26th October 2022 and are signed on their behalf by:

Sarah Fromson
Chairman

The accompanying notes on pages 69 to 86 form an integral part of these financial statements.

Company incorporated and registered in England and Wales number: 7273382

Statement of Cash Flows

For the year ended 31st July 2022

	Notes	2022 £'000	2021 £'000
Net cash outflow from operations before dividends and interest	19	(3,073)	(4,737)
Dividends received		18,648	15,276
Interest received		17	6
Overseas tax recovered		174	218
Indian capital gains tax paid		(1,124)	—
Interest paid		(829)	(862)
Net cash inflow from operating activities		**13,813**	**9,901**
Purchases of investments		(102,855)	(186,767)
Sales of investments		106,618	187,826
Settlement of forward currency contracts		(46)	94
Net cash inflow from investing activities		**3,717**	**1,153**
Dividends paid		(15,155)	(15,161)
Repurchase of shares into Treasury		(513)	—
Repayment of bank loans		—	(15,505)
Drawdown of bank loans		—	15,469
Net cash outflow from financing activities		**(15,668)**	**(15,197)**
Increase/(decrease) in cash and cash equivalents		**1,862**	**(4,143)**
Cash and cash equivalents at start of year		2,467	6,530
Unrealised (losses)/gains on foreign currency cash and cash equivalents		(42)	80
Cash and cash equivalents at end of year		4,287	2,467
Increase/(decrease) in cash and cash equivalents		**1,862**	**(4,143)**
Cash and cash equivalents consist of:			
Cash and short term deposits		3,603	570
Cash held in JPMorgan US Dollar Liquidity Fund		684	1,897
Total		**4,287**	**2,467**

Reconciliation of net debt

	As at 31st July 2021 £'000	Cash flows £'000	Other non-cash charges £'000	As at 31st July 2022 £'000
Cash and cash equivalents				
Cash	570	3,056	(23)	3,603
Cash equivalents	1,897	(1,194)	(19)	684
	2,467	**1,862**	**(42)**	**4,287**
Borrowings				
Debt due within one year	—	—	(16,435)	(16,435)
Debt due after one year	(28,770)	—	12,335	(16,435)
	(28,770)	—	(4,100)	(32,870)
Total	**(26,303)**	**1,862**	**(4,142)**	**(28,583)**

Notes to the Financial Statements

For the year ended 31st July 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 financial statements have been prepared on a going concern basis. In forming this opinion, the Directors have considered any potential impact of the ongoing COVID-19 pandemic and the direct and indirect consequences arising from the Russian invasion of Ukraine on the going concern and viability of the Company. In making their assessment, the Directors have reviewed income and expense projections and the liquidity of the investment portfolio, and considered the mitigation measures which key service providers, including the Manager, have in place to maintain operational resilience. The Directors have also reviewed the compliance with debt covenants and noted the full support from 100% of voting shareholders for the continuation vote at the AGM in November 2021 in assessing the going concern and viability of the Company.

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

(b) Investments

The Company has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

The Company's business is investing in financial assets with a view to providing shareholders with a dividend income and the potential for long term 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 classified 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, excluding expenses incidental to purchase which are written off to capital at the time of acquisition. 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.

The Company considers that there has been a material change to the market value of its Russian investments and therefore it is in the best interests of shareholders to apply a fair valuation methodology to those investments in accordance with the established fair valuation policies and procedures of its Manager, JPMorgan Funds Limited. A valuation method has been applied to the 25th February 2022 close of day prices (i.e.: when the market was still trading normally) which have then been tapered at 99% haircut for valuation purposes.

(c) Accounting for reserves

Gains and losses on sales of investments and realised gains or losses on derivatives, including the related foreign exchange gains and losses, realised gains and losses on foreign currency contracts, management fee 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, and other derivatives 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 'Holding gains and losses of investments'.

(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.

Notes to the Financial Statements

1. Accounting policies (continued)

(d) Income (continued)

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.

Deposit interest and interest from the liquidity fund are taken to revenue on an accruals basis.

Stock lending income is taken to revenue on an accruals basis.

(e) Expenses

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

- Management fees are allocated 30% to revenue and 70% to capital in line with the 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 11 on page 74.

(f) Finance costs

Finance costs are accounted for on an accruals basis using the effective interest method.

Finance costs are allocated 30% to revenue and 70% to capital, in line with the Board's expected long term split of revenue and capital return from the Company's investment portfolio.

(g) 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, are short term, and readily convertible to a known amount of 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. Changes in the fair value of derivative financial instruments are recognised in the Statement of Comprehensive Income as capital.

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

(h) 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.

(i) 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.

(j) Foreign 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. Dividends and most expenses are paid in sterling. 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 gains or loss arising from a change in exchange rates subsequent to the date of the translation is included in the Statement of Comprehensive Income as an exchange gain or loss in revenue or capital, depending on whether the gain or loss is of a revenue or capital nature.

(k) Dividends payable

Dividends are included in the financial statements in the year in which they are paid.

(l) Repurchase and re-issue of shares into Treasury

The cost of repurchasing Ordinary shares into Treasury, including the related stamp duty and transaction costs is charged to the 'Other reserve' and dealt with in the Statement of Changes in Equity. Share repurchase transactions are accounted for on a trade date basis. Where shares held in Treasury are subsequently cancelled, the nominal value of those shares is transferred out of called up share capital and into capital redemption reserve.

