# JPMorgan American Investment Trust plc

## US Equities, hand-picked by experts

Annual Report & Financial Statements
for the year ended 31st December 2025

Kepler GROWTH 2025

ISA MILLIONAIRE aic 2025

CITYWIRE INVESTMENT TRUST AWARDS 2025 · WINNER
NORTH AMERICAN EQUITIES JPMorgan American

2025 QUOTED DATA INVESTORS CHOICE AWARDS
WINNER: BEST FOR CAPITAL GROWTH JPMORGAN AMERICAN

INVESTMENT AWARDS 2025 WINNER
Category North American Equity – Active
JPMorgan American Investment Trust

J.P.Morgan
ASSET MANAGEMENT

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**JPMorgan American Investment Trust plc ('JAM' or the 'Company')**

**Annual Report & Financial Statements**
**for the year ended 31st December 2025**



## Financial Calendar

| | |
|---|---|
| Financial year end | **31st Dec** |
| Final results announced | **March/April** |
| Annual General Meeting | **May** |
| Half year end | **30th June** |
| Half year results announced | **August** |
| Dividend on ordinary shares paid | **May/Oct** |

## Website

The Company's website, www.jpmamerican.co.uk provides useful information such as daily prices, factsheets and current and historic half year and annual reports.

## Stay informed: receive the latest JAM newsletter

Sign up to receive regular email updates on the Company's progress. Our quarterly newsletter delivers topical and relevant news and views directly to your inbox. Scan this QR code on your smartphone camera or opt in via https://web.gim.jpmorgan.com/emea_investment_trust_subscription/welcome?targetFund=JAM to receive regular updates on JPMorgan American Investment Trust plc.

## Contact JAM

General enquiries about the Company should be directed to the Company Secretary at jpmam.investment.trusts@jpmorgan.com

## Your Company at a Glance

### Investment Objective and Benchmark

The Company's objective is to provide shareholders with capital growth from North American investments. It aims to outperform a benchmark, which is the S&P 500 Index, with net dividends reinvested, expressed in sterling terms.

### Key Investment Policies

To invest in North American quoted companies including, when appropriate, exposure to smaller capitalisation companies.

To emphasise capital growth rather than income.

Please refer to page 37 for details.

### Gearing Policy

The Company's gearing policy is to operate within a range of 5% net cash to 20% geared in normal market conditions.

### Capital Structure

As at 31st December 2025, the Company's share capital comprised 281,633,910 ordinary shares of 5p each, including 112,048,057 shares held in Treasury.

### Management Fees

The management fee is charged on a tiered basis as follows:

- 0.35% on the first £500 million of net assets;
- 0.30% on net assets above £500 million and up to £1 billion; and
- 0.25% on any net assets above £1 billion.

### Management Company

The Company employs JPMorgan Funds Limited ('JPMF' or the 'Manager' or the 'Investment Manager') as its Alternative Investment Fund Manager. JPMF delegates the management of the Company's portfolio to JPMorgan Asset Management (UK) Limited ('JPMAM') which further delegates the management to J.P. Morgan Asset Management, Inc. All of these entities are wholly owned subsidiaries of J.P. Morgan Chase & Co.

# Key Features

## US Equities, hand-picked by experts

Launched in 1881, the award-winning JPMorgan American Investment Trust plc ('JAM' or the 'Company') seeks to achieve capital growth from North American investments by outperformance of the Company's benchmark, which is the S&P 500 Index, with net dividends reinvested, expressed in sterling terms. The Company is listed on the London Stock Exchange (ticker: JAM) and is a constituent of the FTSE 250 index.

**Why invest in JPMorgan American Investment Trust plc?**

### Experienced local investment team

- Collaboration between a team of experienced, US-based Portfolio Managers with Growth and Value backgrounds
- Growth Team
  - Felise Agranoff – 22 years in the industry
- Value Team
  - Jack Caffrey – 34 years in the industry
  - Graham Spence – 24 years in the industry
- Supported by over 40 US equities career research analysts

### High conviction portfolio

- 40-stock large cap portfolio of the Manager's best growth and value ideas
- Represents at least 90% of total portfolio
- Flexibility to allocate up to 10% to a small cap portfolio
- Flexibility to add up to 20% gearing when favourable

### Designed to outperform across market conditions

- Dynamic blend of quality growth and value stocks
- The Quality Growth philosophy
  - Durable franchises with strong and growing market share positions
- The Quality Value philosophy
  - Durable franchises with strong cash flows
- A rigorous investment process
  - Fundamental research and extensive company engagements

### Award-winning trust with long-term track record

- Strong long-term outperformance, beating benchmark and peer group
  - Five and ten year NAV and share price performance ahead of Benchmark
  - Total return over same period also ahead of peer group average
- Multi-award winning, including in 2025:
  - AJ Bell Award for North American Equity
  - CityWire Award for Best North American Equity Investment Trust
  - AIC ISA Millionaire

### Maximising the benefits of investment trust structure

- Ability to borrow should enhance returns over time
- Strong reserves enable dividend smoothing over time and support progressive dividend policy
- Closed-end structure means no forced redemptions, easy to buy and sell shares
- Independent Board serves shareholders' interests and rigorously holds the Manager to account

### Low-cost access to US active fund management

- Low ongoing charges ratio (OCR) of 0.34%[APM]
- One of the most competitively priced US actively managed funds available to UK investors
  - compared to peers including investment trusts, and open ended funds (OEICs)

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

## One Portfolio Management Team

### Growth Team

"We believe in targeting high quality growth companies where we have a differentiated fundamental perspective. We focus on large market opportunities, strong competitive dynamics and best in class management teams, aiming to identify businesses with attractive growth, margin upside and free cash flow generation potential."

**Felise Agranoff, Portfolio Manager,**

JPMorgan American Investment Trust plc

Felise Agranoff targets the best growth ideas for the Portfolio. Felise has more than 20 years' industry experience and is part of the Manager's Growth team, which is supported by over 15 career research analysts.

### Value Team

"We focus on finding companies with durable demand and capable management that are presently undervalued in the markets. We emphasise a mosaic of valuation and balance sheet analysis to identify businesses with durable cash flows and competitive advantages, aiming for long-term superior returns while trying to limit downside risks."

**Jack Caffrey, Portfolio Manager,**

JPMorgan American Investment Trust plc

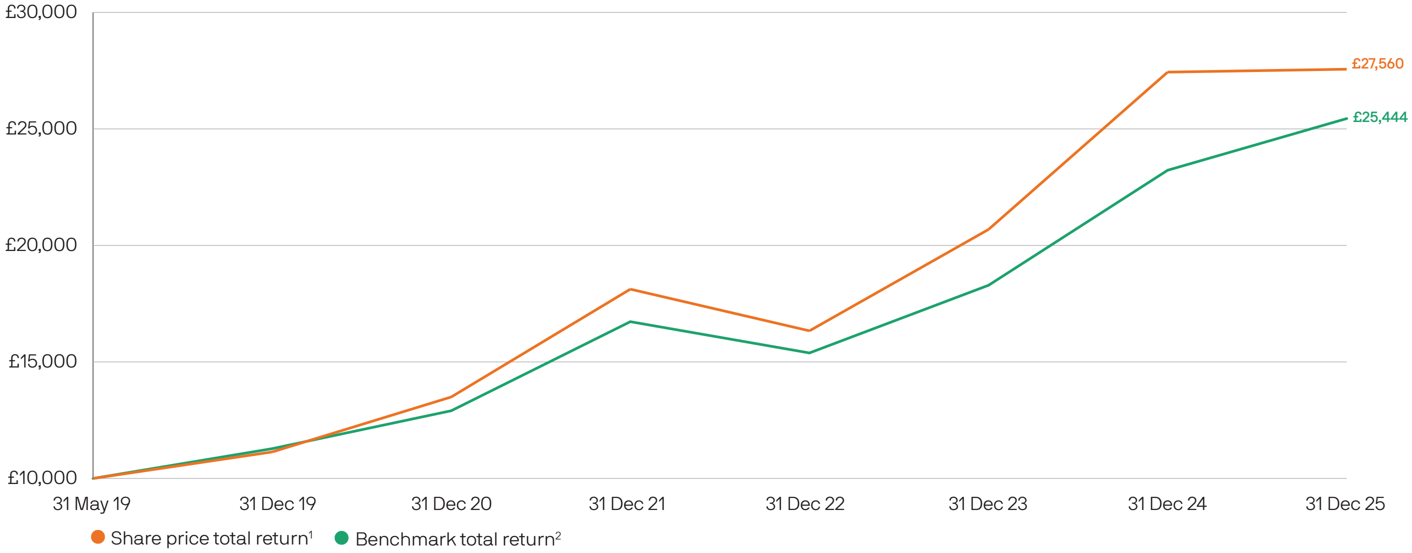
Jack Caffrey and Graham Spence target the best value ideas for the Portfolio. Jack and Graham each have more than 20 years' industry experience and are part of the Manager's Value team, which is supported by over 20 career research analysts.

# Key Features

## Delivering long-term shareholder returns

**A £10,000 investment with dividends reinvested, has grown at an average 16.6% p.a to £27,560 since the change in investment policy**

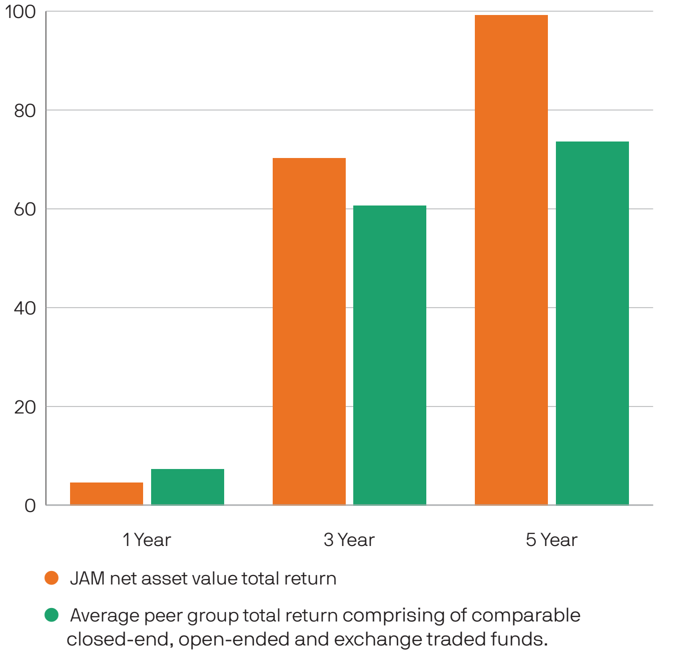
Investment as at 31st May 2019




[1] Source: Morningstar.
[2] The Company's benchmark index is the S&P 500 Index, net of the appropriate withholding tax, expressed in sterling total return terms.

**Performance against the Company's peer group**

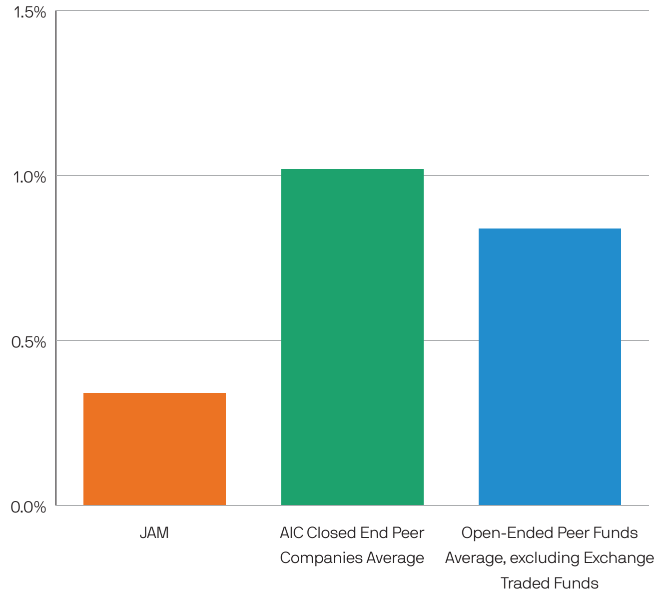
As at 31st December 2025




Source: Morningstar.

**Low ongoing charges vs the peer group**

As at 31st December 2025




Source: Morningstar.

The ongoing charges ratio represents the Company's management fee and all other operating expenses, excluding finance costs, expressed as a percentage of the average daily net assets during the year.

**For further details on the Company's KPIs, please refer to page 39.**

# Strategic Report

Image: The South Congress bridge in Austin, Texas, US

# Financial Highlights

## Total returns (including dividends reinvested)

| | 2025 | 2024 | 3 years | 5 years | 10 years |
|---|---|---|---|---|---|
| | | | Cumulative | Cumulative | Cumulative |
| Return on share price[1,APM] | +0.5% | +32.6% | +68.7% | +104.2% | +355.1% |
| Return on net assets[2,APM] – with debt at fair value | +4.6% | +30.6% | +70.3% | +99.2% | +341.4% |
| Benchmark return[3] | +9.6% | +27.0% | +65.4% | +97.2% | +325.2% |
| | | | Annualised[4] | Annualised[4] | Annualised[4] |
| Return on net assets relative to the benchmark[3,APM] | –5.0% | +3.6% | +1.0% | +0.2% | +0.4% |
| Dividend in respect of the year[5] | 11.5p | 11.00p | | | |

[1] Source: Morningstar.
[2] Source: Morningstar/J.P. Morgan, using cum income net asset value per share.
[3] The Company's benchmark index is the S&P 500 Index, net of the appropriate withholding tax, expressed in sterling total return terms.
[4] Annualised returns calculated on a geometric basis for periods greater than one year.
[5] Includes the final dividend of 8.75p for the year ended 31st December 2025, which is subject to approval by Shareholders at the AGM on 14th May 2026.
[APM] Alternative Performance Measures ('APM').

**Glossary of Terms and Alternative Performance Measures are provided on pages 100 to 103.**

# Financial Highlights

## Summary of results

| | 2025 | 2024 | % change |
|---|---|---|---|
| **Total returns for the year ended 31st December** | | | |
| Return on share price[1,APM] | +0.5% | +32.6% | |
| Return on net assets: | | | |
| – debt at fair value[2,APM] | +4.6% | +30.6% | |
| – debt at par value[2,APM] | +4.8% | +30.7% | |
| Benchmark return[1,3] | +9.6% | +27.0% | |
| **Net asset value, share price, discount and market data at 31st December** | | | |
| Net asset value per ordinary share: | | | |
| – debt at fair value[4,APM] | 1,153.3p | 1,115.7p | +3.4 |
| – debt at par value | 1,149.8p | 1,109.9p | +3.6 |
| S&P 500 Index expressed in sterling (capital only)[5] | 5,089.4 | 4,696.3 | +8.4 |
| Share price | 1,122.0p | 1,130.0p | –0.7 |
| Share price (discount)/premium to net asset value per ordinary share: | | | |
| – debt at fair value[APM] | (2.7)% | 1.3% | |
| – debt at par value[APM] | (2.4)% | 1.8% | |
| Net assets (£'000) | 1,949,863 | 1,987,845 | –1.9 |
| Market capitalisation (£'000) | 1,902,753 | 2,023,784 | –6.0 |
| Exchange rate | 1 £ = $ 1.3451 | 1 £ = $ 1.2524 | –6.9[6] |
| Ordinary shares in issue (excluding shares held in Treasury) | 169,585,853 | 179,095,954 | –5.3 |
| **Revenue for the year ended 31st December** | | | |
| Net revenue attributable to shareholders (£'000) | 18,357 | 19,233 | –4.6 |
| Revenue return per ordinary share | 10.41p | 10.59p | –1.7 |
| Dividend per ordinary share[7] | 11.50p | 11.0p | +4.5 |
| **Gearing at 31st December[APM]** | **4.7%** | **2.8%** | |
| **Ongoing Charges Ratio[APM]** | **0.34%** | **0.35%** | |
| **Management Fee:** | | | |
| On the first £500 million of net assets | 0.35% | 0.35% | |
| On net assets above £500 million and up to £1 billion | 0.30% | 0.30% | |
| On any net assets above £1 billion | 0.25% | 0.25% | |

[1] Source: Morningstar.
[2] Source: Morningstar/J.P. Morgan, using cum income net asset value per share.
[3] The Company's benchmark is the S&P 500 Index, net of the appropriate withholding tax, expressed in sterling total return terms.
[4] The fair value of the combined US$100m private placements issued by the Company was calculated using discounted cash flow technique, using the yield from a similarly dated treasury note plus a margin based on the US Broad Market AA 10-15 year spread.
[5] Source: LSEG Datastream.
[6] The % change in the exchange rate is based on the weakening of the US dollar against Sterling during the year.
[7] Includes the final dividend of 8.75p for the year ended 31st December 2025, which is subject to approval by Shareholders at the AGM on 14th May 2026.
[APM] Alternative Performance Measure ('APM').

