JPMorgan Emerging Markets Investment Trust plc

Discovering growth opportunities in emerging markets

Annual Report & Financial Statements
for the year ended 30th June 2023

J.P.Morgan
ASSET MANAGEMENT

Key Features

Your Company at a Glance

Structure of the Company

Launched in 1991, JPMorgan Emerging Markets Investment Trust plc (the 'Company') is an investment trust and public limited company, with a premium listing on the London Stock Exchange.

Objective

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

Investment Universe

Equity securities of Issuers included within the Benchmark and in companies located in Emerging Markets.

An Emerging Market is considered to be any country which is not included in the MSCI World Index (representing developed countries only).

Key Investment Policies

- To invest in a diversified portfolio, concentrating on countries and shares with the most attractive prospects. To have no more than 50% of the Company's assets invested in any one region or 10% above the equivalent benchmark weighting, whichever is the greater.
- To invest no more than 10% of total assets in any one individual stock at the time of acquisition.

Further details on investment policies and risk management are given in the Business Review on page 35.

Benchmark

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

Capital Structure

At 30th June 2023 the Company's issued share capital comprised 1,323,635,250 Ordinary shares of 2.5p each, including 173,005,885 Ordinary shares held in Treasury.

Continuation Vote

In accordance with the Company's Articles of Association, the Directors are required to propose a resolution that the Company continue as an investment trust at the Annual General Meeting in 2023 and every third year thereafter.

Management Company and Company Secretary

The Company employs JPMorgan Funds Limited ('JPMF' or the 'Manager') as its Alternative Investment Fund Manager and Company Secretary. JPMF delegates the management of the Company's portfolio to JPMorgan Asset Management (UK) Limited ('JPMAM' or 'Investment Manager'). The Portfolio Managers are Austin Forey and John Citron, who are employees of JPMAM.

Website

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

Email Updates

To sign up to receive email updates from the Company delivering regular news and views, as well as the latest performance statistics, please visit https://tinyurl.com/JMG-Sign-Up or scan the QR code on page 14.

Contact the Company

General enquiries about the Company should be directed to the Company Secretary at invtrusts.cosec@jpmorgan.com

FINANCIAL CALENDAR

Financial year end	**30th June**
Final results announced	**September**
Annual General Meeting	**8th November**
Final dividend paid	**10th November**
Half year end	**31st December**
Half year results announced	**February**
Interim dividend paid	**April**

Your Company

The JPMorgan Emerging Markets Investment Trust plc (the 'Company' or 'JMG') has been seeking out high quality emerging market companies with the potential to deliver sustainable long-term returns since its launch in 1991. The Investment Manager looks for well-managed businesses with strong governance and sustainable business models that can compound earnings consistently over time.

Investing in the world's dynamic and fast-growing emerging economies provides potential for great rewards, but also higher volatility. In these markets, the ability to consistently unlock returns requires local knowledge, a focus on quality and sustainable growth.

Why Invest in JPMorgan Emerging Markets Investment Trust plc?

How your Company delivers:

Experienced Portfolio Managers: Investment decisions are guided by two highly experienced Portfolio Managers who have managed the Company collectively for more than 30 years.

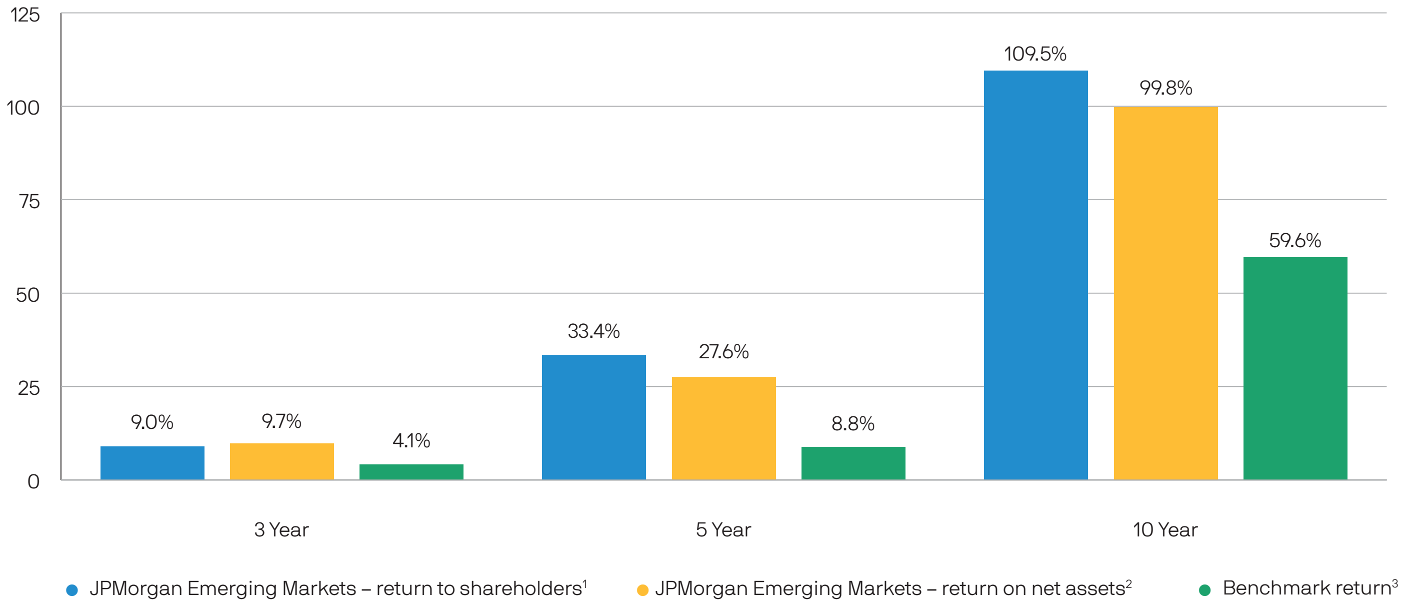
Expertise and in-depth research: More than 100 research and investment specialists and over 3,000 company visits every year helping to identify high quality investment opportunities.

ESG considerations: a longstanding focus during the investment analysis process which includes identifying companies with sustainable business models and financially material environmental, social and governance credentials.

Award-winning: Industry recognised for investment performance.

Investment results: Over the long term your Company has outperformed its benchmark, the MSCI Emerging Markets Index, over three, five and ten years.*

Long term performance (total returns) for periods ended 30th June 2023



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 Market Index with net dividends reinvested, in sterling terms.
* Cumulative Return basis as at 30/06/23 on a NAV to NAV basis, including ongoing charges and any applicable fees, with any income reinvested, in sterling terms.

Key Features

"We are active managers and do not expect to replicate index returns. Rather, by applying a consistent process as diligently as we can, we seek to enhance them.

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

Austin Forey, Portfolio Manager
JPMorgan Emerging Markets Investment Trust plc

Meet the Portfolio Managers

Our heritage and our team

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

Our investment approach

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

"We also strive to be a responsible and engaged investor in the companies in which your portfolio is invested. A long-term approach to investment leads naturally to a consideration of sustainability in the broadest sense, and we have always sought to incorporate this in our investment process."

John Citron, Portfolio Manager
JPMorgan Emerging Markets Investment Trust plc

3,000+
Company meetings conducted per annum, on average[1]

100+
Investment professionals in Emerging Markets and Asia

72.3%
Active share — a measure of active management[2]

90% Lower
Carbon Emissions for the portfolio are more than 90% lower than the carbon emissions for the benchmark[3]

[1] Classification methodology has been adjusted post Covid-19.

[2] Active share is a measurement of the difference in the Company's portfolio compared to the benchmark index. A portfolio that replicates the index has an active share of zero, while a portfolio that owns entirely out-of-benchmark securities has an active share of 100.

[3] Source: MSCI.

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Financial Highlights

Total returns (including dividends reinvested) to 30th June

	2023	2022	3 Years Cumulative	5 Years Cumulative	10 Years Cumulative
Return to shareholders[1,APM]	+0.8%	–20.6%	+9.0%	+33.4%	+109.5%
Return on net assets[2,APM]	0.0%	–17.3%	+9.7%	+27.6%	+99.8%
Benchmark return[3]	–2.8%	–15.0%	+4.1%	+8.8%	+59.6%
Dividend per share	1.65p	1.35p			

[1] Source: Morningstar. Share price per share with net dividends reinvested.

[2] Source: Morningstar/J.P. Morgan. Cum income NAV per share with net dividends reinvested.

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

[APM] Alternative Performance Measure ('APM').

A glossary of terms and APMs is provided on pages 103 to 105.

Summary of Results

Summary of results

	2023	2022	% change
Total returns for the year ended 30th June			
Return to shareholders[1,APM]	+0.8%	–20.6%	
Return on net assets[2,APM]	+0.0%	–17.3%	
Benchmark return[3]	–2.8%	–15.0%	
Net asset value, share price and discount as at 30th June			
Shareholders' funds (£'000)	1,329,822	1,369,306	–2.9
Net asset value per share	115.6p	117.0p	–1.2
Share price[4]	104.4p	105.0p	–0.6
Share price discount to net asset value per share[APM]	9.7%	10.3%	
Shares in issue (excluding shares held in Treasury)	1,150,629,365	1,170,512,230	
Revenue for the year ended 30th June			
Gross revenue return (£'000)	30,429	23,201	+31.2
Net revenue attributable to shareholders (£'000)	22,597	15,992	+41.3
Revenue return per share	1.94p	1.36p	+42.6
Dividend per share	**1.65p**	**1.35p**	**+22.2**
Net cash at 30th June[APM]	**(1.4)%**	**(4.1)%**	
Ongoing charges to 30th June[APM]	**0.85%**	**0.84%**	

1 Source: Morningstar. Share price per share with net dividends reinvested.
2 Source: Morningstar/J.P. Morgan. Cum income NAV per share with net dividends reinvested.
3 Source: MSCI. The Company's benchmark is the MSCI Emerging Markets Index with net dividends reinvested, in sterling terms.
4 Source: Morningstar.
APM Alternative Performance Measure ('APM').

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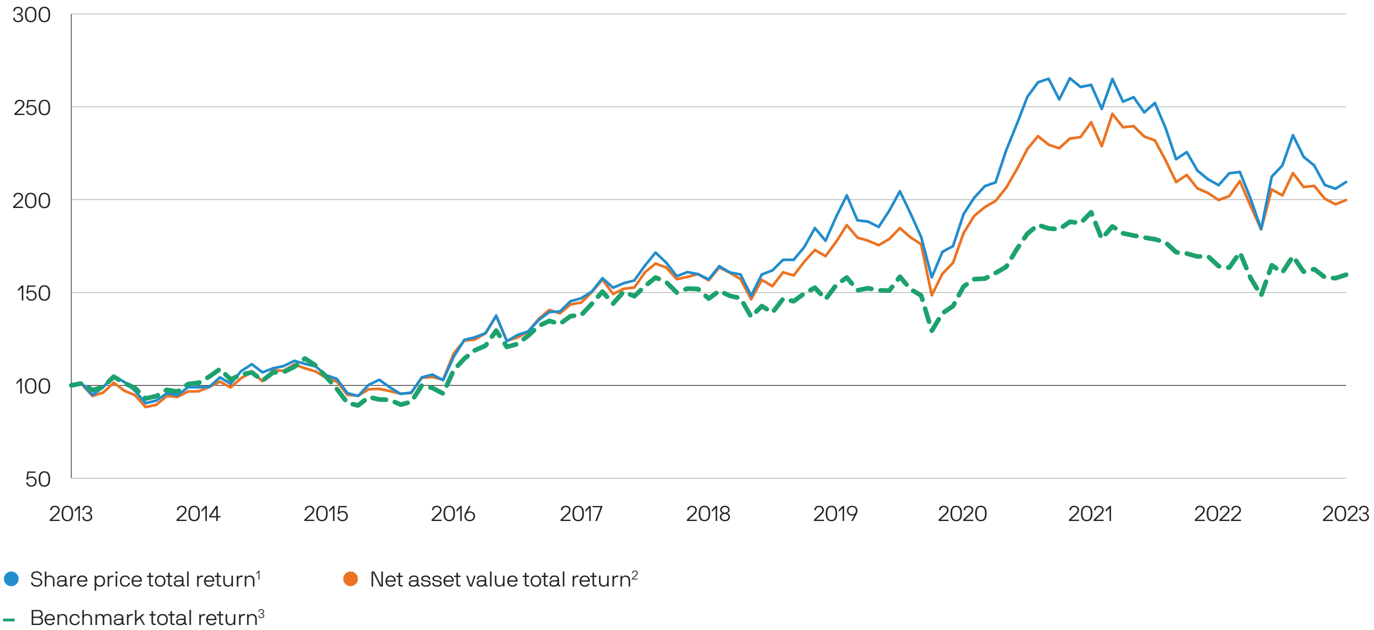
Ten Year Performance

Ten year performance

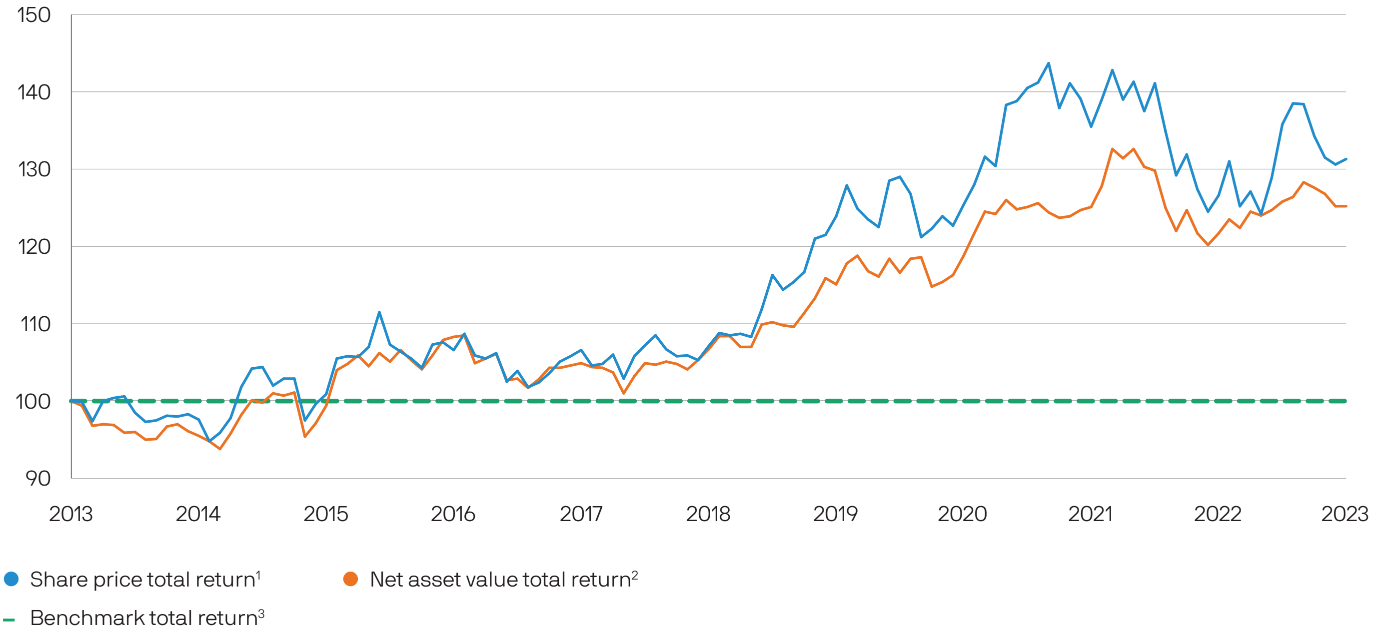
Rebased to 100 at 30th June 2013



[1] Source: Morningstar. Share price per share with net dividends reinvested.
[2] Source: Morningstar/J.P.Morgan. Cum income NAV per share with net dividends reinvested.
[3] Source: MSCI. The Company's benchmark is the MSCI Emerging Markets Index with net dividends reinvested, in sterling terms.

Ten year performance relative to benchmark

Rebased to 100 at 30th June 2013



[1] Source: Morningstar. Share price per share with net dividends reinvested.
[2] Source: Morningstar/J.P.Morgan. Cum income NAV per share with net dividends reinvested.
[3] Source: MSCI. The Company's benchmark is the MSCI Emerging Markets Index with net dividends reinvested, in sterling terms.

Ten Year Financial Record

Ten Year Record

At 30th June	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Shareholders' funds (£m)	785.8	750.6	852.7	934.6	1,121.0	1,196.9	1,313.8	1,303.9	1,698.0	1,369.3	1,329.8
Net asset value (NAV) per share (p)[1]	64.9	62.3	66.4	74.1	90.5	96.8	107.6	108.9	143.0	117.0	115.6
Share price (p)[2]	56.7	55.6	58.7	63.5	79.9	84.3	100.2	99.4	133.8	105.0	104.4
Share price discount to NAV (%)[APM]	12.7	10.8	11.6	14.3	11.7	12.9	6.9	8.7	6.4	10.3	9.7
Gearing/(Net cash) (%)[APM]	(4.2)	(4.6)	(3.5)	(3.6)	(1.0)	(0.6)	(0.7)	(1.2)	(0.8)	(4.1)	(1.4)
Year ended 30th June											
Gross revenue return (£'000)	18,487	16,071	19,805	17,119	21,902	23,207	25,162	20,383	19,623	23,201	30,429
Revenue return per share (p)[1]	0.67	0.51	0.67	0.95	1.28	1.34	1.49	1.17	1.02	1.36	1.94
Dividend per share (p)[1]	0.55	0.55	0.60	0.90	1.10	1.25	1.40	1.42	1.35	1.35	1.65
Ongoing charges (%)[APM]	1.14	1.17	1.14	1.16	1.07	1.02	1.02	0.95	0.90	0.84	0.85
Rebased to 100 at 30th June 2013											
Share price total return[2,APM]	100.0	99.0	105.5	115.4	146.9	157.1	190.8	192.3	261.8	207.8	209.5
Net asset value total return[3,APM]	100.0	96.8	104.0	117.2	144.6	156.6	177.3	182.1	241.7	199.8	199.8
Benchmark total return[4]	100.0	101.4	104.6	108.2	137.8	146.7	154.0	153.3	193.2	164.2	159.6

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

[2] Source: Morningstar. Share price per share with net dividends reinvested.

[3] Source: Morningstar/J.P.Morgan. Cum income NAV per share with net dividends reinvested.

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

[APM] Alternative Performance Measure ('APM').

A glossary of terms and APMs is provided on pages 103 to 105.

Performance and Market Background

Aidan Lisser
Chair

It has been a privilege to lead your Company in my first year as Chair of the Board. I would like to begin this statement by thanking shareholders for their patience, in what has been an uncertain and volatile time for investors. The Company has not been immune to this volatility, although it is encouraging that performance was ahead of the benchmark. For the year ending 30th June 2023, the net asset value ('NAV') total return was flat, while total returns to shareholders grew by 0.8%. The Company outperformed its benchmark index, which fell 2.8%, by 3.6%. Meanwhile it is pleasing to note that long term performance continues to be extremely robust, in both outright terms and relative to the benchmark, as detailed on pages 7, 9 and 10.

In my half year statement, I noted the improvement in emerging markets sentiment during the final quarter of 2022, which was driven by US dollar weakness and by China's decision to abandon its stringent 'zero Covid' policies. While the dollar has continued to weaken over the first half of 2023, other developments have been much less supportive of emerging markets. Importantly, given China's sizeable position in the emerging market index, the impact of the country's reopening post Covid has proved much less vigorous than originally anticipated. The associated weakness in the Chinese market was a significant drag on the index over the period, as the Portfolio Managers discuss in detail in their report. Elsewhere, the US regional banking crisis sparked jitters about the global financial system, while persistently high inflation forced Central Banks in developed markets to keep tightening monetary policy, to the extent that short term US borrowing costs now exceed long-term bond yields. This so-called 'inverted yield' curve has historically been a reliable indicator of an economic recession, and concerns about slower global growth have mounted accordingly.

The Portfolio Managers' report, beginning on page 16, provides a clear and insightful review of the market environment, the Company's performance, portfolio adjustments and the outlook and strategy for the year ahead.

Purpose and Principles

Recent Annual Report statements highlight that the Company has maintained and communicated a clear and consistent investment philosophy and process over time. Such clarity of purpose is even more important during uncertain times, so before reviewing some of the Company's key features, I think it is worthwhile reiterating our core principles:

- the Company's purpose is to achieve superior long-term returns for shareholders. The Board considers long term to be a period of at least three to five years and evaluates the Manager on that basis.
- our Portfolio Managers are predominantly focused on stock selection, taking a bottom-up approach to finding good businesses at reasonable prices and owning them for as long as they keep performing in line with expectations. Typically, these businesses are well-governed growth companies, with strong 'quality' credentials, such as robust balance sheets and management teams with deep experience through different economic cycles.
- high quality research and in-depth knowledge of local markets are key components of the investment process, as is the intent to be a responsible and engaged investor in the companies held in the portfolio.
- given this focus on high-quality growth companies with sustainable business models, the portfolio will not outperform in all market conditions and investment styles, and there may be periods when this approach underperforms the benchmark. However, it is the Board's firm belief that this strategy will continue to outperform over the longer term. The Company's average annualised return over the ten and 20 years ended 30th June 2023 was +7.2% and +14.0% per annum respectively on a NAV total return basis, both returns outpacing the benchmark's return of +4.8% and +9.6% respectively. This is a very creditable performance, delivered over a wide range of challenging market conditions.

Chair's Statement

The Portfolio Managers' investment philosophy might thus be best summarised as basing investment decisions on thorough fundamental research, maintaining a long-term focus and having the conviction and patience to remain invested for long periods of time, despite near-term challenges.

Share Price Rating to NAV per Share

Over the period, the discount at which the Company's shares trade versus its NAV has narrowed slightly and ended the financial year at 9.7% (2022: 10.3%). At the time of writing the Company's shares are trading on a discount of 9.0%.

This outcome is comparable with the experience of the Company's immediate peers, and somewhat more positive versus investment trusts across differing asset classes. Indeed, the Association of Investment Companies has recently noted that discounts generally are at historically wide levels.

The Directors recognise that it is important to shareholders that the Company's share price does not diverge excessively from the underlying NAV, and the Board monitors the discount and market conditions on at least a weekly basis. The Board will consider buying back shares to manage the level and volatility of the discount, if it is judged to be in the best interests of shareholders to do so. In the 12-month review period, the Board utilised the Company's authority to buy back shares, repurchasing a total of 19,882,865 shares (1.7% of the issued share capital – excluding shares held in Treasury – on 1st July 2022). These shares were purchased at a weighted average discount to NAV of 10.0%, producing a modest uplift to the NAV for continuing shareholders, as buybacks increase the net asset value per share. The cost was £21.2 million and in aggregate the buybacks added 0.2% to performance. A further 3,349,772 shares have been bought back post the year end.

Revenue and Dividends

Whilst the Company's principal focus is capital growth, the Board recognises that dividends form a welcome component of total shareholder returns. Net revenue after taxation for the 12 months to 30th June 2023 was £22.6 million (2022: £16.0 million) and earnings per share were 1.94 pence (2022: 1.36 pence). The significant increase in revenue was principally due to higher dividend receipts from around a third of the portfolio's investments, including some special dividends.

It is important to acknowledge that the level of dividends will vary year by year, and may fluctuate in line with underlying earnings, currency movements and changes in the portfolio. That said, the Board is pleased to be in a position to increase the total dividend for this year. The Board is proposing a final dividend of 1.07 pence per share, which, when added to the interim dividend of 0.58 pence paid in April 2023, amounts to a total dividend of 1.65 pence per share for the full year. This represents a 22.2% increase on the total dividend of 1.35 pence paid in 2022 and will be covered by this year's revenues. Subject to approval by shareholders at the Company's forthcoming Annual General Meeting ('AGM'), the final dividend will be paid on 10th November 2023 to shareholders on the register at the close of business on 6th October 2023.

Continuation Vote

Pursuant to the Company's Articles of Association, the Board is required to put a triennial continuation vote to shareholders. As the last such vote took place in 2020, a continuation vote will be put to shareholders at the Company's forthcoming AGM. Given the long-term performance returns, your Board has no hesitation in recommending to shareholders that they vote in favour of the Company continuing as an investment trust for a further three-year period.