Sales proceeds from shares re-issued from Treasury are treated as a realised profit up to the amount of the purchase price of those shares and transferred to capital reserves. The excess of the sales proceeds over the purchase price is transferred to share premium.

(m) Share issue costs

Share capital is classified as equity and the costs of new share issues are netted from proceeds and charged to share premium and dealt with in the Statement of Changes in Equity.

2. Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements on occasion requires the Directors 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.

With the exception of the valuation methodology applied to Russian securities outlined in Note 1 (b) above, the Directors do not believe that any significant accounting judgements 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	16,758	58,147
Net change in unrealised losses and gains on investments	(47,759)	20,172
Other capital charges	(36)	(40)
Total (losses)/gains on investments held at fair value through profit or loss	**(31,037)**	**78,279**

Notes to the Financial Statements

4. Income

	2022 £'000	2021 £'000
Income from investments:		
Overseas dividends	22,218	18,877
Scrip dividends	14	—
	22,232	18,877
Interest receivable and similar income:		
Interest from liquidity fund	21	6
Deposit interest	1	1
Stock lending income	44	50
	66	57
Total income	**22,298**	**18,934**

5. Management fee

	2022			2021		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Management fee	1,030	2,402	3,432	1,159	2,705	3,864

Details of the management fee are given in the Directors' Report on page 42.

6. Other administrative expenses

	2022 £'000	2021 £'000
Administration expenses	530	503
Directors' fees[1]	132	123
Depositary fees[2]	58	55
Auditors' remuneration for audit services[3]	38	43
	758	**724**

[1] Full disclosure is given in the Directors' Remuneration Report on pages 53 to 55.
[2] Includes £nil (2021: £1,000) irrecoverable VAT.
[3] Includes £nil (2021: £1,000) irrecoverable VAT.

7. Finance costs

	2022			2021		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Interest on bank loans and overdrafts	239	557	796	254	594	848

8. Taxation

(a) Analysis of tax charge for the year

	2022 Revenue £'000	2022 Capital £'000	2022 Total £'000	2021 Revenue £'000	2021 Capital £'000	2021 Total £'000
Overseas withholding tax	2,118	—	2,118	1,945	—	1,945
Tax relief from expenses charged to capital	—	—	—	153	(153)	—
Indian capital gains tax	—	1,205	1,205	—	—	—
Total tax charge for the year	**2,118**	**1,205**	**3,323**	**2,098**	**(153)**	**1,945**

(b) Factors affecting total tax charge for the year

The total tax charge for the year is higher (2021: lower) than 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 Revenue £'000	2022 Capital £'000	2022 Total £'000	2021 Revenue £'000	2021 Capital £'000	2021 Total £'000
Net return/(loss) before taxation	20,271	(37,245)	(16,974)	16,797	76,396	93,193
Net return/(loss) before taxation multiplied by the Company's applicable rate of corporation tax of 19% (2021: 19%)	3,851	(7,077)	(3,226)	3,191	14,515	17,706
Effects of:						
Non taxable capital losses/(gains)	—	6,514	6,514	—	(15,142)	(15,142)
Non taxable scrip dividends	(3)	—	(3)	—	—	—
Non taxable overseas dividends	(3,929)	—	(3,929)	(2,850)	—	(2,850)
Tax attributable to costs charged to capital	(563)	563	—	(627)	627	—
Tax relief on expenses charged to capital	—	—	—	153	(153)	—
Irrecoverable overseas withholding tax	2,118	—	2,118	1,945	—	1,945
Unutilised expenses carried forward to future periods	673	—	673	360	—	360
Indian capital gains tax	—	1,205	1,205	—	—	—
Double taxation relief expensed	(29)	—	(29)	(74)	—	(74)
Total tax charge for the year	**2,118**	**1,205**	**3,323**	**2,098**	**(153)**	**1,945**

(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 an investment trust company.

The Company has an unrecognised deferred tax asset of £7,362,000 (2021: £6,477,000) based on a prospective corporation tax rate of 25% (2021: 25%) as enacted by the Finance Act 2021. In an announcement on Friday, 14th October 2022 the UK government stated that the Corporation Tax will increase to 25% from April 2023 as already legislated for. 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.

Notes to the Financial Statements

9. Return/(loss) per share

	2022 £'000	2021 £'000
Revenue return	18,153	14,699
Capital (loss)/return	(38,450)	76,549
Total (loss)/return	**(20,297)**	**91,248**
Weighted average number of shares in issue during the year	297,087,353	297,240,161
Revenue return per share	6.11p	4.94p
Capital (loss)/return per share	(12.94)p	25.75p
Total (loss)/return per share	**(6.83)p**	**30.69p**

10. Dividends

(a) Dividends paid and declared

	2022 £'000	2021 £'000
Dividend paid		
2021 Fourth interim dividend paid of 2.1p (2020: 2.1p)	6,242	6,242
First interim dividend paid of 1.0p (2021: 1.0p)	2,972	2,973
Second interim dividend paid of 1.0p (2021: 1.0p)	2,972	2,973
Third interim dividend paid of 1.0p (2021: 1.0p)	2,969	2,973
Total dividends paid in the year	**15,155**	**15,161**

	2022 £'000	2021 £'000
Dividend declared		
Fourth interim dividend declared of 2.2p (2021: 2.1p)	6,530	6,242

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

The revenue available for distribution by way of dividend for the year is £18,153,000 (2021: £14,699,000). The revenue reserve after paying the proposed dividend will be £11,135,000 (2021: £8,425,000).