**Glossary of Terms and Alternative Performance Measures are provided on pages 100 to 103.**

# Chair's Statement

**Robert Talbut**
Chair

Last year was an uncomfortable one for equity investors, but their forbearance was ultimately rewarded by healthy returns. Global stock markets plunged in March and April on fears about the economic impact of the US administration's aggressive tariff policy. Subsequent relief as the implementation of these tariffs was postponed subject to further negotiations gave way to renewed concerns that the significant tariffs ultimately imposed could fuel US inflation and slow growth. This uncertainty reduced the Federal Reserve's scope to reduce interest rates, despite unprecedented pressure from the US President. As the year progressed, investors also became increasingly anxious that the very high level of investment in artificial intelligence (AI) capabilities and data centres was fuelling an AI bubble set to burst if the extreme optimism regarding AI's potential is disappointed.

Despite these uncertainties, US equity indices showed their continued resilience and closed the year at record highs, demonstrating again the robustness of US businesses, how quickly they will adapt to changed circumstances and their continued ability to generate profitable growth. It was another example where the media's focus upon US politics could lead many to ignore the many positive characteristics of the US corporate sector. In 2025 within the overall equity market many lower quality, high beta, and highly valued stocks fared best over the year, while many other higher quality stocks, the primary focus of our investment strategy, lagged.

The Company's net asset value (NAV) (in sterling terms, with debt at fair value), increased by 4.6% on a total return basis in 2025, behind its benchmark, the S&P 500, which increased by 9.6% on the same basis. Overall returns would have been much higher to a sterling holder but were reduced given that the dollar fell by 6.9% versus the pound over the calendar year. The underperformance was very much the result of the Company's bias to high-quality, more reasonably valued growth and value stocks which are favoured by the Company's consistent investment strategy. In contrast the equity market was led by many lower quality and highly valued stocks and hence the portfolio lagging the index was unsurprising in the circumstances. The Board remain confident that the investment process remains appropriate and should deliver outperformance against the benchmark over time. During the year, the share price traded between a premium of 2.1% and a discount of 11.5% compared to NAV, ending the year at a discount of 2.7%.

While the past year's underperformance is disappointing, the Portfolio Managers adopt a long-term investment approach, so it is important to consider performance over a similar timeframe. Since the Company changed its investment approach on 1st June 2019, it has outperformed the benchmark index by 17.2% through to the end of February 2026, providing a NAV total return to shareholders of +173.4%, compared with a benchmark return of +156.2%. This represents an annualised outperformance of 1.0 percentage point since this change.

Reflecting this sustained outperformance I am equally pleased to report that during the past year, the Company won the Citywire Investment Trust Award in the 'Best North American Equities' category for the second successive year. The Company has also been identified as an "ISA millionaire" investment company by the Association of Investment Companies since 2022.

## The Portfolio

At the end of the review period, 94.3% of your Company's portfolio assets were invested in US large cap stocks, in a high conviction portfolio of some 40 stocks. This portfolio represents a carefully curated selection of the Manager's best growth and value investment ideas. The proportions of growth and value weightings can vary between 60% and 40% in either direction and stood at 55% in growth stocks and 45% in value names at the end of the period. The overall allocation to the small cap portfolio was approximately 5.7% at this time.

More details about performance attribution and portfolio activity during the year can be found in the Investment Manager's report on pages 15 to 22, along with the Portfolio Managers' view on the outlook for US equity markets.

## Share Price and Premium/Discount

The Company's shares traded near NAV or at a premium at the start of the year, then at a discount to its NAV for the remainder of the year. Consistent with statements made in previous years, and because share buy-backs at a discount to NAV enhance the NAV for remaining shareholders, the

Board is prepared to buy back shares when they stand at anything more than a small discount. The Board is also prepared to issue shares at a premium to NAV. This undertaking has operated for several years and applies in normal market conditions.

During the early part of the year, the Company issued 1,414,046 shares at an average premium of 0.8% to NAV, generating proceeds of £16.5 million. As the year progressed, 10,924,147 shares were purchased into Treasury, at a cost of £116.4 million, representing 6.1% of the Company's issued share capital (excluding shares held in Treasury) at the beginning of 2025. The average discount to NAV at which these shares were purchased was 3.4%, producing a modest accretion to the NAV per share for continuing shareholders.

Since the year end, 2,777,921 shares were purchased into Treasury. The share price discount stood at 4.5% as at 30th March 2026.

In line with usual practice, the Company will ask shareholders to approve the repurchase of up to 14.99% of its capital at a discount to estimated NAV at the forthcoming Annual General Meeting (AGM). The Company will also be seeking shareholder permission to issue shares, where the Board is confident of consistent market demand. The authority, if approved, will allow the Company to issue up to 10% of its issued share capital from Treasury. The Company will only issue shares at a price above the estimated NAV, including income and with the value of the debt at fair value.

## Dividends

While capital growth is the primary aim of the Company, the Board understands that dividend receipts can be an important element of shareholder returns. As such, the Board has sought to enhance shareholder returns with a longer-term progressive dividend policy.

Consistent with these efforts, the Company paid an interim dividend of 2.75p in respect of the first six months of the 2025 financial year (FY25) on 6th October 2025 (unchanged from the interim dividend paid in FY24). Subject to shareholder approval at the AGM, a final dividend of 8.75p will be paid on 29th May 2026 to shareholders on the register on 17th April 2026, making a total dividend of 11.5p per share for FY25. The Board is pleased to report that this represents an increase of 4.5% on last year's total dividend of 11.0p per share.

The Company's prudent approach of building up revenue reserves in prior years provides it with a means of supporting current and future dividend levels, should earnings per share drop materially in any financial year. The total dividend payment in respect of 2025 was funded from current year revenue and partially from revenue reserves. After the payment of the proposed final dividend, the balance in the revenue reserves will be £20.2 million, equivalent to 11.9p per share (2024: 12.0p per share). Reserves are therefore sufficient to cover the 2025 dividend by 1.0 times (2024: 1.1 times).

The Board continues to monitor the net income position of the Company and, based on current estimated dividend receipts for the year ahead, the Board aims to continue its progressive dividend policy in the forthcoming year.

## Gearing

The Company is able to deploy gearing, which over time is expected to enhance performance provided the cost of the gearing is less than the performance delivered by the Company's equity portfolio.

The Board believes it is prudent for the Company's gearing capacity to be funded from a mix of sources, including short - and longer-term borrowings, issued on both fixed and floating rate terms. The Company's gearing strategy is currently implemented via the use of two forms of debt. The first is an £85 million revolving credit facility (with an additional £15 million accordion/available), provided by Industrial and Commercial Bank of China Limited, London Branch, which matures in August 2028. This is drawn in US Dollars to match the currency of the Company's asset base. Alongside this bank facility, the Company has in issue a combined US$100 million of unsecured loan notes issued via private placements, US$65 million of which is repayable in February 2031 and carries a fixed interest rate of 2.55% per annum, and US$35 million of which matures in October 2032 and carries a fixed interest rate of 2.32%.

# Chair's Statement

The Board has set the current level of gearing at 5%, and plans to operate within a permitted range around this level of 5% net cash to 20% geared. The Company ended the year with gearing equivalent to 4.7% of net assets and the Board regularly reviews the appropriate gearing level.

## Investment Manager Succession

As previously reported, Jonathan Simon retired as the portfolio manager responsible for value stocks in the Company's large cap portfolio on 3rd March 2025. The portfolio's value stocks are now managed by Jack Caffrey and Graham Spence who have 24 and 13 years' experience with the Manager. During the year under review, the growth stocks were managed by Felise Agranoff and Eric Ghernati. However, with effect from 1st April, Eric will move internally within JPMorgan and we wish him well with his move. There will be no changes to the investment strategy or process as a result of Eric's move and Felise, who has 22 years' experience with the Manager, will continue to be supported by a well-resourced team of experienced analysts in the Growth team.

## Board Review of the Manager

As in prior years, the Board visited the Manager's offices in New York and held meetings with the portfolio managers and the analyst teams. The Board also met with JPMorgan's senior management team to discuss the performance of the portfolio, the Company's strategy and to review broader aspects of the Manager's service.

The Manager provides other services to the Company, including accounting, company secretarial and marketing services. These have been formally assessed through the annual manager evaluation process.

Taking all factors into account, the Board concluded that the ongoing appointment of the Manager is in the continuing interests of shareholders.

## Ongoing Charges

The Board continues to closely monitor the Company's cost base. The Company's Ongoing Charges Ratio ('OCR') for the year under review was 0.34% (2024: 0.35%). The small decrease over the year is primarily attributable to the growth in the Company's assets and its highly competitive management fee structure, with net assets over £1 billion being charged at just 0.25%.

The Company remains one of the most competitively priced US actively managed funds available to UK investors, in either closed-ended or open-ended form.

## Portfolio Company Engagement

As detailed in the Manager's Investment Process on pages 23 to 31, extensive engagement with company management teams is a vitally important element of stock selection. Company engagement is led by the Portfolio Managers and analysts with the intention of gaining a full insight into the attractiveness of a company. This will incorporate a deep understanding of the company's current health, strategic direction, competitor landscape and its future prospects. In addition, focus will be placed on assessing how various financially material ESG factors may affect the risk profile of the business.

The Board shares the Investment Manager's view of the importance of this combined approach to company engagement as a central component of the investment process in seeking to deliver attractive risk-adjusted returns for shareholders.

## The Board

There was no change to the composition of the Board during 2025.

As previously communicated, Ms Nadia Manzoor will step down from the Board at the conclusion of the forthcoming AGM. On behalf of the Board and all shareholders, I would like to place on record our sincere thanks to Ms Manzoor for her substantial contribution to the Company, particularly in her roles as Senior Independent Director and Chair of the Remuneration Committee. I am pleased to inform you that, following Ms Manzoor's retirement, Ms Pui Kei Yuen will assume the role of Senior

Independent Director and Mr Colin Moore will assume the Chair of the Remuneration Committee. The Board is currently conducting a search for a suitable non-executive director. A specialist recruitment agency is assisting in this search, and a further announcement will be made once the process has been finalised.

Subject to shareholder approval at the forthcoming AGM, I intend to serve until the AGM in 2027, at which point I will step down. Further information regarding Chair succession planning will be provided in due course. In the normal course, I would have stepped down from the Board after nine years' service in 2026. However, as was highlighted in last year's Annual Report, and after consultation with our largest shareholders, in order to ensure ongoing Board continuity through this period, the Board believes that it is in the Company's best interests that I should instead step down at the 2027 AGM.

The externally facilitated Board evaluation undertaken during the year by Lintstock, an independent adviser on board governance, concluded that the Directors possess the experience and attributes to support a recommendation to shareholders for their re-election at the forthcoming AGM. In accordance with the AIC Code of Corporate Governance, additional statements supporting the re-election of each Director are set out on pages 56 and 57.

## Annual General Meeting

This year's AGM will be held on Thursday, 14th May 2026 at 2.30 p.m. at 60 Victoria Embankment, London EC4Y 0JP. Apart from the formal business of the meeting, shareholders will have the opportunity to hear from two of our portfolio managers, Felise Agranoff and Jack Caffrey, who will make a presentation by video, to be followed by a question-and-answer session.

Shareholders are invited to attend the meeting and raise any questions they have, either at the meeting, or in advance, by writing to the Company Secretary at the address on page 108, or via email to jpmam.investment.trusts@jpmorgan.com. As is normal practice for the Company, all voting on the resolutions will be conducted on a poll. The Board strongly encourages all shareholders to exercise their votes by completing and returning their proxy forms in accordance with the notes to the Notice of Meeting on pages 97 to 99.

For shareholders who wish to follow the AGM proceedings, but cannot attend in person, we will be able to offer participation via video conferencing facilities. Details on how to register, together with access details, can be found on the Company's website: www.jpmamerican.co.uk. Shareholders viewing the meeting via conferencing software will not be able to vote in the poll and we therefore especially encourage those shareholders who cannot attend in person, to exercise their votes in advance of the meeting by completing and submitting their form of proxy. Shareholders are also encouraged to send any questions to the Board, via the Company Secretary, at the email address above, ahead of the AGM. We will endeavour to answer all relevant questions at the meeting, or via the website.

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

The Board encourages all of its shareholders to exercise their rights by voting at annual 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 page 97 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 annual general meetings, at no cost. Please refer to your investment platform for more details, or visit the Association of Investment Companies' website at www.theaic.co.uk/how-to-attend-an-AGM for information on which platforms support these services and how to utilise them.

# Chair's Statement

## Shareholder Engagement

The Board believes that insight gained from shareholder interactions are very helpful in assisting it with the management of the Company's affairs and, as opportunities arise, Board members welcome and seek such meetings.

During the past year, the Manager held meetings and regular calls with shareholders, including webinars, and provided portfolio and market updates on the Company's website. Such activity is an essential part of building understanding and confidence in the Manager's process among shareholders, and with the Board's support, the Manager will look to build upon these in the future.

## Stay Informed

As part of this process, the Company delivers email updates with regular news and views, as well as the latest performance. If you have not already signed up to receive these communications and you wish to do so, you can opt in via https://web.gim.jpmorgan.com/emea_investment_trust_subscription/welcome?targetFund=JAM or by scanning the QR code on this page.

## Outlook

The uncertainties I flagged in my last report persist. Geopolitical tensions remain elevated, complicated by rising uncertainty regarding relations between the US and its western allies, while the full impact of US tariffs is yet to register on US inflation and growth. More recently has been added the escalation in conflict within the Middle East with as yet little clarity how events will unfold. All such uncertainties are monitored by the Board to try to understand what if any action could be taken. Yet, even against such a backdrop, US Equity Indices reached record highs in 2025, and despite recent events remain close to this towards the end of the first quarter. This resilience gives good cause for optimism about the prospects for US companies, and the market, over the coming year and beyond. It is another reminder that in spite of considerable focus upon US politics and geopolitical events within the media the US corporate sector remains squarely focused upon delivering growing profitability and shareholder returns. In addition to their well-proven dynamism and capacity to adapt and evolve in response to changing circumstances with an impressive long-term track record in this regard, US businesses remain at the forefront of the AI revolution and other cutting-edge technologies, which should lift productivity and global competitiveness and underpin earnings growth over time.

The Board therefore shares the Portfolio Managers' optimism regarding the outlook for the market and Company and is confident in the team's ability to keep finding the kind of attractive investment opportunities that will reward shareholders with capital growth and outperformance over time.

Thank you for your continued support.