Environmental, Social and Governance Considerations/Task Force on Climate-related Financial Disclosures

As long-term investors, the Investment Manager has always integrated sustainability considerations into its assessment of individual businesses. In the search for sustainable business models and long-lasting competitive advantages, the Manager is concerned with the environmental, social and governance ('ESG') aspects of both current and potential portfolio holdings. Therefore, whilst the Company is not described as a sustainable fund, incorporation of these factors is a natural consequence of its investment process. In this context, it is notable for example that the profile of the portfolio includes a very low carbon footprint compared against the benchmark.

Active engagement with investee companies is also an important part of this process and you will find a series of case studies, concerning companies held in the portfolio, in the ESG statement starting on page 28. This report provides more detail on the Investment Manager’s approach as well as relevant metrics to assess progress, including the Company’s proxy voting record.

As a regulatory requirement for the Company’s Manager, on 30th June 2023, JPMAM published its first UK Task Force on Climate-related Financial Disclosures (‘TCFD’) Report for the Company in respect of the calendar year ended 31st December 2022. The report discloses estimates of the Company’s portfolio climate-related risks and opportunities according to the Financial Conduct Authority (‘FCA’) Environmental, ESG Sourcebook and the TCFD. The report is available on the Company’s website under the ESG documents section and can be found using this link: https://am.jpmorgan.com/content/dam/jpm-am-aem/emea/regional/en/regulatory/esg-information/jpm-emerging-markets-inv-trust-plc-fund-tcfd-report-uk-per.pdf.

Board Governance

Having served as a Director since 2015, Richard Laing will retire from the Board in the first half of 2024. Richard currently chairs the Audit Committee and he will be succeeded in this role by Zoe Clements at the conclusion of the Company’s forthcoming AGM. On behalf of the Board and shareholders, I would like to thank Richard for the very substantial contribution that he has made to the Company during his tenure, both as an outstanding Audit Chair and for his wide-ranging expertise as a Director. We wish him all the best for the future and congratulate Zoe on her new appointment.

The Board constructs detailed succession plans to ensure it retains an appropriate balance of skills, experience and knowledge. To this end, the Board, through the remit of the Nomination Committee, has appointed Sapphire Partners to assist with the recruitment of a non-executive director. Following the appointment of a new director, intended to be announced by the end of 2023, it is the clear expectation that the Board will meet the new FCA Listing Rules targets in respect of gender. For more information on these targets and the Board’s explanation of the current position and future intentions, please refer to page 36. In addition and consistent with previous disclosures, the Board remains committed to the FTSE Women Leaders Review and its voluntary targets.

The Nomination Committee also conducted a detailed evaluation of Board and Chair performance which is covered on pages 56 and 57.

Evaluation of Manager and other Third Party Providers

During the year, the Board, through the remit of the Management Engagement Committee (‘MEC’), undertook a formal review of the Manager, facilitated by Lintstock, an independent board evaluation firm. The review covered services provided to the Company including the Manager’s long-term investment performance record, management processes, investment style, resources, risk control mechanisms and administration, company secretarial and marketing services. Following this review, the MEC concluded that overall the Company is well served by JPMorgan and that the continued appointment of the Manager, on the terms agreed, is in the interests of shareholders as a whole. Please refer to page 57 for full details of the MEC’s remit.

The Directors also reviewed the other key third party providers, particularly in terms of quality of service and fees and provided appropriate feedback on their performance.

Revised Management Fee Arrangements

The Board believes your Company should demonstrably represent value for money and that shareholders should benefit from the rewards of scale. To this end, the Board has agreed with the Manager that, with effect from 1st July 2023, the Company’s management fee should be calculated on a tiered basis of 0.75% per annum on the first £500 million of net assets, 0.65% on net assets between £500 million and £1 billion and 0.60% on net assets in excess of £1 billion. This compares with the flat fee arrangement of 0.75% per annum on net assets which has been levied since 1st July 2021.

For illustrative purposes, as at 30th June 2023, the Company’s net assets totalled £1.33 billion. The Company’s current annual ongoing charges ratio is 0.85%. However, it is estimated that had this new fee structure been in place for the year ended 30th June 2023, the ongoing charges ratio would have been 0.78%, significantly below the ongoing charges ratio of 1.02% from five years ago. Your Company’s fee arrangements therefore remain extremely competitive with other comparable managed investment companies and similar savings products. On behalf of the Board I would like to acknowledge the Manager's constructive approach in engaging with this process.

Promotion and Shareholder Communication

As part of the strategy to reach private individual investors, your Company has invested in a targeted marketing campaign, with the aim of generating sustained new investor interest and demand. Shareholders may have already noticed our online advertising campaigns which should generate demand for the Company's shares, to the benefit of current shareholders. At the same time, the Company continues its established investor relations and marketing programme to wealth managers, institutions and private client stockbrokers. These initiatives are implemented by JPMorgan but are regularly reviewed by the Board, both in terms of effectiveness and cost.

All shareholders, both current and potential, will also find useful information on the Company's website, including video content and sponsored research.

The Board and the Manager are keen to increase dialogue with the Company's existing shareholders wherever possible. Investors holding shares through online platforms will shortly receive a letter inviting them to sign up to receive email updates from the Company. These updates will deliver regular news and views, as well as the latest performance statistics. Shareholders wishing to receive these communications can subscribe now by visiting https://tinyurl.com/JMG-Sign-Up or by scanning the QR code in the margin of this statement. If at any time shareholders wish to correspond with the Board directly, they can do so by contacting the Company Secretary at invtrusts.cosec@jpmorgan.com.

AGM

The Company's thirty-second AGM will be held at 60 Victoria Embankment, London EC4Y 0JP on 8th November 2023. Further to shareholder feedback received at last year's AGM, the meeting will convene at the earlier time of 2.30 p.m.

Portfolio Managers Austin Forey and John Citron will give a presentation to shareholders, reviewing the past year and outlining their view on the outlook for emerging markets for the current year. The meeting will be followed by afternoon tea, which will provide shareholders with the opportunity to meet the Directors and the Portfolio Managers. Shareholders wishing to follow the AGM proceedings, but who choose 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.jpmemergingmarkets.co.uk, or by contacting the Company Secretary at invtrusts.cosec@jpmorgan.com.

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. If your shareholding is through the Company's main register, proxy votes can be lodged in advance of the AGM either by post or electronically, and detailed instructions are included in the Notes to the Notice of AGM on pages 99 to 102. If you hold your shares through an investment platform please refer to the 'Voting on Company Business and Attending the AGM' section on page 106.

Outlook

Developments in China were one of the main factors impacting emerging markets over the past year. With demand for exports weakening and the heavily indebted property market under severe pressure, near-term economic growth is likely to remain well below pre-pandemic levels.

However, it is important to stress that our Portfolio Managers are focused on the bottom-up fundamentals of the high-quality businesses that they own or target, and the growth prospects of those companies over the long-term. Whatever the country's near-term economic prospects, the Chinese market will still offer appealing investment opportunities capable of generating excess returns for the Company's shareholders. Furthermore, while the Chinese market continues to face challenges over the coming year, it is evident that many other emerging markets have done well – inflation pressures are less extreme, their currencies have been strengthening and companies have performed strongly. Opportunities in these markets will remain plentiful.

Chair's Statement

In addition, the long-term case for emerging markets remains robust – based on superior economic growth, favourable demographics, increasing consumption and the presence of high-quality companies and managements.

The Company's long-term record of outright gains and outperformance is evidence that the Investment Manager's consistent, disciplined approach has allowed them to identify the most compelling opportunities across emerging markets, and to successfully navigate previous bouts of market turmoil and uncertainty. The Board is confident that their experience and expertise, alongside the principles set out at the beginning of this report, will continue to serve shareholders well going forward.

Aidan Lisser
Chair

26th September 2023

Portfolio Managers' Report

Austin Forey
Portfolio Manager

John Citron
Portfolio Manager

Objectives & Outcomes

Purpose & Approach

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

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

Returns for Shareholders

Emerging market equities have not had a vintage year. Our benchmark index, which serves as an indication of the overall results of the asset class, fell 2.8% in sterling terms during the twelve months to June 2023. Your portfolio fared better than this, but merely managed to maintain its value, delivering a flat return on net asset value per share during the year. Beneath these headline numbers lie a wide range of outcomes in different countries and indeed between individual stocks. As we explain later, the overall outcome would have been significantly more positive had it not been for the results seen in the Chinese market, whose decline both masked and offset the fact that many emerging markets delivered healthy positive gains over the year.

Active Management

As we noted last year, we are active managers and do not expect to replicate index returns. Rather, by applying a consistent process as diligently as we can, we seek to enhance them. In this latest twelve-month period, the Investment Manager Contribution added 3.5% to your portfolio when compared to the benchmark index as is set out in the below table.

PERFORMANCE ATTRIBUTION – CONTRIBUTIONS TO TOTAL RETURNS

Contributions to total returns as at 30th June 2023

	12 months to 30th June 2023	
	%	%
Benchmark Total return		**–2.8**
Asset allocation	2.1	
Stock selection	4.0	
Currency effect	–2.8	
Gearing/Cash	0.2	
Investment Manager contribution		**3.5**
Portfolio total return		**0.7**
Management Fees/Other Expenses	–0.9	
Share Repurchases	0.2	
Return on net assets[APM]		**0.0**
Return to shareholders[APM]		**0.8**

Source: JPMAM/Morningstar. All figures are on a total return basis.
Performance attribution analyses how the Company achieved its recorded performance relative to its benchmark.
[APM] Alternative Performance Measure ('APM').

A list of APMs, with explanations and calculations, and a glossary of terms are provided on pages 103 to 105.

While we fully understand that shareholders will focus primarily on the absolute returns they receive, we mention this number for two reasons. The first is that we as Portfolio Managers determine this *relative* performance (often known as 'alpha') with the decisions that we take. The broader market return (or 'beta') of course matters to shareholders, but as Portfolio Managers we cannot influence it. So alpha is the best way to consider whether our active management of the portfolio is proving worthwhile and achieving its goal of enhancing returns for shareholders.

The second reason we mention this number is to set it in a longer-term context. In the 20 years ended 30th June 2023, the Company generated annualised excess returns of +4.0%. This year, we added a little less alpha than the long-run average. However, this serves as a reminder that we cannot produce results which are totally consistent from year to year. There will be years when we exceed our average, and others when we undershoot it. As always, we hope that investors will assess us on the basis of our performance over the long term, rather than with reference to one specific year.

The Year and the Portfolio

The Past Year

To observers of and participants in capital markets, every year feels full of events and fluctuations. But this year has been especially notable for two reasons. The first is the change, perhaps a sea change, in global financial markets from an era of very low inflation and very low interest rates to one in which both are considerably higher. This shift has, not surprisingly, left some casualties in its wake, especially in the developed world's financial sector. If anything we might be surprised that more businesses have not been upended by such a significant change in market conditions. The second notable factor which is particularly important for emerging markets has been the gyrations of the Chinese equity market and, underneath it, the Chinese economy. China makes up close to a third of the overall emerging market index, and to put our earlier comments about its importance in more context it is worth noting that when one third of the index falls by 20%, the rest of the index rising by 10% will still leave the overall return at zero. In simple terms, this is more or less what happened in the twelve months to June 2023. So further comments below about China seem appropriate as well.

The Return of Interest Rates

Everybody knows that financial conditions have changed around the world, with inflation eroding real incomes and higher interest rates raising the cost of debt. With hindsight it is easy to understand why this has happened: first, the huge financial stimulus launched by governments, especially in the West, to counteract the economic effects of the pandemic had the effect of increasing the amount of money in circulation sharply. That led first to a rise in asset prices, including share prices. But after the Russian invasion of Ukraine the consequent decline in energy supply to Western economies, in spite of attempts to manage demand, saw energy prices rise steeply. Those increased costs then passed through the economic chain and created broader consumer price inflation, which was in turn met by the conventional monetary response of higher interest rates in an attempt to slow economic conditions and thus curb those inflationary pressures. So far, so unremarkable, you might think. To those who remember economic cycles in the 1970s and 1980s, this may seem like a normal pattern, potentially ending in a recession, financial easing and an eventual recovery.

Refreshingly, central banks in emerging markets mostly responded well to this cycle, taking quicker and more decisive steps to contain inflation and moving more quickly through the cycle as a result. In countries like Brazil and Mexico, an awareness of inflationary risks and how to deal with them never really faded during the years since the financial crisis. As one senior Latin American banker acerbically remarked at the collapse of Silicon Valley Bank in the USA, 'any junior analyst' from Latin America would have known how to manage the interest rate risk that ultimately proved fatal for that institution.

Your Company's portfolio holdings are well positioned to face an era of higher interest rates.

In the non-financial companies owned in the portfolio, balance sheets remain strongly financed. While the average company in the emerging market index has net debt equivalent to a quarter of its shareholders' funds, the non-financial companies owned in the portfolio have on average, net cash equal to one tenth of their equity. Not only does this protect them from higher interest costs, but their cash generative characteristics mean that they retain control of their own destiny. The message of

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Silicon Valley Bank, and indeed most other corporate failures, is that liquidity and the ability to draw on cash when needed is the key determinant of survival or failure through cycles. What of the financial businesses we own? The first point to make is that higher interest rates often translate into higher margins for banks, making them beneficiaries rather than victims of the trend. But much more important in the long run is the ability to manage credit risk, and to build capital strength. The banks and other lending businesses owned in your portfolio exhibit strongly capitalised balance sheets and a history of profitable operation through past economic cycles, and we expect a similar outcome in this cycle.

If the underlying businesses owned in the portfolio appear well able to handle this new era of higher interest rates, we should also acknowledge that higher rates imply lower valuations for all financial assets. We comment below on the impact of valuations on the results of the portfolio over the last year.

China

A lot has happened in the Chinese equity market in the last year. By the summer of 2022 it was becoming clear that the government's 'zero Covid' policy was having significant negative effects on the country's economy. In spite of this, the government showed little sign of moderating its approach. By the autumn, demonstrations and protests indicated the depth of public frustration with the situation, and the stock market decline accelerated as company results revealed the difficulties businesses were experiencing. With valuations reaching new lows, the market began to recover from the beginning of November, and then in December the government dropped most covid restrictions virtually overnight. The stock market soared in response. However, after rising by more than 50% in three months the market in China has faced more economic challenges in 2023, challenges which lead many to argue that China's turbo-charged economic growth is now permanently a thing of the past.

We share that view. China's extraordinary economic growth over the last three decades has been driven above all by two factors: huge growth in exports, and a huge increase in fixed asset investment, especially residential property construction. Neither of these are currently providing the stimulus that they once did. On the export front, the weakness of developed world demand is naturally providing a headwind; at the same time, increasing geo-political sensitivity has led to direct interventions from Western governments, especially the USA, to curb China's success in high tech industries in particular. Meanwhile increased wages have rendered China less competitive than some other emerging markets, particularly as a base for labour-intensive manufacturing. It would be premature to argue that the Chinese export story is over, but it will clearly have to depend more on higher value-added sectors like medical equipment or electric vehicles; and even here, geo-political issues may recur.

Meanwhile the Chinese property sector is in trouble, and has begun to see large and high-profile bankruptcies. A spectacular construction boom saw almost the whole housing stock of the country reconstructed in two decades; but having done this, there is neither the need nor the demand to do it again. For businesses like property developers that depend on the flow of construction rather than the stock of completed buildings, this is bad news. And the amount of debt attached to this sector makes it a broader economic challenge for the country. Our expectation is that as the two principal engines of past economic growth slow, China's GDP will expand at a much lower rate than in the past, and this in turn will make life tougher for companies. The winners will be those that offer a compelling price/value trade-off to customers. Companies that are earning excess returns without justification will find life much more difficult.

What does this mean for your portfolio? In any economy the best companies can still create value for shareholders, and we have seen before that tough economic environments can often increase the value of competitive advantage. Our holding in the restaurant business Yum China increased noticeably in value during the year as its strong balance sheet allowed it to improve its consumer proposition at a time when competitors were unable to invest, something that ultimately translated into higher revenues and profits for shareholders. More broadly it is worth noting that China was in fact the largest single contributor to your portfolio's outperformance of the index during the last year, driven especially by stock selection within the market. Looking forward, although we remain cautious about the broader outlook for the country, we still see opportunities particularly in strongly positioned businesses able to allocate capital well in a slower growth environment.

Portfolio Returns

Last year we wrote about the underlying performance of companies owned in your portfolio, and how this had translated into portfolio outcomes. The same table that we used last year, updated to reflect the twelve months to 30th June 2023, looks like this:

	12 months to 30th June 2023
Earnings growth (local currency)	+7.5%
Dividend yield	+2.0%
Valuation change	–2.4%
Foreign exchange valuations	–7.1%
Total NAV return (GBP)	**0.0%**

Over the year as a whole, as the table above shows, underlying earnings from portfolio companies grew by 7.5% in local currency. However, over the twelve months sterling was relatively strong, appreciating against the basket of emerging market currencies by 7.1%; a modest decline in valuations offset the dividend component as well, to leave overall portfolio returns flat. Can we argue that we are still finding businesses that can keep compounding? For the most part, yes. If we break down the underlying profit progression of the companies owned by industry, we see that the financial companies we own delivered 10% growth in earnings per share; the consumer companies also saw profits grow 10%, and the technology companies, where cyclical sensitivity to the broader global economy is highest, saw earnings fall by 2%. We should not be surprised by some cyclicality in earnings: a few of the businesses owned in the portfolio are intrinsically cyclical. Samsung Electronics, for example, saw its profits decline by 20%. That is not unusual for a company in a sector like semiconductor manufacturing; yet in past cycles Samsung has maintained its competitive advantages and emerged strongly into the next upturn, and we expect the same to happen in the future. We should bear in mind too that portfolio earnings growth of 7.5% was considerably better than that achieved by the asset class as a whole, which saw corporate profits decline rather than expand over the same period.

In addition, it is worth noting that the dividends paid by the companies owned in your portfolio rose strongly; income received from dividends rose by 22% in sterling compared to the previous financial year. Changes in portfolio weights due to share price movements account for some of this, as do some special dividends which should not be seen as recurring; but the overall message that these dividend increases send is that the companies we own on your behalf are in good shape and optimistic about the future.

Portfolio Changes

We never start a financial year aiming to change the portfolio dramatically; rather, we try to react to market conditions when things become simply too cheap to ignore, or too expensive to maintain the same position. During the year we added marginally to some Chinese holdings as their share prices declined, decisions that looked bad initially, but which certainly helped performance when the Chinese market rebounded strongly late in 2022. This included additional purchases of longstanding high conviction names like Moutai, Netease and Midea.

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We also invested for the first time in two new companies in India, Kotak Mahindra Bank and Cyient, an IT services company specialising in engineering design.

What Next?

China remains an important market as far as the wider prospects for emerging markets are concerned. As we write, valuations are cheap in parts of the Chinese market, and pessimism abounds: that in itself should make us interested. But at the same time, our long-held scepticism about the commitment of many Chinese companies to the optimisation of shareholder value continues to give us pause. For many years, your portfolio had a lower exposure to China than the benchmark index, though a combination of additional investment and relative performance within the market has brought it closer to the index weight more recently. Going forward our allocation to the country will continue to be determined firstly by whether we find businesses with sufficiently wide moats and strong management teams, and secondly whether we find attractively valued opportunities within this subset of special businesses.

But elsewhere in emerging markets, plenty of opportunities remain. Our investments in places like Mexico have prospered over the last year and serve as a reminder that for all the attention paid to China in news headlines, in other countries many businesses have been quietly getting on with what they do best, and seen their share prices evolve accordingly.

If there is one market that bears more comment, it is India, which has been one of the most fertile breeding grounds for precisely the kind of company that we like the most – one managed for the long term, with strong economics, long duration and exemplary governance. In India we see two things happening at the moment. The first is a degree of investor optimism which has pushed share prices for some companies well above the levels we would be happy to pay; we have reduced some of our exposure as a result. But in the real world, India is emerging as one of the few credible alternatives to China for large scale export manufacturing, and a round of inward investment adds to reasons to be optimistic about the future of the Indian economy. The country remains one of our largest allocations in your portfolio.

While economic conditions matter to companies, growth in earnings and dividends per share are what matter most to us. The best companies combine successful operations with judicious decisions about capital allocation, paying out dividends when they cannot reinvest at acceptable returns. As an illustration of what can be achieved, allow us to finish by writing about a company that we first invested in almost twenty-five years ago, Housing Development Finance Corporation ('HDFC'). This stock has been a constant in your portfolio since 1998, but merged with its bank subsidiary in July this year, and hence no longer appears in your portfolio in the same form. We first bought the share at around 200 rupees, but subsequent stock splits mean that number should be divided by 10 to give a price in today's terms of 20 rupees. When the merger was finally concluded in July 2023, the last share price for HDFC was 2,724 rupees. How is that possible? The answer is through the continuous compounding of shareholder value. HDFC's profits grew 90-fold over 25 years, and its investments in new areas like banking, asset management and insurance yielded further gains for shareholders. Its economics remained impressively constant, with return on equity never falling below 13% in any year. The point here is a simple one: outstanding management in front of a big opportunity can, over time, create exceptional outcomes. Our task is to unearth more companies in the future that can stand comparison to investments like HDFC.

Closing Thoughts

Knowing what you are trying to do is the most critical thing for any investor, for two reasons. The first, obviously, is that if you do not really understand what you are trying to achieve, it is very unlikely that you will achieve it. But knowing what you are trying to do has a second equally important function, and that is to prevent the pressure of market cycles and performance fluctuations from blowing you off course. It can be very tempting, when share prices fall or performance is challenging, to go for the quick fix, to chase performance and do things that you would not do in other circumstances. As shareholders in this Company, you should neither expect that from your Portfolio Managers, nor excuse it. We remain committed to a long-term approach because we believe investment to be a marathon rather than a sprint. We do not know what the future holds, but we do believe that a consistent process implemented with conviction can always reward investors in the long run.

Austin Forey
John Citron
Portfolio Managers

26th September 2023

Ten largest equity investments

Ten largest equity investments

At 30th June

Company	Country	2023 Portfolio £'000	2023 Portfolio %[1]	2023 Benchmark %	2023 Over/(under) Weight %	2022 Portfolio £'000	2022 Portfolio %[1]	2022 Benchmark %	2022 Over/(Under) Weight %
Taiwan Semiconductor Manufacturing ('TSMC')[2] TSMC is the world's leading semiconductor foundry company, based in Taiwan. It produces semiconductor chips for third-party designers.	Taiwan	122,931	9.4	6.8	2.6	104,378	7.9	6.1	1.8
Housing Development Finance ('HDFC') HDFC is a financial services company in India. Its core business is mortgage lending. It was a founding shareholder of HDFC Bank, a leading commercial bank in the same country. HDFC also has operations in life insurance, general insurance, asset management and rural lending.	India	88,147	6.7	0.9	5.8	73,168	5.6	0.7	4.9
Tencent Tencent is an internet services company. Its largest activity by revenue is gaming, where it produces and distributes mobile and PC games in China and also overseas. Its core domestic service is the messaging app WeChat and much of the remainder of its revenue is tied to this application which is monetised via advertisements, mini-programmes and payments.	China and Hong Kong	71,988	5.5	3.9	1.6	80,436	6.1	4.3	1.8
Tata Consultancy Services ('TCS') TCS is a global IT services business headquartered in Mumbai and is part of the group of companies under Tata Sons. It provides a comprehensive range of IT services including application development, infrastructure management and digital engineering. Its clients are primarily large global corporations based in developed markets.	India	60,151	4.6	0.6	4.0	64,773	4.9	0.6	4.3
Samsung Electronics Samsung Electronics is a global leader in the manufacturing of memory semiconductors and in addition manufactures logic semiconductors, OLED displays and consumer devices.	South Korea	53,658	4.1	3.9	0.2	42,030	3.2	3.2	—
AIA AIA is an insurance company operating throughout Asia. The company offers life insurance; it also provides health and accident insurance, wealth management services and retirement planning.	China and Hong Kong	51,250	3.9	—	3.9	57,577	4.4	—	4.4
MercadoLibre[3] Mercadolibre operates two main businesses. It is the number one ecommerce platform in many Latin American countries as measured by users, merchants or purchase volumes. In addition it has a large financial technology business which operates both on its marketplace but also off marketplace in products including payment, credit, asset management and insurance.	Argentina	42,483	3.2	—	3.2	30,708	2.3	—	2.3
Infosys[2] Infosys is a global IT services business headquartered in Bangalore. It provides a comprehensive range of IT services including application development, infrastructure management and digital engineering. Its clients are primarily large global corporations based in developed markets.	India	39,638	3.0	0.8	2.2	47,825	3.6	0.8	2.8
Supreme Industries[3] Supreme Industries manufactures plastic pipes which are used in residential and infrastructure construction. It also produces other plastic based products including packaging material, industrial parts and consumer products.	India	35,019	2.7	—	2.7	22,140	1.7	—	1.7
Bank Rakyat Indonesia Persero[3] Bank Rakyat Indonesia (Persero) provides commercial banking activities and its related services. The Bank also provides banking activities based on shariah principles.	Indonesia	30,331	2.3	0.4	1.9	24,444	1.9	0.3	1.6
Total		**595,596**	**45.4**	**17.3**					

[1] Based on total portfolio of £1,311.0m (2022: £1,313.3m).