	2022 £'000	2021 £'000
First interim dividend paid of 1.0p (2021: 1.0p)	2,972	2,973
Second interim dividend paid of 1.0p (2021: 1.0p)	2,972	2,973
Third interim dividend paid of 1.0p (2021: 1.0p)	2,969	2,973
Fourth interim dividend declared of 2.2p (2021: 2.1p)	6,530	6,242
Total dividends for Section 1158 purposes	**15,443**	**15,161**

11. Investments held at fair value through profit or loss

	2022 £'000	2021 £'000
Investments listed on a recognised stock exchange and Participation notes	440,419	476,731

	2022 Listed (Level 1) £'000	2022 Listed (Level 3)[1] £'000	2022 Total £'000	2021 Listed (Level 1) £'000	2021 Listed (Level 2)[2] £'000	2021 Total £'000
Opening book cost	409,263	—	409,263	353,291	1,701	354,992
Opening investment holding gains	67,468	—	67,468	46,925	371	47,296
Opening valuation	476,731	—	476,731	400,216	2,072	402,288
Movements in the year:						
Purchases at cost	106,102	—	106,102	183,299	—	183,299
Sales – proceeds	(110,161)	(1,252)	(111,413)	(187,175)	—	(187,175)
(Losses)/gains on investments	(26,904)	(4,097)	(31,001)	78,319	—	78,319
Transfer to/from unquoted investments	(5,377)	5,377	—	2,072	(2,072)	—
	440,391	28	440,419	476,731	—	476,731
Closing book cost	416,269	4,441	420,710	409,263	—	409,263
Closing investment holding gains/(losses)	24,122	(4,413)	19,709	67,468	—	67,468
Total investments held at fair value through profit or loss	**440,391**	**28**	**440,419**	**476,731**	**—**	**476,731**

[1] The Level 3 investment relates to the Company's holdings in Russian stocks.

[2] The Level 2 investment relates to Haier Electronics for which trading in the shares was suspended on 31st July 2020 and the data used was as of 29th July 2020. The trading of the security was resumed on the Hong Kong Stock exchange post year end of 31st July 2020.

Transaction costs on purchases during the year amounted to £187,000 (2021: £209,000) and on sales during the year amounted to £189,000 (2021: £313,000). These costs comprise mainly brokerage commission.

The company received £111,413,000 (2021: £187,175,000) from investments sold in the year. The book cost of these investments when they were purchased was £94,655,000 (2021: £129,028,000). 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.

12. Current assets

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

	2022 £'000	2021 £'000
Debtors		
Securities sold awaiting settlement	4,743	—
Dividends and interest receivable	3,731	2,458
Overseas tax recoverable	38	28
Other debtors	44	27
	8,556	**2,513**

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 approximates to their fair value.

Notes to the Financial Statements

13. Current liabilities

	2022 £'000	2021 £'000
Derivative financial liabilities		
Forward foreign currency contracts	2	—
	2	**—**

	2022 £'000	2021 £'000
Creditors: amounts falling due within one year		
Securities purchased awaiting settlement	3,233	—
Bank loan – US Dollar 20 million fixed rate loan with NAB (maturing 2022)	16,435	—
Other creditors	495	361
Loan interest payable	47	80
	20,210	**441**

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

At the year end the Company had a US Dollar 20 million fixed rate loan with NAB, repayable in November 2022 (at 3.28% per annum).

14. Creditors: amounts falling due after more than one year

	2022 £'000	2021 £'000
Bank loan – US Dollar 20 million fixed rate loan with NAB (maturing 2022)	—	14,385
Bank loan – US Dollar 20 million revolving rate loan with ING (maturing 2023)	16,435	14,385
	16,435	**28,770**

At the year end the Company had a US Dollar 20 million loan facility with ING Bank expiring in October 2023 (at SONIA plus 1.83% margin per annum).

15. Non current liabilities - Provision for capital gains tax

	2022 £'000	2021 £'000
Capital gains tax provision charge to the capital reserve in the year	1,205	—
Capital gains tax paid in the year	(1,124)	—
Provision for capital gains tax	**81**	**—**

This Provision for captial gains tax relates to the Indian stocks. In 2018 the Indian government announced the introduction of a 10% capital gains tax on realised gains arising as a result of the sale of an indian investments held for more than 12 months.

16. Called up share capital

	2022 £'000	2021 £'000
Issued and fully paid share capital:		
Ordinary shares of 1p each[1]		
Opening balance of 297,240,161 (2021: 297,240,161) Ordinary shares excluding shares held in Treasury	2,973	2,973
Repurchase of 400,000 shares into treasury (2021: nil)	(4)	—
Subtotal of 296,840,161 (2021: 297,240,161) Ordinary shares excluding shares held in Treasury	2,969	2,973
449,277 (2021: 49,277) Ordinary shares held in Treasury	4	—
Closing balance of 297,289,438 (2021: 297,289,438) Ordinary shares including shares held in Treasury	**2,973**	**2,973**

[1] Fully paid Ordinary shares, which have a par value of 1p each, carry one vote per share and carry a right to receive dividends.

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

Share capital transactions

During the year 400,000 shares (2021: nil) were repurchased into Treasury for total consideration of £513,000 (2021: £nil).

The Company has the authority to repurchase shares in the market for cancellation or to be held in Treasury.