**Robert Talbut**
Chair

31st March 2026

# Investment Manager's Report

## Market Review

2025 will be remembered as a year of extraordinary uncertainty for investors, yet markets ultimately delivered impressive results. The S&P 500 posted a robust return of 17.7%, marking its third consecutive year of double-digit gains. This remarkable climb came despite a lack of clarity on US tariffs, uncertainty about the trajectory of interest rates, concerns about the durability of AI-driven growth, and the longest government shutdown in US history.

The year began with a period of significant volatility. In the first four months, US equities ventured into bear market territory as the US administration's erratic approach to tariffs and other key policies left investors on unstable ground. A sharp April sell-off - led by the 'Magnificent 7' tech giants – and growing doubts about the sustainability of AI's momentum added to the turbulence as the year progressed. The S&P 500 fell 19% from peak to trough before bottoming on April 8, then rallied by an impressive 39% through to year-end. Notably, corporate earnings growth proved more resilient to tariffs than many had anticipated.

Investors were also troubled by the uncertain direction of monetary policy. The Federal Reserve paused its rate-cutting cycle in the first half of the year, responding to fears about tariff-induced price pressures and recession. As conditions stabilised, the Fed resumed cuts in September, delivering three 25 basis point reductions before year-end. This contributed to a 40-basis point decline in the ten-year Treasury yield, which closed the year at 4.17% - its first year-on-year decline since 2020.

Late in the year, the government shut down for 43 days in October and November, suspending normal government business including public services, payments and some data releases. Despite these inconveniences, markets continued to post gains, consistent with historical patterns during extended closures. Congress reached a deal in mid-November, clearing the way for the resumption of regular government activity.

Against this challenging backdrop, the S&P 500 demonstrated remarkable resilience, surging to record highs by year-end. Behind the strong returns, market leadership in 2025 remained narrow: ten stocks drove 60% of the S&P 500's return, while roughly 355 stocks (more than 60% of the benchmark) underperformed the market, with nearly 190 stocks (15% of the benchmark) declining over the year. Within equity markets, low-quality, high-beta, and high-valuation stocks dominated, particularly among smaller-cap names.

Sector leadership in 2025 mirrored trends established in 2023 and 2024, with communication services and information technology topping the sector leaderboard for the third consecutive year. However, sector performance varied widely: real estate, consumer staples and consumer discretionary delivered only low single-digit returns.

Large-cap stocks, as represented by the S&P 500, outperformed small caps, with returns of +17.7% versus a rise of 12.8% for the Russell 2000 Index. Growth stocks also outpaced value, as the Russell 3000 Growth Index returned +18.2%, compared to a 15.7% rise in the Russell 3000 Value Index.

**Felise Agranoff**
Portfolio Manager

**Jack Caffrey**
Portfolio Manager

**Eric Ghernati**
Portfolio Manager

**Graham Spence**
Portfolio Manager

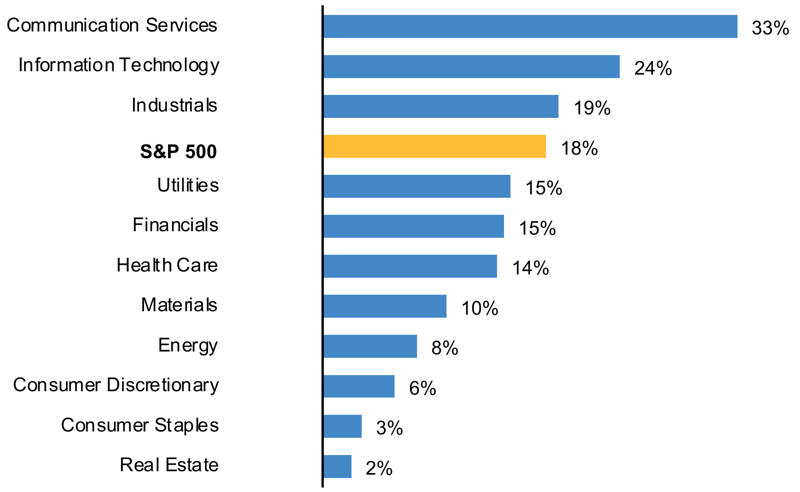
# Investment Manager's Report

The following charts provide an overview of the returns of different investment styles in the US market during 2025, as well as the sector performance of the S&P 500 during that period.

**2025 US Equities Style performance (US$)**

| 2025 | Value | Blend | Growth |
|---|---|---|---|
| Large | 15.9% | 17.9% | 18.6% |
| Mid | 11.0% | 10.6% | 8.7% |
| Small | 12.6% | 12.8% | 13.0% |

**2025 S&P 500 Index performance (US$)**

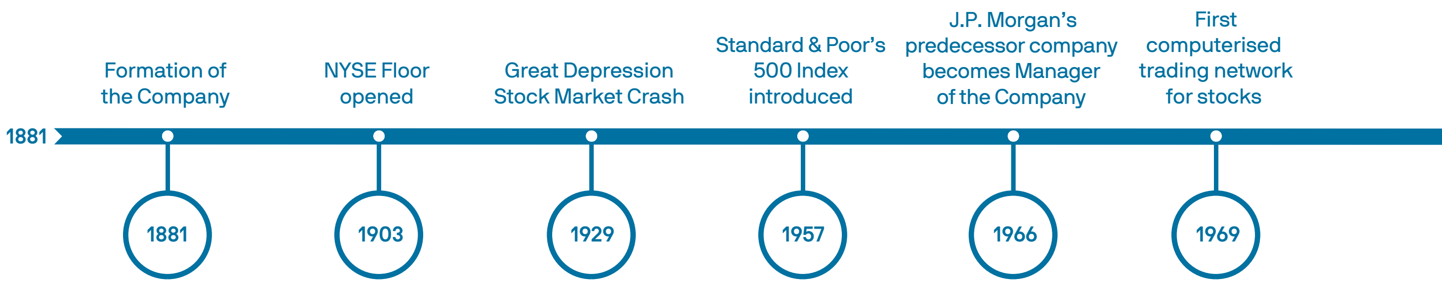



Source: Russell Investment Group, Standard & Poor's, J.P. Morgan Asset Management. Data as of 31st December 2025. All calculations are cumulative total return, including dividends reinvested for the stated period. For all time periods, total return is based on Russell style indices with the exception of the large blend category, which is based on the S&P 500 Index (gross). Past performance is not a reliable indicator for current and future performance.

## Performance and Overall Asset Allocation

The Company's net asset value rose 4.6% on a total return basis in 2025 (in GBP terms), lagging the 9.6% return of the S&P 500 Index. This result means that 2025 was the worst relative return period for the portfolio in over ten years, as the market's strong preference for the highest beta and lowest quality stocks hindered performance. However, such an outcome is not surprising given the nature of our strategy, given its bias towards high quality stocks capable of generating growth and value. Such underperformance is nonetheless disappointing, but it is important to bear in mind that performance over the longer term remains strong thanks in part to the robust returns registered in 2023 and 2024.

The large cap portion of the portfolio, which, at over 90% of the Company's assets, is its biggest allocation, detracted the most from relative performance over the period. The Company's small cap allocation, which averaged a return of approximately 6% over the period, also detracted from relative returns, as small cap stocks lagged the S&P 500. Gearing was additive given the market's rally.



# Investment Manager's Report

## Performance attribution

For the year ended 31st December 2025

| | % | % |
|---|---|---|
| **Contributions to total returns** | | |
| Net asset value (debt at fair value) total return in sterling terms[APM] | | **4.6** |
| Benchmark total return (in sterling terms) | | 9.6 |
| **Relative return** | | **(5.0)** |
| Combined Portfolio return in US dollar terms[1] | 12.9 | |
| Benchmark total return in US dollar terms | 17.7 | |
| **Combined Portfolio relative return in US dollar terms** | **(4.8)** | |
| **Large & Small Cap Portfolio contribution[2]:** | | |
| Large Cap Portfolio in US dollar terms | (4.0) | |
| Small Cap Portfolio in US dollar terms | (0.8) | |
| **Combined Portfolio relative return in US dollar terms** | **(4.8)** | |
| **Contributions to return:** | | |
| Equity portfolio (ex-cash and gearing) in US dollar terms | (5.7) | |
| Cash and gearing impact in US dollar terms[3] | 0.9 | |
| **Combined Portfolio relative return in US dollar terms** | **(4.8)** | |
| Effect of foreign currency translation[4] | 0.3 | |
| **Combined Portfolio relative return in sterling terms** | **(4.5)** | |
| Management fee and other expenses[5] | | (0.3) |
| Finance costs[5] | | (0.2) |
| Share buybacks and share issuances[6] | | 0.2 |
| Impact of fair valuation of debt[7] | | (0.2) |
| **Total relative return** | | **(5.0)** |

Source: Morningstar/J.P.Morgan. All figures are on a total return basis. Performance attribution analyses how the Company achieved its recorded performance relative to its benchmark index.

The figures in the above attribution have been rounded to 1 decimal place.

[1] The aggregated returns of both the Large Cap and Small Cap portfolios.

[2] The split of returns by portfolio, relative to the benchmark. This has been calculated using the average weighting of the Large Cap and Small Cap portfolios over the year.

[3] Cash and gearing – measures the impact on returns of the principle amount of borrowings or cash balances on the Company's relative performance.

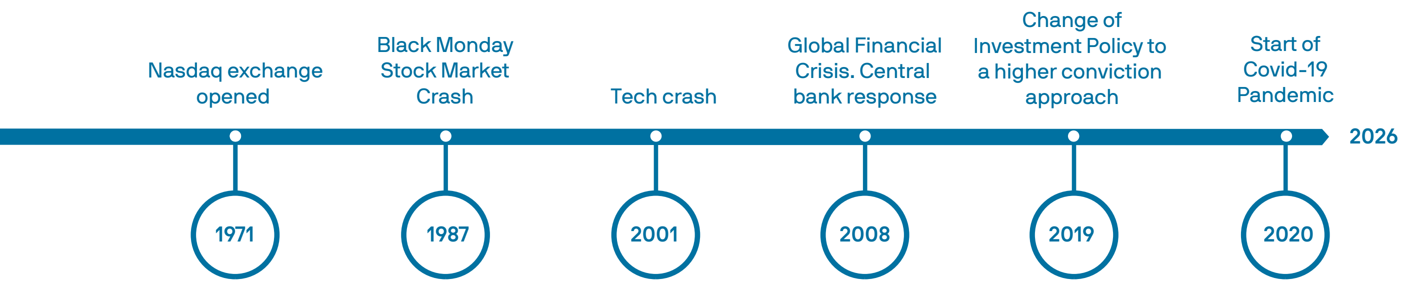
[4] Effect of foreign currency translation – measures the impact of currency exposure differences between the Company's portfolio and its benchmark.

[5] Management fee, other expenses and finance costs – the payment of fees, expenses and finance costs (interest paid on borrowings) reduces the level of total assets, and therefore has a negative effect on relative performance.

[6] Share buybacks – 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.

[7] The impact of fair valuation includes the effect of valuing the combined US$100m private placements at fair value.

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



## Large Cap Portfolio

After three consecutive years of adding value, stock selection within the large cap portfolio faced notable challenges in 2025. While several holdings performed well, approximately 85% of the large cap portfolio's underperformance was attributable to poor stock selection in the technology, energy, and industrial sectors.

Technology remains our largest absolute allocation, and three of our top five detractors originated from this sector. Since late 2024 and through 2025, we have trimmed positions in leading AI stocks to realise profits and reduce risk in response to our increased concerns about excessive AI spending trends. This led to an underweight position in **NVIDIA**, which negatively impacted relative performance as the stock surged 39% in 2025 – more than double the S&P 500's return. Although we remain optimistic about NVIDIA's long-term prospects, we do not currently hold a strongly positive view on its near-term growth prospects relative to the market. We believe the market may be underestimating rising competition and potentially overestimating NVIDIA's growth potential, so we have maintained a below-index weighting.

During the year, we shifted some of our NVIDIA exposure into **Oracle**, which also detracted from performance. Oracle's shares came under pressure due to mixed financial results, increased capital expenditure, and concerns over debt financing. The announcement of a TikTok-US joint venture and OpenAI's ambitious revenue targets did little to alleviate investor concerns. At this time, we continue to hold the name in the portfolio.

Other technology holdings which adversely impacted performance included business software creator **HubSpot**. This stock was the largest individual detractor in 2025, driven by uncertainty around the monetisation potential of its front-office AI software. Nevertheless, we remain confident in HubSpot's leadership in generative AI (GenAI), a form of AI that creates new, original content such as text, images, videos, audio, and code, by learning from large datasets. The company should also be supported by robust new customer growth and ongoing innovation. We continue to view the valuations of software businesses as relatively attractive compared to historical levels.

In the energy sector, we preferred oil and gas producer **EOG Resources** over its larger, more integrated competitors, but this positioning detracted from returns. Despite reporting solid operational results, EOG's conservative guidance fell slightly short of consensus expectations, weighing on its share price. The company has expressed caution about increasing oil volumes in what it anticipates will be an oversupplied market for the next few quarters. We continue to view EOG as a best-in-class operator, with a peer-leading balance sheet and highly cost-effective operations. However, we exited our position in early 2026 as we are finding better opportunities in other names.

Rounding out the top detractors was our exposure to **UnitedHealth**, which we exited in mid-May. UnitedHealth has historically performed well, but recent mispricing and higher-than-expected costs reduced our confidence. While the recent leadership change is encouraging, the timing of improvements remains uncertain, and this has reduced our conviction in the company. Extensive discussions with the management team did little to allay our concerns about the likelihood of an improvement in execution over the medium to long term, so we closed our position.

On the positive side, the large cap portfolio benefited from strong stock selection in the financial sector. Notably, our allocations to **Morgan Stanley** and **Capital One Financial** were significant bright spots.

Morgan Stanley delivered robust performance during the period, supported by record revenues and strong profits across its business segments. The company saw meaningful growth in client assets within its wealth and investment management divisions. Successful integration of recent acquisitions and strategic investments in technology – including AI – further strengthened results. We maintain an overweight to this name. Capital One Financial also posted strong results, with early benefits emerging from its acquisition of Discover Financial Services. This transaction is expected to enhance Capital One's banking and payments platform, driving both cost savings and revenue growth. The management team's proven ability to execute large-scale investments, particularly in technology and its national banking strategy, positions the company well for future growth. As a result, we remain overweight the name.

Another top contributor was **HCA Healthcare**, a leading hospital operator, which we added to the portfolio following our exit from UnitedHealth. HCA reported earnings ahead of expectations, driven by robust pricing and disciplined expense management, and subsequently raised its guidance.

There were also some positive contributors in the technology space. For example, our overweight position in **Broadcom** added value, with the stock rallying 50% over the period. The company reported strong AI revenue growth, as well as significant orders from Anthropic, the company behind the Claude family of AI products.

Another significant contributor during the period was our underweight position in **Tesla**. We have previously owned this stock and know the company well. We closed our position in January 2024 as demand for electric vehicles (EV) stalled. The stock has since faced pressure due to various investor concerns, both material and perceived. We capitalised on the sell-off by reintroducing Tesla to our portfolio during the year. Although demand for EVs remains tentative, we are increasingly confident in the company's autonomous driving technology, which we believe is approaching commercial viability, and we see potential for autonomous driving to enhance Tesla's brand perception and eventually reignite demand for its vehicles. This transition is in its early stages, so the portfolio remains around benchmark weight, but we anticipate that autonomous driving will significantly improve Tesla's margins over time, and our long-term investment horizon allows us to be patient while these expectations play out, especially as we repurchased the stock at an attractive level.