[2] Includes investments in American Depositary Receipts (ADRs).

[3] Not included in the ten largest equity investments at 30th June 2022.

At 30th June 2022, the value of the ten largest equity investments amounted to £566.4 million representing 43.1% of the total portfolio.

Portfolio Information

Geographic by region

	30th June 2023			30th June 2022		
	Portfolio %[1]	Benchmark %	Over/(Under) Weight %	Portfolio %[1]	Benchmark %	Over/(Under) Weight %
East Asia						
China and Hong Kong	30.0	29.6	0.4	35.9	35.4	0.5
Taiwan	15.5	15.6	(0.1)	14.0	14.5	(0.5)
South Korea	6.4	12.3	(5.9)	5.9	11.3	(5.4)
	51.9	57.5	(5.6)	55.8	61.2	(5.4)
South Asia						
India	23.4	14.6	8.8	20.4	12.7	7.7
Indonesia	4.8	2.0	2.8	3.9	1.8	2.1
Singapore	0.7	—	0.7	1.2	—	1.2
Thailand	—	1.9	(1.9)	—	1.9	(1.9)
Malaysia	—	1.3	(1.3)	—	1.4	(1.4)
Philippines	—	0.7	(0.7)	—	0.7	(0.7)
	28.9	20.5	8.4	25.5	18.5	7.0
Latin America						
Argentina	4.3	—	4.3	3.4	—	3.4
Brazil	4.2	5.5	(1.3)	3.3	4.8	(1.5)
Mexico	3.9	2.8	1.1	3.1	2.1	1.0
Peru	0.7	0.3	0.4	0.6	0.2	0.4
Chile	—	0.5	(0.5)	—	0.5	(0.5)
Colombia	—	0.1	(0.1)	—	0.2	(0.2)
	13.1	9.2	3.9	10.4	7.8	2.6
Europe/Middle East/Africa/ North American						
South Africa	5.0	3.2	1.8	6.2	3.5	2.7
Poland	—	0.8	(0.8)	0.5	0.6	(0.1)
Saudi Arabia	—	4.2	(4.2)	—	4.3	(4.3)
United Arab Emirates	—	1.3	(1.3)	—	1.3	(1.3)
Qatar	—	0.9	(0.9)	—	1.0	(1.0)
Kuwait	—	0.8	(0.8)	—	0.8	(0.8)
Turkey	—	0.6	(0.6)	—	0.3	(0.3)
Greece	—	0.5	(0.5)	—	0.2	(0.2)
Hungary	—	0.2	(0.2)	—	0.2	(0.2)
Czech Republic	—	0.2	(0.2)	—	0.2	(0.2)
Egypt	—	0.1	(0.1)	—	0.1	(0.1)
USA2	1.1	—	1.1	1.6	—	1.6
	6.1	12.8	(6.7)	8.3	12.5	(4.2)
Total	**100.0**	**100.0**		**100.0**	**100.0**	

[1] Based on total portfolio of £1,311.0m (2022: £1,313.3m).

[2] Relates to EPAM Systems, a company listed on the New York Stock Exchange. EPAM's software engineering workforce is located predominantly across Eastern Europe, including Belarus, and other emerging markets. The company was previously classified by the Manager as Belarusian. It is not impacted by sanctions imposed following the Russian invasion of Ukraine.

Portfolio Information

Sector analysis

	30th June 2023			30th June 2022		
	Portfolio %[1]	Benchmark %	Over/(Under) Weight %	Portfolio %[1]	Benchmark %	Over/(Under) Weight %
Information Technology	27.8	21.2	6.6	26.1	19.2	6.9
Financials	26.8	21.9	4.9	26.7	21.2	5.5
Consumer Staples	18.3	6.4	11.9	18.4	6.1	12.3
Consumer Discretionary	9.2	13.2	(4.0)	9.7	14.9	(5.2)
Communication Services	9.0	9.8	(0.8)	10.3	10.6	(0.3)
Materials	3.7	8.1	(4.4)	2.5	8.4	(5.9)
Industrials	2.6	6.3	(3.7)	2.2	5.6	(3.4)
Health Care	2.3	3.8	(1.5)	3.4	4.0	(0.6)
Real Estate	0.3	1.7	(1.4)	0.7	2.1	(1.4)
Energy	—	5.0	(5.0)	—	5.0	(5.0)
Utilities	—	2.6	(2.6)	—	2.9	(2.9)
Total	**100.0**	**100.0**		**100.0**	**100.0**	

[1] Based on total portfolio of £1,311.0m (2022: £1,313.3m).

Investment activity

During the year ended 30th June 2023

	Value at 30th June 2022 £'000	% of Total assets	Purchases £'000	Sales £'000	Change in value £'000	Value at 30th June 2023 £'000	% of Total assets
China and Hong Kong	471,727	35.9	27,046	(7,617)	(98,588)	392,568	30.0
India	267,873	20.4	29,138	(21,370)	30,634	306,275	23.4
Taiwan	184,103	14.0	2,926	—	16,677	203,706	15.5
South Korea	77,560	5.9	2,798	—	3,677	84,035	6.4
South Africa	81,118	6.2	—	—	(15,069)	66,049	5.0
Indonesia	51,617	3.9	2,664	—	8,576	62,857	4.8
Argentina	44,533	3.4	—	(11,073)	22,662	56,122	4.3
Brazil	43,665	3.3	—	(2,020)	13,787	55,432	4.2
Mexico	40,006	3.1	—	—	11,677	51,683	3.9
USA[1]	21,542	1.6	—	(2,734)	(4,663)	14,145	1.1
Peru	7,868	0.6	—	—	1,376	9,244	0.7
Singapore	14,982	1.2	—	(4,388)	(1,759)	8,835	0.7
Russia	60	—	—	—	(2)	58	—
Poland	6,622	0.5	—	(7,359)	737	—	—
Total investments	**1,313,276**	**100.0**	**64,572**	**(56,561)**	**(10,278)**	**1,311,009**	**100.0**

[1] Relates to EPAM Systems, a company listed on the New York Stock Exchange. EPAM's software engineering workforce is located predominantly across Eastern Europe, including Belarus, and other emerging markets. The company was previously classified by the Manager as Belarusian. It is not impacted by sanctions imposed following the Russian invasion of Ukraine.

Portfolio Information

List of investments

At 30th June 2023

Company	Valuation £'000
China and Hong Kong	
Tencent	71,988
AIA	51,250
Kweichow Moutai	28,610
NetEase	26,949
Ping An Insurance[1]	23,778
Techtronic Industries	19,901
Yum China	19,007
Budweiser Brewing Co. APAC	18,150
Hong Kong Exchanges & Clearing	16,847
Midea	16,378
Alibaba	13,400
JD.com	11,172
Wuxi Biologics Cayman	10,356
Sichuan Swellfun	9,791
Guangzhou Kingmed Diagnostics	9,180
Foshan Haitian Flavouring & Food	8,545
H World[2]	6,435
Kingdee International Software	6,428
Inner Mongolia Yili Industrial	5,975
Amoy Diagnostics	5,445
Zhejiang Supor	4,737
Qingdao Haier Biomedical	4,724
Greentown Service	3,522
	392,568
India	
Housing Development Finance	88,147
Tata Consultancy Services	60,151
Infosys[2]	39,638
Supreme Industries	35,019
ITC	27,732
United Breweries	17,122
HDFC Life Insurance	13,693
Kotak Mahindra Bank	13,661
Cyient	11,112
	306,275

Company	Valuation £'000
Taiwan	
Taiwan Semiconductor Manufacturing[2]	122,931
Advantech	22,880
Chailease	22,375
President Chain Store	15,732
Delta Electronics	14,170
Silergy	5,618
	203,706
South Korea	
Samsung Electronics	53,658
LG Chem	13,858
NAVER	10,356
LG H&H	6,163
	84,035
South Africa	
Clicks	24,527
Bid Corp	20,997
Capitec Bank	20,525
	66,049
Indonesia	
Bank Rakyat Indonesia Persero	30,331
Bank Central Asia	25,359
Unilever Indonesia	7,167
	62,857
Argentina	
MercadoLibre	42,483
Globant	13,639
	56,122
Brazil	
WEG	13,745
Raia Drogasil	11,516
B3 SA – Brasil Bolsa Balcao	7,762
Itau Unibanco Holding Preference	7,687
Lojas Renner	7,606
Ambev[2]	7,116
	55,432

List of investments

continued

Company	Valuation £'000
Mexico	
Grupo Financiero Banorte	20,499
Wal-Mart de Mexico	20,471
Fomento Economico Mexicano[2]	10,713
	51,683
USA	
EPAM Systems[4]	14,145
	14,145
Peru	
Credicorp	9,244
	9,244
Singapore	
Sea[2]	8,835
	8,835
Russia	
Sberbank of Russia[3]	58
	58
Total Investments	**1,311,009**

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

2 Includes investments in American Depositary Receipts (ADRs).

3 Held at fair value as determined by the Directors due to the restrictions on transacting in Russian securities.

4 EPAM Systems is a company listed on the New York Stock Exchange. EPAM's software engineering workforce is located predominantly across Eastern Europe, including Belarus, and other emerging markets. The company was previously classified by the Manager as Belarusian. It is not impacted by sanctions imposed following the Russian invasion of Ukraine.

Environmental, Social and Governance ('ESG') Statement

ESG and JPMorgan Emerging Markets Investment Trust

Introduction

It is perhaps worth starting by standing right back and explaining how environmental, social and governance issues fit both with each other and also into a broader theory of sustainability. The Company is not a sustainable or ESG investment vehicle, nor do we explicitly target ESG outcomes as part of portfolio construction. However this broader theory of sustainability has always been and remains at the heart of your Investment Manager's process.

The essence of what a company does is to turn economic inputs into outputs. Those economic inputs come from the natural world (environmental), the human world (social) and the financial world (governance). Similarly, the economic activity of a company has external impact on the natural (environmental), human (social) and financial (governance) spheres. Sustainability is an analysis of whether a company will continue to have access to the inputs it requires to operate effectively and whether the output of its activity will have adverse consequences which threaten its future. 'Environmental', 'social' and 'governance' simply capture the most natural spheres into which the analysis can be segmented. Understood in these terms, any investment analysis which does not consider sustainability (or ESG) would be incomplete. A company which loses access to the economic inputs it needs or which places an unmanageable burden on external stakeholders will not endure. In emerging markets, where resources can be constrained and local populations are often less resilient, these considerations are even more paramount. Not only do they explain many business failures, but they can also explain business success.

By illustration we can consider two of your holdings that operate in the beer industry: Ambev in Brazil and United Breweries in India. A key input from the natural world for both companies is water and both companies have led the global beer industry in reducing the amount of water required to produce a pint of beer. There is an environmental and societal benefit to this effort as it ensures an important but sometimes scarce resource is not being over consumed by the corporate sector to the detriment of wider society. However there is also a financial incentive as a more efficient production process reduces costs and saves time. To put numbers to this observation, Ambev now uses 2.58 litres of water for each litre of beer produced, down from 3.34 litres a decade earlier.

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

The basics: what is ESG?

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

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

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

Why do we integrate ESG into our investment processes?

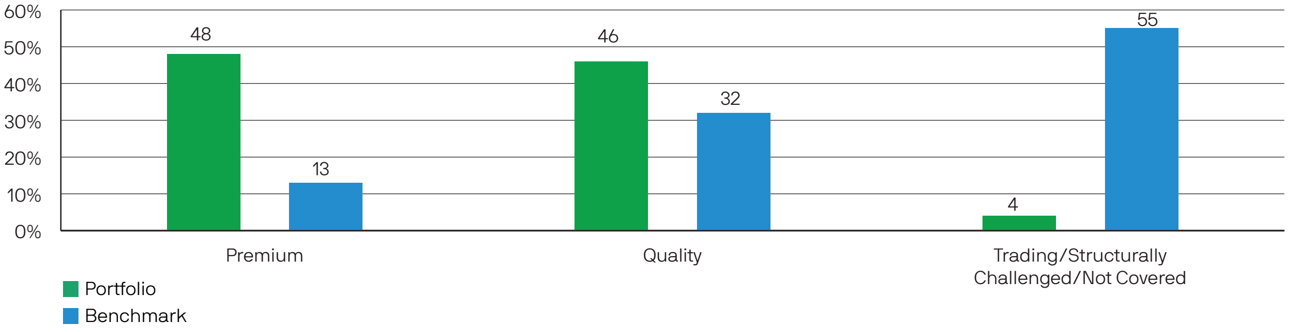
Consideration of sustainability is intrinsic to our long-term approach to investment. When we invest our clients' assets, we have to make judgements about the future risks and rewards of any investment. Those risks and rewards have the potential to affect the future value of a security. A business that 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, Duration and Governance. Environmental and Social issues have always been part of our assessment of Duration, along with broader considerations like the competitive and regulatory landscape faced by the business.

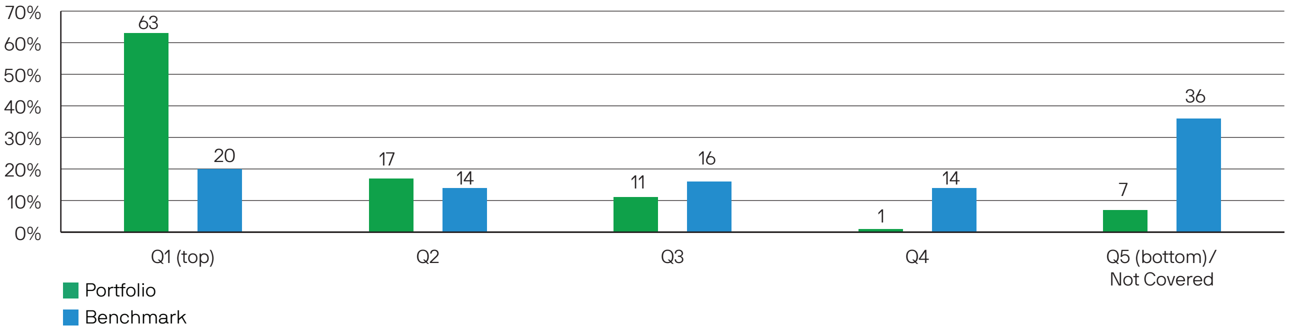
Strategic Classification: Portfolio vs. Benchmark



Source: J.P.Morgan Asset Management as 30th June 2023.

Secondly our research analysts complete a 98-question risk profile for each of the 1,000+ companies that we cover. Two thirds of these questions relate to environmental, social and governance issues with the remainder considering broader aspects of risk such as financial risk and regulatory risk. The graph below splits the portfolio and the benchmark based on how exposed they are to each quintile (equal groupings of 20%) of the risk profile responses; the bottom quintile in addition includes companies where we have no active research coverage, usually due to low perceived corporate quality. In the small number of cases where we have exposure to lower ranked names, this typically reflects instances where we acknowledge there are issues but do not perceive these to pose material risks to long term investment outcomes.

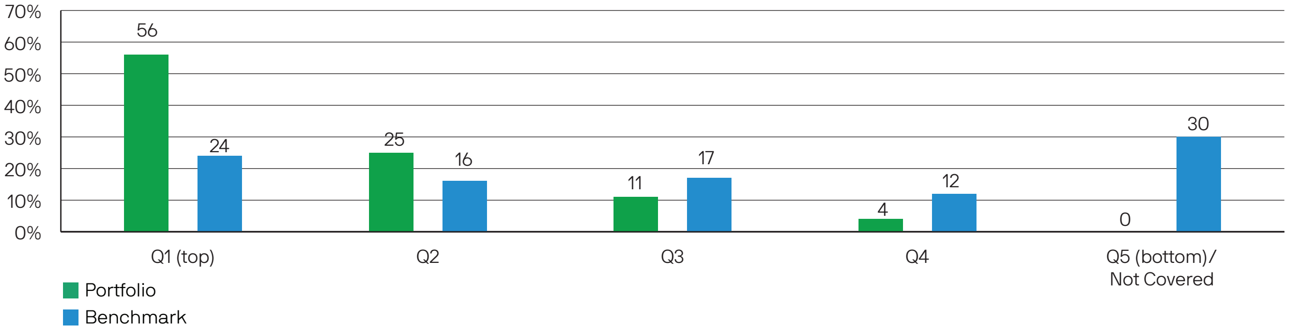
Risk Profile: Portfolio vs. Benchmark



Source: J.P.Morgan Asset Management as at 30th June 2023.

Thirdly, our analysts complete an ESG materiality score for every stock under coverage. The materiality framework splits our investable universe into over 50 sub-industries with companies scored only on the ESG issues that are likely to be financially material to the industry in which they operate. For example we analyse software companies based on issues like cyber security and the carbon footprint of their data centres, while we focus more on environmental and safety issues for commodity extraction and processing companies.

ESG Materiality Score: Portfolio vs. Benchmark



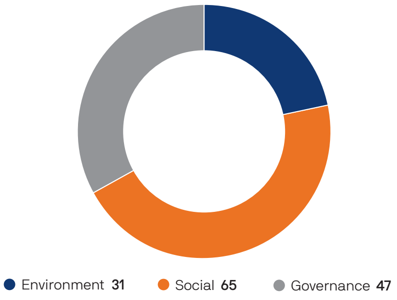
Source: J.P.Morgan Asset Management as at 30th June 2023.

Environmental, Social and Governance ('ESG') Statement

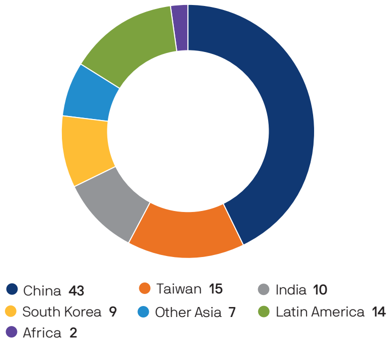
Engagement

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. This is a resource intensive effort and we are fortunate to partner in these conversations with our Investment Stewardship team. Specialists from that team bring technical knowledge which combines with the deep fundamental knowledge of our investment teams to help identify relevant issues and achieve tangible outcomes. The charts below detail the number of engagement activities across all holdings by region and theme.

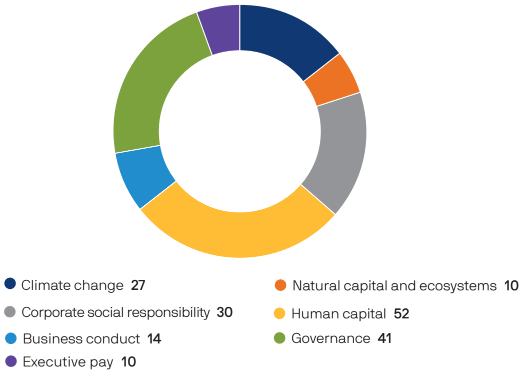
Engagement by ESG Factor



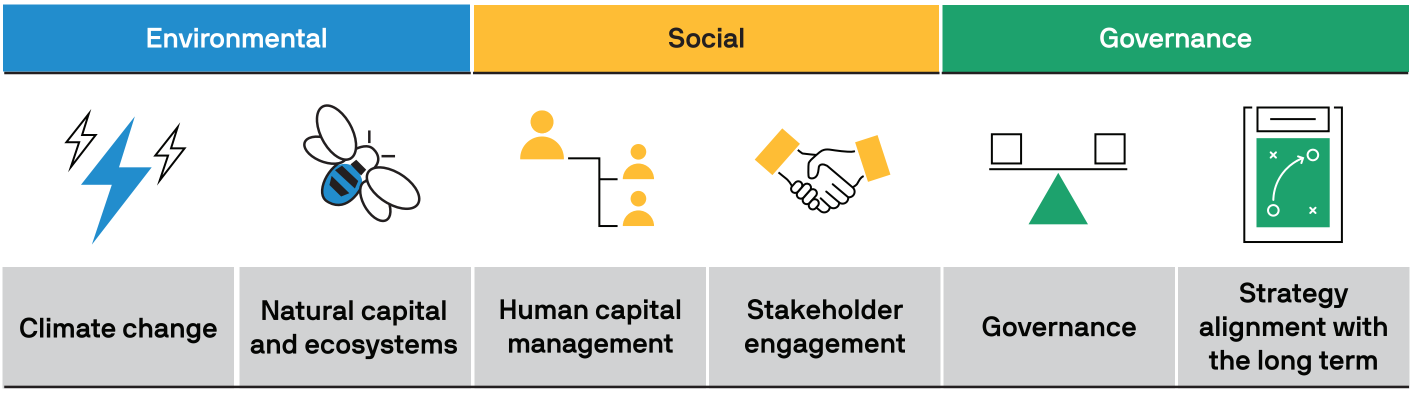
Engagement by Country



Engagement by Theme

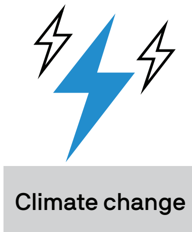


The examples below detail our progress as we continue to seek ever more productive corporate engagement. Each example has been tagged to one of our Six Investment Stewardship Principles. These are the highest-level statement of universal priorities that we have. They are set by our Global Sustainable Investing Function and are principles we believe will have universal applicability and stand the test of time, and are as follows:



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.

AIA is a Hong Kong based life insurance company. We had several interactions with AIA over the past year, as is normal with one of our larger holdings.



The first interaction saw our Investment Stewardship team reach out to the company to enquire how it incorporates risks from climate change in its underwriting and insurance risk models. The company told us that it does not use specific statistical models related to climate change effects, but it does incorporate Network for Greening the Financial System ('NGFS') climate scenarios (including current policy, delayed transition and Net Zero 2050) into its strategic decision making. It also acknowledged the impact of climate change on mortality and morbidity, but according to the company it remains difficult to accurately estimate climate sensitive health risks. We shared two reports with the company that had been published by other insurers which focus on climate change and exposure modelling.

Separately we participated in a conversation, at the company's request, to give feedback on its overall approach to sustainability. Areas we raised for possible improvement included disclosures and information around performance of acquired assets and also cybersecurity. Specifically on board related topics we noted that there was room for improvement in terms of independent directors' tenure and diversity. The long standing independent chair's term is ending next year after 11 years so we will continue to engage with his successor.

Chailease is a Taiwanese financial leasing company, focused on lending to small and medium-sized enterprises ('SMEs'). Members of our Investment Stewardship team attended the company's AGM in person this year and asked about its plans concerning board diversity, board independence and director replacement cycles.

Governance

On diversity we pressed the company to improve its ratio of female directors to at least 30% by 2030, and suggested the Board should have an interim target of 25%. The company acknowledged our suggestions and while unwilling to communicate specific timelines, it did note that management had been attempting to seek female candidates in recent board director searches. With regards to existing directors, we exceptionally supported two longstanding directors – Chee Wee Goh and Steven Goodman – who had each served for 12 years. In our view once directors cross nine years of service they should be reclassified as non-independent and thus we view board refreshment as important in keeping independence ratios at acceptable levels. Our exceptional support rested on an expectation, which we communicated to the company, that there would not be a continuation of this issue.

The next day we discussed broader ESG topics as part of an in person meeting with company management in our Taipei office, an encounter which members of the investment team also attended. This was another opportunity to put forward our views and we now have clear metrics on which to track the company's performance across ESG areas going forward.

Techtronic is a Hong Kong based company which is a global leader in the power tool market through its Milwaukee and Ryobi brands. As part of a joint effort with the Investment Stewardship team, the Portfolio Managers initiated an in-person meeting with the company's first female independent director.