17. Capital and reserves

					Capital reserves			
	Called up share capital £'000	Share premium £'000	Capital redemption reserve £'000	Other reserve[1,2] £'000	Gains and losses on sales of investments[2] £'000	Holding gains and losses of investments £'000	Revenue reserve[2] £'000	Total £'000
Opening balance	2,973	222,582	13	100,605	44,419	67,241	14,667	452,500
Net foreign currency gains	—	—	—	—	852	—	—	852
Unrealised losses on foreign currency contracts	—	—	—	—	—	(1)	—	(1)
Realised gains on sale of investments	—	—	—	—	16,758	—	—	16,758
Net change in unrealised gains and losses on investments	—	—	—	—	—	(47,759)	—	(47,759)
Repurchase of shares into Treasury	—	—	—	(513)	—	—	—	(513)
Unrealised losses on loans	—	—	—	—	—	(4,100)	—	(4,100)
Management fee and finance costs charged to capital	—	—	—	—	(2,959)	—	—	(2,959)
Other capital charges	—	—	—	—	(36)	—	—	(36)
Capital gains tax	—	—	—	—	(1,205)	—	—	(1,205)
Dividends paid in the year	—	—	—	—	—	—	(15,155)	(15,155)
Retained revenue for the year	—	—	—	—	—	—	18,153	18,153
Closing balance	**2,973**	**222,582**	**13**	**100,092**	**57,829**	**15,381**	**17,665**	**416,535**

[1] The balance of the share premium account was cancelled on 20th October 2010 and transferred to the 'Other reserve'.

[2] These reserves form the distributable reserve of the Company and may be used to fund distributions to investors.

Notes to the Financial Statements

18. Net asset value per share

	2022	2021
Net assets (£'000)	416,535	452,500
Number of shares in issue	296,840,161	297,240,161
Net asset value per share	**140.3p**	**152.2p**

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

	2022 £'000	2021 £'000
Net (loss)/return before finance costs and taxation	(16,178)	94,041
Add capital loss/(less capital return) before finance costs and taxation	36,688	(76,990)
Scrip dividends received as income	(14)	—
Increase in accrued income and other debtors	(1,290)	(1,580)
Increase in accrued expenses	150	205
Management fee charged to capital	(2,402)	(2,705)
Overseas withholding tax	(2,302)	(1,998)
Dividends received	(18,648)	(15,276)
Interest received	(17)	(6)
Realised gains/(losses) on foreign exchange transactions	461	(240)
Realised gains/(losses) on liquidity funds	479	(188)
Net cash outflow from operations before dividends and interest	**(3,073)**	**(4,737)**

20. Contingent liabilities and capital commitments

At the balance sheet date there were no contingent liabilities or capital commitments (2021: same).

21. Transactions with the Manager and related parties

Details of the management contract are set out in the Directors' Report on page 42. The management fee payable to the Manager for the year was £3,432,000 (2021: £3,864,000) of which £nil (2021: nil) was outstanding at the year end.

During the year £nil (2021: £nil) was paid to the Manager for the marketing and administration of savings scheme products, of which £nil (2021: £nil) was outstanding at the year end.

Included in other administrative expenses in note 6 on page 72 are safe custody fees amounting to £250,000 (2021: £240,000) payable to JPMorgan Chase Bank N.A. of which £39,000 (2021: £163,000) was outstanding at the year end.

The Manager may carry out some of its dealing transactions through its group subsidiaries. These transactions are carried out at arm's length. The commission payable to JPMorgan Securities Limited for the year was £14,000 (2021: £11,000) 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 £684,000 (2021: £1,897,000). Income amounting to £21,000 (2021: £6,000) was receivable during the year of which £6,000 (2021: £1,000) was outstanding at the year end.

Stock lending income amounting to £44,000 (2021: £50,000) was receivable by the Company during the year. JPMAM commissions in respect of such transactions amounted to £5,000 (2021: £6,000).

Handling charges on dealing transactions amounting to £36,000 (2021: £40,000) were payable to JPMorgan Chase Bank N.A. during the year of which £7,000 (2021: £23,000) was outstanding at the year end.

At the year end, total cash of £3,603,000 (2021: £570,000) was held with JPMorgan Chase Bank N.A. A net amount of interest of £1,000 (2021: £1,000) was receivable by the Company during the year from JPMorgan Chase Bank N.A. of which £nil (2021: £nil) was outstanding at the year end.

Full details of Directors' remuneration and shareholdings can be found on page 54 and in note 6 on page 72.

22. 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 and derivative financial instruments.

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

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

(3) Inputs that are unobservable (i.e.: for which market data is unavailable) for the asset or liability

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.

The following table sets out the fair value measurements using the FRS 102 hierarchy at 31st July.

	2022		2021	
	Assets £'000	Liabilities £'000	Assets £'000	Liabilities £'000
Level 1	440,391	—	476,731	—
Level 2[1]	1	(2)	—	—
Level 3[2]	28	—	—	—
Total	**440,420**	**(2)**	**476,731**	**—**

[1] The Level 2 investment relates to the Forward currency contract outstanding at year end.

[2] The Level 3 investment relates to the Company's holdings in Russian stocks.