## Large Cap Portfolio Stock Attribution[1]

For the year ended 31st December 2025

| Top Contributors | Relative weight (%) | Stock return (%) | Impact (%) |
|---|---|---|---|
| HCA Healthcare | 2.3 | 56.7 | 0.7 |
| Morgan Stanley | 2.6 | 45.2 | 0.6 |
| Capital One Financial | 3.0 | 37.7 | 0.6 |
| Broadcom | 1.8 | 50.7 | 0.5 |
| Tesla | 0.3 | 29.0 | 0.4 |

| Top Detractors | Relative weight (%) | Stock return (%) | Impact (%) |
|---|---|---|---|
| HubSpot | 0.8 | (42.4) | (0.9) |
| EOG Resources | 2.1 | (11.4) | (0.7) |
| UnitedHealth* | (0.5) | (45.5) | (0.7) |
| NVIDIA | 0.2 | 38.9 | (0.7) |
| Oracle | 0.2 | (40.5) | (0.6) |

Source: Wilshire, Excludes Cash & Gearing (USD).

[1] The attribution summary approximates the gross excess returns of the portfolio and is calculated based on daily holdings which does not represent actual trading, liquidity constraints, fee schedules and transaction costs. It is shown for illustrative purposes only and is not meant to be representative of actual results.

* Indicates stock was not held as of 31st December 2025. The portfolio is actively managed. Holdings, sector weights, allocations and leverage, as applicable, are subject to change at the discretion of the investment manager without notice. Past performance is not a reliable indicator of current and future results.

## Portfolio Activity & Positioning

Over the period, the most significant portfolio shifts occurred in the healthcare space, as we exited three longstanding positions due to changing fundamentals. In addition to the sale of UnitedHealth, already discussed, we also closed positions in **Regeneron Pharmaceuticals** and **Eli Lilly**. Regeneron Pharmaceuticals is currently navigating a tough commercial landscape, including increasing competitive pressures on its flagship product, Eylea, for the treatment of eye disease, which are raising doubts about the company's ability to maintain its market leadership in this segment.

# Investment Manager's Report

In addition, there are emerging concerns regarding the lifecycle of Dupixent, used in the treatment of severe inflammatory conditions. Regeneron's overall drug pipeline is a further worry, as it has not developed at a pace sufficient to offset diminishing demand for Eylea and Dupixent. Eli Lilly's stock dropped sharply following its latest earnings report, on concerns over pricing dynamics in the obesity medication market.

During the year we added two new healthcare names – **Johnson & Johnson** (JNJ) and **Gilead Sciences**. JNJ trades at a discount to its peers, while offering a premium dividend and an attractive dividend yield, with higher returns on equity and invested capital. Gilead Sciences has also lagged. Despite good take-up of its newest antiviral offerings, its valuation remains attractive. We view Gilead as an important biotechnology leader yet to reap the full rewards of its latest product launch. In addition, its cancer franchise looks set to expand, diversifying its product offering beyond anti-virals.

We made notable adjustments in the materials sector, exiting our long-term position in **Martin Marietta Materials**, a natural resource-based building materials company, and initiating a new position in **Ecolab**, a specialist chemicals company. While Martin Marietta Materials has been a strong performer over the longer term, its recent results have been less impressive. In particular, the company's reliance on price increases rather than volume growth, and its transactional, project-based business model, no longer align with our preference for recurring, long-term client relationships. Ecolab, by contrast, is a quality compounder with deep, decades-long customer relationships. Though classified as a materials company, Ecolab operates more as an industrial services provider, delivering essential solutions like sanitation and pest control that are critical to its clients' operations. The company's focus on value creation and its 'One Ecolab' initiative to cross-sell services to major clients supports ongoing growth and margin expansion. Recent bolt-on acquisitions, especially in high-tech sectors such as semiconductor manufacturing, further enhance Ecolab's growth prospects.

We also increased our exposure to industrials by adding **3M**, a diversified technology and services conglomerate, to the portfolio. Our confidence in 3M's operational turnaround has grown, enhanced by the incoming CEO's announcement in early 2025 of more detailed and actionable plans to drive growth and enhance operating performance. In addition, 3M has taken meaningful steps to strengthen its balance sheet and proactively manage legal liabilities, thereby reducing overall risk. These positive developments have reinforced our conviction that 3M's recovery is on track and likely to surpass market expectations in both timing and magnitude over the long-term.

Within the consumer discretionary sector, we replaced home improvements retailer **Home Depot** with its peer, **Lowe's**. Our decision was driven by growing concerns regarding Home Depot's diversification into the building product distribution business, which generally carries a lower valuation multiple. There have also been notable management departures. In contrast, Lowe's does not face these specific challenges and was trading at a discount to Home Depot's valuation multiple, making it a more attractive holding.

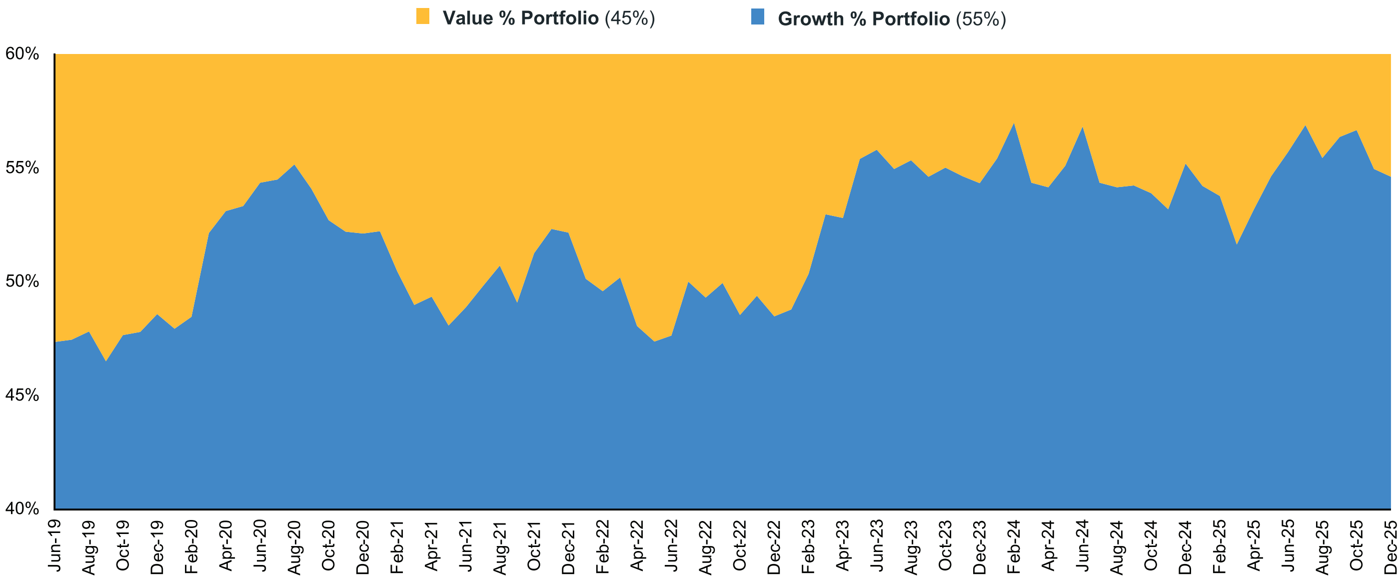
We remain committed to owning high-quality businesses with durable competitive advantages. Our bottom-up stock selection process has resulted in several active deviations from the benchmark at both the stock and sector levels. The information technology sector continues to be our largest absolute weighting, though it is also our largest underweight relative to the benchmark. Over the past year, we have modestly increased our exposure to select software and semiconductor companies where we see strong or rising demand.

Financials represent our next largest allocation and largest overweight. This is driven by attractive valuations, as the sector is trading at a near 30% discount to the S&P 500. Our holdings within financials remain diversified, focusing on companies with strong operations and adaptability to evolving market dynamics. For example, as discussed above, Capital One Financial is well-positioned for future growth and stands to benefit from its recent acquisition of Discover Financial Services, which should enhance its banking and payments platform, while also delivering cost savings and revenue growth.

Consumer discretionary is our third largest allocation and second largest overweight. Within this sector, we aim for a balanced allocation between secular growth companies and those with more defensive, capital-light business models, such as globally recognised brands.

## Value and growth exposure

The large cap portfolio is divided between value and growth stocks, with the allocation allowed to vary between 60:40 and 40:60. At the end of the review period, value stocks comprised some 45% of the large cap portfolio, while growth stocks had a 55% allocation. This split is in line with positioning at the start of the year. The graph below provides an overview of the split between value and growth in the strategy since the change in investment approach in June 2019.




Source: J.P. Morgan Asset Management. The portfolio is actively managed. Holdings, sector weights, allocations and leverage, as applicable, are subject to change at the discretion of the investment manager without notice.

## Portfolio Holdings

### Large Cap Portfolio

As at 31st December 2025

| Information Technology | Financials | Consumer Discretionary | Communication Services | Health Care | Industrials | Energy | Utilities | Real Estate | Consumer Staples | Materials |
|---|---|---|---|---|---|---|---|---|---|---|
| 30.3% | 16.6% | 12.7% | 11.7% | 8.6% | 6.8% | 4.9% | 2.4% | 2.3% | 1.9% | 1.7% |
| (4.1%*) | 3.2%* | 2.3%* | 1.1%* | (1.0%*) | (1.3%*) | 2.1%* | 0.1%* | 0.5%* | (2.8%*) | (0.1%*) |
| Apple | Capital One Financial | Booking Holdings | Alphabet | Thermo Fisher Scientific | Trane Technologies | Kinder Morgan | NextEra Energy | Public Storage | Procter & Gamble | Ecolab |
| Microsoft | Loews | Amazon.com | Meta Platforms | HCA Healthcare | Quanta Services | EOG Resources | | Regency Centers | | |
| Broadcom | Berkshire Hathaway | McDonald's | Take-Two Interactive Software | Johnson & Johnson | Honeywell International | | | | | |
| NVIDIA | M&T Bank | Tesla | Netflix | Gilead Sciences | 3M Company | | | | | |
| HubSpot | Mastercard | Lowe's | | | Canadian Pacific Kansas City | | | | | |
| Intuit | Morgan Stanley | | | | | | | | | |
| Palo Alto Networks | | | | | | | | | | |
| Analog Devices | | | | | | | | | | |
| Oracle | | | | | | | | | | |

Value
Growth

Source: Wilshire, J.P. Morgan Asset Management.

* Relative weighting compared to S&P 500 Index. The companies above are shown for illustrative purposes only. Their inclusion should not be interpreted as a recommendation to buy or sell. The portfolio is actively managed. Holdings, sector weights, allocations and leverage, as applicable, are subject to change at the discretion of the investment manager without notice.

# Investment Manager's Report

The table below shows that at the end of 2025, the large cap portfolio continues to trade at a discount to the market on a free cash flow basis, which confirms that we are not paying a premium for good cash flow. Indeed, the discount provides a comforting valuation cushion. The portfolio is expected to deliver consensus earnings growth of around 18% over the next 12 months, in line with estimates of earnings growth for the market as a whole. However, these figures are based on consensus earnings, which may be revised over time.

| Characteristics | Large Cap Portfolio | S&P 500 |
|---|---|---|
| Weighted Average Market Cap | US$1,254.3 bn | US$1,306.7bn |
| Price/Earnings, 12-month fwd[1] | 21.4x | 21.6x |
| Price/Free Cash Flow, last 12-months | 23.3x | 27.8x |
| EPS Growth, 12-mth forward | 17.7% | 17.6% |
| Predicted Beta | 0.95 | — |
| Predicted Tracking Error | 2.52 | — |
| Active Share | 55.1% | — |
| Number of holdings | 40 | 500 |

Source: Factset, Barra, J.P. Morgan Asset Management.

[1] Including negatives. The portfolio is actively managed. Holdings, sector weights, allocations and leverage, as applicable, are subject to change at the discretion of the investment manager without notice.

## Small Cap Portfolio

As mentioned above, the small cap portfolio negatively impacted returns over the review period, as it underperformed the S&P 500. The overall allocation to the small cap portfolio was maintained at close to 6% over the period. Small cap valuations continue to look compelling relative to large caps following a prolonged period during which large caps have outperformed small caps. The stage remains set for a reversal, but timing, as always, is hard to predict.

## Outlook

In summary, 2025 can be characterised by the remarkable resilience of US equities in the face of significant market volatility. Despite limited guidance and numerous economic challenges, US equities not only rebounded, but excelled, with established sectors and investment styles once again taking the lead. The market's ability to navigate uncertainty and still deliver robust returns highlights the enduring strength of US capital markets.

Looking ahead, these same characteristics underpin our optimism about the outlook for US equities in the coming year and beyond. The economy continues to demonstrate similar resilience and adaptability, outperforming many forecasts, with the unemployment rate holding relatively steady and consumer financial conditions manageable. These conditions should improve as 2025's monetary easing takes full effect, and rates continue their downward trajectory, creating an environment conducive to growth. Against this encouraging backdrop, our research analysts anticipate strong earnings growth for the S&P 500. These positive forecasts reinforce our confidence in the market's potential. However, we remain alert to risks that could introduce volatility, such as escalating geopolitical tensions and potential changes to US trade, regulatory, and fiscal policies which could damage the US's economic prospects.

Our commitment is to invest in high-quality businesses with strong competitive advantages, providing stability during uncertain periods. We also seek to capitalise on market volatility by selectively identifying opportunities that align with our long-term investment objectives. Most recently, we trimmed our growth allocation and used the proceeds to add to our value sleeve. Overall, our strategy is to maintain a balanced approach, leveraging our insights and expertise to navigate market complexities while actively pursuing growth and value creation. We are confident that this approach will continue to deliver strong capital growth for our shareholders over time.

**Felise Agranoff**
**Jack Caffrey**
**Eric Ghernati**
**Graham Spence**
Portfolio Managers

31st March 2026

# Manager's Investment Process

## Investing with conviction

> *"We use a flexible bottom-up approach to find the best quality value and growth ideas in the US. Ours is a heavily researched fundamental process relying on a team of over 40 US equity research analysts".*
>
> *- Felise Agranoff, Jack Caffery and Graham Spence,*

Through its Manager, the Company takes a concentrated approach to the US stock market by investing in the most attractive value and growth stocks.

Responsibility for the portfolio's construction lies with the Portfolio Managers, who construct a concentrated portfolio of around 40 holdings by considering for inclusion only those securities that meet their exacting investment criteria.

The two lead managers, Felise Agranoff and Jack Caffrey, actively collaborate on the portfolio construction to ensure the best stock ideas are represented in their respective growth and value sleeves. In addition, Graham Spence assists Jack on the value sleeve as a co-portfolio manager.

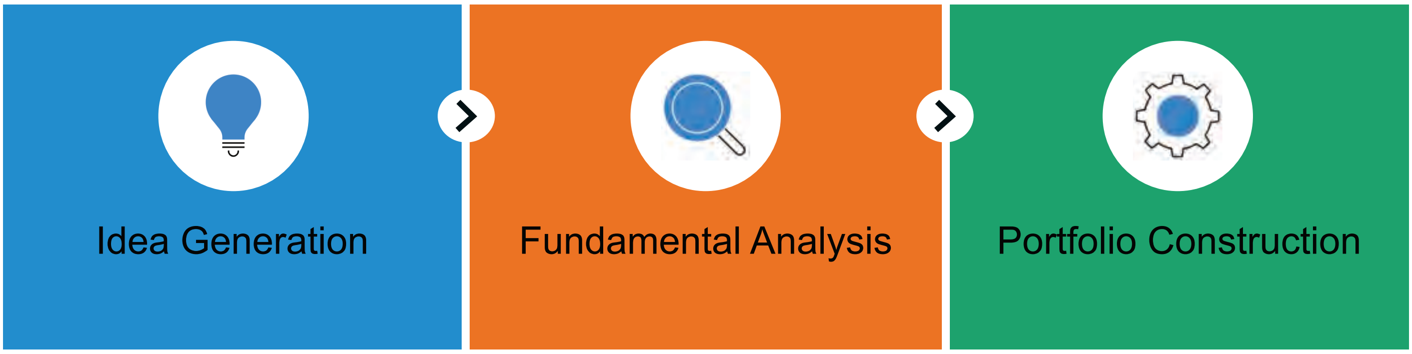
The portfolio is overseen on a daily basis, and the Managers meet formally bi-weekly to discuss the names in the portfolio, new ideas and risk management. Position sizes in the portfolio are based on strength of conviction and the allocation between the value and growth sleeves of the portfolio is managed in a maximum range of 60-40% (excluding cash). While the investment approach stresses individual stock selection, the two lead managers consider attractive areas of the market and consider whether specific stock ideas are better represented in either the growth or value sleeve.