Stakeholder engagement

We were interested to learn about the recruitment process that led to her appointment, and she confirmed that it was her expertise in ESG and financial communications that were valued by the company. We were also interested in her initial impressions of management and she noted that executives were very loyal to the CEO, having followed him from company to company, so the team was united and pulling in the same direction. These insights may seem small but they can be important in corroborating information that other parts of our research process have unearthed.

Governance

On the board's response to a recent short seller report, she said that the company spent a lot of time engaging with the auditor, Deloitte, to sign off fiscal year 2022 financial results. She shared some ideas for how the company could further give confidence to investors and also asked for our feedback on how it could best provide clarity to the market. We raised our concerns that although the audit committee has financial experts, no committee members had a prior audit background.

On the recent MSCI ESG rating downgrades from A in 2018 to BBB in 2019 and then to BB in November 2022, it was noted that there was some frustration with the rating agency's methodology. MSCI states that Techtronic does not have a clean technology focus despite its focus on cordless and lithium-ion battery tools to replace fossil fuel tools. Nonetheless, the company is committed to improving its ESG communication and transparency. The first step in the process was publishing a white paper on the role cordless power tools can play in reducing emissions and improving safety in the construction industry; the report is freely available online.

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.

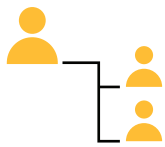
Environmental, Social and Governance ('ESG') Statement

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
Audit Related	42	0	0	0	42	**0.0**
Capitalisation	77	3	0	3	80	**3.8**
Company Articles	37	0	0	0	37	**0.0**
Compensation	98	11	0	11	109	**10.1**
Director Election	251	23	11	34	285	**11.9**
Director Related	79	8	11	19	98	**19.4**
Miscellaneous	10	0	0	0	10	**0.0**
Non-Routine Business	15	1	0	1	16	**6.3**
Routine Business	160	0	0	0	160	**0.0**
Strategic Transactions	28	2	0	2	30	**6.7**

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

Budweiser Brewing Company APAC is a subsidiary of ABI In Bev focused on selling beer products, including the Budweiser brand, in China, India and South Korea. We voted against the company's proposal to make amendments to terms for issuing restricted stock units ('RSU') as part of long-term incentive plans for senior management.



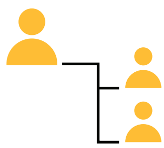
Human capital management

While the amendments and conditions of the RSU awards are positive, the overall issuance limit that is being proposed appears to be excessive. Whilst it is possible that actual RSU awards could be much lower, it is not justifiable to approve a potential stock issuance of greater than 5% of shares outstanding as this could excessively dilute existing shareholders.

On the other hand, we voted against Institutional Shareholder Services ('ISS') and in line with management on items pertaining to the company being able to issue or repurchase shares. ISS recommended voting against this proposal as it believes the quantum of transactions will be higher than the prescribed limit of 10% of shares outstanding. We have voted in favour of this proposal as we understand that the company intends to pursue a mergers and acquisitions strategy and so equity may need to be issued to finance deals.

Stakeholder engagement

Fomento Economico Mexicano is a family controlled Mexican consumer company with operations in beverages and convenience stores across Latin America. We voted against the proposal to re-elect a non-executive director on the board due to concerns that he was on too many boards and therefore 'overboarded'.

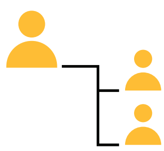


Human capital management

The director nominee, Alejandro Bailleres Gual, serves on the board of 11 companies in total and is the chairman of three of these companies. Non-executive directors should be able to devote sufficient time to meet their board responsibilities and excessive board membership compromises their ability to undertake effective oversight and decision making.

In contrast, we voted in line with management on the election of all other director nominees as they demonstrated sufficient board independence, gender diversity and illustrate no concerns of overboarding.

Walmart De Mexico is the largest food retailer in Mexico and also the longest standing investment in the Company's portfolio. We voted against the re-election of a long-serving independent director as a result of concerns about their prolonged tenure on the board.

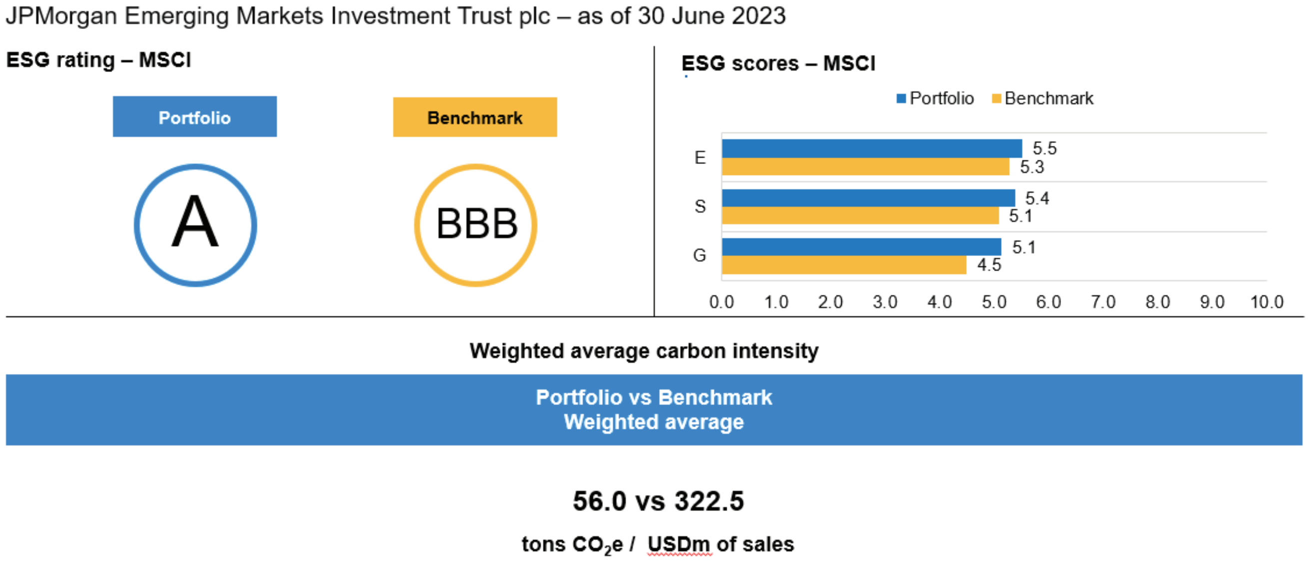


Human capital management

This year, Walmart de Mexico proposed four independent directors for re-election, however Blanca Avelina Trevino de Vega has been serving on the board for 15 years. Given her long tenure, she should be considered as a non-independent director and this is especially concerning given the majority of the company's board members are already classified as non-independent. The lack of independent board members is reflected in our ESG checklist for the company with the lowest severity score of one given that the company has a slight majority of non-independent directors.

Moreover, given the current transformation that Walmart de Mexico is going through in terms of digitalisation and omni-channel strategy, we believe that it would be a good idea for the company to have more than 30% of independent directors with expertise in those fields.

Carbon Intensity



Source: J. P. Morgan Asset Management, MSCI. The Company uses the MSCI Emerging Markets Benchmark for performance comparison only. The Benchmark is not a designated sustainable reference benchmark in light of EU Regulation 2019/2088 and does therefore not have a particular focus on ESG. Metrics shown are for information only. ESG ratings are not reliable indicators of current and/or future results or performance. The MSCI ESG rating seeks to measure the resiliency of portfolios to long term ESG risks and opportunities. A highly rated fund consists of issuers with leading or improving management of key ESG risks. MSCI ESG Ratings range from CCC (laggard) to AAA (leader) and are a direct mapping of numerical ESG Quality Scores, which range from 0 to 10. Individual Environmental, Social and Governance Scores also range from 0 to 10. Fund ESG Ratings are not a measure of a portfolio's ESG values.

The Future

We know that our shareholders, including the Directors of your Company, see attention to ESG factors as critical in their assessment of us as Investment Manager. Our investment process will continue to fully integrate ESG considerations into our assessment of individual businesses. This should continue to reflect in strong ESG outcomes across the variety of metrics shown, although we would continue to emphasise that we do not construct portfolios trying to maximise ESG outputs but rather these metrics are a natural consequence of our investment approach. In investing your Company's assets we have always looked for companies with the ability to create value in a sustainable way and that will not change.

J.P. Morgan Asset Management (UK) Limited

Business Review

The Directors present the Strategic Report for the Company's year ended 30th June 2023. 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 for the collective benefit of shareholders. The Chair's Statement together with the Portfolio Managers' Report form part of this Strategic Report.

The Company's Purpose, Principles, Values and Priorities

The purpose of the Company is to achieve superior long term returns for shareholders from a portfolio of emerging markets equities.

To achieve this, the Board of Directors is responsible for employing and overseeing an investment management company that has appropriate investment expertise, resources and controls in place to meet the Company's investment objective.

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 experience and contribute in an open boardroom culture that both supports and challenges the investment management company and its other third party suppliers. For more information, please refer to pages 50 and 51.

Guiding Principles

To take a long-term approach to investing.

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

To focus on stock selection above all.

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

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

Values

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

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

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

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

Board's Current Priorities

Maintain a strong record of long-term investment performance on a three-to-five-year time horizon.

Promote ongoing demand for the Company's shares, with the aim of reducing volatility in the share price and managing the absolute level of discount to net asset value.

Ensure that consideration of sustainability and ESG factors in the evaluation of companies remains embedded in the Investment Manager's investment process.

Objective of the Company

The Company's objective is to maximise total return from emerging markets worldwide through a diversified portfolio of underlying investments.

Business Model

JPMorgan Emerging Markets Investment Trust plc is an investment trust and public limited company, incorporated in England and Wales, limited by shares, with a premium listing on the London Stock Exchange. In seeking to achieve its objective the Company employs JPMF to actively manage the Company's assets. The Board has determined an investment policy and related guidelines and limits, as described below.

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

A review of the Company's activities and prospects is given in the Chair's Statement on pages 11 to 15 and in the Portfolio Managers' Report on pages 16 to 21.

Investment Policies and Risk Management

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

The Company is managed to produce total return and not to produce any particular level of dividend and therefore the level of dividend will vary. The Board aims to grow the

Company's dividend over the long term in line with earnings per share, but there are likely to be short term fluctuations.

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

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

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

Investment Restrictions and Guidelines

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

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

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

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

Performance

In the year to 30th June 2023, the Company produced a total return to shareholders of +0.8% (2022: –20.6%) and a total return on net assets of 0.0% (2022: –17.3%). This compares with the total return on the Company's benchmark index of –2.8% (2022: –15.0%). At 30th June 2023, the value of the Company's investment portfolio was £1,311.0 million (2022: £1,313.3 million). The Portfolio Managers' Report on pages 16 to 21 includes a review of developments during the year as well as information on investment activity within the Company's portfolio.

Key Performance Indicators ('KPIs')

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

- **Total return performance against the benchmark index**

This is the most important KPI by which performance is judged. Information on the Company's performance is given in the Chair's Statement and the Portfolio Managers' Report. (Also, please refer to the graphs on page 9).

- **Performance attribution**

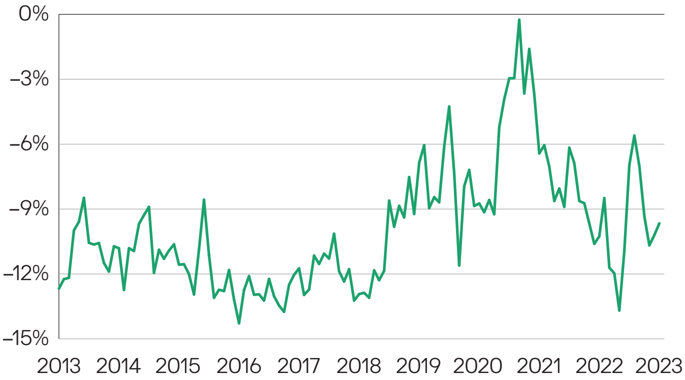
The purpose of performance attribution analysis is to assess how the Company achieved its performance relative to its benchmark index, i.e. to understand the impact on the Company's relative performance of the various components such as asset allocation and stock selection. Further details are given in the Portfolio Managers' Report on page 16.

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

The Board has a share repurchase and issuance policy which seeks to address imbalances in supply of and demand for the Company's shares within the market. This should help to reduce the volatility and absolute level of the discount or premium to NAV per share at which the Company's shares trade in relation to its peers in the sector. In the year to 30th June 2023, the Company's shares traded between a discount to cum income net asset value of 5.5% and 13.9%, averaging a discount of 9.7%.

Business Review

Discount Performance



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

Source: Datastream.

- **Ongoing charges**

  The ongoing charges represent the Company's management fee and all other operating expenses excluding finance costs, expressed as a percentage of the average daily net assets during the year. The ongoing charges for the year ended 30th June 2023 were 0.85% (2022: 0.84%). The Board reviews each year an analysis which shows a comparison of the Company's ongoing charges and its main expenses with those of its peers. The latest analysis shows the Company's ongoing charges ratio to be one of the lowest in its peer group (including other investment trusts, OEICs and ETFs).

Share Capital

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

A total of 19,882,865 shares were repurchased into Treasury during the year under review, for a total consideration of £21,153,000. This represented 1.7% of the shares in issue at the start of the financial year. The Company did not allot any new shares for cash. Since the year end 3,349,772 shares have been repurchased into Treasury.

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

The full text of these Resolutions is set out in the Notice of Meeting on pages 99 to 102.

Diversity and Inclusion

When recruiting a new Director, the Board's policy is to appoint individuals on merit. Diversity is important in bringing an appropriate range of skills and experience to the Board and an assessment is made of the qualities and skills of the existing Board before appointing new directors. When completing a review of the skills and experience of Directors, the Board looks to ensure that it is equipped with the necessary attributes required for the sound stewardship of the Company and that the knowledge base of Directors allows for lively and engaging debates.

Full details of the skills and experience of the Directors can be found on pages 55 and 56. At 30th June 2023, there were four male Directors and two female Directors on the Board. Please refer to pages 56 and 57 for more information on the workings of the Nomination Committee.

The following disclosures are provided in respect of the FCA Listing rules targets that: i) 40% of a board should be women; ii) at least one senior role should be held by a woman; and iii) at least one board member should be from a non-white ethnic background, as defined by the Office of National Statistics (ONS) criteria.

As an externally managed investment company with no chief executive officer (CEO) or chief financial officer (CFO), the roles which qualify as senior under FCA guidance are Chair and Senior Independent Director (SID). The Board also considers the Audit Committee Chair to represent a senior role within this context.

At 30th June 2023, the Board met the target on ethnic diversity criteria. However, following the retirement in November 2022 of the then Chair, Sarah Arkle, the Board does not currently meet the targets in relation to female representation on the Board, nor female representation in a senior role. Aware of this position, the Board has appointed Sapphire Partners, an executive search firm, to find a new Director with the requisite skills and experience identified by the Board. Female representation is a key consideration for this search in addition to cognitive diversity, experience and skillset.

The Board is expecting to announce the results of this search before the end of calendar year 2023. At the conclusion of the Company's forthcoming Annual General Meeting the role of Audit Committee Chair will be transferred to Zoe Clements from Richard Laing. Mr Laing will be staying on the Board for a short period to ensure a smooth handover of his responsibilities to Ms Clements, with the intention being that he will retire in the first half of 2024. The Board is expecting to meet all three FCA listing Rules targets in relation to diversity by the end of calendar year 2023.

In accordance with Listing Rule 9.8.6R (9), (10) and (11) the Board has provided the following information in relation to its diversity based on the position at the Company's financial year ended 30th June 2023:

Board as at 30th June 2023

Gender	Number of Board Members	% of Board Members	Number of Senior Roles[1]
Men	4	67.7	3
Women	2	32.3[2]	0[2]

Ethnicity	Number of Board Members	% of Board Members	Number of Senior Roles[1]
White British or other White (including minority-white groups)	5	83.3	3
Mixed/Multiple Ethnic Groups	1	16.7	0

[1] The roles of Chair of the Board of Directors, Audit Committee Chair and Senior Independent Director are classified as senior positions. The role of Audit Committee Chair is not currently defined as a senior position under the Listing Rules, however the Board believes that, for an investment trust company, it should be regarded as such as it is broadly equivalent to the Chief Financial Officer of a trading company.

[2] The Board expects to meet the FCA requirements that at least 40% of the Board will be female and a senior board position will be held by a woman by the end of calendar year 2023.

Employees, Social, Community, Environmental and Human Rights Issues

The Company is managed by its Manager, has no employees and all of its Directors are non-executive. The day to day activities being carried out by third parties. There are therefore no disclosures to be made in respect of employees. The Company has no direct social or community responsibilities or impact on the environment and the Company has not adopted an ESG investment strategy nor does it modify the Company's investment objective.

However, an increasingly broad spectrum of investors focus on 'ESG' issues for their portfolios. They want to know that their managers are aware of these issues, that they take them into account in building their portfolios and that they raise issues directly with investee companies. The Board is aware of the Investment Manager's approach to ESG considerations, which are fully embedded into the investment process.

Companies that address ESG issues and adopt sustainable business practices are better placed to maximise their performance and create enduring value for shareholders. Corporate governance issues have the most direct bearing on the risk/reward profile of the Company's portfolio thus this, together with relevant environmental concerns and social issues, where the focus is on the economic impact of the involvement, is integrated into the Investment Manager's investment process. The Investment Manager engages in meaningful interactions with investee companies through dedicated meetings and exercises the Company's proxy votes in a prudent and diligent manner in the interests of our shareholders. An explanation of the Investment Manager's overall approach to ESG is on page 28 to 33. The Board further notes JPMAM's global policy statements in respect of ESG 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.

Greenhouse Gas Emissions

The Company itself has no premises, consumes no electricity, gas or diesel fuel and consequently does not have a measurable carbon footprint. As a low energy user under HMRC guidelines it is not required to disclose energy and carbon information. The Board notes the policy statements from the Investment Manager in respect of Social, Community and Environmental and Human Rights issues and Greenhouse Gas Emissions and that it is a signatory to the CDP (formerly known as Carbon Disclosure Project), as well as JPMorgan Chase being a signatory to the Equator Principles on managing social and environmental risk in project finance.

Business Review

The Modern Slavery Act 2015 (the 'MSA')

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

Corporate Criminal Offence

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

Future Prospects

The Board continues to focus on achieving superior long term returns for shareholders. The outlook for the Company is discussed in both the Chair's Statement and the Portfolio Managers' Report.

Principal & Emerging Risks and Uncertainties

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. The risks identified and the ways in which they are managed or mitigated are summarised below. With the assistance of JPMF, the Audit Committee has drawn up a risk matrix, which identifies the principal risks to the Company. These are reviewed and discussed on a regular basis by the Board. These risks fall broadly into the following categories:

Principal risk	Description	Mitigating activities	Movement from prior year
Investment Underperformance	Poor implementation of the investment strategy, for example as to thematic exposure, sector allocation, stock selection, undue concentration of holdings, factor risk exposure or the degree of total portfolio risk, may lead to failure to outperform the Company's benchmark index and peer companies, resulting in the Company's shares trading on a wider discount.	The Board manages these risks by diversification of investments and through its investment restrictions and guidelines, which are monitored and reported on by the Manager. The Manager provides the Directors with timely and accurate management information, including performance data and attribution analyses, revenue estimates, liquidity reports and shareholder analyses. The Board monitors the implementation and results of the investment process with the Investment Manager, whose representatives attend all Board meetings, and reviews data which show statistical measures of the Company's risk profile. The Board holds a separate meeting devoted to strategy each year.	The risk remains high but unchanged from 2022, due to the continuation of unfavourable economic conditions (caused by factors such as the geopolitical crisis between Russia and Ukraine, high inflation and interest rates) faced by global equity markets, making investment decisions more challenging for the Portfolio Managers.
Geopolitical and Economic	Historically, emerging market companies (and investments in their shares) have shown greater volatility and may be subject to certain political, geopolitical and corporate governance risks which are not typically associated with more developed markets and economies. Sustained underperformance of emerging markets as an asset class may occur as a result of risks such as the imposition of restrictions on the free movement of capital or other government regulatory changes.	The Manager's investment process incorporates non-financial measures and risks in the assessment of investee companies to allow the portfolio to adapt to changing competitive and political landscapes. The Board regularly reviews and discusses with the Portfolio Managers the portfolio, the Company's investment performance and the execution of the investment policy against the long-term objectives of the Company. The Manager's independent risk team performs systematic risk analysis, including country specific risk monitoring, as well as stress testing of the portfolio's resilience.	The risk remains high but unchanged from 2022. The Board has increasingly turned its attentions to the increased risks from investing in China specifically – see below.

Principal & Emerging Risks and Uncertainties

Principal risk	Description	Mitigating activities	Movement from prior year
Investing in China	China offers some unique investment opportunities and risks. On one hand, it has provided faster growth than many other markets in the last few decades, but in recent years it has been impacted by a decline in trade, a slowdown in consumer spending, a crackdown on the private sector by the Chinese government and U.S. led trade restrictions, together with growing concerns in relation to China's domestic property market. The country, which together with Hong Kong, represents just under 30% of the Company's benchmark index and thus represents a significant proportion of the Company's portfolio. The Board and Manager are aware of the risks associated with investing in China but are cognisant that to not be invested in China would represent a significant investment call, which could damage investor returns.	Unlike its passive competitors, as an actively managed fund the Portfolio Managers can adapt the portfolio to a changing regulatory environment and reduce both regulatory risk from, for example export controls and reputational risk from, for example human rights transgressions. The Board has access to a range of expert resources and strategists both within JPMAM and externally, who can provide long term insight and guidance on geopolitical developments.	The risk remains high but unchanged from 2022. The Board specifically discusses the risks associated with investing in China at each Board meeting and received a presentation from an expert in the field at its 2023 Strategy meeting.
Loss of Investment Team or Portfolio Manager	A sudden departure of a portfolio manager or several members of the investment management team could result in a short-term deterioration in investment performance.	The Manager takes steps to reduce the likelihood of such an event by ensuring appropriate succession planning and the adoption of a team-based approach, as well as special efforts to retain key personnel.	The risk is medium and remains unchanged from 2022. John Citron has been a key member of the investment team since 2021. The investment team is supported by significant resource.
Cyber Crime	The threat of cyber attack, in all its guises, is regarded as at least as important as more traditional physical threats to business continuity and security. The Board has received the cyber security policies for its key third party service providers and JPMF has assured Directors that the Company benefits directly or indirectly from all elements of J.P. Morgan Chase & Co's Cyber Security programme.	The information technology controls around the physical security of J.P. Morgan Chase & Co's data centres, security of its networks and security of its trading applications are tested by an independent third party and reported every six months against the AAF Standard.	The risk remains high but unchanged from 2022. To date the Manager's cyber security arrangements have proven robust and the Company has not been impacted by any cyber attacks threatening its operations.

Principal & Emerging Risks and Uncertainties

Principal risk	Description	Mitigating activities	Movement from prior year
Discount Control	Investment trust shares often trade at discounts to their underlying NAVs; they can also trade at a premium. Discounts and premiums can fluctuate considerably leading to volatile returns for shareholders.	The Board monitors the Company's premium/discount at which the share price trades to NAV on both an absolute level and relative to its peers and the wider investment trust sector. The Board reviews sector relative performance and sales and marketing activity (considered the primary drivers of the relative discount level). The Company also has authority to repurchase its existing shares to enhance the NAV per share for remaining shareholders and to reduce the absolute level of discount and discount volatility.	The risk remains high but unchanged from 2022. The Board regularly reviews and monitors the Company's objective and investment policy and strategy, the investment portfolio and its performance, the level of discount/premium to net asset value at which the shares trade and movements in the share register. During the year the Company continued to conduct share buybacks.
Legal and Regulatory Change	The Company's business model could become non-viable as a result of new or revised rules or regulations arising from, for example, policy change or financial monitoring pressure.	The Board receives regular reports from its broker, depositary, registrar and Manager as well as its legal advisers and the Association of Investment Companies on changes to regulations which could impact the Company and its industry. The Company monitors events and relies on the Manager and its other key third party providers to manage this risk by preparing for any changes, adverse or otherwise.	The risk remains medium but unchanged from 2022. Changes to the regulatory landscape are inevitable.