	2022		2021	
	Equity investments £'000	Total £'000	Equity investments £'000	Total £'000
Level 3				
Opening balance	—	—	—	—
Transfers into Level 3	5,377	5,377	—	—
Sales	(1,252)	(1,252)	—	—
Change in fair value of unquoted investment during the year[1]	(4,097)	(4,097)	—	—
Closing balance	**28**	**28**	**—**	**—**

[1] For these Russian stocks a valuation method has been applied to the 25th February 2022 close of day prices (ie: when market was still trading normally) which have then been tapered at 99% haircut for valuation purposes.

23. 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 page 2. 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.

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.

Notes to the Financial Statements

23. Financial instruments' exposure to risk and risk management policies (continued)

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

- investments in equity shares and participation notes of overseas companies, which are held in accordance with the Company's investment objective;
- cash held within a liquidity fund;
- short term debtors, creditors and cash arising directly from its operations;
- two fixed rate loans with National Australia Bank and ING; and
- short term forward foreign currency contracts for the purpose of settling short term liabilities.

(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 31st July 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 Dollars £'000	Taiwan Dollars £'000	Mexico Peso £'000	Chinese Yuan £'000	South Africa Rand £'000	South Korean Won £'000	Indo-nesian Rupiah £'000	Brazilian Real £'000	Thailand Baht £'000	Other £'000	Total £'000
Current assets	7,052	1,530	—	413	811	108	—	1,276	—	8,648	19,838
Creditors	(4,033)	(335)	—	(413)	(773)	—	—	(1,275)	—	(36,828)	(43,657)
Foreign currency exposure on net monetary items	3,019	1,195	—	—	38	108	—	1	—	(28,180)	(23,819)
Investments held at fair value through profit or loss	118,481	86,635	42,602	37,240	30,678	26,176	20,499	15,765	11,821	50,522	440,419
Total net foreign currency exposure	**121,500**	**87,830**	**42,602**	**37,240**	**30,716**	**26,284**	**20,499**	**15,766**	**11,821**	**22,342**	**416,600**

	2021										
	Hong Kong Dollars £'000	Taiwan Dollars £'000	Mexico Peso £'000	US Dollars £'000	South Korean Won £'000	Chinese Yuan £'000	Indian Rupee £'000	South Africa Rand £'000	Thailand Baht £'000	Other £'000	Total £'000
Current assets	1,658	552	—	2,091	98	155	61	—	—	287	4,902
Creditors	—	(68)	—	(28,850)	—	—	—	—	—	—	(28,918)
Foreign currency exposure on net monetary items	1,658	484	—	(26,759)	98	155	61	—	—	287	(24,016)
Investments held at fair value through profit or loss	129,575	108,088	34,758	59,286	31,957	28,994	16,627	16,055	10,944	40,447	476,731
Total net foreign currency exposure	**131,233**	**108,572**	**34,758**	**32,527**	**32,055**	**29,149**	**16,688**	**16,055**	**10,944**	**40,734**	**452,715**

In the opinion of the Directors, the above year end amounts are broadly representative of the exposure to foreign currency risk during the year.

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	(2,225)	2,225	(1,888)	1,888
Capital return	2,382	(2,382)	2,402	(2,402)
Total return after taxation	157	(157)	514	(514)
Net assets	**157**	**(157)**	**514**	**(514)**

In the opinion of the Directors, the above sensitivity analysis is not representative of the whole of the current or comparative year due to fluctuations in the Company's investment in the JPMorgan US Dollar Liquidity Fund.

(ii) Interest rate risk

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

Management of interest rate risk

The Company does not normally hold significant cash balances. Short term borrowings are used when required.

Notes to the Financial Statements

23. 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	3,603	570
JPMorgan US Dollar Liquidity Fund	684	1,897
US Dollar 20 million revolving rate loan with ING maturing 2023 - at SONIA plus 1.83% margin per annum	(16,435)	(14,385)
Total exposure	**(12,148)**	**(11,918)**

Interest receivable on cash balances, or paid on overdrafts, is at a margin below or above SONIA respectively (2021: same).

The target interest earned on the JPMorgan Euro Liquidity Fund is the 7 day Euro London Interbank Bid Rate. Details of the bank loans are given in note 14 on page 76.

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	(6)	6	(18)	18
Capital return	(115)	115	(101)	101
Total return after taxation for the year	(121)	121	(119)	119
Net assets	**(121)**	**121**	**(119)**	**(119)**

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 countries and industry sectors. The investment management team has responsibility for monitoring the portfolio, which is selected in accordance with the Company's investment objective and seeks to ensure that individual stocks meet an acceptable risk/reward profile.

Other price risk exposure

The Company's total exposure to changes in market prices at 31st July comprises its holdings in equity investments as follows:

	2022 £'000	2021 £'000
Investments held at fair value through profit or loss	440,419	476,731

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 23 to 26. This shows that the investments' value is in a broad spread of countries with no concentration of exposure to any one country. However, 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. 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 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	(99)	99	(129)	129
Capital return	43,811	(43,811)	47,373	(47,373)
Total return after taxation for the year and net assets	**43,712**	**(43,712)**	**47,244**	**(47,244)**

(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 the 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.

23. 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		
	Within one year £'000	More than one year £'000	Total £'000
Creditors: amounts falling due within one year			
Securities purchased for future settlement	3,233	—	3,233
Bank loans including interest	16,641	—	16,641
Other creditors	495	—	495
Derivative financial instruments	2	—	2
Creditors: amounts falling due after more than one year			
Bank loans including interest	334	16,493	16,827
Capital gains tax	—	81	81
	20,705	**16,574**	**37,279**

	2021		
	Within one year £'000	More than one year £'000	Total £'000
Creditors: amounts falling due within one year			
Other creditors	361	—	361
Creditors: amounts falling due after more than one year			
Bank loans including interest	883	29,317	30,200
	1,244	**29,317**	**30,561**

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 failure of the counterparty to a transaction to discharge its obligations under that transaction 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. The Board regularly reviews the counterparties used by the Manager.