Together, these value and growth stocks comprise the Large Cap portion of the portfolio, which represents 90% or more of the trust's assets. There is also a Small Cap Blend allocation comprising up to 10% of the portfolio, which focuses on companies further down the market cap scale. This allocation is a combination of the Manager's Small Cap Growth and Small Cap Value strategies. The Small Cap Growth strategy is managed by Eytan Shapiro , Mike Stein and Phil Hart, while the Small Cap Value strategy is managed by Larry Playford.

At the end of December 2025, the weighted average market cap in the large cap portfolio was US$ 1,254.3 billion, while the small cap portfolio averaged US$ 5.4 billion on an equivalent basis.

By incorporating elements of both value and growth investing, the opportunity set of companies broadens and results in a unique portfolio of stocks that should outperform in a variety of market conditions.

The investment process employed by the Manager for both the Large and Small cap portions of the portfolio starts with idea generation, then proceeds to fundamental research, before the portfolio managers select the best value and growth names for inclusion in the portfolio. Financially material ESG factors are considered at each stage of the investment process including research, company engagement and portfolio construction.




## Large Cap Portfolio

The main source of investment ideas is the Manager's team of US equity analysts. The Portfolio Managers benefit from the research efforts of a team of over 40 in-house US equity career analysts, whose longstanding relationships with the companies they cover provide them with insights into the US market that few other asset managers can match. The investment approach requires all members of the US Equity research team to be specialists within their sector, ensuring depth of expertise across all market sectors. This commitment to internal research is the most distinctive element in the investment framework and serves as the primary driving force behind the value the Manager seeks to add.

After finding companies that exhibit the basic investment characteristics the Manager is seeking, the investment process moves to in-house fundamental research. Both value and growth investment teams employ a very similar investment philosophy designed to identify durable franchises led by highly motivated and talented management teams.

However, their approach to valuation differs. The value team is more sensitive to traditional valuation metrics, while the growth team places more emphasis on companies whose revenue growth potential is underappreciated by the market.

# Manager's Investment Process

Below is an overview of the process the two teams use to narrow a large universe of stocks into a blended portfolio of high conviction companies:

**Idea generation**

- Source high conviction ideas from the Growth and Value research teams
- Run proprietary quantitative screens on Russell 1000 Growth and Value
- Company meetings
- Industry conferences

**Fundamental Analysis**

Value

- High quality durable franchises
- Strong management execution
- Trading at a discount to fair value

+

Growth

- Size the market opportunity
- Analyse competitive dynamics
- Validate investment thesis

**Portfolio Construction**

- Bottom-up, fundamental process
- Focused portfolio of 30-40 stocks
- Position sizes determined by conviction:
  - –Quality of the business
  - –Risk/reward
  - –Diversification impact on portfolio
- Capital allocation can vary from 60:40 to 40:60 between value and growth
- Sector constraint: +/-15% vs the S&P 500
- Single stock constraint: +/-7.5% vs the S&P 500
- Risk monitoring is continuous

Source: J.P. Morgan Asset Management. Diversification does not guarantee positive returns or eliminate risk of loss. Provided for information only to illustrate investment process, not to be construed as offer, research or investment advice.

As mentioned previously, the investment team employ a fundamental bottom up process in their stock selection which includes ESG analysis. The Manager's ESG views on specific companies are the product of proprietary research and one-on-one engagements with companies. These views are one of a number of inputs into the investment process and are not the sole driver of decision-making.

The research framework uses several internally developed processes to assess the financially material ESG risks and opportunities of any business. An ESG Checklist applies the same detailed 40 questions to more than 2,500 companies under coverage globally. This Checklist asks 12 questions specifically addressing environmental considerations, 14 on social factors and 14 on governance issues. This is not a 'pass/fail' exercise, but rather a tool to inform discussions between portfolio managers and fundamental analysts, and engagements with the companies they cover. Engagement meetings can involve analysts, portfolio managers and members of the stewardship team.

Questions on the checklist include:

| | |
|---|---|
| **ENVIRONMENTAL** | • Is the business vulnerable to regulation aimed at limiting greenhouse gas emissions?<br>• Does the company have issues with toxic emissions, waste management or other environmental damage?<br>• Is the company failing to manage its use of water resources responsibly? |
| **SOCIAL** | • Does the company have issues with labour relations?<br>• Has the company had issues with privacy or data security?<br>• Does the company engage in anti-competitive behaviour and/or treat its customers unfairly? |
| **GOVERNANCE** | • Does the management fail to admit mistakes?<br>• Has the company changed key accounting policies?<br>• Does the owner have a history of poor governance, or of abusing minority shareholders? |

## Sell Discipline

The portfolio managers employ a strict sell discipline based on the following principles:

**Portfolio positions are reduced or eliminated when:**

- A change to the underlying fundamental thesis
- Reduced confidence in the company's ability to execute
- Stock price exceeds fair value expectations
- Better investment opportunities are identified

## Small Cap Portfolio

The allocation to small cap companies allows the Company to potentially capture those periods where small-cap outperforms large-cap. The view is that this is best achieved via diversified exposure to small-cap companies rather than by selecting a more concentrated list of individual small-cap stocks.

The Small Cap Blend allocation operates within the same investment policy and guidelines set by the Company and shares the same investment philosophy, following a similar investment process, as the Large Cap Portfolio, but with a focus on companies further down the market cap scale.

The Strategy uses a bottom-up approach that seeks the best quality small cap growth and value ideas. While the baseline allocation between growth and value is a 50/50 split, with stock selection the primary driver of returns, the portfolio management team has the flexibility to tilt between styles (up to 70/30) to capitalise on opportunities presented during extreme market conditions.

The following diagram provides an overview of the characteristics the team seek in investments:

### Value

**Value**

We focus on characteristics associated with long-term shareholder value creation

- **High quality** (high return on capital, consistently generated)
- **Low risk** (less earnings variation, strong balance sheet)
- **Attractive valuation** (relative to intrinsic value)

Flexible tilt between growth and value styles

JPMorgan Small Cap Blend Strategy

### Growth

**Growth**

We focus on high quality growth companies with underappreciated long term growth rates

- **Large and/or growing addressable markets**
- **Sustainable competitive advantages**
- **Predictable earnings**
- **Strong management and execution**

## Summary

**Concentration**

A concentrated approach provides sharper focus and better insights

**Value and Growth**

Empowering value and growth specialists broadens the opportunity set and results in a unique portfolio

**Flexibility**

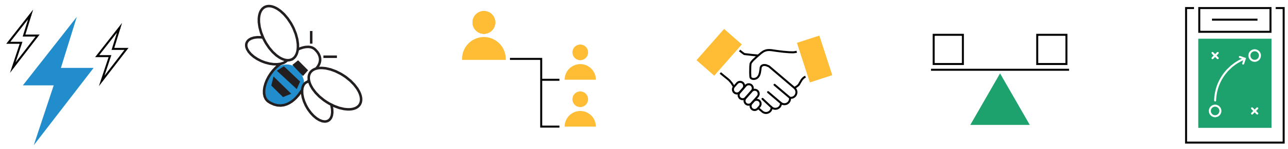
Flexibility to add to small cap exposure and gearing when opportunity is favourable

By balancing value and growth investments, across large and small cap companies, the resultant portfolio offers diversified exposure to the broad US market.

# Manager's Investment Process

## Company Engagement

Portfolio Managers and Research Analysts in the US Equity Group directly drive engagement with companies, as part of their bottom-up stock analysis. Active engagement with companies has long been an integral part of the Manager's approach to investment. This is used to understand better and encourage portfolio companies to develop and adopt practices to manage their risk and create long-term shareholder value. Active ownership in the context of ESG integration allows financially material ESG risks to be managed and insights gained from engagement systematically incorporated into investment decisions. To shape that engagement, six overarching principles are defined by the specialist Global Sustainable Investment team within JPMAM.



| | | | | | |
|---|---|---|---|---|---|
| **Climate change** | **Natural capital and ecosystems** | **Human capital management** | **Stakeholder engagement** | **Governance** | **Strategy alignment with the long term** |

For the Company, the Investment Stewardship team, in conjunction with the Manager, conducted engagements across 27 companies in the year to 31st December 2025, specifically to discuss ESG issues. The companies engaged with represented 36.7% (by value) of the portfolio, with the engagements by sector and theme broken down as follows:

| Environmental | Social | Governance |
|---|---|---|
| 5 companies | 20 companies | 14 companies |

## Proxy Voting

Alongside the direct engagements described earlier, JPMAM exercises the voting rights of shares held in client portfolios, where entrusted with this responsibility. JPMAM have comprehensive proxy voting guidelines in each region, which take into account good practice recommendations along with local market best practice guidelines. The Manager seeks to vote in a prudent and diligent manner, based exclusively on its reasonable judgement of what will best serve the financial interests of its clients. Voting decisions at company general meetings are based on information which includes data provided by the company and any additional research, historical information, company peer comparisons, as well as our own internal expertise, engagements, and knowledge of companies. JPMAM will aim to vote at all meetings called by the companies in which it is invested, unless there are any market restrictions or conflicts of interests.

Where the Manager has voted for resolutions, in this case the 94.4% of votes, these generally relate to board director election/re-elections which align with the Manager's expectations on board and key committee compositions. In addition, the Manager has supported compensation plans which appropriately link executive pay to company performance. Where the Manager withholds its support or vote against resolutions, in this case the 4.2% of votes, these have primarily related to environmental and social related resolutions. Over the last few years, there has been an uptick in the number of resolutions on environmental and social topics. These environmental and social-related resolutions are reviewed by the Manager and support is provided if these align with the Manager's Investment Stewardship Priorities, and where voting in favour of such resolutions is in the best interests of clients.

# Manager's Investment Process

A summary of key voting statistics and activity undertaken in respect of stocks in the Company's portfolio for the 12 months to 31st December 2025 is detailed below.

| Items | Number | Percentage |
|---|---|---|
| Number of votable meetings | 284 | — |
| Number of votable items | 2,632 | – |
| Number of items voted (instructions of Do Not Vote are not considered voted) | 2,626 | 99.8% |
| Number of votes for | 2,479 | 94.4% |
| Number of votes against | 109 | 4.2% |
| Votes withheld | 8 | 0.3% |
| Did not vote | 0 | 0.0% |
| With Management | 2,563 | 97.6% |
| Against Management | 63 | 2.4% |
| Directors Related | 39 | 61.9% |
| Non-Salary Comp | 14 | 22.2% |
| Other/Misc | 10 | 15.9% |
| With Policy | 2,602 | 99.1% |
| Against Policy | 24 | 0.9% |

In the US Equity Group, proxy voting is a collaboration between investors and the Investment Stewardship specialists in the Global Sustainable Investing Team. JPMAM examines the share structure and voting arrangements of the companies in which it invests, as well as the board's balance, oversight functions and remuneration policy. For full details, please see the J.P.Morgan Asset Management Corporate Governance Policy & Voting Guidelines, copies of which are available on request, or to download from JPMAM's website: https://am.jpmorgan.com/gb/en/asset-management/per/about-us/investment-stewardship/

**J.P. Morgan Asset Management** 31st March 2026

# Manager's Investment Process

| Lowe's | Portfolio Weight as at 31st December 2025 | Sector | Invested since |
|---|---|---|---|
| | 1.5% | Consumer Discretionary | July 2025 |

**Gregory Fowlkes**

US Equity Research
**Retail**

Experience:
26 years

## Company Overview

Lowe's is a leading home improvement retailer serving both consumers and professionals. The company operates through a dual-market, omni-channel model, offering a wide range of products for DIY and professional projects through physical stores, apps and websites.

The company operates through several business segments, including Products and Services. The Products segment features building materials, tools & equipment, appliances, and home decor, offering everything from lumber and hardware to kitchen and bath fixtures. Lowe's Services segment provides installation, repairs, and protection plans, helping customers complete their home improvement projects.

## JPMAM's Investment Thesis

We believe Lowe's is entering a promising phase of growth, supported by a steady recovery in home improvement demand, the company's ongoing investments in technology, and strategic expansion. Lowe's has shown resilience through a challenging consumer environment, consistently managing margins and driving earnings growth.

Recent acquisitions during 2025, such as Artisan Design Group and Foundation Building Materials, have broadened the company's reach into builder and property manager channels. This diversification reduces reliance on the DIY segment and positions Lowe's to participate in larger, faster-growing markets.

The company has modernised its IT infrastructure, implemented advanced inventory and pricing systems, and is leveraging AI to improve both customer and associate experiences. These initiatives are driving efficiency, and supporting the company's omni-channel capabilities. As digital engagement becomes increasingly important in retail, we believe that Lowe's is well equipped to attract new customers.

In our view, Lowe's offers a compelling way to invest in the evolution of home improvement and professional services. The company's proactive approach to succession planning, focus on employee engagement, and ongoing investments in ESG initiatives reinforce its reputation as a responsible operator. Lowe's has prioritised ESG initiatives by maintaining a diverse leadership team, with over 60% of top management coming from diverse backgrounds and consolidating employee resource groups, while also regularly analysing employee feedback to guide improvements and foster a positive workplace culture.

## Company Engagement

We maintain an active discussion with Lowe's management team and board. Our engagement has focused on board composition, succession planning, and capital allocation. ESG has been a consistent focus, with in-depth discussions on diversity, equity, and inclusion along with employee engagement. We discussed the recent acquisitions and Lowe's strategy to expand its professional segment. Lowe's provided insight into its preparations for macroeconomic and regulatory changes. These meetings have strengthened our confidence in Lowe's disciplined management, strategic vision, and commitment to responsible business practices.

| Trane Technologies | Portfolio Weight as at 31st December 2025 | Sector | Invested since |
|---|---|---|---|
| | 0.9% | Industrials | August 2021 |

**Robert Maloney**

US Equity Research
**Industrials**

Experience:
25 years

## Company Overview

Trane Technologies is a global provider of HVAC (Heating, ventilation, air conditioning) and refrigeration solutions. They are viewed as a climate innovator as their products, which serve buildings and transportation, offer climate-focused technologies.

Trane Technologies operates through two main segments, Climate and Industrial. Climate provides HVAC and air quality systems for homes and buildings under brands such as Trane and American Standard. Industrial is led by Thermo King, and offers refrigeration for food and medicine transport, along with products and software that help businesses save energy and run more efficiently. The company has operations across the Americas, Europe, the Middle East, Africa, and Asia Pacific.

## JPMAM's Investment Thesis

We believe demand for Trane Technologies' climate solutions is in the early stages of a multi-year growth cycle. This growth is supported by the global push for energy efficiency, regulatory change, and the rapid expansion of AI-enabled infrastructure. Primary catalysts for this growth include the need for advanced HVAC systems in commercial buildings, data centres, and technology facilities, as well as replacement demand and evolving standards in residential and applied markets.