Principal & Emerging Risks and Uncertainties

Emerging Risks

The Board has considered and kept under review emerging risks, including but not limited to the impact of climate change, geopolitical conflict, inflationary pressures, social dislocation and conflict and technological advances. The key emerging risks identified are as follows:

Climate change

Investors can no longer ignore the impact that the world's changing climate will have on their portfolios, with the impact of climate change on returns now potentially significant. However, the transition to a low-carbon economy across the globe may also provide attractive investment opportunities. The Board receives ESG reports from the Manager on the portfolio and the way ESG considerations are integrated into the investment decision-making, so as to mitigate risk at the level of stock selection and portfolio construction.

Rising competition between China and western economies

Since the end of the Second World War, the world has enjoyed a technology and economic hegemony with the US at its core. With the development of China as a political, cultural, technological and economic rival, there is the risk that alongside the trade tensions we have seen in recent years, there may develop a rival technology and economic infrastructure between western economies and China. The Board notes that in August 2023, the Biden administration unveiled a new executive order banning certain US investment into China's quantum computing, advanced chip and artificial intelligence sectors.

Economic Contraction

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

Artificial Intelligence ('AI')

While it might be deemed a great opportunity and force for good, there is an increasing risk to business and society more widely from AI. Advances in computing power means that AI has become a powerful tool that will impact a huge range of areas and with a wide range of applications that include the potential to disrupt and even to harm. In addition the use of AI could be a significant disrupter to business processes and whole companies leading to added uncertainty in corporate valuations.

Structural Changes

The attractiveness of investment vehicles, to include investment trusts, could be impacted by structural changes to the way investors access the market, including changes within the platform channels.

Long Term Viability

The UK Corporate Governance Code and the AIC Code of Corporate Governance requires 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 Chair's Statement, the Portfolio Managers' Report and the Strategic Report. The principal and emerging risks and uncertainties are set out on pages 39 to 42.

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

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

The Directors confirm that, assuming a successful continuation vote at the 2023 and 2026 Annual General Meetings, they have a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due over the five year period of assessment.

For and on behalf of the Board
Alison Vincent
JPMorgan Funds Limited
Company Secretary

26th September 2023

Duty to Promote the Success of the Company

Section 172 of the Companies Act 2006 ('Companies Act') states that: A Director of a company must act in the way he considers, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole, and in doing so have regard (amongst other matters) to the following six items.

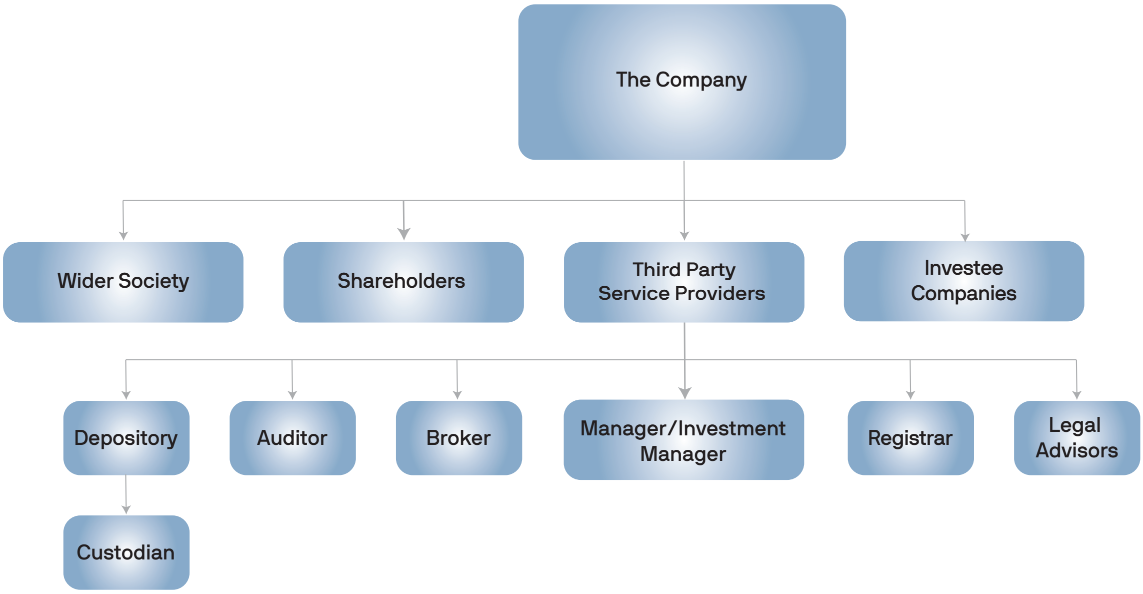
The likely consequences of any decision in the long term;	In managing the Company, the aim of both the Board and Manager is always to ensure the long-term sustainable success of the Company and, therefore, the likely long-term consequences of any decision are a key consideration. In managing the Company during the year under review, the Board acted in the way which it considered, in good faith, would be most likely to promote the Company's long-term sustainable success, and to achieve its wider objectives for the benefit of our shareholders as a whole, having had regard to our wider stakeholders and the other matters set out in section 172 of the Companies Act.
The interests of the Company's employees;	The Company does not have any employees.
The need to foster the Company's business relationships with suppliers, customers and others;	The Board's approach is described under 'Stakeholders' on the next page.
The impact of the Company's operations on the community and the environment;	The Board takes a close interest in ESG issues and sets the overall strategy. ESG integration does not modify the Company's investment objective and the Company does not have an ESG focused investment strategy. However, the Board has appointed a Manager that, through its Investment Manager, integrates ESG considerations into its investment process. Further details are set out in the ESG report on pages 28 to 33. The Director Helena Coles leads discussions with the Manager in relation to the consideration of sustainability and ESG factors.
The desirability of the Company maintaining a reputation for high standards of business conduct; and	The Board's approach is described under The Company's Purpose, Principles, Values and Priorities on page 34.
The need to act fairly as between members of the Company.	The Board's approach is described under 'Stakeholders' on the next page.

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.

Duty to Promote the Success of the Company

Stakeholders

The Board has identified the following as its key stakeholders:



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 continued existence of the Company and the successful delivery of its long-term strategy. The Board is focused on fostering and maintaining good working relationships with shareholders and on understanding the views of shareholders in order to incorporate them into the Board's strategic thinking and objectives. Full details on how the Board ensures it is fully appraised of shareholder views and how it engages with all shareholder groups can be found on pages 47 and 57.
Manager and Investment Manager
The principal supplier is the Manager, in particular the investment management team who are responsible for managing the Company's assets in order to achieve its stated investment objective. The Board maintains a good working relationship with the Manager, who also provides administrative support and promotes the Company through its investment trust sales and marketing teams. The Manager's investment management function is fundamental to the long term success of the Company through the pursuit of the investment objective. The Board monitors the Company's investment performance at each Board Meeting in relation to its objective and also to its investment policy and strategy. The Board also maintains strong lines of communication with the Manager via its dedicated company secretary and client director, which extend well beyond the formal business addressed at Board meetings, ensuring the Board is rapidly informed of Manager and shareholder views and of the discount levels and the Manager is fully aware of the Board's views and their requirements.

Duty to Promote the Success of the Company

Investee companies

The Board is committed to responsible investing and actively monitors the activities of investee companies through its delegation to the Manager. In order to achieve this, the Manager has discretionary powers to exercise voting rights on all resolutions proposed by the investee companies. On behalf of the Company, the Manager voted on all shareholder resolutions put to AGMs and EGMs by investee companies during the year; the Manager aims to maintain this record in so far as it is practically possible (full details can be found in the ESG report on pages 28 to 33). The Board monitors investments made and divested and questions the rationale for exposures taken and voting decisions made.

Other key service providers

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

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. Hence environmental, social and governance considerations are integrated into the Manager's investment process and will continue to evolve. Further details of the Manager's integrated approach to ESG can be found on pages 28 to 33.

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

Key Decisions and Actions

Board's Current Priorities

The Board has sought to achieve three objectives in 2023:

- to maintain a strong record of long-term investment performance on a three-to-five-year time horizon;
- to promote ongoing demand for the Company's shares, with the aim of reducing volatility in the share price and managing the absolute level of discount to net asset value; and
- to ensure that consideration of sustainability and ESG factors in the evaluation of companies remains embedded in the Investment Manager's investment process.

The sections below review performance against these three objectives and further highlight other areas of focus for the Board over the year.

Long Term Investment Performance/Investment Universe

The Board is committed to the success of the Company in delivering on its investment mandate to shareholders over the long term. The Board also has responsibility to shareholders to ensure that the Company's portfolio of assets is invested in line with the stated investment objective and its investment policies, thus ensuring an appropriate balance between spread of risk and portfolio returns.

Although returns were muted this year, outperformance of the benchmark was achieved, hence maintenance of the Company's strong record of long-term investment performance has been achieved. The Board has discussed the challenging market backdrop with the Portfolio Managers throughout the year and details of how they have navigated the macro environment can be found in their report on pages 16 to 21.

Duty to Promote the Success of the Company

The Board has also worked with the Investment Manager to clarify the Company's investment universe, in response to an increasing number of companies operating and/or deriving the majority of their revenues in an emerging market country, but choosing to list in a developed market, such as the US. The Company's investment universe is now defined as follows:

Equity securities of Issuers included within the Benchmark and in companies located in Emerging Markets.

An Emerging Market is considered to be any country which is not included in the MSCI World Index (representing developed countries only). Hong Kong and other Special Administrative Regions of China (i.e. Macau) are classified under China.

A company/Issuer will be considered to be located in Emerging Markets if; 1) the equity securities are listed in an Emerging Market country, or 2) it is incorporated (organised under the laws of), or has its principal office or senior management (country of domicile) in an Emerging Market, or 3) in the opinion of the manager, it derives 50% or more of its total revenue or profits from goods that are produced or sold, investments made or services performed in Emerging Markets, or it has 50% or more of its assets or personnel in Emerging Markets.

Share Price Rating to Net Asset Value ('NAV') per Share

In yet another challenging year, very few investment trusts, regardless of performance, asset class or investment approach, were immune from discount volatility as a result of unfavourable global market conditions caused by factors such as the ongoing geopolitical crisis in Russia-Ukraine, inflation, interest rate increases and general malaise within the investment trust sector. Your Company was no exception. The Board recognises that a widening of, and volatility in, the Company's discount is seen by some investors as a disadvantage of investments trusts.

With a strong investment team, a strong process and performance, a narrower and more stable discount has been an important area of focus for the Board. Over the long term the Board is seeking a stable discount or premium commensurate with investors' appetite for emerging market equities and the Company's various attractions, not least the quality of the investment team and the investment process, and the strong long-term performance these have delivered. The Board has sanctioned a series of targeted buybacks, with buybacks continuing post the year end.

Promotion of the Company

Continued shareholder support and engagement are key to the continued existence of the Company and to the successful delivery of its long-term strategy.

The Board has sought to engage with and understand the views of the Company's institutional shareholders, either directly or through its corporate broker, and other key stakeholders as it regards an understanding of their views as essential in being able to fulfil its duty. The Company's broker and Manager hold regular web conferences and 1:1 meetings with larger shareholders. The feedback from the meetings is shared with the Board.

The Board believes strongly in the advantages of active management in a closed-ended investment trust structure and believes investment trusts should form part of both professional and private investors' portfolios. In an effort to reach increasingly sophisticated private individual investors, your Company has invested in a targeted marketing campaign with the aim of generating sustained new interest and demand. Shareholders may have already noticed our online advertising promoting the benefits of the Company. If successful, such campaigns should in time generate increased demand for shares in the Company and therefore benefit current shareholders through a better rating for their shares.

In an effort to increase and maintain dialogue with the Company's existing shareholders, the Board approved an initiative to invite investors to sign-up to receive email updates from the Company. Investors holding their shares through online platforms will shortly receive a letter inviting them to sign up to receive email updates from the Company. These updates will deliver regular news and views, as well as the latest performance statistics. If shareholders wish to sign up to receive these communications, please visit https://tinyurl.com/JMG-Sign-Up or scan the QR code on page 14.

All shareholders, both current and potential will find useful information on the Company's website, to include videos and sponsored research. The Board is continuing in its efforts to work with the Manager to enhance and improve the content of the website and Company documentation.

Sustainability and ESG Factors

The Manager has long held the belief that sustainable companies are more attractive investments, able to deliver superior returns over time and the consideration of ESG factors in the evaluation of companies has long been a critical and integrated part of the Manager's investment process. While the Company is not described as a 'sustainable' fund, the profile of the portfolio shows favourable ESG characteristics, including a very low carbon footprint compared against the benchmark.

Duty to Promote the Success of the Company

We expect the market and regulators will continue to demand higher ESG standards over time and the Board works closely with the Investment Manager to seek to ensure that the Company's investment objective continues to be met in an effective and responsible way in the interests of shareholders and future investors. The Investment Manager reports to the Board in respect of its approach to ESG integration, its approach to engagement with investee companies and voting guidelines is detailed on pages 28 to 33.

The Board's stance and discussions with the Manager in relation to the consideration of sustainability and ESG factors is led by Helena Coles.

Dividends Payable to Shareholders

The Company is managed to produce total return rather than any particular level of dividend which means that the level of dividends will vary. For individual years dividends received in sterling terms may fluctuate in line with underlying earnings, as well as currency movements and any changes in the portfolio. In the financial year just ended the dividends from investee companies increased resulting in the revenue return per share for the year rising to 1.94 pence from 1.36 pence in 2022, which is an increase of 42.6%.

Together with the interim dividend of 0.58 pence paid in April, the Board has declared a final dividend of 1.07 pence per share, giving a total fully covered dividend of 1.65 pence per share for the year ended 30th June 2023. The final dividend is subject to shareholder approval at the forthcoming AGM.

Revised Investment Management Agreement ('IMA') and Management Fee Arrangement

In the period since the Company entered into its IMA with the Manager, there have been a number of regulatory developments which have had an impact upon the Manager (and, to a degree, the Company). Whilst none of these developments specifically required the IMA to be updated it was deemed prudent to reflect these developments, as well as making other updates to reflect best practice and accordingly the Board approved a new IMA during the year.

To enable the Company's cost basis to remain competitive whilst rewarding the Manager for its efforts, with effect from 1st July 2023, following due consideration of the Board's review of the competitiveness of the investment management fees, the Company's Manager reduced its fees. The revised fees payable to the Manager is now on a tiered basis of 0.75% per annum on the first £500 million of net assets, 0.65% on net assets between £500 million and £1 billion and 0.60% on net assets in excess of £1 billion.

Succession Planning

At the conclusion of the Company's forthcoming Annual General Meeting the role of Audit Committee Chair will be transferred to Zoe Clements from Richard Laing. Mr Laing will be staying on the Board for a short period to ensure a smooth handover of his responsibilities to Ms Clements, with the intention being that he will retire in the first half of 2024.

The Board does not currently meet the targets in relation to female representation on the Board, nor female representation in a senior role. Aware of this position, the Board has appointed Sapphire Partners, an executive search firm, to find a new Director with the requisite skills and experience identified by the Board. Female representation is a key consideration for this search in addition to cognitive diversity, experience and skillset. It is the expectation that the appointment of a new non-executive director will be announced by the end of calendar year 2023.

Miscellaneous

In addition, the Directors continue to keep under review the competitiveness of the Company's operating costs; continue to hold the Manager to account on investment performance; undertake a robust review of the principal and emerging risks faced by the Company; and continue to encourage the Manager to enhance its sales and marketing efforts.

By order of the Board
Alison Vincent, for and on behalf of
JPMorgan Funds Limited,
Company Secretary

26th September 2023

Board of Directors

Aidan Lisser (Chair of the Board)

A Director since 1st December 2018.

Last re-appointed to the Board: 2022.

Remuneration: £42,695.

Non-executive director of Henderson International Income Trust plc and the Edinburgh Investment Trust plc, where he fulfils the role of senior independent director. He is also a marketing ambassador for the Association of Investment Companies, a board member of Chapter Zero UK and a trustee of Crossways Community Charity. From 2010 until 2020 he worked for Investec Wealth & Investment as chief marketing officer and subsequently as head of strategy and before this he held senior marketing roles at Allianz Global Investors and Standard Chartered Bank plc. Previously he spent over 20 years at Unilever plc, including seven years based in China and Thailand.

Connections with Manager: None.

Shared directorships with other Directors: None.

Shareholding in Company: 65,000 Ordinary shares.

Zoe Clements

A Director since 1st September 2022.

Last re-appointed to the Board: 2022.

Remuneration: £27,542.

Non-executive director of Pantheon International plc and is also a member of the Social Investment Advisory Committee of the Growth Impact Fund and a Trustee of the Money and Mental Health Policy Institute. She is an investment, private equity and finance professional with over 15 years of board experience, and over 25 years of executive experience, notably in a private equity context at leading firms including Palatine Private Equity, Electra Partners, LGV Capital and Royal Bank of Scotland. She has previously sat on a range of consumer, retail, leisure, healthcare and professional services boards as a non-executive director. She qualified as a chartered accountant with PwC.

Connections with Manager: None.

Shared directorships with other Directors: None.

Shareholding in Company: 15,000 Ordinary shares.

Helena Coles

A Director since 1st September 2020.

Last re-appointed to the Board: 2022.

Remuneration: £33,000.

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

Connections with Manager: None.

Shared directorships with other Directors: None.

Shareholding in Company: 24,000 Ordinary shares.

Richard Laing (Chairman of the Audit Committee)

A Director since 15th January 2015.

Last re-appointed to the Board: 2022.

Remuneration: £39,750.

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

Connections with Manager: None.

Shared directorships with other Directors: None.

Shareholding in Company: 60,000 Ordinary shares.

Board of Directors

Ruary Neill

A Director since 1st January 2017.

Last re-appointed to the Board: 2022.

Remuneration: £33,000.

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

Connections with Manager: None.

Shared directorships with other Directors: None.

Shareholding in Company: 50,000 Ordinary shares.

Andrew Page (Senior Independent Director, Chairman of the Remuneration Committee)

A Director since 15th January 2015.

Last re-appointed to the Board: 2022.

Remuneration: £36,250.

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

Connections with Manager: None.

Shared directorships with other Directors: None.

Shareholding in Company: 50,000 Ordinary shares.

All Directors are members of the Nomination, Remuneration and Management Engagement Committees. With the exception of the Chair of the Board, who attends meetings by invitation, all Directors are members of the Audit Committee.

All Directors are considered by the Board to be independent.

Directors' Report

The Directors present their report and the audited financial statements for the year ended 30th June 2023.

Directors

The Directors of the Company who held office at the end of the year are detailed on pages 50 and 51.

Details of Directors' beneficial shareholdings in the Company may be found in the Directors' Remuneration Report on page 65. No changes have been reported to the Directors' shareholdings since the year end.

In accordance with corporate governance best practice, all Directors will retire at the forthcoming Annual General Meeting and, being eligible, will offer themselves for reappointment. The Nomination Committee, having considered their qualifications, performance and contribution to the Board and its committees, confirms that each Director continues to be effective and demonstrates commitment to the role and the Board recommends to shareholders that they be reappointed.

Director Indemnification and Insurance

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

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

Management of the Company

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

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

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

The Alternative Investment Fund Managers Directive ('AIFMD')

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

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

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

The Company's leverage and JPMF's remuneration disclosures are set out on pages 96 and 97.

Management Fee

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

With effect from 1st July 2023, the management fee paid to the Manager is on a tiered basis of 0.75% per annum on the first £500 million of net assets, 0.65% on net assets between £500 million and £1 billion and 0.60% on net assets in excess of £1 billion.

Total Return, Revenue and Dividends

Gross total return for the year amounted to £17.8 million (2022: gross total loss £271.0 million) and net total loss after deducting the management fee, other administrative expenses, finance costs and taxation amounted to £1.9 million (2022: £291.9 million). Distributable income for the year amounted to £22.6 million (2022: £16.0 million).

The Directors recommend a final dividend of 1.07p per share payable on 10th November 2023 to holders on the register at the close of business on 6th October 2023. This distribution will amount to £12.3 million. The revenue reserve after payment of the final dividend will amount to £11.9 million.

Disclosure of information to Auditors

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

(a) so far as each of the Directors is aware, there is no relevant audit information (as defined in the Companies Act 2006) of which the Company's Auditors are unaware, and

(b) each of the Directors has taken all the steps that he or she ought to have taken as a Director in order to make him or herself aware of any relevant audit information and to establish that the Company's Auditors are aware of that information.

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

Independent Auditor

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

Companies Act 2006 Requirements

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

Capital Structure

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

Voting Rights in the Company's shares

Details of the voting rights in the Company's shares as at the date of this report are given in note 16 to the Notice of Annual General Meeting on page 102.

Notifiable Interests in the Company's Voting Rights

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

Shareholder	Ordinary shares	%
Lazard Asset Management	102,551,958	8.9
City of London Investment Management Company	97,855,490	8.5
Rathbones	71,683,599	6.2
Quilter Plc	58,795,242	5.1

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

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

Listing Rule 9.8.4R

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

Annual General Meeting

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

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

(i) Continuation vote (resolution 12)

The Directors recommend that the Company continues in existence as an investment trust for a further three year period.

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

The Directors will seek renewal of the authority at the AGM to issue up to 114,727,959 new ordinary shares or sell shares held in Treasury for cash up to an aggregate nominal amount of £2,868,199 such amount being equivalent to 10% of the present issued ordinary share capital (excluding shares held in Treasury) as at the last practicable date before the publication of this document. This authority will expire at the conclusion of the AGM of the Company in 2024 unless renewed at a prior general meeting.

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

Directors' Report

of shares. The issue proceeds are available for investment in line with the Company's investment policies.

The Company currently holds 176,355,657 shares in the capital of the Company in Treasury. The full text of the resolutions is set out in the Notice of Annual General Meeting on pages 99 to 102.

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

The authority to repurchase up to 14.99% of the Company's issued ordinary share capital, granted by shareholders at the 2022 AGM will expire on 8th May 2024, unless renewed prior to that time. The Directors consider that the renewing of the authority is in the interests of shareholders as a whole, as the repurchase of shares at a discount to the underlying NAV enhances the NAV of the remaining shares.

Resolution 15 gives the Company authority to repurchase its own issued ordinary shares in the market as permitted by the Companies Act 2006 (the 'Act'). The authority limits the number of shares that could be purchased to a maximum of 171,977,211 ordinary shares, representing approximately 14.99% of the Company's issued ordinary shares (excluding shares held in Treasury) as at 26th September 2023 (being the latest practicable date prior to the publication of this document). The authority also sets minimum and maximum prices.

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

The full text of the resolution is set out in the Notice of Annual General Meeting on pages 99 to 102. Repurchases of ordinary shares will be made at the discretion of the Board and will only be made in the market at prices below the prevailing NAV per share, thereby enhancing the NAV of the remaining shares as and when market conditions are appropriate.

(iv) Authority to hold general meetings (resolution 16)

A general meeting, other than an Annual General Meeting, may be called on not less than 14 clear days' notice.

Recommendation

The Board considers that resolutions 12 to 16 are likely to promote the success of the Company and are in the best interests of the Company and its shareholders as a whole. The Directors unanimously recommend that you vote in favour of the resolutions as they intend to do in respect of their own beneficial holdings which amount in aggregate to 264,000 ordinary shares representing approximately 0.02% of the voting rights of the Company.

Other Information

The recommended final dividend, as well as information on acquisition of the Company's own shares and greenhouse gas emissions, can be found in the Business Review. Financial risk management objectives and policies, with information on exposure to price, credit and liquidity risk, can be found in note 21 to the Financial Statements. Information on subsequent events can be found in note 22.

Corporate Governance Statement

Compliance

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

- the role of the chief executive;
- executive directors' remuneration; and
- the need for an internal audit function.

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

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

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

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

Board Composition and Chair

The Board, chaired by Aidan Lisser, currently consists of six non-executive Directors. All non-executive Directors are regarded by the Board as independent of the Company's Manager, including the Chair. Given the size of the Board, all Directors are members of the Nomination, Remuneration and Management Engagement Committees. With the exception of the Chair of the Board, who attends meetings by invitation, all Directors are members of the Audit Committee. The Directors have a breadth of investment knowledge, business and financial skills and experience relevant to the Company's business and brief biographical details of each Director are set out on pages 50 and 51.

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 on page 57.

Senior Independent Director

Andrew Page holds the role of Senior Independent Director and as such, provides a channel for any shareholder concerns that cannot be resolved through discussion with the Chair. He also leads the annual evaluation of the performance of the Chair.