JPMorgan Chase Bank N.A. and the JPMorgan US Dollar Liquidity Fund have S+P credit ratings of A-1 and AAAm respectively.

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.

The aggregate value of securities on loan at 31st July 2022 amounted to £5.1 million (2021: £16.0 million) and the maximum value of stock on loan during the year amounted to £31.3 million (2021: £40.6 million). Collateral is obtained by the securities lending agent and is called in on a daily basis to a value of 102% of the value of the securities on loan if that collateral is denominated in the same currency as the securities on loan and 105% if it is denominated in a different currency.

(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.

24. Capital management policies and procedures

The Company's capital management objectives are to ensure that it will continue as a going concern and to provide investors with a dividend income combined with the potential for long term capital growth.

The Company's debt and capital structure comprises the following:

	2022 £'000	2021 £'000
Debt:		
US Dollar 20 million fixed rate loan with NAB (maturing November 2022)	16,435	14,385
US Dollar 20 million fixed rate loan with ING (maturing 2023)	16,435	14,385
	32,870	28,770
Equity:		
Called up share capital	2,973	2,973
Reserves	413,562	449,527
	416,535	452,500
Total debt and equity	**449,405**	**481,270**

The Board's policy is to employ gearing when the Manager believes it to be appropriate to do so. Gearing will be in the range of 10% net cash to 20% geared in normal market conditions, at the discretion of the Manager.

	2022 £'000	2021 £'000
Investments held at fair value through profit or loss	440,419	476,731
Net assets	416,535	452,500
Gearing	**5.7%**	**5.4%**

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, either for cancellation or to hold in Treasury, which takes into account the share price discount or premium;
- the opportunity for issues of new shares, including issues from Treasury; and
- the ability to employ gearing when the Manager believes it to be appropriate.

Notes to the Financial Statements

25. Subsequent events

The loan facility with the National Australia Bank Limited is due to expire on 28th November 2022. The facility will be repaid in full. The Board is finalising terms on a new financial facility.

PAO Severstal is one of the Russian securities in the portfolio carried at a nominal price at year end. With effect from 22nd August 2022, the listing of global depositary receipts representing ordinary shares of PAO Severstal were cancelled from listing on the London Stock Exchange. Please see note 1b for further details.

Photo: Architectural engineer working on solar panel and his blueprints with Solar.

Regulatory Disclosures

Alternative Investment Fund Managers Directive Disclosures (Unaudited)

Leverage

For the purposes of the Alternative Investment Fund Managers Directive (the '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 is calculated on a gross and a commitment method, in accordance with the 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, as at 31st July 2022, which gives the following figures:

	Gross Method	Commitment Method
Leverage exposure		
Maximum limit	175%	175%
Actual	108%	108%

JPMorgan Funds Limited (the '**Management Company**') is the authorised manager of 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 AIFMD, the European Commission Delegated Regulation supplementing the AIFMD, '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.

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 (US$'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 Staff.[1]

[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 Disclosures (Unaudited)

There were no open transactions at the year end date, 31st July 2022, 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-selling back transactions or sell-buy back transactions and margin lending transactions) or Total Return

Regulatory Disclosures

Swaps. Accordingly, disclosures required by Article 13 of the Regulation are not applicable for the year ended 31st July 2022.

Global Data

Amount of securities on loan

The total value of securities on loan as a proportion of the Fund's total lendable assets, as at the balance sheet date, is 2.43%. Total lendable assets represents the aggregate value of assets types forming part of the Fund's securities lending programme.

Amount of assets engaged in securities lending

The following table represents the total value of assets engaged in securities lending:

	Value £'000	% of AUM
Securities lending	5,068	1.22%

Concentration and Aggregate Transaction Data

Counterparties

The following table provides details of the counterparties (based on gross volume of outstanding transactions with exposure on a gross absolute basis) in respect of securities lending as at the balance sheet date:

Collateral	Country of Incorporation	Value £'000
Bank of Nova Scotia	Canada	119
Credit Suisse	Switzerland	4,859
JP Morgan Chase	United States of America	90
Total		5,068

Maturity tenure of Security lending transactions

The Company's securities lending transactions have open maturity.

Collateral issuers

The following table lists the issuers by value of non-cash collateral received by the Company by way of title transfer collateral arrangement across securities lending transactions, as at the balance sheet date.

Issuer	Value £'000
United States of America	5,442
France	65
Netherlands	15
Belgium	13
Total	5,535

Non-cash collateral received by way of title transfer collateral arrangement in relation to securities lending transactions cannot be sold, re-invested or pledged.

Type, quality and currency of collateral

The following table provides an analysis of the type, quality and currency of collateral received by the Company in respect of securities lending transactions as at the balance sheet date.

Type	Quality	Currency	Value £'000
Sovereign Debt	Investment Grade	EUR	93
Treasury Notes	Investment Grade	USD	2,948
Treasury Bonds	Investment Grade	USD	69
Treasury Bills	Investment Grade	USD	2,425
Total			5,535

Maturity tenure of collateral

The following table provides an analysis of the maturity tenure of collateral received in relation to securities lending transactions as at the balance sheet date.