The surge in data centre construction, driven by AI adoption, is creating significant incremental demand for high-performance climate control solutions, while regulatory shifts and energy efficiency requirements continue to support steady growth across all segments.

Trane Technologies Climate segment offers a compelling growth profile, supported by its innovative, vertically integrated products and renewed business strategy. The company connects all new sales of large, custom HVAC systems to service contracts—well above the rate achieved by industry peers, driving recurring revenue. The company's disciplined capital allocation and smart acquisitions further support margin growth and shareholder returns, while strong sales, backlog, and ESG leadership reinforce its premium market position.

In our view, Trane Technologies offers a unique way to invest in the transition to sustainable climate solutions and energy efficiency. Its leadership in commercial HVAC, transport refrigeration, and resilient services positions it as a strategic portfolio asset with strong potential for double-digit annual earnings growth over the long term.

## Company Engagement

We maintain an ongoing engagement with Trane Technologies' management, regularly connecting to stay updated on the company's progress. We have observed the company's consistent operational discipline, strategic vision, and commitment to delivering value for shareholders. Management has demonstrated transparency in addressing industry challenges, including supply chain dynamics, refrigerant transitions, and evolving market conditions. Despite periods of softness in the residential segment, Trane continues to benefit from robust commercial HVAC demand and a recovering transportation business. The company's strong focus on sustainability and leadership in advancing climate solutions – evidenced by ambitious environmental targets and continuous innovation – further set them apart as a climate-focused innovator in the HVAC industry.

# Manager's Investment Process

| Intuit | Portfolio Weight as at 31st December 2025 | Sector | Invested since |
|---|---|---|---|
| | 1.7% | Financials | March 2023 |

**Larry Lee**

US Equity Research
**Financials/
Business Services**

Experience:
32 years

## Company Overview

Intuit is a global financial technology company that offers a suite of financial products and services for individuals and businesses. Their products include TurboTax for tax preparation, QuickBooks for small business accounting, and Credit Karma for personal finance management. Mailchimp, acquired by Intuit in 2021, is now an established part of its product suite, expanding Intuit's capabilities in email marketing and automation to support business growth and customer engagement.

## JPMAM's Investment Thesis

Intuit is demonstrating strong momentum across its platform highlighted by double-digit revenue and earnings growth. This is being led by strong execution in TurboTax's assisted offerings, expanding mid-market penetration in QuickBooks, and significant operating leverage in Credit Karma.

QuickBooks remains a key growth driver for Intuit, delivering robust performance in both accounting and business services. The transition to a subscription model for QuickBooks Desktop is enhancing recurring revenue, while targeted mid-market initiatives are driving higher contract values and improved sales productivity. With a strategic focus on expanding payments and payroll solutions, QuickBooks is well-positioned to sustain its momentum and support Intuit's long-term growth.

Intuit's partnership with OpenAI and its use of AI-powered expert networks aims to strengthen the company's ability to deliver tailored financial solutions. In tax preparation, TurboTax is using AI to personalise offerings and support assisted services, helping Intuit reach a broader range of customers. These advancements are strengthening Intuit's competitive position and allowing the company to adapt quickly to changing market needs.

As Intuit continues to invest in technology and expand its capabilities, we believe it is well-placed to deliver sustained value for shareholders. The partnership with OpenAI is enhancing Intuit's expert networks and product capabilities. The company's commitment to innovation makes it a compelling choice for investors seeking exposure to the evolution of digital finance.

## Company Engagement

We maintain an active and ongoing engagement with Intuit's management team, including meetings with CEO Sasan Goodarzi and QuickBooks General Manager, Marianna Tessel. Our discussions have covered how Intuit is shaping its TurboTax strategy, refining dynamic pricing, and driving QuickBooks' growth in the mid-market. Our engagement has also included discussions about Intuit's AI strategy, including the deployment of expert networks and the partnership with OpenAI. Management has provided transparent updates on product innovation, competitive dynamics, and Mailchimp's performance, that has faced headwinds, with growth remaining flat year-over-year and discussing strategies for improvement. Intuit is also committed to ESG initiatives, with a focus on financial education and job readiness programmes which are aimed at students and the broader community. These ongoing dialogues strengthen our confidence in Intuit's vision and commitment to responsible, innovative growth.

| Capital One Financial | Portfolio Weight as at 31st December 2025 | Sector | Invested since |
|---|---|---|---|
| | 3.1% | Financials | September 2018 |

## Company Overview

Capital One Financial is a leading provider of financial services that offers a broad array of products to consumers, small businesses, and commercial clients across the United States, Canada, and the United Kingdom. The company operates through several business segments, including credit cards, consumer banking and commercial banking. Capital One's credit card and auto loan segments serve millions of customers, making it a significant player in consumer finance. By leveraging technology and a customer-focused approach, Capital One delivers a comprehensive suite of financial products tailored to diverse client needs.

**Steven Wharton**

US Equity Research
**Banks & Capital Markets**

Experience:
29 years

## JPMAM's Investment Thesis

We believe demand for Capital One Financial's consumer banking and payments solutions is entering the early stages of a multi-year growth cycle. This momentum is supported by a transformative merger with Discover Financial Services in 2025, which established the company as the largest credit card issuer in the US and a leading payments network.

Capital One's ongoing investments in technology and AI are central to its strategy. The company leverages AI and data analytics to enhance underwriting, fraud detection, and customer engagement, which supports operational efficiency and product innovation. These capabilities are increasingly important as Capital One expands its digital banking and payments platform, and as consumer preferences continue to shift toward digital channels.

The company maintains a robust capital position and a diversified loan portfolio, providing resilience through credit cycles and enabling continued investment in technology and product development. The merger is expected to deliver substantial cost and network synergies, supporting margin expansion and reinforcing Capital One's premium market position in consumer finance.

In our view, Capital One Financial offers a unique way to invest in the evolution of digital banking and payments. Its leadership in credit cards, data-driven innovation, and resilient business model positions it as a strategic portfolio asset. Consequently, we believe that the company is well-placed to deliver steady growth and attractive returns for shareholders over the long term.

## Company Engagement

We maintain an active and ongoing engagement with Capital One's management team, meeting regularly to discuss strategic priorities and operational developments. Over the course of our meetings during 2025, we have focused on: the integration of Discover Financial Services; Capital One's investments in technology; and the application of AI in order to strengthen risk management and improve the customer experience. Management has consistently provided transparent updates on the merger, outlined anticipated synergies, and shared their approach to managing evolving credit trends.

# Portfolio Information

## Ten largest equity investments

At 31st December

| Company | Sector | Description | 2025 £'000 | 2025 %[1] | 2024 £'000 | 2024 %[1] |
|---|---|---|---|---|---|---|
| NVIDIA | Information Technology | NVIDIA designs, develops and markets accelerated computing platforms, including graphics processing units (GPUs), central processing units (CPUs) and networking hardware. The company is the leading supplier of artificial intelligence infrastructure, providing integrated hardware and software solutions to data centres, cloud providers, enterprises and governments worldwide. It also serves the gaming, professional visualisation, automotive and robotics markets. | 152,648 | 7.5 | 116,431 | 5.7 |
| Microsoft | Information Technology | Microsoft develops, manufactures, sells and supports software products. The company offers operating systems and software and business and consumer applications. The Company also develops gaming consoles. | 120,505 | 5.9 | 123,111 | 6.0 |
| Alphabet[2] | Communication Services | Alphabet operates as a holding company. The company, through its subsidiaries, provides web-based search, advertisements, maps, software applications, mobile operating systems, consumer content, enterprise solutions, commerce and hardware products. | 105,326 | 5.2 | 40,204 | 2.0 |
| Amazon.com | Consumer Discretionary | Amazon is a technology company focused on e-commerce, digital streaming and online advertising. It also operates a cloud computing platform to public and private sector clients globally. | 89,568 | 4.4 | 124,491 | 6.1 |
| Broadcom | Information Technology | Broadcom Inc. is a leading technology company operating in two primary areas: semiconductor solutions and infrastructure software. Its product offerings serve the data centre, networking, software, broadband, wireless, storage and industrial markets. | 88,311 | 4.3 | 78,384 | 3.8 |
| Apple | Information Technology | Apple designs, manufactures and markets smartphones, personal computers, tablets, wearables and accessories worldwide, alongside related software and services. | 85,744 | 4.2 | 76,254 | 3.7 |
| Meta Platforms | Communication Services | Meta Platforms is a multinational technology conglomerate which owns and operates Facebook, Instagram, Threads and WhatsApp, among other products and services. | 70,702 | 3.5 | 92,069 | 4.5 |
| Capital One Financial | Financials | Capital One Financial is a bank specialising in credit cards, auto loans, banking and savings accounts. | 63,634 | 3.1 | 60,211 | 2.9 |
| Loews | Financials | Loews is a diversified holding company engaged in a variety of sectors including insurance, energy, hospitality and packaging industries. | 61,623 | 3.0 | 55,533 | 2.7 |
| Berkshire Hathaway | Financials | Berkshire Hathaway is a holding company owning subsidiaries engaged in numerous diverse business activities. | 56,847 | 2.8 | 55,906 | 2.7 |
| **Total** | | | **894,908** | **43.9** | | |

[1] Based on total investments of £2,040.8m (2024: £2,042.8m).

[2] Not included in the ten largest equity investments at 31st December 2024.

At 31st December 2024, the value of the ten largest equity investments amounted to £850.3 million representing 41.4% of total investments.

# Portfolio Information

## Investment activity

| | Value at 31st December 2024 | | During the year ended 31st December 2025 | | | Value at 31st December 2025 | |
|---|---|---|---|---|---|---|---|
| | £'000 | % of Total assets | Purchases £'000 | Sales £'000 | Change in value £'000 | £'000 | % of Total assets |
| Large Cap Portfolio | 1,921,746 | 92.9% | 612,485 | (681,180) | 70,719 | 1,923,770 | 93.5% |
| Small Cap Portfolio | 121,009 | 5.9% | 60,815 | (60,092) | (4,731) | 117,001 | 5.7% |
| **Total investments** | **2,042,755** | **98.8%** | **673,300** | **(741,272)** | **65,988** | **2,040,771** | **99.2%[1]** |

[1] 0.8% remainder in 2025 (2024: 1.2%) consists of Current Assets. For further details please refer to the Statement of Financial Position on page 72.

Portfolio turnover, an indicator of portfolio activity during the year, was 35% (2024: 32%). This is based on the average of purchases and sales expressed as a percentage of average opening and closing portfolio values.

# Portfolio Information

## List of investments

At 31st December 2025

| Company | Valuation £'000 | %[1] |
|---|---|---|
| **Large Companies** | | |
| NVIDIA | 152,648 | 7.5 |
| Microsoft | 120,505 | 5.9 |
| Alphabet | 105,326 | 5.2 |
| Amazon.com | 89,568 | 4.4 |
| Broadcom | 88,311 | 4.3 |
| Apple | 85,744 | 4.2 |
| Meta Platforms | 70,702 | 3.5 |
| Capital One Financial | 63,634 | 3.1 |
| Loews | 61,623 | 3.0 |
| Berkshire Hathaway | 56,847 | 2.8 |
| Morgan Stanley | 56,399 | 2.8 |
| Kinder Morgan | 51,665 | 2.5 |
| Johnson & Johnson | 51,010 | 2.5 |
| Analog Devices | 49,453 | 2.4 |
| McDonald's | 48,941 | 2.4 |
| Tesla | 46,893 | 2.3 |
| HCA Healthcare | 46,551 | 2.3 |
| NextEra Energy | 45,731 | 2.3 |
| M&T Bank | 44,951 | 2.2 |
| EOG Resources | 42,081 | 2.1 |
| Gilead Sciences | 38,699 | 1.9 |
| Procter & Gamble | 37,269 | 1.8 |
| Intuit | 35,685 | 1.7 |
| Mastercard | 35,368 | 1.7 |
| Honeywell International | 34,052 | 1.7 |
| Ecolab | 33,660 | 1.6 |
| Canadian Pacific Kansas City | 32,053 | 1.6 |
| Public Storage | 31,211 | 1.5 |
| Lowe's | 31,144 | 1.5 |
| Thermo Fisher Scientific | 28,839 | 1.4 |
| Booking | 28,467 | 1.4 |
| Take-Two Interactive Software | 24,517 | 1.2 |
| Netflix | 23,917 | 1.2 |
| 3M | 23,862 | 1.2 |
| Palo Alto Networks | 22,586 | 1.1 |
| Quanta Services | 22,452 | 1.1 |
| Trane Technologies | 18,990 | 0.9 |
| HubSpot | 14,419 | 0.7 |
| Oracle | 14,398 | 0.7 |
| Regency Centers | 13,599 | 0.7 |
| | **1,923,770** | **94.3** |

| Company | Valuation £'000 | %[1] |
|---|---|---|
| **Small Companies** | | |
| Fabrinet | 1,291 | 0.1 |
| PennyMac Financial Services | 1,194 | 0.1 |
| SPX Technologies | 1,035 | 0.1 |
| Piper Sandler | 977 | 0.1 |
| Applied Industrial Technologies | 971 | 0.1 |
| Credo Technology | 931 | 0.0 |
| Selective Insurance | 922 | 0.0 |
| Terreno Realty | 916 | 0.0 |
| Nextpower | 913 | 0.0 |
| Old National Bancorp | 898 | 0.0 |
| Other small companies (231 holdings) | 106,953 | 5.2 |
| | **117,001** | **5.7** |
| **Total Investments (281 holdings)** | **2,040,771** | **100.0** |

[1] Based on total value of investments.

Small companies are generally defined as companies which, at the date of investment, have a market capitalisation of less than US$10 billion.

The full breakdown of the portfolio including all the small company holdings as at 31st December 2025 can be found on the Company's website.

# Performance Track Record

## Ten Year Record

| At 31st December | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Shareholders' funds (£m) | 816.7 | 985.2 | 980.4 | 919.2 | 1,056.8 | 1,211.5 | 1,496.1 | 1,304.1 | 1,564.0 | 1,987.8 | 1,949.9 |
| Net asset value per share | | | | | | | | | | | |
| – debt at fair value (p)[1,APM] | 293.4 | 379.3 | 423.6 | 420.7 | 504.8 | 607.6 | 771.1 | 697.3 | 861.5 | 1,115.7 | 1,153.3 |
| – debt at par value (p) | 295.6 | 381.0 | 424.3 | 420.7 | 504.8 | 610.1 | 771.9 | 690.3 | 856.5 | 1,109.9 | 1,149.8 |
| Share price (p) | 277.9 | 369.2 | 405.4 | 399.0 | 483.0 | 577.0 | 767.0 | 685.0 | 859.0 | 1,130.0 | 1,122.0 |
| Share price premium/(discount) (%)[2,APM] | (5.3) | (2.7) | (4.3) | (5.2) | (4.3) | (5.0) | (0.5) | (1.7) | (0.3) | 1.3 | (2.7) |
| Gearing/(net cash) (%)[APM] | 8.4 | 8.5 | 9.2 | (1.0) | 2.8 | 4.7 | 4.9 | 5.9 | 2.8 | 2.8 | 4.7 |
| Exchange rate (£1=US$) | 1.48 | 1.24 | 1.35 | 1.27 | 1.32 | 1.37 | 1.35 | 1.20 | 1.27 | 1.25 | 1.35 |

| Year ended 31st December | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Revenue return per share (p) | 4.64 | 5.70 | 5.93 | 7.71 | 7.54 | 6.31 | 5.97 | 7.42 | 7.73 | 10.59 | 10.41 |
| Dividend per share (p) | 4.00 | 5.00 | 5.50 | 6.50 | 6.50 | 6.75 | 7.00 | 7.25 | 7.75 | 11.00 | 11.50 |
| Ongoing charges ratio (%)[3,APM] | 0.62 | 0.62 | 0.55 | 0.38 | 0.18 | 0.34 | 0.38 | 0.36 | 0.38 | 0.35 | 0.34 |

| Total return rebased to 100 at 31st December 2015 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Share price total return[4,APM] | 100.0 | 134.9 | 150.1 | 149.8 | 183.9 | 222.8 | 299.3 | 269.7 | 341.6 | 453.0 | 455.1 |
| Net asset value per share: | | | | | | | | | | | |
| – debt at fair value[5,APM] | 100.0 | 131.2 | 148.4 | 149.3 | 181.6 | 221.6 | 284.0 | 259.2 | 323.3 | 422.1 | 441.4 |
| – debt at par value[5,6,APM] | 100.0 | 130.8 | 147.4 | 148.1 | 180.2 | 220.7 | 282.0 | 254.5 | 318.8 | 416.6 | 436.7 |
| Benchmark[6] | 100.0 | 133.1 | 147.7 | 149.5 | 188.5 | 215.7 | 279.5 | 257.1 | 305.6 | 388.1 | 425.2 |

[1] The fair value of the US$100m private placement was calculated using discounted cash flow techniques, using the yield from a similarly dated Treasury Note plus a margin based on the US Broad Market AA 10-15 year spread.