Reappointment of Directors

The Directors of the Company and their brief biographical details are set out on pages 50 and 51. The skills and experience that each Director brings to the Board, and hence why their contributions are important to the long term success of the Company, are summarised below. All of the Directors held office throughout the year under review and will stand for reappointment at the forthcoming AGM.

Resolution 4 is for the reappointment of Aidan Lisser. He joined the Board in December 2018. Aidan is an experienced investment trust non-executive director and has broad senior level experience across consumer products, banking, asset and wealth management. During his career, he spent several years working in China and Thailand. Aidan is a Marketing Ambassador for the Association of Investment Companies.

Resolution 5 is for the reappointment of Zoe Clements. She joined the Board on 1st September 2022. Zoe is an experienced non-executive director, investor and finance professional and spent the first six years of her professional career at PricewaterhouseCoopers where she qualified as a Chartered Accountant.

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

Corporate Governance Statement

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

Resolution 8 is for the reappointment of Ruary Neill. He joined the Board in January 2017. Ruary worked in investment banking for almost three decades, managing the multi asset sales business of a global investment bank, prior to which he spent a number of years working in the Asian equity markets. He holds a number of positions with both profit and not for profit organisations.

Resolution 9 is for the reappointment of Andrew Page. He joined the Board in January 2015. Andrew is a chartered accountant and during his executive career, he held a number of senior positions within the leisure and hospitality sector as well as working in corporate finance. He has held a number of non executive positions.

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

Tenure

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

The table below details the tenure of Directors, who are standing for reappointment, as at the forthcoming Annual General Meeting and projected forward to 2030. The average tenure of a Director is less than six years.

Director	Appointment Date	2023 AGM	2024 AGM	2025 AGM	2026 AGM	2027 AGM	2028 AGM	2029 AGM	2030 AGM
Aidan Lisser	1st December 2018	0 – 6 years	0 – 6 years	0 – 6 years	7 – 8 years	7 – 8 years	9+ years	9+ years	9+ years
Zoe Clements	1st September 2022	0 – 6 years	0 – 6 years	0 – 6 years	0 – 6 years	0 – 6 years	0 – 6 years	7 – 8 years	7 – 8 years
Helena Coles	1st September 2020	0 – 6 years	0 – 6 years	0 – 6 years	0 – 6 years	7 – 8 years	7 – 8 years	9+ years	9+ years
Richard Laing[1]	15th January 2015	7 – 8 years	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Ruary Neill	1st January 2017	0 – 6 years	7 – 8 years	7 – 8 years	9+ years	9+ years	9+ years	9+ years	9+ years
Andrew Page	15th January 2015	7 – 8 years	9+ years	9+ years	9+ years	9+ years	9+ years	9+ years	9+ years

[1] Not standing for reappointment in 2024 onwards.

Key - Tenure

0 – 6 years   7 – 8 years   9+ 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 Annual General Meeting.

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

Induction and Training

On appointment, the Manager and Company Secretary provide all Directors with induction training. Thereafter, regular briefings are provided on changes in law and regulatory requirements that affect the Company and the Directors. Directors are encouraged to attend industry and other seminars covering issues and developments relevant to investment trust companies. Regular reviews of the Directors' training needs are carried out by the Chair by means of the evaluation process described below.

Meetings and Committees

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

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

Director	Board Meetings Attended	Audit Committee Meetings Attended	Management Engagement Committee Meetings Attended	Remuneration Committee Meetings Attended	Nomination Committee Meetings Attended
Aidan Lisser	5	2	1	1	2
Zoe Clements[1]	4	2	1	1	2
Helena Coles	5	2	1	1	2
Richard Laing	5	2	1	1	2
Ruary Neill	5	2	1	1	2
Andrew Page	5	2	1	1	2

[1] Appointed 1st September 2022.

Board Committees

Nomination Committee

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

The Board's policy on diversity and inclusion is set out on pages 36 and 37.

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

Remuneration Committee

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

Audit Committee

The report of the Audit Committee is set out on pages 60 and 61.

Management Engagement Committee

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

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

Terms of Reference

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

Relations with Shareholders

The Board regularly monitors the shareholder profile of the Company. It aims to provide shareholders with a full understanding of the Company's activities and performance and reports formally to shareholders twice each year by way of the annual report and accounts and the half year report. These are supplemented by the daily publication, through the London Stock Exchange, of the net asset value of the Company's shares. The Company will shortly be delivering quarterly email updates, which will deliver news and views, and discuss the Company's latest performance. Furthermore the Company's website also contains a wealth of information, to include videos and sponsored research.

All shareholders have the opportunity, and are encouraged, to attend the Company's Annual General Meeting at which the Directors and representatives of the Manager are available in person to meet shareholders and answer their questions. In addition, a presentation is given by the Portfolio Managers who review the Company's performance.

During the year the Company's brokers and the Portfolio Managers held regular discussions with larger shareholders either on a one-to-one basis or through live webinars which allows for interaction with multiple shareholders both in the UK and globally. The Directors are made aware of shareholder views raised during these interactions. The Chair and Directors also conduct visits to larger shareholders when requested and make themselves available as and when required to address shareholder queries. The Directors may be contacted through the Company Secretary whose details are shown on page 108. The Chair and Directors can also be contacted through the 'Contact Us' link via the Company's website at www.jpmemergingmarkets.co.uk.

The Company's annual report and financial statements are published in time to give shareholders at least 20 working days notice of the Annual General Meeting. Shareholders wishing to raise questions in advance of the meeting are encouraged to submit questions via the Company's website or write to the Company Secretary at the address shown on page 108. A formal process is in place for all letters to the Directors to be forwarded immediately. As part of this process, any feedback from shareholders is also communicated to the Board.

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

Risk Management and Internal Control

The AIC Code of Corporate Governance requires the Directors, at least annually, to review the effectiveness of the Company's system of risk management and internal control and to report

Corporate Governance Statement

to shareholders that they have done so. This encompasses a review of all controls, which the Board has identified as including business, financial, operational, compliance and risk management.

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

Since investment management, custody of assets and all administrative services are provided to the Company by JPMF and its associates, the Company's system of risk management and internal control mainly comprises monitoring the services provided by the Manager and its associates, including the operating controls established by them, to ensure that they meet the Company's business objectives. There is an ongoing process for identifying, evaluating and managing the significant risks faced by the Company (see Principal & Emerging Risks and Uncertainties on pages 39 to 42). This process has been in place for the year under review and up to the date of the approval of the annual report and accounts and it accords with the Financial Reporting Council's guidance. Given the foregoing, and in common with most investment trust companies, the Company does not have an internal audit function of its own. The Manager's internal audit department conducts regular and rigorous reviews of the various functions within its asset management business. Any significant findings that are relevant to the Company and/or the Manager's investment trust business are reported to the Board.

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

- **Financial Reporting**

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

- **Management Agreement**

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

- **Management Systems**

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

- **Investment Strategy**

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

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

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

By the means of the procedures set out above, the Board confirms that it has reviewed the effectiveness of the Company's system of risk management and internal control for the year ended 30th June 2023 and to the date of approval of this Annual Report and Financial Statements.

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

Corporate Governance and Voting Policy

The Company delegates responsibility for voting to JPMAM through the Manager. The following is a summary of JPMAM's policy statements on corporate governance, voting policy and social and environmental issues, which has been reviewed and noted by the Board. Details on social and environmental issues are included in the ESG statement on pages 28 to 33.

Corporate Governance

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

Proxy Voting

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

Stewardship/Engagement

JPMAM 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/content/dam/jpm-am-aem/global/en/institutional/communications/lux-communication/corporate-governance-principles-and-voting-guidelines.pdf

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

By order of the Board
Alison Vincent, for and on behalf of
JPMorgan Funds Limited,
Company Secretary

26th September 2023

Audit Committee Report

Role and Composition

The Audit Committee, chaired by Richard Laing and whose membership is set out on page 51, meets at least twice each year. The members of the Audit Committee consider that at least one member has recent and relevant financial experience and that the Committee as a whole has competency relevant to the sector in which the Company operates.

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

Financial Statements and Significant Accounting Matters

During its review of the Company's financial statements for the year ended 30th June 2023, the Audit Committee considered the following significant issues, including those communicated by the Auditors during their reporting:

Significant issue	How the issue was addressed
Valuation existence and ownership of investments	The valuation of investments is undertaken in accordance with the accounting policies, disclosed in note 1(b) to the accounts on page 79. Controls are in place to ensure that valuations are appropriate and existence is verified through custodian reconciliations. The Company has appointed The Bank of New York Mellon (International) Limited ('BNY') as its depositary. BNY has appointed JPMorgan Chase Bank, N.A., as the Company's custodian. BNY remains responsible for the oversight of the custody of the Company's assets.
Recognition of investment income	The recognition of investment income is undertaken in accordance with accounting policy note 1(d) to the accounts on pages 79 and 80. Income reporting is conducted by the Manager and reviewed by the Board at every meeting.
Going Concern/Long Term Viability	The Committee has also reviewed the appropriateness of the adoption of the Going Concern basis in preparing the accounts, particularly in view of the heightened market volatility resulting from the conflict between Russia and Ukraine. The Committee recommended that the adoption of the Going Concern basis is appropriate (see Going Concern statement below). The Committee also assessed the Long Term Viability of the Company as detailed on page 43 and recommended to the Board its expectation that the Company would remain in operation for the five year period of the assessment.
Compliance with Sections 1158 and 1159 Corporation Tax Act 2010 ('Section 1158 and 1159')	Approval for the Company as an investment trust under Sections 1158 and 1159 for financial years commencing on or after 1st October 2012 has been obtained and ongoing compliance with the eligibility criteria is monitored on a regular basis.

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

Going Concern

In accordance with The Financial Reporting Council's guidance on going concern and liquidity risk, the Directors have undertaken a rigorous review of the Company's ability to continue as a going concern. The Directors confirm their reasonable expectation that the Company has adequate resources to continue in operational existence for the 12 month period from the date of approval of the financial statements.

This confirmation is based on a review of assumptions that took into account the outlook for the global stock markets and the diversified portfolio of readily realisable securities which can be used to meet all of its liabilities and ongoing expenses. The Board has, in particular, considered the impact of heightened market volatility since the Covid-19 outbreak and growing geopolitical risk to include the ongoing conflict between Russian and Ukraine, but does not believe the Company's going concern status is affected. The Company's assets, the vast majority of which are investments in quoted securities which are readily realisable, exceed its liabilities significantly under all stress test scenarios reviewed by the Board and reviews of the impact of market factors, structural and financial factors and operating factors.

The Board has also taken into account the fact that the Company has a continuation vote to be considered by shareholders at the Company's 2023 Annual General Meeting and the likelihood of shareholders voting in favour of continuation. Having consulted the Company's major shareholders through the remit of its advisers, the Directors have a reasonable belief that the continuation vote will be supported by the majority of shareholders.

Risk Management and Internal Control

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

Effectiveness of Audit

The Committee reviewed the audit planning and the standing, skills and experience of the firm and the audit team. The Committee also considered the independence of BDO and the objectivity of the audit process. BDO has confirmed that it is independent of the Company and has complied with relevant auditing standards. No modifications were required to the external audit approach. The Committee received a presentation of the audit plan from the external auditor prior to the commencement of the 2023 audit and a presentation of the results of the audit following completion of the main audit testing. Additionally, the Committee received feedback from the Manager regarding the effectiveness of the external audit process.

The Committee is satisfied that BDO has provided effective independent challenge in carrying out its responsibilities. After due consideration, the Committee recommended the re-appointment of BDO and their re-appointment will be put to the Company's shareholders at the 2023 AGM.

Auditor Appointment and Tenure

Representatives of the Company's Auditors attended the Audit Committee meeting at which the draft Annual Report & Financial Statements were considered and also engage with Directors as and when required. The Board reviews and approves any non-audit services provided by the independent auditors and assesses the impact of any non audit work on the ability of the auditors to remain independent. Details of the auditors fees paid are disclosed in note 6 on page 82. BDO LLP were appointed in 2019 and completed its first audit of the Company in respect of its year ended 30th June 2020. The Company's current senior statutory auditor has been in the position since 2019, and the Company's 2023 audit will be Vanessa-Jayne Bradley's fourth year of a maximum five years in the role.

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

The Competition and Markets Authority Order

The Company has complied throughout the year ended 30th June 2023 with the provisions of the Statutory Audit Services Order 2014, issued by the Competition and Markets Authority. There are no contractual obligations restricting the choice of Auditor. The external auditor is invited to all Committee meetings and receives copies of all relevant papers and meeting minutes.

Fair, Balanced and Understandable

As a result of the work performed, the Committee has concluded that the Annual Report for the year ended 30th June 2023, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's position and performance, business model and strategy, and has reported on these findings to the Board. The Board's conclusions in this respect are set out in the Statement of Directors' Responsibilities on page 67.

Richard Laing
Audit Committee Chairman
26th September 2023

By order of the Board
Alison Vincent,
for and on behalf of
JPMorgan Funds Limited,
Company Secretary.

26th September 2023

Directors' Remuneration Report

The Board presents the Directors' Remuneration Report for the year ended 30th June 2023, which has been prepared in accordance with the requirements of Section 421 of the Companies Act 2006.

The law requires the Company's Auditors to audit certain of the disclosures provided. Where disclosures have been audited they are indicated as such. The Auditors' opinion is included in their report on pages 69 to 73.

The law requires that the Directors' Remuneration Policy is subject to a triennial binding vote. The policy was last approved at the Annual General Meeting held in 2022, of the votes cast, 99.9% of votes were in favour of (or granted discretion to the Chair who voted in favour of) the remuneration report and less then 0.1% voted against. Abstentions were received from less than 0.1% of the votes cast. The Directors' Renumeration Policy will next be put to shareholders for approval at the 2025 Annual General Meeting. The policy is set out in full below and is currently in force.

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

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

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

In the year under review, Directors' fees were paid at the following rates: Chair £49,000; Audit Committee Chairman £39,750; Senior Independent Director £36,250 and other Directors £33,000. With effect from 1st July 2023, fees have been increased to £51,500, £42,500, £38,000 and £34,700 respectively.

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

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

The terms and conditions of Directors' appointments are set out in formal letters of appointment which are available for review at the Company's Annual General Meeting and the Company's registered office. Details of the Board's policy on tenure are set out on page 56.

Directors' Remuneration Policy Implementation

The Directors' Remuneration Report, which includes details of the Directors' remuneration policy and its implementation, is subject to an annual advisory vote and therefore an ordinary resolution to approve this report will be put to shareholders at the forthcoming Annual General Meeting. There have been no changes to the policy compared with the year ended 30th June 2023 and no changes are proposed for the year ending 30th June 2024.

At the Annual General Meeting held on 9th November 2022, of the votes cast, 99.9% of votes were in favour of (or granted discretion to the Chair who voted in favour of) the remuneration report and 0.1% voted against. Abstentions were received from less than 0.01% of the votes cast.

Details of voting on both the Remuneration Policy and the Directors' Remuneration Report from the 2023 Annual General Meeting will be given in the annual report for the year ending 30th June 2024.

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

Directors' Remuneration Report

Single total figure of remuneration

The single total figure of remuneration for each Director is detailed below together with the prior year comparative.

Single Total Figure Table[1]

Directors' Name	2023 Fees £	2023 Taxable expenses[2] £	2023 Total £	2022 Fees £	2022 Taxable expenses[2] £	2022 Total £
Aidan Lisser[3]	42,695	1,098	43,794	31,700	549	32,249
Sarah Arkle[4]	17,576	—	17,576	47,000	—	47,000
Zoe Clements[5]	27,542	—	27,542	—	—	—
Helena Coles	33,000	—	33,000	31,700	—	31,700
Richard Laing	39,750	—	39,750	38,200	521	38,721
Ruary Neill	33,000	—	33,000	31,700	—	31,700
Andrew Page	36,250	—	36,250	34,800	2,260	37,060
Total	**229,814**	**1,098**	**230,912**	**215,100**	**3,330**	**218,430**

[1] Audited information. Other subject headings for the single figure table as prescribed by regulation are not included because there is nothing to disclose in relation thereto.
[2] Taxable travel and subsistence expenses incurred in attending Board and Committee meetings.
[3] Appointed Chair on 9th November 2022.
[4] Retired on 9th November 2022
[5] Appointed on 1st September 2022.

Annual Percentage Change in Directors' Remuneration

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

Directors' name	% change 2023	% change 2022	% change 2021
Aidan Lisser	+4.1%	+3.9%	+3.4%
Sarah Arkle[1]	n/a	+5.6%	+3.5%
Zoe Clements[2]	n/a	n/a	n/a
Helena Coles[3]	+4.1%	+24.7%	n/a
Richard Laing	+4.1%	+3.9%	+3.5%
Ruary Neill	+4.1%	+3.9%	+3.4%
Andrew Page	+4.2%	+3.9%	+3.1%

[1] Retired on 9th November 2022.
[2] Appointed on 1st September 2022.
[3] Appointed on 1st September 2020.

A table showing the total remuneration for the Chair over the five years ended 30th June 2023 is below:

Remuneration for the Chair over the five years ended 30th June 2023

Year ended 30th June	Fees
2023	£49,000
2022	£47,000
2021	£44,500
2020	£43,000
2019	£41,000

Directors' Remuneration Report

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 beneficial shareholdings of the Directors who held office at the year end are detailed below.

Director	30th June 2023	30th June 2022
Aidan Lisser	65,000	50,000
Zoe Clements[2]	15,000	—
Helena Coles	24,000	24,000
Richard Laing	60,000	60,000
Ruary Neill	50,000	50,000
Andrew Page	50,000	50,000
Total	**264,000**	**234,000**

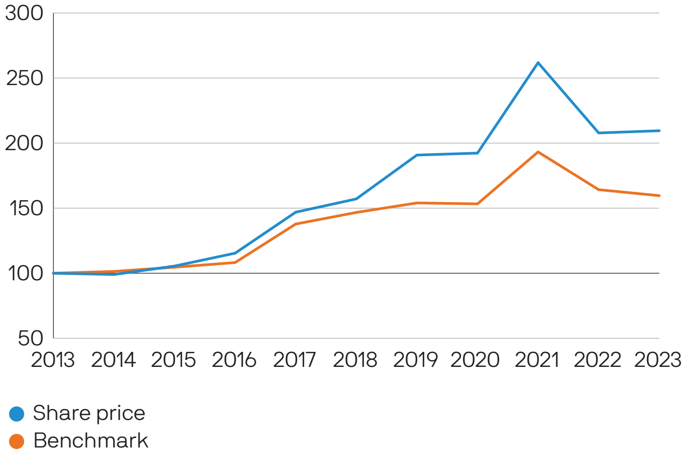
[1] Audited information.
[2] Appointed 1st September 2022.

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

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

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

Ten Year Share Price and Benchmark Total Return Performance to 30th June 2023



Source: Morningstar.

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

Expenditure by the Company on remuneration and distributions to shareholders

	Year ended 30th June 2023	2022
Remuneration paid to all Directors	£230,912	£218,430
Distribution to shareholders		
— by way of dividend	£16,417,000	£15,926,000
— by way of share repurchases	£21,153,000	£20,890,000

For and on behalf of the Board
Andrew Page
Chairman of the Remuneration Committee

26th September 2023

Statement of Directors' Responsibilities

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law). Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing the financial statements, the Directors are required to:

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

and the Directors confirm that they have done so.

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

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

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

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

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

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

For and on behalf of the Board
Aidan Lisser
Chair

26th September 2023

Independent Auditor's Report

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

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 30th June 2023 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of JPMorgan Emerging Markets Investment Trust Plc (the 'Company') for the year ended 30th June 2023 which comprise the statement of comprehensive income, statement of changes in equity, statement of financial position, 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 Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

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

Independence

Following the recommendation of the audit committee, we were appointed by the Board of Directors on 13th November 2019 to audit the financial statements for the year ending 30th June 2020 and subsequent financial periods. The period of total uninterrupted engagement including retenders and reappointments is four years, covering the years ended 30th June 2020 to 30th June 2023. We remain independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. The non-audit services prohibited by that standard were not provided to the Company.

Conclusions relating to going concern

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

- Evaluating the appropriateness of the Directors' method of assessing going concern in light of market volatility by reviewing the information used by the Directors in completing their assessment;
- Assessing the liquidity of the investment portfolio, which underpins the Company's ability to meet its future obligations and operating expenses for a period of twelve months from the date of approval of these financial statements;
- Challenging the reasonableness of the Directors' assumptions and judgements made in their forecasts with reference to current economic indicators; and
- Reviewing the broker's report on its engagement with the Company's major shareholders and Directors' assessment of the broker's report to assess the likelihood of the passing of the upcoming continuation vote.

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

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

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

Overview

		2023	2022
Key audit matters	Valuation and ownership of quoted investments	✔	✔
Materiality	*Company financial statements as a whole*		
	£13.2 million (2022: £13.6 million) based on 1% (2022: 1%) of Net assets		

Independent Auditor's Report

An overview of the scope of our audit

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

Key audit matters

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

Key audit matter		How the scope of our audit addressed the key audit matter
Valuation and ownership of quoted investments (Note 1(b) on page 79 and Note 10 on page 85)	The investment portfolio at the year-end comprised of 100% of listed equity investments held at fair value through profit or loss. There is a risk that the prices used for the valuation of the listed investments held by the Company are not reflective of fair value and the risk that errors made in the recording of investment holdings result in the incorrect reflection of investments owned by the Company. Therefore we considered the valuation and ownership of quoted investments to be the most significant audit area as the quoted investments also represent the most significant balance in the financial statements and underpin the principal activity of the entity. For these reasons and the materiality of the balance in relation to the financial statements as a whole, we considered this to be a key audit matter.	We responded to this matter by testing the valuation and ownership of the whole portfolio of quoted investments. We performed the following procedures: ● Confirmed the year-end bid price was used by agreeing to externally quoted prices; ● Assessed if there were contra indicators, such as liquidity considerations, to suggest bid price was not the most appropriate indication of fair value by considering the realisation period for individual holdings; ● Obtained direct confirmation of the number of shares held per equity investment from the custodian regarding all investments held at the balance sheet date; and ● Recalculated the valuation by multiplying the number of shares held per the statement obtained from the custodian by the valuation per share. ***Key observations*** Based on our procedures performed we did not identify any matters to suggest that the valuation and ownership of quoted investments was not appropriate.

Our application of materiality

We apply the concept of materiality both in planning and performing our audit, and in evaluating the effect of misstatements. We consider materiality to be the magnitude by which misstatements, including omissions, could influence the economic decisions of reasonable users that are taken on the basis of the financial statements.

In order to reduce to an appropriately low level the probability that any misstatements exceed materiality, we use a lower materiality level, performance materiality, to determine the extent of testing needed. Importantly, misstatements below these levels will not necessarily be evaluated as immaterial as we also take account of the nature of identified misstatements, and the particular circumstances of their occurrence, when evaluating their effect on the financial statements as a whole.

Independent Auditor's Report

Based on our professional judgement, we determined materiality for the financial statements as a whole and performance materiality as follows:

Company Financial Statements		
	2023 £m	2022 £m
Materiality	13.2	13.6
Basis for determining materiality	1% of Net assets	1% of Net assets
Rationale for the benchmark applied	As an investment trust, the net asset value is the key measure of performance for users of the financial statements.	As an investment trust, the net asset value is the key measure of performance for users of the financial statements.
Performance materiality	9.9	10.2
Basis for determining performance materiality	75% of materiality	75% of materiality
Rationale for the percentage applied for performance materiality	The level of performance materiality applied was set after having considered a number of factors including the expected total value of known and likely misstatements and the level of transactions in the year.	The level of performance materiality applied was set after having considered a number of factors including the expected total value of known and likely misstatements and the level of transactions in the year.

Reporting threshold

We agreed with the Audit Committee that we would report to them all individual audit differences in excess of £264,000 (2022: £272,000) for the financial statements as a whole. We also agreed to report differences below this threshold that, in our view, warranted reporting on qualitative grounds.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report and financial statements other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Corporate governance statement

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

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

Independent Auditor's Report

Going concern and longer-term viability	• The Directors' statement with regards to the appropriateness of adopting the going concern basis of accounting and any material uncertainties identified set out on pages 60 and 61; and • The Directors' explanation as to their assessment of the Company's prospects, the period this assessment covers and why the period is appropriate set out on page 43.
Other Code provisions	• Directors' statement on fair, balanced and understandable set out on page 67; • Board's confirmation that it has carried out a robust assessment of the principal and emerging risks and uncertainties set out on pages 39 to 42; • The section of the annual report that describes the review of effectiveness of risk management and internal control systems set out on pages 57 and 58; and • The section describing the work of the audit committee set out on pages 60 and 61.