Maturity	Value £'000
1 day to 1 week	–
1 week to 1 month	–
1 to 3 months	2,948
3 to 12 months	9
more than 1 year	2,425
Total	5,535

Settlement and clearing

The Company's securities lending transactions including related collaterals are settled and cleared either bi-laterally, tri-party or through a central counterparty.

Re-use of collateral

Share of collateral received that is reused and reinvestment return Non-cash collateral received by way of title transfer collateral arrangement in relation to securities lending transactions cannot be sold, re-invested or pledged.

Cash collateral received in the context of securities lending transactions may be reused in accordance with the provisions contained within the prospectus. However, the Company does not currently reinvest cash collateral received in respect of securities lending transactions.

Safekeeping of collateral

All collateral received by the Company in respect of securities lending transactions as at the balance sheet date is held by the Depository.

Return and cost

JPMorgan Chase Bank, N.A, the lending agent, receives a fee of 10% of the gross revenue for its services related to the Stock Lending Transactions. The remainder of the revenue, 90%, is received by the Company i.e. for the benefit of Shareholders.

Photo: Bellas Artes Palace, Mexico City.

Notice of Annual General Meeting

Notice is hereby given that the twelfth Annual General Meeting of JPMorgan Global Emerging Markets Income Trust plc (the 'Company') will be held at the Offices of J.P.Morgan, 60 Victoria Embankment, London EC4Y 0JP on Monday, 28th November 2022 at 2.00 p.m. for the following purposes:

1. To receive the Directors' Report & Financial Statements and the Auditor's Report for the year ended 31st July 2022.
2. To approve the Directors' Remuneration Policy.
3. To approve the Directors' Remuneration Report for the year ended 31st July 2022.
4. To reappoint Mark Edwards as a Director of the Company.
5. To reappoint Caroline Gulliver as a Director of the Company.
6. To reappoint Lucy Macdonald as a Director of the Company.
7. To appoint Elisabeth Scott as a Director of the Company.
8. To reappoint Mazars LLP as Auditor of the Company and to authorise the Directors to determine their remuneration.

Special Business

To consider the following resolutions:

Authority to allot new shares – Ordinary Resolution

9. 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 £296,751 or, if different, the aggregate nominal amount representing approximately 10% of the Company's issued Ordinary share capital (excluding Treasury shares) 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

10. THAT subject to the passing of Resolution 9 set out above, the Directors of the Company be and they are hereby empowered pursuant to Sections 570 and 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 9 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 or sale out of Treasury of equity securities for cash up to an aggregate nominal amount of £296,751 or, if different the aggregate nominal amount representing approximately 10% of the issued share capital (excluding Treasury shares) 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 9 above, save that the Company may before such expiry make offers or agreements which would or might require equity securities to be allotted or sold out of Treasury 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

11. 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 of 1p each in the capital of the Company 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 44,483,113 or, if different, that number of Ordinary shares which is equal to 14.99% of the Company's issued share capital (excluding Treasury shares) as at the date of the passing of this Resolution;

    (ii) the minimum price which may be paid for an Ordinary share shall be 1p;

    (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 highest price of the last independent trade; or (c) the highest current independent bid;

    (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);

Notice of Annual General Meeting

(v) the authority hereby conferred shall expire on 27th May 2024 unless the authority is renewed at the Company's Annual General Meeting in 2023 or at any other general meeting prior to such time;

(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; and

(vii) all shares purchased pursuant to the said authority shall be either:

(i) cancelled immediately upon completion of the purchase; or

(ii) held, sold, transferred or otherwise dealt with as treasury shares in accordance with the provisions of the Act.

Approval of dividend policy – Ordinary Resolution

12. To approve the Company's dividend policy to make four quarterly interim dividends during the year.

By order of the Board
Emma Lamb, for and on behalf of JPMorgan Funds Limited, Secretary

26th October 2022

Notes

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

1. If law or Government guidance so requires at the time of the Meeting, the Chairman of the Meeting will limit, in his sole discretion, the number of individuals in attendance at the Meeting. In addition, the Company may still impose entry restrictions on certain persons wishing to attend the AGM in order to secure the orderly and proper conduct of the Meeting.
2. 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.
3. 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. However, please note that your vote may not be counted where a proxy other than the Chairman of the Meeting is appointed in the event that additional third parties may not be permitted entry to the meeting.
4. Any instrument appointing a proxy, to be valid, must be lodged in accordance with the instructions given on the proxy form.
5. 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.
6. 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.

7. Entry to the Meeting will be restricted to shareholders and their proxy or proxies, with guests admitted only by prior arrangement.

8. 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.

9. 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 Financial Statements (including the Auditors' report and the conduct of the audit) that are to be laid before the AGM; or (b) any circumstances connected with Auditor 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 Auditor 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.

10. 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.

11. 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.

12. 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.

13. 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.jpmglobalemergingmarketsincome.co.uk.

Notice of Annual General Meeting

14. The register of interests of the Directors and connected persons in the called-up 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 AGM. No Director has any contract of service with the Company.
15. 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.
16. As an alternative to completing a hard copy Form of Proxy/Voting Direction 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.
17. As at 26th October 2022 (being the latest business day prior to the publication of this Notice), the Company's called-up share capital consists of 296,751,918 Ordinary shares (excluding treasury shares) carrying one vote each. Therefore the total voting rights in the Company are 296,751,918.