[2] Share price (discount)/premium to net asset value per share with debt at fair value.

[3] With effect from 1st January 2019, the performance fee element of the Manager's fees was removed.

[4] Source: Morningstar/J.P. Morgan.

[5] Source: Morningstar/J.P. Morgan using cum income net asset value per share.

[6] The Company's benchmark is the S&P 500 Index expressed in sterling total return terms.

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

**Glossary of Terms and Alternative Performance Measures are provided on pages 100 to 103.**

# Performance Track Record

## Movements in the Capital Base over the Year

| | 2025 | | 2024 | |
|---|---|---|---|---|
| | £'000 | Percentage of opening net assets | £'000 | Percentage of opening net assets |
| **Net assets at start of year** | **1,987,845** | **100.00** | **1,563,999** | **100.00** |
| Increase in net assets during the year from investing | 66,152 | 3,33 | 459,654 | 29.39 |
| Brokerage fees/commissions and other dealing charges | (179) | (0.01) | (248) | (0.02) |
| | 2,053,818 | 103.32 | 2,023,405 | 129.37 |
| Income received from investing – net of withholding tax | 20,402 | 1.03 | 20,610 | 1.32 |
| Interest received | 836 | 0.04 | 1,352 | 0.09 |
| Dividends paid to shareholders | (19,580) | (0.98) | (14,597) | (0.93) |
| Interest paid on borrowings | (3,670) | (0.18) | (2,464) | (0.16) |
| Foreign currency gains/(losses) on cash at bank and current asset investments | (1,990) | (0.10) | (70) | — |
| Currency gains/(losses) on US$ loans | 6,552 | 0.33 | 813 | 0.05 |
| Management fee | (5,578) | (0.28) | (5,205) | (0.33) |
| Directors' fees | (239) | (0.01) | (325) | (0.02) |
| Other costs of the Company | (787) | (0.04) | (814) | (0.05) |
| Repurchase of ordinary shares into Treasury | (116,395) | (5.86) | (48,069) | (3.07) |
| Ordinary shares issued from Treasury | 16,494 | 0.83 | 13,893 | 0.89 |
| Proceeds from share forfeiture and unclaimed dividends | — | — | 802 | 0.05 |
| **Net assets at end of year** | **1,949,863** | **98.09** | **1,987,845** | **127.10** |

The table above illustrates the movements in the capital base of the Company, showing the returns generated from our investing activities and the effect of costs, dividends, buy-backs and share issuances. By combining items found in the revenue statement and items charged to capital, we believe this analysis provides a clear summary of your Company's affairs over the course of the year.

## The Company's Purpose

The purpose of the Company is to provide a cost effective investment vehicle for investors who seek long term capital growth from a portfolio of North American companies, which outperforms its benchmark index over the longer term, taking account of wider issues including environmental, social and governance factors. 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.

## Investment Objective

The Company's objective is to provide shareholders with capital growth from North American investments. It aims to outperform a benchmark, which is the S&P 500 Index, with net dividends reinvested, expressed in sterling terms.

## Investment Policies

In order to achieve its investment objectives and to seek to manage risk, the Company mainly invests in a diversified portfolio of quoted companies including, when appropriate, exposure to smaller capitalisation stocks. The Company currently has separate portfolios dedicated to larger capitalisation and smaller capitalisation companies. The number of investments in the larger capitalisation portfolio will normally range between 30-40 stocks representing between 90-100% of the Company's equity portfolio.

The smaller capitalisation portfolio will normally range between 0-10% of the Company's equity portfolio. The Company may invest in pooled funds to achieve its aims.

The Board has simplified the Company's gearing policy which is deemed a non-material change to the Company's investment policy. The change was to remove the strategic and tactical gearing levels and the following wording was deleted from the Investment Guidelines 'The Company has a strategic gearing level, which is set by the Board and kept under review, which is currently 10% plus or minus 2%. In addition the Board may set a tactical gearing range, applying for a shorter period of time and reflecting an assessment of the potential future risks and returns from gearing. The tactical gearing range is currently 5% with a permitted range around this level of 5% plus or minus 5%.'

## Investment Guidelines (all at time of investment)

- The Company will not normally invest more than 8% of its gross assets or exceed a 2% active weight over the benchmark (whichever is larger) in any one individual stock.
- The Company will normally limit its five largest investments to 40% of its gross assets.
- The Company will not invest more than 10% of its gross assets in liquidity funds in normal market conditions.
- The Company will not invest more than 10% of gross assets in companies that themselves may invest more than 15% of gross assets in listed closed-ended funds.
- The Company will not invest more than 15% of its gross assets in other listed closed-ended funds.
- The Company will use gearing when appropriate to increase potential returns to shareholders. The Company's gearing policy is to operate within a range of 5% net cash to 20% geared in normal market conditions.
- The Company will only hedge its currency risk in respect of any material long-dated non-dollar gearing it may draw down. Throughout the year, there was none.
- The Company's small cap allocation will not exceed 10% of the equity portfolio.

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

# Duty to Promote the Success of the Company

## Duty to promote the success of the Company – Section 172 statement

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

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

As the Company acts through its service providers, its culture is represented by the values and behaviour of the Board and third parties to which it delegates. The Board aims to fulfill the Company's investment objective by encouraging a culture of constructive challenge with all key suppliers and openness with all stakeholders. The Board is responsible for embedding the Company's culture in the Company's operations. The Board recognises the Company's responsibilities with respect to corporate and social responsibility and engages with its service providers to safeguard the Company's interests. As part of this ongoing monitoring, the Directors will receive regular reporting from service providers on matters such as their anti-bribery and corruption policies; Modern Slavery Act 2015 statements; diversity policies; and greenhouse gas and energy usage reporting. The Management Engagement Committee reviews the Company's service providers at least annually.

## The Company's Business Model

The Board is appointed by the Company's shareholders, who also approve the Company's investment objective. The Board appoints the Investment Manager to deliver the investment objective using its investment process. The Board oversees the Company's affairs by:

1. Ensuring the Manager complies with the Investment Guidelines (see page 37).
2. Reviewing the Manager's performance against the benchmark index and Key Performance Indicators (see page 39).
3. Using gearing where the expected benefits outweigh the costs and risks (see page 41).
4. Monitoring the share price premium or discount and the use of share issuances and buybacks (see page 41).
5. Setting the dividend policy and level of revenue reserves (see page 42).
6. Monitoring the principal and emerging risks (see page 43).
7. Appointing and monitoring other third party service providers, including the depositary, registrar and broker.
8. Reviewing the Ongoing Charges Ratio (see page 39).
9. Ensuring compliance with governance codes and regulatory requirements (see page 55).
10. Overseeing the marketing and investor relations activities carried out by the Manager (see page 40).

# Duty to Promote the Success of the Company

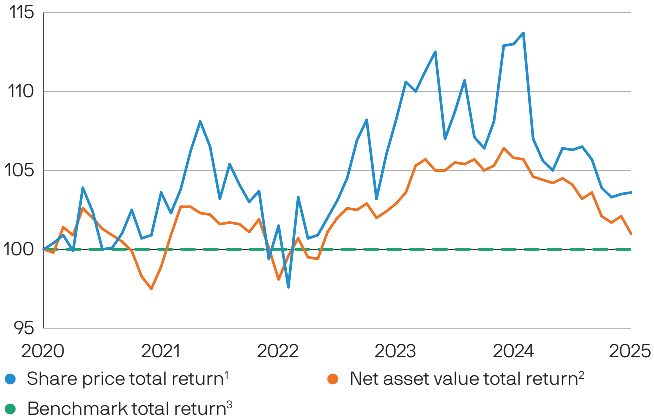
## Key Performance Indicators ('KPIs')

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

- **Performance against the benchmark index**

  This is an important KPI by which performance is judged.

  Five year performance relative to benchmark, rebased to 100 at 31st December 2020.




[1] Source: Morningstar.

[2] Source: Morningstar/J.P. Morgan using cum income net asset value per share, with debt at fair value.

[3] The Company's benchmark index is the S&P 500 Index, net of the appropriate withholding tax, expressed in sterling total return terms.

- **Performance against the Company's peers**

  The principal objective is to achieve capital growth relative to the benchmark. However, the Board also monitors performance relative to a broad range of appropriate competitor funds, including Exchange Traded Funds ('ETFs') both in the UK and the US.

  **Five year peer performance as at 31st December 2025**


[1] Peer group total return is the arithmetic average of returns for funds that the Directors deem suitable for comparison with the Company comprising of closed-end funds, open-ended funds and exchange traded funds (ETFs).

Source: Morningstar.

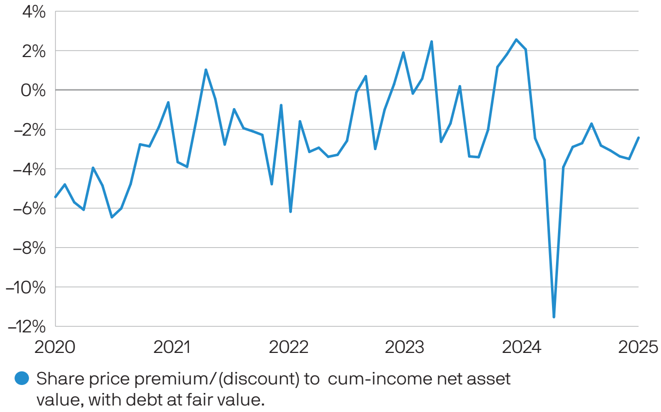
- **Performance attribution**

  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, gearing and stock selection. Details of the attribution analysis for the year ended 31st December 2025 are given in the Investment Manager's Report on page 17.

- **Share price relative to net asset value ('NAV') per share with debt at fair value**

  The Board has adopted a share issuance and repurchase policy and is committed to buy-back shares when they stand at anything more than a small discount to enhance the NAV per share for remaining shareholders and to issue shares at a premium where the Board is confident of consistent market demand. In the year to 31st December 2025, the shares traded between a discount of 11.5% and a premium of 2.1% (daily figures calculated with debt at fair value and including income). Please refer to the Chair's Statement on pages 10 to 14 for further information.

  **Premium/(discount)**

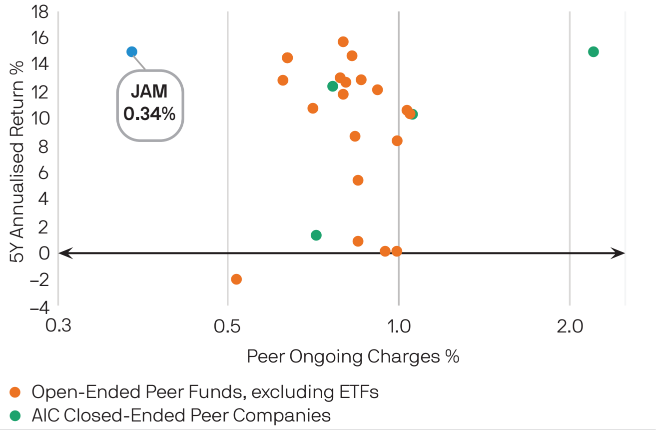



- **Ongoing charges ratio**

  The ongoing charges ratio represents the Company's management fee and all other operating expenses, excluding finance costs, expressed as a percentage of the average daily net assets during the year. Please refer to page 102 for more information.

  **Peer group ongoing charges**[1]

  As at 31st December 2025



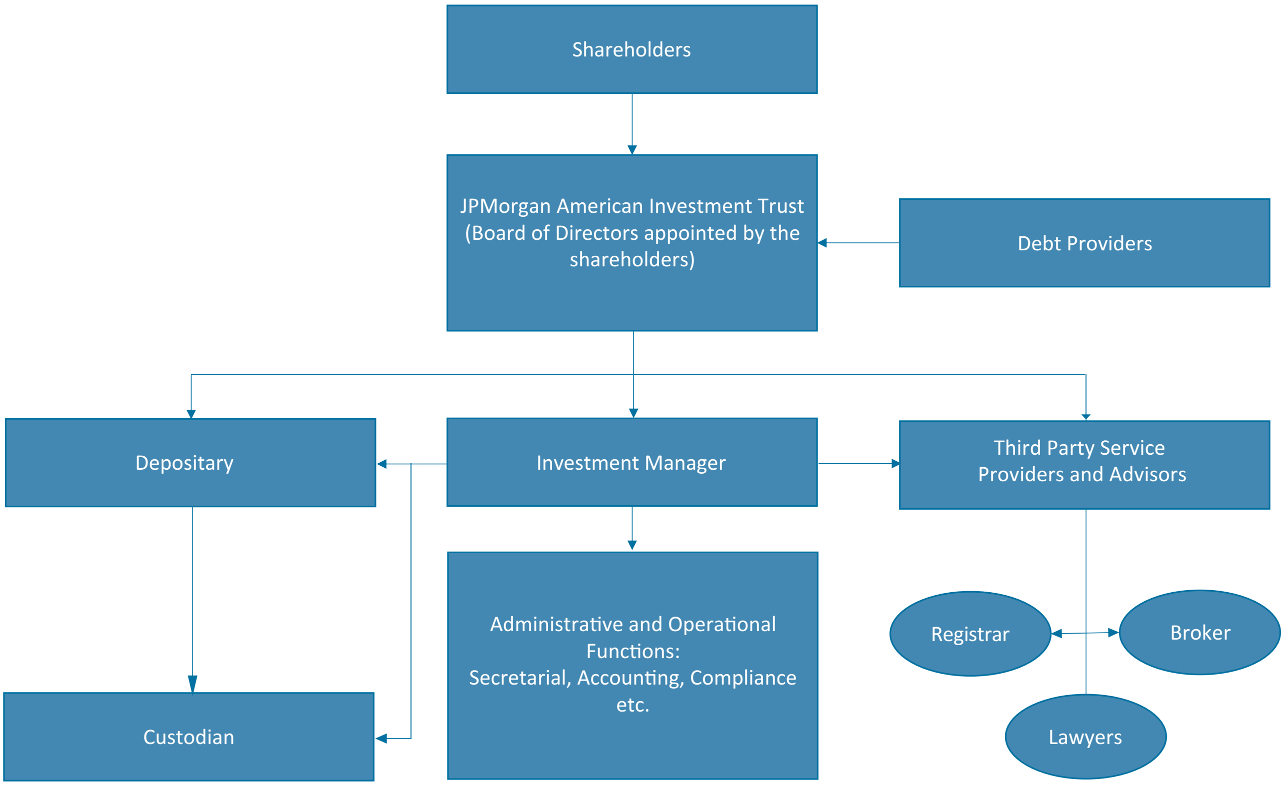

[1] The peer group comprises funds that the Directors deem suitable for comparison with the Company, including actively managed closed-ended and open-ended funds. The funds with zero annualised return do not have five year performance data available.