Other Companies Act 2006 reporting

Based on the responsibilities described below and our work performed during the course of the audit, we are required by the Companies Act 2006 and ISAs (UK) to report on certain opinions and matters as described below.

Strategic report and Directors' report	In our opinion, based on the work undertaken in the course of the audit: • the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and • the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements. In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the Directors' report.
Directors' remuneration	In our opinion, the part of the Directors' remuneration report to be audited has been properly prepared in accordance with the Companies Act 2006.
Matters on which we are required to report by exception	We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion: • adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or • the financial statements and the part of the Directors' remuneration report to be audited are not in agreement with the accounting records and returns; or • certain disclosures of Directors' remuneration specified by law are not made; or • we have not received all the information and explanations we require for our audit.

Responsibilities of Directors

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

In preparing the financial statements, the Directors are responsible for assessing the 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.

Independent Auditor's Report

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Non-compliance with laws and regulations

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

We focused on laws and regulations that could give rise to a material misstatement in the Company financial statements. Our tests included:

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

Fraud

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

Our tests included:

- The procedures set out in the Key Audit Matters section above; and
- Testing material period end financial reporting journals by agreeing to supporting documentation and evaluating whether there was evidence of bias by the Investment Manager and Directors that represented a risk of material misstatement due to fraud.

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

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

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

Use of our report

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

Vanessa-Jayne Bradley

(Senior Statutory Auditor)
For and on behalf of BDO LLP,
Statutory Auditor
London

26th September 2023

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

Statement of Comprehensive Income

For the year ended 30th June

		2023			2022		
	Notes	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Loss on investments held at fair value through profit or loss	3	—	(10,303)	(10,303)	—	(300,802)	(300,802)
Foreign currency (loss)/gains		—	(2,310)	(2,310)	—	6,561	6,561
Income from investments	4	28,130	—	28,130	23,043	—	23,043
Interest receivable	4	2,299	—	2,299	158	—	158
Gross return/(loss)		30,429	(12,613)	17,816	23,201	(294,241)	(271,040)
Management fee	5	(3,082)	(7,190)	(10,272)	(3,537)	(8,252)	(11,789)
Other administrative expenses	6	(1,456)	—	(1,456)	(1,346)	—	(1,346)
Net return/(loss) before taxation		**25,891**	**(19,803)**	**6,088**	**18,318**	**(302,493)**	**(284,175)**
Taxation	7	(3,294)	(4,708)	(8,002)	(2,326)	(5,420)	(7,746)
Net return/(loss) after taxation		**22,597**	**(24,511)**	**(1,914)**	**15,992**	**(307,913)**	**(291,921)**
Return/(loss) per share	8	**1.94p**	**(2.11)p**	**(0.17)p**	**1.36p**	**(26.13)p**	**(24.77)p**

A final dividend of 1.07p (2022: 0.83p) per Ordinary share has been proposed in respect of the year ended 30th June 2023, totalling £12.3 million (2022: £9.7 million). Further details are given in note 9 on page 84.

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

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

The notes on pages 79 to 94 form an integral part of these financial statements.

Statement of Changes in Equity

For the year ended 30th June 2023

	Called up share capital £'000	Share premium £'000	Capital redemption reserve £'000	Other reserves £'000	Capital reserves[1] £'000	Revenue reserve[1] £'000	Total £'000
At 30th June 2021	**33,091**	**173,631**	**1,665**	**69,939**	**1,401,743**	**17,974**	**1,698,043**
Repurchase of shares into Treasury	—	—	—	—	(20,890)	—	(20,890)
Net (loss)/return	—	—	—	—	(307,913)	15,992	(291,921)
Dividend paid in the year (note 9)	—	—	—	—	—	(15,926)	(15,926)
At 30th June 2022	**33,091**	**173,631**	**1,665**	**69,939**	**1,072,940**	**18,040**	**1,369,306**
Repurchase of shares into Treasury	—	—	—	—	(21,153)	—	(21,153)
Net (loss)/return	—	—	—	—	(24,511)	22,597	(1,914)
Dividend paid in the year (note 9)	—	—	—	—	—	(16,417)	(16,417)
At 30th June 2023	**33,091**	**173,631**	**1,665**	**69,939**	**1,027,276**	**24,220**	**1,329,822**

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

The notes on pages 79 to 94 form an integral part of these financial statements.

Statement of Financial Position

At 30th June

	Notes	2023 £'000	2022 £'000
Fixed assets			
Investments held at fair value through profit or loss	10	**1,311,009**	**1,313,276**
Current assets			
Debtors	11	5,074	4,203
Cash and cash equivalents	11	24,866	57,700
		29,940	**61,903**
Current liabilities			
Creditors: amounts falling due within one year	12	(999)	(453)
Net current assets		**28,941**	**61,450**
Total assets less current liabilities		**1,339,950**	**1,374,726**
Non current liabilities			
Provision for capital gains tax	13	(10,128)	(5,420)
Net assets		**1,329,822**	**1,369,306**
Capital and reserves			
Called up share capital	14	33,091	33,091
Share premium	15	173,631	173,631
Capital redemption reserve	15	1,665	1,665
Other reserve	15	69,939	69,939
Capital reserves	15	1,027,276	1,072,940
Revenue reserve	15	24,220	18,040
Total shareholders' funds		**1,329,822**	**1,369,306**
Net asset value per share	16	**115.6p**	**117.0p**

The financial statements on pages 75 to 78 were approved and authorised for issue by the Directors on 26th September 2023 and were signed on their behalf by:

Aidan Lisser
Chair

The notes on pages 79 to 94 form an integral part of these financial statements.

The Company is registered in England and Wales.

Company registration number: 2618994

Statement of Cash Flows

For the year ended 30th June

	2023 £'000	2022 £'000
Cash flows from operating activities		
Net return/(loss) before taxation	6,088	(284,175)
Adjustment for:		
Net losses on investments held at fair value through profit or loss	10,303	300,802
Net foreign currency loss/(gains)	2,310	(6,561)
Dividend income	(28,130)	(23,043)
Interest income	(2,299)	(158)
Realised gain on foreign exchange transactions	123	163
Realised exchange gains on Liquidity	2,795	1,482
(Increase)/decrease in accrued income and other debtors	(15)	11
Increase/(decrease) in accrued expenses	289	(129)
	(8,536)	**(11,608)**
Dividends received	23,963	18,579
Interest received	2,299	158
Overseas tax recovered	16	93
Net cash inflow from operating activities	17,742	7,222
Purchases of investments	(64,572)	(109,362)
Sales of investments	56,540	192,011
Settlement of forward currency contracts	—	98
Net cash (outflow)/inflow from investing activities	(8,032)	82,747
Dividend paid	(16,417)	(15,926)
Repurchase of shares into Treasury	(20,899)	(21,670)
Net cash outflow from financing activities	**(37,316)**	**(37,596)**
(Decrease)/increase in cash and cash equivalents	**(27,606)**	**52,373**
Cash and cash equivalents at start of year	57,700	510
Unrealised (loss)/gain on foreign currency cash and cash equivalents	(5,228)	4,817
Cash and cash equivalents at end of year	**24,866**	**57,700**
Cash and cash equivalents consist of:		
Cash and short term deposits	737	487
Cash held in JPMorgan US Dollar Liquidity Fund	24,129	57,213
Total	**24,866**	**57,700**

The presentation of the Cash Flow Statement, as permitted under FRS 102, has been changed so as to present the 'reconciliation of net return before finance costs and taxation' to 'cash inflow from operating activities' on the face of the Cash Flow Statement. Previously, this was shown by way of note to the Cash Flow Statement. Other than consequential changes in the presentation of certain cash flow items, there is no change to the cash flows as presented in previous periods.

The notes on pages 79 to 94 form an integral part of these financial statements.

Reconciliation of net cash

	As at 30th June 2022 £'000	Cash flows £'000	Other non-cash charges £'000	As at 30th June 2023 £'000
Cash and cash equivalents				
Cash	487	254	(4)	737
Cash equivalents	57,213	(27,860)	(5,224)	24,129
Net cash	**57,700**	**(27,606)**	**(5,228)**	**24,866**

For the year ended 30th June 2023

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 July 2022.

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

The Directors believe that having considered the Company's investment objective (see page 34), risk management policies (see pages 89 to 94), capital management policies and procedures (see page 94), the nature of the portfolio and expenditure projections, the Company has adequate resources, an appropriate financial structure and suitable management arrangements in place to continue in operational existence for the foreseeable future. The Board has also taken into account the fact that the Company has a continuation vote to be considered by shareholders at the Company's 2023 Annual General Meeting and the likelihood of shareholders voting in favour of continuation. Having consulted the Company's major shareholders through the remit of its advisers, the Directors have a reasonable belief that the continuation vote will be supported by the majority of shareholders. For these reasons, they consider that there is reasonable evidence to continue to adopt the going concern basis in preparing the financial statements. They have not identified any material uncertainties to the Company's ability to continue to do so over a period of at least twelve months from the date of these financial statements.

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

(b) Valuation of investments

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

Accordingly, upon initial recognition the investments are measured by the Company at fair value through profit or loss. They are initially recognised at fair value which is taken to be their cost after deducting expenses incidental to purchase which are included within gains and losses on investments in the capital column of the Statement of Comprehensive Income, 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.

(c) Accounting for reserves

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

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

(d) Income

Dividends receivable from equity shares are included in revenue on an ex-dividend basis except where, in the opinion of the Directors, 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.

Interest receivable 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:

- The management fee and any finance costs incurred are allocated 30% to revenue and 70% to capital, in line with Board's expected long term split of revenue and capital return from the Company's investment portfolio.
- Expenses incidental to the purchase and sale of an investment are charged to capital. These expenses are commonly referred to as transaction costs and comprise brokerage commission and stamp duty. Details of transaction costs are given in note 10 on page 85.

(f) Finance costs

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. The Company has not had any borrowings in the current or prior year.

(g) Financial Instruments

Financial instruments are recognised only when the Company becomes a party to contractual provisions of the instruments. Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire or are settled. Financial liabilities are derecognised when the obligation specified in the contract is discharged, is cancelled or expires.

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. The Liquidity fund portfolio consists of short dated deposits and commercial paper, a maturity profile of less than three months and low volatility net asset value.

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.

(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.

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

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

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

(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) Functional currency

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

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

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

(k) Dividends payable

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

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

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

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

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

2. Significant accounting judgements and estimates

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

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

3. Losses on investments held at fair value through profit or loss

	2023 £'000	2022 £'000
Realised gains on sales of investments	10,064	123,997
Net change in unrealised gains and losses on investments	(20,342)	(424,750)
Other capital charges	(25)	(49)
Total capital losses on investments held at fair value through profit or loss	**(10,303)**	**(300,802)**

Notes to the Financial Statements

4. Income

	2023 £'000	2022 £'000
Income from investments:		
Overseas dividends	25,805	22,018
Scrip dividends	—	108
Special dividends	2,325	917
	28,130	**23,043**
Interest receivable and similar income		
Interest from Liquidity fund	2,296	158
Deposit interest	3	—
	2,299	**158**
Total income	**30,429**	**23,201**

5. Management fee

	2023			2022		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Management fee	3,082	7,190	10,272	3,537	8,252	11,789

Details of the management fee is given in the Directors' Report on page 52.

6. Other administrative expenses

	2023 £'000	2022 £'000
Administrative expenses[1]	379	422
Marketing fees[1]	161	50
Safe custody fees	497	465
Directors' fees[2]	230	215
Depositary fees[1]	139	151
Auditors' remuneration — for audit services[1]	50	43
	1,456	**1,346**

[1] Includes £nil (2022: £nil) irrecoverable VAT.

[2] Full disclosure is given in the Directors' Remuneration Report on pages 63 to 65. Taxable expenses are excluded from the amount shown above, which are recognised in administrative expenses.

7. Taxation

(a) Analysis of tax charge for the year

	2023 Revenue £'000	2023 Capital £'000	2023 Total £'000	2022 Revenue £'000	2022 Capital £'000	2022 Total £'000
Overseas withholding tax on dividends	3,294	—	3,294	2,326	—	2,326
Capital gains tax	—	4,708	4,708	—	5,420	5,420
Total tax charge for the year	**3,294**	**4,708**	**8,002**	**2,326**	**5,420**	**7,746**

(b) Factors affecting total tax charge for the year

The tax charge for the year is higher than (2022: higher) the Company's applicable rate of corporation tax of 20.50% (2022: 19%). The factors affecting the total tax charge for the year are as follows:

	2023 Revenue £'000	2023 Capital £'000	2023 Total £'000	2022 Revenue £'000	2022 Capital £'000	2022 Total £'000
Net return/(loss) before taxation	**25,891**	**(19,803)**	**6,088**	**18,318**	**(302,493)**	**(284,175)**
Net return/(loss) before taxation multiplied by the applicable rate of corporation tax of 20.5% (2022: 19%)	5,308	(4,060)	1,248	3,480	(57,474)	(53,994)
Effects of:						
Non taxable scrip dividends	—	—	—	(20)	—	(20)
Losses on investments not subject to UK income tax	—	2,586	2,586	—	55,906	55,906
Non taxable overseas dividends	(5,735)	—	(5,735)	(4,363)	—	(4,363)
Tax attributable to expenses charged to capital	(1,474)	1,474	—	(1,568)	1,568	—
Unutilised expenses carried forward to future periods	1,901	—	1,901	2,471	—	2,471
Overseas withholding tax	3,294	—	3,294	2,326	—	2,326
Capital gains tax	—	4,708	4,708	—	5,420	5,420
Total tax charge for the year	**3,294**	**4,708**	**8,002**	**2,326**	**5,420**	**7,746**

(c) Deferred taxation

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

The Company has an unrecognised deferred tax asset of £32,209,000 (2022: £29,910,000) based on a prospective corporation tax rate of 25% (2022: 25%). The March 2021 Budget announced an increase to the main rate of corporation tax to 25% from 1st April 2023. This increase in the standard rate of corporation tax was substantively enacted on 24th May 2021 and became effective from 2nd June 2021. The deferred tax asset has arisen due to the cumulative excess of deductible expenses over taxable income. Given the composition of the Company's portfolio, it is not likely that this asset will be utilised in the foreseeable future and therefore no asset has been recognised in the financial statements.

Given the Company's status as an investment trust company and the intention to continue meeting the conditions required to obtain approval, the Company has not provided for deferred tax on any capital gains or losses arising on the revaluation or disposal of investments.

Notes to the Financial Statements

8. Return/(loss) per share

	2023 £'000	2022 £'000
Revenue return	22,597	15,992
Capital loss	(24,511)	(307,913)
Total loss	(1,914)	(291,921)
Weighted average number of shares in issue during the year	1,162,832,611	1,178,582,565
Revenue return per share	1.94p	1.36p
Capital loss per share	(2.11)p	(26.13)p
Total loss per share	**(0.17)p**	**(24.77)p**

9. Dividends

(a) Dividends paid and proposed

	2023 £'000	2022 £'000
Distributions paid		
Unclaimed dividends refunded to the Company	—	(1)
2022 final dividend of 0.83p (2021: 0.83p) per share	9,683	9,813
2023 interim dividend of 0.58p (2022: 0.52p) per share	6,734	6,114
Total dividends paid in the year	16,417	15,926
Distributions proposed		
2023 final dividend proposed of 1.07p (2022: 0.83p) per share	12,312	9,715

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

The dividend proposed in respect of the year ended 30th June 2023 is subject to shareholder approval at the forthcoming Annual General Meeting. In accordance with the accounting policy of the Company, this dividend will be reflected in the financial statements for the year ending 30th June 2024.

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

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

The revenue available for distribution by way of dividend for the year is £22,597,000 (2022: £15,992,000). The revenue reserve after payment of the final dividend will amount to £11,908,000 (2022: £8,323,000).

	2023 £'000	2022 £'000
2023 interim dividend of 0.58p (2022: 0.52p) per share	6,734	6,114
2023 final dividend proposed of 1.07p (2022: 0.83p) per share	12,312	9,715
	19,046	**15,829**

Notes to the Financial Statements

10. Investments

	2023 £'000	2022 £'000
Investments listed on a recognised stock exchange	1,311,009	1,313,276
Opening book cost	694,667	641,682
Opening investment holding gains	618,609	1,043,359
Opening valuation	1,313,276	1,685,041
Movements in the year:		
Purchases at cost	64,572	109,470
Sales — proceeds	(56,561)	(180,482)
Losses on investments held at fair value	(10,278)	(300,753)
	1,311,009	1,313,276
Closing book cost	712,742	694,667
Closing investment holding gains	598,267	618,609
Total investments held at fair value through profit or loss[1]	**1,311,009**	**1,313,276**

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

Transaction costs on purchases during the year amounted to £105,000 (2022: £119,000) and on sales during the year amounted to £68,000 (2022: £46,000). These costs comprise mainly brokerage commission.

The Company received £56,561,000 (2022: £180,482,000) from investments sold in the year. The bookcost of these investments when they were purchased was £46,497,000 (2022: £56,485,000). These investments have been revalued over time and until they were sold any unrealised gains/losses were included in the fair value of the investments.

11. Current assets

	2023 £'000	2022 £'000
Debtors		
Dividends and interest receivable	4,319	3,865
Other debtors	755	338
Total	**5,074**	**4,203**

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

Cash and cash equivalents

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

Notes to the Financial Statements

12. Current liabilities

	2023 £'000	2022 £'000
Creditors amounts falling due within one year		
Repurchases of the Company's own shares awaiting settlement	416	162
Other creditors and accruals	583	291
	999	**453**

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

13. Non current liabilities: Provision for capital gains tax

	2023 £'000	2022 £'000
Provision for capital gains tax	10,128	5,420
	10,128	**5,420**

Further details of the provision for capital gains tax is provided in note 1(h) of the financial statements. The provision above relates to the potential Indian capital gains tax payable in the future on the sale and subsequent crystallisation of the holding investment gains on the Indian portfolio. This amount could increase or decrease depending on the movement in the holding gains or losses during the year.

14. Called up share capital

	2023		2022	
	Number of shares	£'000	Number of shares	£'000
Ordinary shares allotted and fully paid:				
Opening Balance of ordinary shares of 2.5p each excluding shares held in Treasury	1,170,512,230	29,263	1,187,666,096	29,691
Repurchase of shares into Treasury	(19,882,865)	(497)	(17,153,866)	(428)
Subtotal of shares of 2.5p each excluding shares held in Treasury	1,150,629,365	28,766	1,170,512,230	29,263
Shares held in Treasury	173,005,885	4,325	153,123,020	3,828
Closing balance of shares of 25p each including shares held in Treasury	**1,323,635,250**	**33,091**	**1,323,635,250**	**33,091**

Share capital transactions

During the year 19,882,865 shares were repurchased into Treasury for a total consideration of £21,153,000.

Further details of transactions in the Company's shares are given in the Business Review on page 36.

Notes to the Financial Statements

15. Capital and reserves

2023	Called up share capital £'000	Share premium £'000	Capital redemption reserve £'000	Other reserve[1] £'000	Capital reserves[2] Realised gains and losses £'000	Capital reserves[2] Investment holding gains and losses £'000	Revenue reserve[2] £'000	Total £'000
Opening balance	33,091	173,631	1,665	69,939	454,938	618,002	18,040	1,369,306
Net foreign currency loss	—	—	—	—	(2,310)	—	—	(2,310)
Realised gains on sale of investments	—	—	—	—	10,064	—	—	10,064
Net change in unrealised gains and losses on investments	—	—	—	—	—	(20,342)	—	(20,342)
Repurchase of shares into Treasury	—	—	—	—	(21,153)	—	—	(21,153)
Management fee charged to capital	—	—	—	—	(7,190)	—	—	(7,190)
Other capital charges	—	—	—	—	(25)	—	—	(25)
Capital gains tax	—	—	—	—	(4,708)	—	—	(4,708)
Dividend paid in the year	—	—	—	—	—	—	(16,417)	(16,417)
Retained revenue for the year	—	—	—	—	—	—	22,597	22,597
Closing balance	**33,091**	**173,631**	**1,665**	**69,939**	**429,616**	**597,661**	**24,220**	**1,329,822**

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

1 Created during the year ended 30th June 1999, following a cancellation of the share premium account.
2 This reserve forms the distributable reserve of the Company and may be used to fund distributions to investors via dividend payments.

Called up share capital represents the nominal value of the shares in issue. The excess amount between the nominal value and issue price, on issue of ordinary shares, is taken to share premium.

The capital redemption reserve maintains the equity share capital arising from the repurchase and cancellation of shares and is non-distributable.

The other reserve arose from the cancellation of the share premium account.

The capital reserves includes investment gains and losses, expenses allocated to capital and special dividends received that are classified as capital in nature.

The revenue reserve reflects the income and expenses as shown in the revenue column of the Income Statement. The capital and revenue reserves are distributable by way of dividend.

Notes to the Financial Statements

16. Net asset value per share

	2023	2022
Net assets (£'000)	1,329,822	1,369,306
Number of shares in issue	1,150,629,365	1,170,512,230
Net asset value per share	**115.6p**	**117.0p**

17. Contingent liabilities and capital commitments

At the balance sheet date there were no contingent liabilities or capital commitments (2022: none).

18. Transactions with the Manager and related parties

Details of the management contract are set out in the Directors' Report on page 52. The management fee payable to the Manager for the year was £10,272,000 (2022: £11,789,000) of which £nil (2022: £nil) was outstanding at the year end.

Safe custody fees amounting to £497,000 (2022: £465,000) were payable during the year to JPMorgan Chase N.A. of which £212,000 (2022: £81,000) was outstanding at the year end.

The Manager may carry out some of its dealing transactions through group subsidiaries. These transactions are carried out at arm's length. The commission payable to JPMorgan Securities Limited for the year was £nil (2022: £5,000) of which £nil (2022: £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 £24.1 million (2022: £57.2 million). Interest amounting to £2,296,000 (2022: £158,000) was received during the year of which £nil (2022: £nil) was outstanding at the year end.

Handling charges on dealing transactions amounting to £25,000 (2022: £49,000) were payable to JPMorgan Chase N.A. during the year of which £6,000 (2022: £2,000) was outstanding at the year end.

At the year end, total cash of £737,000 (2022: £487,000) was held with JPMorgan Chase. A net amount of interest of £3,497 (2022: £220) was receivable by the Company during the year from JPMorgan Chase of which £nil (2022: £nil) was outstanding at the year end.

Full details of Directors' remuneration and shareholdings can be found on pages 63 to 65.

19. Disclosures regarding financial instruments measured at fair value

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

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

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

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

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

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

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

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

Notes to the Financial Statements

Details of the valuation techniques used by the Company are given in note 1(b) on page 79.

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

	2023		2022	
	Assets £'000	Liabilities £'000	Assets £'000	Liabilities £'000
Level 1	1,310,951	—	1,313,216	—
Level 3[1]	58	—	60	—
Total	**1,311,009**	**—**	**1,313,276**	**—**

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

There have been no transfers between Levels 1, 2 or 3 during the year. A reconciliation of the fair value measurements using valuation techniques using non-observable data is set out below.

	2023		2022	
Level 3	Equity Investments £'000	Total £'000	Equity Investments £'000	Total £'000
Opening balance	60	60	—	—
Transfers into Level 3	—	—	14,052	14,052
Change in fair value of unquoted investment during the year	(2)	(2)	(13,992)	(13,992)
Closing balance	58	58	60	60

The level 3 stock is Sberbank of Russia.

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

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

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

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

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

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

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

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

(a) Market risk

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

Notes to the Financial Statements

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

(a) Market risk (continued)

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

Foreign currency exposure

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

	2023						
	US Dollars £'000	Hong Kong Dollars £'000	Indian Rupee £'000	Chinese Yuan Renminbi £'000	South African Rand £'000	Other £'000	Total £'000
Net current assets	25,284	1,035	1,746	396	156	918	29,535
Foreign currency exposure on net monetary items	25,284	1,035	1,746	396	156	918	29,535
Investments held at fair value through profit or loss	294,244	273,742	266,637	93,384	66,049	316,953	1,311,009
Total net foreign currency exposure	**319,528**	**274,777**	**268,383**	**93,780**	**66,205**	**317,871**	**1,340,544**

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

In the opinion of the Directors, the above year end amounts are broadly representative of the exposure to foreign currency risk on monetary items during the year. Cash held in the JPMorgan US Dollar Liquidity Fund has fluctuated between £24,129,000 and £71,056,000 during the year (2022: £nil and £82,824,000).