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.

Total return calculation	Page	Year ended 31st July 2022	Year ended 31st July 2021	
Opening share price (p)	7	142.0	115.5	(a)
Closing share price (p)	7	124.0	142.0	(b)
Total dividend adjustment factor[1]		1.037762	1.039183	(c)
Adjusted closing share price (d = b x c)		128.7	147.6	(d)
Total return to shareholders (e = (d / a) – 1)		**–9.4%**	**+27.8%**	(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.

Total return calculation	Page	Year ended 31st July 2022	Year ended 31st July 2021	
Opening cum-income NAV per share with debt at par value (p)	7	152.2	126.6	(a)
Closing cum-income NAV per share debt at par value (p)	7	140.3	152.2	(b)
Total dividend adjustment factor[2]		1.033972	1.036086	(c)
Adjusted closing cum-income NAV per share (d = b x c)		145.1	157.7	(d)
Total return on net assets with debt at par value (e = (d / a) – 1)		**–4.7%**	**+24.6%**	(e)

[2] 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.

Net asset value per share (APM)

The value of the Company's net assets (total assets less total liabilities) divided by the number of ordinary shares in issue, excluding the shares held in Treasury. Please see note 17 on page 77 for detailed calculations.

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.

Glossary of Terms and Alternative Performance Measures (Unaudited)

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.

Gearing calculation	Page	Year ended 31st July 2022	Year ended 31st July 2021	
Investments held at fair value through profit or loss	74	440,419	476,731	(a)
Net assets	78	416,535	452,500	(b)
Gearing (c = (a / b) – 1)		**5.7%**	**5.4%**	(c)

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.

Ongoing charges calculation	Page	Year ended 31st July 2022	Year ended 31st July 2021	
Management fee	72	3,432	3,864	
Other administrative expenses	72	758	724	
Total management fee and other administrative expenses		4,190	4,588	(a)
Average daily cum-income net assets		455,686	439,097	(b)
Ongoing charges (c = a / b)		**0.92%**	**1.04%**	(c)

Share Price Discount/Premium to Net Asset Value 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's shares to trade at a discount than at a premium.

H-Shares

Companies incorporated in mainland China and listed in Hong Kong and on other foreign exchanges.

Performance attribution

Analysis of how the Company achieved its recorded performance relative to its benchmark (see page 12).

Emerging Markets

For the purposes of the investment policy, emerging markets are the capital markets of developing countries, including both recently industrialised countries and countries in transition from planned economies to free-market economies. Many, but not all, emerging market countries are constituents of the MSCI Emerging Markets Index or, in the case of smaller or less developed emerging markets, the MSCI Frontier Index. The Company invest in securities listed in, or exposed to, these countries or other countries that meet the definition in this paragraph. These markets will tend to be less mature than developed markets and will not necessarily have such a long history of substantial foreign investment.

Glossary of Terms and Alternative Performance Measures (Unaudited)

Performance Attribution Definitions:

Stock/Sector selection

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

Measures the positive effect on relative performance of repurchasing the Company's shares for cancellation, or repurchases into Treasury, at a discount to their net asset value per share.

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 You Invest
Barclays Smart Investor
Charles Stanley Direct
Selftrade
Fidelity Personal Investing
Halifax Share Dealing
Hargreaves Lansdown
Interactive Investor
EQi

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 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' website at www.theaic.co.uk/aic/news/videos/how-to-invest-in-an-investment-company 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 to 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 www.unbiased.co.uk.

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

To familiarise yourself with the Financial Conduct Authority adviser charging and commission rules, visit www.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

FCA
FINANCIAL CONDUCT AUTHORITY

Information About the Company

FINANCIAL CALENDAR

Financial year end	**31st July**
Final results announced	**October**
Half year end	**31st January**
Half year results announced	**March**
Interim dividends declared	**February, June, August and November**
Annual General Meeting	**November**

History

The Company is an investment trust which was launched in July 2010 with assets of £102.3 million

Company Number

Company registration number: 7273382

Ordinary Shares

ISIN code: GB00B5ZZY915
Bloomberg code: JEMI
SEDOL: B5ZZY91
LEI: 549300OPJXU72JMCYU09

Market Information

The Company's unaudited net asset value is published daily, via the London Stock Exchange. The Company's shares are listed on the London Stock Exchange. The market price is shown daily in the Financial Times, The Times, The Daily Telegraph, The Scotsman and on the JPMorgan website at **www.jpmglobalemergingmarketsincome.co.uk**, where the share price is updated every 15 minutes during trading hours.

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 number: 020 7742 4000

For company secretarial and administrative matters please contact Emma Lamb at the above address.

Depositary

The Bank of New York Mellon (International) Limited
1 Canada Square
London E14 5AL

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

Registrar

Equiniti Limited
Reference 3570
Aspect House
Spencer Road
Lancing
West Sussex BN99 6DA

Telephone number: 0371 384 2857

Lines open 8.30 a.m. to 5.30 p.m. Monday to Friday. 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 3570. Registered shareholders can obtain further details on their holdings on the internet by visiting **www.shareview.co.uk**.

Independent Auditor

Mazars LLP
The Pinnacle
160 Midsummer Boulevard
Milton Keynes
MK9 1FF

Broker

Winterflood Securities
The Atrium Building
Cannon Bridge
25 Dowgate Hill
London EC4R 2GA

Telephone number: 020 3100 0000

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