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% (2022:10%) 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.

	2023		2022	
	If sterling strengthened by 10% £'000	**If sterling weakened by 10% £'000**	**If sterling strengthened by 10% £'000**	**If sterling weakened by 10% £'000**
Statement of Comprehensive Income – return after taxation				
Revenue return	(3,043)	3,043	(2,320)	2,320
Capital return on monetary items from exposure table above	(2,954)	2,954	(6,166)	6,166
Capital return on non-monetary items ie: Investments held at fair value through profit and loss	(131,101)	131,101	(131,328)	131,328
Total return after taxation	(137,098)	137,098	(139,814)	139,814
Net assets	**(137,098)**	**137,098**	**(139,814)**	**139,814**

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

(ii) Interest rate risk

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

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.

	2023 £'000	**2022 £'000**
Exposure to floating interest rates:		
Cash and short term deposits	737	487
JPMorgan US Dollar Liquidity Fund	24,129	57,213
Total net exposure	**24,866**	**57,700**

Interest receivable on cash balances is at a margin below SONIA (2022: same).

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

Interest rate sensitivity

The following table illustrates the sensitivity of the return after taxation for the year and net assets to a 1% (2022: 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.

Notes to the Financial Statements

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

(a) Market risk (continued)

(ii) Interest rate risk (continued)

	2023		2022	
	4% increase in rate £'000	4% decrease in rate £'000	1% increase in rate £'000	1% decrease in rate £'000
Statement of Comprehensive Income – return after taxation				
Revenue return	249	(249)	577	(577)
Capital return	—	—	—	—
Total return after taxation for the year	249	(249)	577	(577)
Net assets	**249**	**(249)**	**577**	**(577)**

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

(iii) Other price risk

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

Management of other price risk

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

Other price risk exposure

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

	2023 £'000	2022 £'000
Investments held at fair value through profit or loss	1,311,009	1,313,276

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 22 to 27. The Company's benchmark is the MSCI Emerging Markets Index but, it should also be noted that an investment may not be entirely exposed to the economic conditions in its country of domicile or of listing.

Other price risk sensitivity

The following table illustrates the sensitivity of the return after taxation for the year and net assets to an increase or decrease of 10% (2022: 10%) in the market value of equity investments.

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

	2023		2022	
	10% increase in fair value £'000	10% decrease in fair value £'000	10% increase in fair value £'000	10% decrease in fair value £'000
Statement of Comprehensive Income – return after taxation				
Revenue return	(295)	295	(295)	295
Capital return	130,413	(130,413)	130,638	(130,638)
Total return after taxation for the year and net assets	**130,118**	**(130,118)**	**130,343**	**(130,343)**

(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.

Liquidity risk exposure

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

	2023			2022		
	Within one year £'000	More than one year £'000	Total £'000	Within one year £'000	More than one year £'000	Total £'000
Creditors: amounts falling due within one year						
Repurchase of the Company's own shares awaiting settlement	416	—	416	162	—	162
Other creditors and accruals	583	—	583	291	—	291
Creditors: amounts falling due after more than one year						
Provision for capital gains tax[1]	—	10,128	10,128	—	5,420	5,420
	999	**10,128**	**11,127**	**453**	**5,420**	**5,873**

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

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

(c) Credit risk

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

Management of credit risk

Portfolio dealing

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

Notes to the Financial Statements

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

(c) Credit risk (continued)

Cash and cash equivalents

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

Exposure to JPMorgan Chase

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

Credit risk exposure

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

(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.

21. Capital management policies and procedures

The Company's capital comprises the following:

	2023 £'000	2022 £'000
Equity:		
Called up share capital	33,091	33,091
Reserves	1,296,731	1,336,215
Total capital	**1,329,822**	**1,369,306**

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

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

	2023 £'000	2022 £'000
Investments held at fair value through profit or loss	1,311,009	1,313,276
Net assets	1,329,822	1,369,306
Gearing/(net cash)	**(1.4)%**	**(4.1)%**

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

22. Subsequent events

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

Regulatory Disclosures

Alternative Investment Fund Managers Directive ('AIFMD') Disclosures (Unaudited)

Leverage

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

The Company is required to state its maximum and actual leverage levels, calculated as prescribed by the AIFMD, at 30th June 2023, which gives the following figures:

	Gross Method	Commitment Method
Leverage exposure		
Maximum limit	175%	175%
Actual[1]	100%	100%

[1] It should be noted that the Company does not have a borrowing facility and does not currently employ gearing. At the year end the Company's position was 1.4% net cash. The above figures are theoretical and are calculated in accordance with the methodology prescribed by the AIFMD.

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

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

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

Remuneration Policy

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

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

The board reviews and adopts the Remuneration Policy on an annual basis, and oversees its implementation, including the classification of AIFMD Identified Staff. The board last reviewed and adopted the Remuneration Policy that applied for the 2022 Performance Year in June 2022 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 2022 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 25 Alternative Investment Funds (with 4 sub-funds) and 2 UCITS (with 44 sub-funds) as at 31st December 2022, with a combined AUM as at that date of £21.6 billion and £21.3 billion respectively.

Regulatory Disclosures

	Fixed remuneration	Variable remuneration	Total remuneration	Number of beneficiaries
All staff of the Management Company (US$'000s)	21,662	14,069	35,731	146

The aggregate 2022 total remuneration paid to AIFMD Identified Staff was USD $114.5 million, of which USD $1.2 million relates to Senior Management and USD $113.3 million relates to other Identified Staff[1].

[1] For 2022, the AIFMD identified staff disclosures includes employees of the companies to which portfolio management has been formally delegated in line with the latest ESMA guidance.

Securities Financing Transactions Regulation ('SFTR') Disclosure (Unaudited)

The Company does not engage in Securities Financing Transactions (as defined in Article 3 of Regulation (EU) 2015/2365, securities financing transactions include repurchase transactions, securities or commodities lending and securities or commodities borrowing, buy-sell back transactions or sell-buy back transactions and margin lending transactions) or total return swaps. Accordingly, disclosures required by Article 13 of the Regulation are not applicable for the year ended 30th June 2023.


中色股份
中国宝安
西藏发展
1241
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Notice of Annual General Meeting

Notice is hereby given that the thirty second Annual General Meeting of JPMorgan Emerging Markets Investment Trust plc will be held at 60 Victoria Embankment, London EC4Y 0JP on Wednesday 8th November 2023 at 2.30pm for the following purposes:

1. To receive the Directors' Report, the Annual Accounts and the Auditors' Report for the year ended 30th June 2023.
2. To approve the Directors' Remuneration Report for the year ended 30th June 2023.
3. To approve a final dividend of 1.07p per share.
4. To reappoint Aidan Lisser as a Director of the Company.
5. To reappoint Zoe Clements as a Director of the Company.
6. To reappoint Helena Coles as a Director of the Company.
7. To reappoint Richard Laing as a Director of the Company.
8. To reappoint Ruary Neill as a Director of the Company.
9. To reappoint Andrew Page as a Director of the Company.
10. To reappoint BDO LLP as independent Auditors of the Company.
11. To authorise the Directors to determine the auditors remuneration.

Special Business

To consider the following resolutions:

Continuation Vote — Ordinary Resolution

12. THAT the Company continue in existence as an investment trust for a further three year period.

Authority to allot new shares – Ordinary Resolution

13. THAT the Directors of the Company be and they are hereby generally and unconditionally authorised, (in substitution of any authorities previously granted to the Directors), pursuant to and in accordance with Section 551 of the Companies Act 2006 (the 'Act') to exercise all the powers of the Company to allot shares in the Company and to grant rights to subscribe for, or to convert any security into, shares in the Company ('Rights') up to an aggregate nominal amount of £2,868,199 representing approximately 10% of the Company's issued Ordinary share capital (excluding shares held in Treasury) 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 2024 unless renewed at a general meeting prior to such time, save that the Company may before such expiry make offers or agreements which would or might require shares to be allotted or Rights to be granted after such expiry and so that the Directors of the Company may allot shares and grant Rights in pursuance of such offers or agreements as if the authority conferred hereby had not expired.

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

14. THAT subject to the passing of Resolution 13 set out above, the Directors of the Company be and they are hereby empowered pursuant to Sections 570 to 573 of the Act to allot equity securities (within the meaning of Section 560 of the Act) for cash pursuant to the authority conferred by Resolution 13 or by way of a sale of Treasury shares as if Section 561(1) of the Act did not apply to any such allotment, provided that this power shall be limited to the allotment of equity securities for cash up to an aggregate nominal amount of £2,868,199 representing approximately 10% of the issued Ordinary share capital (excluding shares held in Treasury) 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 13 above, save that the Company may before such expiry make offers or agreements which would or might require equity securities to be allotted after such expiry and so that the Directors of the Company may allot equity securities in pursuant of such offers or agreements as if the power conferred hereby had not expired.

Authority to repurchase the Company's shares – Special Resolution

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

PROVIDED ALWAYS THAT

(i) the maximum number of Ordinary shares hereby authorised to be purchased shall be 171,977,211, or if less, that number of Ordinary shares which is equal to 14.99% of the issued share capital (excluding shares held in Treasury) as at the date of the passing of this Resolution;

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

(iii) the maximum price which may be paid for an Ordinary share shall be an amount equal to the highest of: (a) 105% of the average of the middle market quotations for an Ordinary share taken from and calculated by reference to the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which the Ordinary share is contracted to be purchased; or (b) the price of the last independent trade; or (c) the highest current independent bid;

Notice of Annual General Meeting

(iv) any purchase of Ordinary shares will be made in the market for cash at prices below the prevailing net asset value per Ordinary share (as determined by the Directors);

(v) the authority hereby conferred shall expire on 7th May 2025 unless the authority is renewed at the Company's Annual General Meeting in 2024 or at any other general meeting prior to such time; and

(vi) the Company may make a contract to purchase Ordinary shares under the authority hereby conferred prior to the expiry of such authority which contract will or may be executed wholly or partly after the expiry of such authority and may make a purchase of Ordinary shares pursuant to any such contract.

Authority to hold general meetings – Special Resolution

16. THAT, a general meeting, other than an Annual General Meeting, may be called on not less than 14 clear days' notice.

By order of the Board
Alison Vincent, for and on behalf of JPMorgan Funds Limited, Company Secretary

4th October 2023

Notes

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

1. A member entitled to attend and vote at the Meeting may appoint another person(s) (who need not be a member of the Company) to exercise all or any of his rights to attend, speak and vote at the Meeting. A member can appoint more than one proxy in relation to the Meeting, provided that each proxy is appointed to exercise the rights attaching to different shares held by him.
2. A proxy does not need to be a member of the Company but must attend the Meeting to represent you. Your proxy could be the Chair, another Director of the Company or another person who has agreed to attend to represent you. Details of how to appoint the Chair or another person(s) as your proxy or proxies using the proxy form are set out in the notes to the proxy form. If a voting box on the proxy form is left blank, the proxy or proxies will exercise his/their discretion both as to how to vote and whether he/they abstain(s) from voting. Your proxy must attend the Meeting for your vote to count. Appointing a proxy or proxies does not preclude you from attending the Meeting and voting in person.
3. Any instrument appointing a proxy, to be valid, must be lodged in accordance with the instructions given on the proxy form no later than 2.30 p.m. two business days prior to the Meeting (i.e. excluding weekends and bank holidays).
4. You may change your proxy instructions by returning a new proxy appointment. The deadline for receipt of proxy appointments also applies in relation to amended instructions. Any attempt to terminate or amend a proxy appointment received after the relevant deadline will be disregarded. Where two or more valid separate appointments of proxy are received in respect of the same share in respect of the same Meeting, the one which is last received (regardless of its date or the date of its signature) shall be treated as replacing and revoking the other or others as regards that share; if the Company is unable to determine which was last received, none of them shall be treated as valid in respect of that share.
5. To be entitled to attend and vote at the Meeting (and for the purpose of the determination by the Company of the number of votes they may cast), members must be entered on the Company's register of members as at 6.30 p.m. two business days prior to the Meeting (the 'specified time'). If the Meeting is adjourned to a time not more than 48 hours after the specified time applicable to the original Meeting, that time will also apply for the purpose of determining the entitlement of members to attend and vote (and for the purpose of determining the number of votes they may cast) at the adjourned Meeting. If however the Meeting is adjourned for a longer period

then, to be so entitled, members must be entered on the Company's register of members as at 6.30 p.m. two business days prior to the adjourned Meeting or, if the Company gives notice of the adjourned Meeting, at the time specified in that notice. Changes to entries on the register after this time shall be disregarded in determining the rights of persons to attend or vote at the Meeting or adjourned Meeting.

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

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

   Representatives should bring to the Meeting evidence of their appointment, including any authority under which it is signed.

8. Members that satisfy the thresholds in Section 527 of the Companies Act 2006 can require the Company to publish a statement on its website setting out any matter relating to: (a) the audit of the Company's accounts (including the Auditors' report and the conduct of the audit) that are to be laid before the AGM; or (b) any circumstances connected with Auditors of the Company ceasing to hold office since the previous AGM, which the members propose to raise at the Meeting. The Company cannot require the members requesting the publication to pay its expenses. Any statement placed on the website must also be sent to the Company's Auditors no later than the time it makes its statement available on the website. The business which may be dealt with at the AGM includes any statement that the Company has been required to publish on its website pursuant to this right.

9. Pursuant to Section 319A of the Companies Act 2006, the Company must cause to be answered at the AGM any question relating to the business being dealt with at the AGM which is put by a member attending the Meeting except in certain circumstances, including if it is undesirable in the interests of the Company or the good order of the Meeting or if it would involve the disclosure of confidential information.

10. Under sections 338 and 338A of the 2006 Act, members meeting the threshold requirements in those sections have the right to require the Company: (i) to give, to members of the Company entitled to receive notice of the Meeting, notice of a resolution which those members intend to move (and which may properly be moved) at the Meeting; and/or (ii) to include in the business to be dealt with at the Meeting any matter (other than a proposed resolution) which may properly be included in the business at the Meeting. A resolution may properly be moved, or a matter properly included in the business unless: (a) (in the case of a resolution only) it would, if passed, be ineffective (whether by reason of any inconsistency with any enactment or the Company's constitution or otherwise); (b) it is defamatory of any person; or (c) it is frivolous or vexatious. A request made pursuant to this right may be in hard copy or electronic form, must identify the resolution of which notice is to be given or the matter to be included in the business, must be accompanied by a statement setting out the grounds for the request, must be authenticated by the person(s) making it and must be received by the Company not later than the date that is six clear weeks before the Meeting, and (in the case of a matter to be included in the business only) must be accompanied by a statement setting out the grounds for the request.

11. A copy of this notice has been sent for information only to persons who have been nominated by a member to enjoy information rights under Section 146 of the Companies Act 2006 (a 'Nominated Person'). The rights to appoint a proxy can not be exercised by a Nominated Person: they can only be exercised by the member. However, a Nominated Person may have a right under an agreement between him and the member by whom he was nominated to be appointed as a proxy for the Meeting or to have someone else so appointed. If a Nominated Person does not have such a right or does not wish to exercise it, he may have a right under such an agreement to give instructions to the member as to the exercise of voting rights.

12. In accordance with Section 311A of the Companies Act 2006, the contents of this notice of meeting, details of the total number of shares in respect of which members are entitled to exercise voting rights at the AGM, the total voting rights members are entitled to exercise at the AGM and, if applicable, any members' statements, members' resolutions or members' matters of business received by the Company after the date of this notice will be available on the Company's website www.jpmemergingmarkets.co.uk.

13. The register of interests of the Directors and connected persons in the share capital of the Company and the Directors' letters of appointment are available for inspection at the Company's registered office during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted). It will also be available for inspection at the Annual General Meeting. No Director has any contract of service with the Company.

Notice of Annual General Meeting

14. You may not use any electronic address provided in this Notice of Meeting to communicate with the Company for any purposes other than those expressly stated.

15. As an alternative to completing a hard copy Form of Proxy/Voting Instruction Form, you can appoint a proxy or proxies electronically by visiting www.sharevote.co.uk. You will need your Voting ID, Task ID and Shareholder Reference Number (this is the series of numbers printed under your name on the Form of Proxy/Voting Direction Form). Alternatively, if you have already registered with Equiniti Limited's online portfolio service, Shareview, you can submit your Form of Proxy at www.shareview.co.uk. Full instructions are given on both websites.

16. As at 26th September 2023 (being the latest business day prior to the publication of this Notice), the Company's issued share capital consists of 1,323,635,250 Ordinary shares (of which 176,355,657 shares are held in Treasury), carrying one vote each. Therefore the total voting rights in the Company are 1,147,279,593.

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)

Alternative Performance Measure (APM)

Alternative Performance Measures (APMs) are numerical measures of current, historical or future financial performance, financial position or cash flow that are not GAAP measures. APMs are intended to supplement the information in the financial statements, providing useful industry-specific information that can assist shareholders to better understand the performance of the Company.

Where a measure is labelled as an APM, a definition and reconciliation to a GAAP measure is set out below.

Return to Shareholders (APM)

Total return to the 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 30th June 2023	Year ended 30th June 2022	
Opening share price (p)	8	105.0	133.8	(a)
Closing share price (p)	8	104.4	105.0	(b)
Total dividend adjustment factor[1]		1.013963	1.011456	(c)
Adjusted closing share price (p) (d = b x c)		105.9	106.2	(d)
Total return to shareholders (e = (d / a) – 1)		**0.8%**	**–20.6%**	(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 30th June 2023	Year ended 30th June 2022	
Opening cum-income NAV per share (p)	8	117.0	143.0	(a)
Closing cum-income NAV per share (p)	8	115.6	117.0	(b)
Total dividend adjustment factor[1]		1.012442	1.010341	(c)
Adjusted closing cum-income NAV per share (d = b x c)		117.0	118.2	(d)
Total return on net assets (e = d / a – 1)		**0.0%**	**–17.3%**	(e)

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

Benchmark total return

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

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

Glossary of Terms and Alternative Performance Measures (APMs) (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	As at 30th June 2023	As at 30th June 2022	
Investments held at fair value through profit or loss	77	1,311,009	1,313,276	(a)
Net assets	77	1,329,822	1,369,306	(b)
Gearing/(net cash) (c = (a / b) – 1)		**(1.4)%**	**(4.1)%**	(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 30th June 2023	Year ended 30th June 2022	
Management fee	82	10,272	11,789	
Other administrative expenses	82	1,456	1,346	
Total management fee and other administrative expenses		11,728	13,135	(a)
Average daily cum-income net assets		1,379,176	1,557,252	(b)
Ongoing charges (c = a / b)		**0.85%**	**0.84%**	(c)

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

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

Portfolio Turnover

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

Performance attribution

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

Performance Attribution Definitions:

Asset allocation

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

Stock selection

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

Currency effect

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

Gearing/(net cash)

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

Glossary of Terms and Alternative Performance Measures (APMs) (Unaudited)

Management fee/Other expenses

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

Share buyback

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

American Depositary Receipts (ADRs)

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

Investing in JPMorgan Emerging Markets Investment Trust plc

You can invest in JPMorgan Emerging Markets Investment Trust plc through the following:

Via a third party provider

Third party providers include:

AJ Bell You Invest
Barclays Smart investor
Bestinvest
Charles Stanley Direct
Close brothers A.M. Self Directed Service
Fidelity Personal Investing
Freetrade
Halifax Share Dealing
Hargreaves Lansdown
iDealing
IG
Interactive investor
IWeb
ShareDeal active
Willis Owen
X-O.co.uk

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 the Company does not endorse or recommend any. Please observe each site's privacy and cookie policies as well as their platform charges structure.

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 (FCA) adviser charging and commission rules, visit www.fca.org.uk.

Voting on Company Business and Attending the AGM

The Board encourages all of its shareholders to exercise their rights by voting at general meetings and attending if able to do so. If you hold your shares on the Company's main register, please refer to the notes to the AGM on pages 100 to 102 and your form of proxy. If your shares are held through a platform, platform providers often provide shareholders with the ability to receive company documentation, to vote their shares and to attend general meetings, at no cost. Please refer to your investment platform for more details, or visit the Association of Investment Companies' ('AIC') website at www.theaic.co.uk/aic/shareholder-voting-consumer-platforms for information on which platforms support these services and how to utilise them.

Investment and pension scams are often sophisticated and difficult to spot

FINANCIAL CONDUCT AUTHORITY

Be a ScamSmart Investor

Be a ScamSmart investor and spot the warning signs

Fraudsters will often:

- contact you out of the blue
- apply pressure to invest quickly
- downplay the risks to your money
- promise tempting returns that sound too good to be true
- say that they're only making the offer available to you or even ask you to not tell anyone else about it

How to avoid investment and pension scams

1. **Reject unexpected offers**
   Scammers usually cold call, but contact can also come by email, post, word of mouth or at a seminar. If you've been offered an investment out of the blue, chances are it's a high risk investment or a scam.
2. **Check the FCA Warning List**
   Use the FCA Warning List to check the risks of a potential investment – you can also search to see if the firm is known to be operating without our authorisation.
3. **Get impartial advice**
   Get impartial advice before investing – don't use an adviser from the firm that contacted you.

If you're suspicious, report it

You can report the firm or scam to us by contacting our **Consumer Helpline** on **0800 111 6768** or using our reporting form using the link below.

If you've lost money in a scam, contact Action Fraud on 0300 123 2040 or www.actionfraud.police.uk

Be ScamSmart and visit www.fca.org.uk/scamsmart

Information About the Company

History

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

Company Numbers

Company registration number: 2618994
LEI: 5493001VPQDYH1SSSR77

Ordinary Shares

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

Market Information

The Company's net asset value ('NAV') is published daily via the London Stock Exchange. The Company's Ordinary shares are listed on the London Stock exchange and quoted daily in the Financial Times and on the J.P. Morgan website at www.jpmemergingmarkets.co.uk.

Website

www.jpmemergingmarkets.co.uk

Share Transactions

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

Manager and Company Secretary

JPMorgan Funds Limited
Company's Registered Office
60 Victoria Embankment
London EC4Y 0JP
Telephone: 0800 20 40 20 or +44 1268 44 44 70
email: invtrusts.cosec@jpmorgan.com

For Company Secretarial and administrative matters, please contact Alison Vincent.

Depositary

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

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

Independent Auditor

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

The Association of Investment Companies

A member of the AIC

Registrar

Equiniti Limited
Reference 1081
Aspect House
Spencer Road
West Sussex BN99 6DA
Telephone number: +44 (0)371 384 2945

Lines open 8.30 a.m. to 5.30 p.m. Monday to Friday, excluding public holidays in England and Wales. Calls to the helpline will cost no more than a national rate call to a 01 or 02 number. If calling from outside of the UK, please ensure the country code is used.

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

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

Broker

Stifel Nicolaus Europe Limited
150 Cheapside
London EC2V 6ET
Telephone number: 020 7710 7600

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

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

The shares are excluded from the FCA's restrictions which apply to non-mainstream investment products because they are shares in an investment trust. The Company's ordinary shares are not considered to be 'complex investments' under the FCA's 'Appropriateness' rules and guidance in the Conduct of Business sourcebook.

Consumer Duty Value Assessment

JPMF has conducted an annual Value Assessment on the Company in line with Financial Conduct Authority ('FCA') rules set out in the Consumer Duty regulation. The Assessment focuses on the nature of the product, including benefits received and its quality, limitations that are part of the product, expected total costs to clients and target market considerations. Within this, the assessment considers quality of services, performance of the trust (against both benchmark and peers), total fees (including management fees and entry and exit fees as applicable to the Company), and also considers whether vulnerable consumers are able to receive fair value from the product. JPMF has concluded that the Company is providing value based on the above assessment.

CONTACT

60 Victoria Embankment
London
EC4Y 0JP
Freephone: 0800 20 40 20
Calls from outside the UK: +44 1268 44 44 70
Website www.jpmemergingmarkets.co.uk

GB A109 | 09/23

J.P.Morgan
ASSET MANAGEMENT