Source: Morningstar.

# Duty to Promote the Success of the Company

## Stakeholder Engagement

Set out below are the key stakeholders of the Company and how the Board engages with them.




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

### 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 a year by way of the Annual Report & Financial Statements and the Half Year Report. This is supplemented by the daily publication, through the London Stock Exchange, of the net asset value of the Company's shares. In addition, the Company issues announcements for all substantive news which are available on the Company's website together with monthly factsheets published by the Manager.

The Board seeks regular engagement with the Company's major shareholders to understand their views on governance and performance against the Company's investment objective and investment policy, either directly or through the Company's brokers, the Portfolio Managers and the Manager by holding discussions on an ongoing basis. During the year the investment management team, JPMF and the Company's brokers held discussions with the larger shareholders. Where possible Directors attend shareholder meetings arranged by the Manager. The Chair and other Directors make themselves available as and when required to address any shareholder queries. The Directors may be contacted through the Company Secretary whose details are shown on page 108.

The Annual General Meeting (AGM) provides the key forum for the Board and Manager to present to shareholders on the Company's performance. It also allows shareholders the opportunity to meet with the Board and Manager and raise any questions or concerns. A recording of the Manager's presentation is also available on the Company's website following the AGM.

### The Manager

The Company's 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.

# Duty to Promote the Success of the Company

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.

### Debt Providers

The Board, in discussion with the Portfolio Managers, regularly reviews the Company's debt position. This process includes identifying the need for finance, the type of finance and the parties to work with. This leads to pricing and term discussions including covenants with the selected debt provider. The Company, through its Manager, maintains the relationship and continued engagement with the debt providers which includes regular debt compliance reporting.

### Other Third Party Service Providers and Advisors

The Board ensures that it promotes the success of the Company by engaging specialist third party suppliers with appropriate performance records, resources and controls in place to deliver the services that the Company requires. The Company provides clear guidance to them on its needs so that the service providers can deliver their services efficiently. Their performance and value for money is monitored by the Board and its Committees. Representatives of the service providers attend Board meetings, at the Board's request.

## Key Decisions

The Directors confirm that they have considered their duty under Section 172 when making decisions during the financial year under review. The Board's key decisions and actions during the year include:

### Re-appointment of Manager and Portfolio Manager Succession

The Directors have reviewed the competitiveness of the management fee and the Company's other operating costs; held the Manager to account for investment performance; and continued to encourage the Manager to enhance its sales and marketing efforts amongst other things. A review of the Manager and its services was undertaken during the year. Post the review process, the Board re-appointed the Manager.

As previously announced, Jonathan Simon retired on 3rd March 2025 and Jack Caffrey took responsibility for the value stocks in the Large Cap Portfolio from that date supported by Graham Spence.

### Share Buybacks and Share Issuances

The Board pursues an active buyback policy which aims to enhance value for current investors by buying shares at anything wider than a small discount to NAV. In addition to the primary benefit of the NAV enhancement provided to existing shareholders, the buyback policy has the effect of reducing discount volatility and improving liquidity in the Company's shares, both of which should be beneficial to shareholders.

During the year 10,924,147 shares were purchased into Treasury, at a cost of £115.8 million, representing 6.12% of the Company's issued share capital (excluding shares held in Treasury) at the beginning of 2025. The average discount to NAV at which these shares were purchased was 3.4%. To meet the demand from investors, 1,414,046 shares were issued during the year at a premium to NAV, generating proceeds of £16.5 million.

### Gearing and Borrowings

The Board believes that gearing is a useful feature available to investment companies that can be beneficial to performance. As mentioned in the Chair's statement, the Company's gearing strategy is implemented through the use of a mixed debt structure which will ensure that there are adequate facilities in place overall to enable the Company's Portfolio Managers to operate across the Company's gearing range as opportunities arise. On 6th August 2025, a new three year revolving credit facility of up to £85 million was agreed with Industrial and Commercial Bank of China (ICBC) to enable the Portfolio Managers to invest further as and when they see opportunities and to diversify the funding sources available to the Company.

The Board considered the level of gearing and decided to simplify the gearing policy to a single range of 5% net cash to 20% geared as set out on page 10. At the time of writing this report, £71 million was drawn down on the ICBC facility.

# Duty to Promote the Success of the Company

### Small Cap Portfolio Allocation

During the year, the Board kept the allocation to the small cap portfolio under review. The Board receives regular reports from the portfolio managers which provide the necessary information to the Board to manage the small cap portfolio allocation. The Board considered the level of allocation and decided to keep the range unchanged as set out on page 10.

### Dividends Payable

The Board's decision to recommend a final dividend of 8.75p per share, providing a total of 11.5p per share to shareholders for the year to 31st December 2025 balances the Company's investment objective to provide capital growth with the value placed by some investors on the receipt of a dividend. The Board continues to support a progressive dividend policy as noted in the Chair's statement on page 12.

### Board Succession

Shareholder interests are best served by ensuring a smooth and orderly succession for the Board which serves to provide both continuity and refreshment whilst ensuring diversity of both background and experience. To reinforce this commitment, the Board decided last year as previously reported to extend the tenure of both the Chair and the Senior Independent Director by an additional year, preserving their invaluable experience and leadership during this transitional phase. The Senior Independent Director, Ms Nadia Manzoor will retire from the Board at the conclusion of the forthcoming AGM. The Board is currently conducting a search to appoint a suitable non-executive director.

Details are provided in the Chair's statement regarding succession plans for the Board.

### Broker Change

Following notification in December 2025 from the Company's broker, Stifel Nicolaus Europe Limited, of its intention to discontinue its market making function in January 2026, the Board conducted a review of alternative options. After careful consideration, the Board decided to appoint Canaccord Genuity Limited as the Company's corporate broker with effect from 20th January 2026, ensuring a seamless transition of broking services to the Company.

By order of the Board
**Divya Amin**, for and on behalf of
JPMorgan Funds Limited,
Company Secretary

31st March 2026

# Principal and Emerging Risks

The Risk Committee, comprised of all Directors and chaired by Ms Pui Kei Yuen, confirms that it has carried out a robust assessment of the principal and emerging risks facing the Company, including those that could threaten its business model, future performance, solvency or liquidity.

With the assistance of JPMF, the Risk Committee maintains and regularly reviews a risk matrix, which identifies the principal risks to the Company. The principal risks are categorised under Investment Strategy, Process and Performance; Regulatory, Compliance and Operational; and Geopolitical and Other Exogenous Issues. These risks and the significance of, and change in, their risk scores are regularly reviewed and discussed by the Committee, together with the ways in which they are monitored, and the extent to which they can be managed or mitigated.

In addition, at each Risk Committee meeting, the Committee considers whether any emerging risks, for example potential trends, sudden events or changing risks which are characterised by a high degree of uncertainty in terms of occurrence probability and possible effects on the Company, have arisen. Whilst the Committee has not identified any specific emerging risks at the time of publication of this report, it has noted the continued heightened level and evolving nature of the Geopolitical risks facing the Company and is monitoring these accordingly.

The key principal risks identified by the Committee, how they are monitored, and the extent to which they can be managed or mitigated are summarised below.

| Principal risk | Description | Mitigating activities | Movement from the prior year |
|---|---|---|---|
| **Investment Strategy, Process and Performance** | | | |
| Investment Strategy and Process | An inappropriate investment strategy, poor asset allocation or the level of gearing, may lead to underperformance against the Company's benchmark index and its peer companies, resulting in the Company's shares trading on a wider discount. Furthermore, the relevance and attractiveness of the investment strategy could be impacted by factors such as but not limited to a changing competitive landscape (such as the increasing prevalence of Active Exchange Traded Funds), the continued consolidation of the wealth management industry, or an ineffective marketing strategy, resulting in reduced demand for the shares. | The Board has delegated investment responsibilities to one of the best resourced financial institutions globally and seeks to mitigate this risk through its investment policy and guidelines, which are monitored and reported on regularly by the Manager. The Board monitors the implementation and results of the investment process with the Portfolio Managers and reviews data, which details the portfolio's holdings and risk profile. The Manager deploys the Company's gearing within a range set by the Board. The Board holds a meeting specifically on strategy annually. Furthermore, the Company uses the levers available to it as an Investment Trust vehicle such as buybacks and gearing; it differentiates itself by offering a concentrated quality value and quality growth portfolio with the ability to add small cap exposure; fees are set competitively for an actively managed fund and reviewed by the Board; and these benefits are communicated through the Company's shareholder engagement and marketing strategy including participation in industry-wide activity to promote investment trusts. | ↔ |
| Investment Team | The departure of or failure to adequately replace one or more of the lead Portfolio Managers or several members of the wider investment management team could result in a short-term deterioration in investment performance. | The Manager has a depth of experienced investment resources and takes steps to reduce the consequences of such an event by ensuring appropriate succession planning and the adoption of a team-based approach. | ↔ |
| Market Risk | Market risk arises from uncertainty about the future prices of the Company's investments. Examples of market risk are price volatility, liquidity, currency risk and interest rate risk. | Whilst the board has limited ability to mitigate the impact of market risk beyond the measures described above, the Board and Manager monitor and review market risks and their potential impact on the Company and the investment portfolio. These are risks that investors take having invested into a single country fund. | ↔ |

**Change Key** ↑ Heightened ↔ Broadly Unchanged ↓ Reduced

# Principal and Emerging Risks

| Principal risk | Description | Mitigating activities | Movement from the prior year |
|---|---|---|---|
| **Investment Strategy, Process and Performance** | | | |
| Technological Change | This risk is not confined to the technology sector. The use of technology is pervasive. Changes in technology may disrupt the business of investee companies impacting their market value. | The Manager has extensive research resources focused on technology. The Board receives regular updates from the Manager and other experts. | ↔ |
| Rating Volatility and Corporate Activity Risk | The shares trading at an excessive discount or premium to Net Asset Value can negatively impact shareholders and, with the rise of activism, the Company itself may be at risk of some form of corporate activity, which may not be in the best interests of all shareholders. In addition, low shareholder voting turnout at AGMs (and GMs) may lead to some form of corporate activity which may not be in the best interests of all shareholders, or, the inability to execute corporate activity which may be in the best interests of shareholders. | The Board monitors the Company's premium/discount level and is committed to buy back shares when they stand at anything more than a small discount, and also to issue shares at a premium where the Board is confident of consistent market demand, to enhance the NAV per share for remaining shareholders. Furthermore, the Board monitors changes to its shareholder register carefully and on a timely basis, and actively seeks to engage with its shareholders directly and in conjunction with the Manager and the Company's broker. | ↔ |
| Integration of ESG Factors into the Investment Process | The Company's policy on ESG and climate change may be out of line with investors' expectations and regulatory requirements and/or may impact performance. | The Board liaises with the Manager and other experts to regularly review the policy and understand the implications of its integration into the process. | ↔ |
| **Regulatory, Compliance & Operational** | | | |
| Operational Resilience, Controls and Security | The Company has no employees and is therefore dependent on third parties for the provision of all of its services and systems, especially those of the Manager, Depositary and Registrar. Failure to maintain effective and appropriate controls, improper access, disruption to, failure of or inadequate service levels of these parties could prevent accurate reporting and monitoring of the Company's financial position, loss of confidential data, impact its ability to operate or result in reputational damage. | The Company operates through contractual agreements with its service providers, most of which the Manager is also party to. The Board's Audit Committee regularly reviews the controls reports for the Manager, Depositary and Registrar and monitors and evaluates the performance of the Company's service providers, with the assistance of the Manager. Any pertinent issues relevant to the Company are reported to the Board. In addition, the Manager's Business Continuity Plans ('BCP') are designed to accommodate potential threats and are regularly updated, tested, monitored and reviewed. The Manager has assured the Board that the Company benefits directly or indirectly from all elements of JPMorgan's Cyber Security programme. | ↔ |
| Accounting, Legal and Regulatory | A breach of regulatory rules or a failure to maintain accurate accounting records could result in loss of investment trust status, reputational damage, financial penalties, suspension of the Company's listing or a qualified audit report. | Accounting, legal and regulatory compliance are continually monitored by the Manager and the Auditors and the results reported to the Board. In addition, the Board, the Manager and its professional advisers monitor changes in legislation which may have an impact on the Company. | ↔ |

# Principal and Emerging Risks

| Principal risk | Description | Mitigating activities | Movement from the prior year |
|---|---|---|---|
| **Geopolitical and Other Exogenous Issues** | | | |
| There are numerous risks of this type. Below are some examples. | | There is little direct control of this type of risk possible, but it is important to monitor them. | |
| Geopolitical | There is an increasing risk to market stability and investment opportunities from geopolitical conflicts and tensions (such as between Russia and the Ukraine, China and Taiwan, China and the US and the turmoil in the Middle East). Trade disputes, tariff volatility, sanctions, unpredictable policy shifts, and a more assertive US policy stance are all contributing to a more complex environment for global trade and international relations. In addition, intensifying competition and the growing dominance of major global powers both at the state and corporate level are exerting significant pressure and influence across various domains including trade, technology, financial systems, national security, and critical minerals. These factors could adversely affect the attractiveness and demand for the Company as a single country fund. | The Board monitors geopolitical risks in regular questioning of the Manager and external experts to assess the potential impact on the Company and the investment portfolio. The Company seeks to mitigate these risks through its investment policy and guidelines set by the Board, including the ability to operate across the Company's full gearing range when appropriate and through the implementation of an active buyback policy. | ↔ |
| Artificial Intelligence (AI) | Advances in computing power mean that AI has become a powerful tool that will impact a wide range of applications with potential to disrupt the Company's operations and investments. | The Board monitors developments in this area carefully both in conjunction with the Manager and other external experts when appropriate and considers how this risk might threaten the Company's activities. | ↑ |
| Widespread Social and Economic Disruption | Examples such as the Global Financial Crisis or the Covid-19 pandemic may have ended, but disruption may reoccur for several reasons. | As described above, the Manager's BCPs are regularly updated, tested and monitored, and the Manager conducts periodic due diligence of the Company's key service providers, which includes a BCP review. The Board also reviews reports on the Company's 'Going Concern' status in stress test scenarios. | ↑ |
| Climate Change | Climate change could present a material risk to the value of investee companies and the operations of the Company and its service providers. | The Manager's investment process integrates considerations of environmental, social and governance ('ESG') risk factors, including climate change, into its approach to assess the potential impact on investee companies. The Manager and the Company's key service providers incorporate consideration of the impacts of climate change into their BCPs. | ↔ |
| Legislative and Regulatory Change | Changes in legislation may adversely affect the Company and/or the Manager either directly or indirectly. | The Board monitors changes to the regulatory, legislative and taxation framework within which it operates. In order to do this, the Board draws on the expertise and advice of its professional advisers and the Manager. | ↔ |

# Long Term Viability

The Company has the objective of achieving capital growth from North American investments by outperforming its benchmark index, the S&P 500, and is constituted as an investment trust, which provides it with the ability to build up reserves which can be called upon in the future if required.

The Company, which was founded in 1881, has been investing over many economic cycles and through some difficult market conditions. The Company's business model and strategy described on page 38 have helped to ensure its long-term success in this respect, and over the last ten years it has on average outperformed its benchmark.

Although past performance and a long track record are no guide to the future, the Directors have adopted a time horizon of five years over which to assess the Company's viability, which is regarded by many commentators as the minimum period over which to consider investing in equities.

In assessing the Company's viability, the Directors have considered the Company's prospects, principal and emerging risks, the outlook for the US economy, US equity markets and for investment trusts. The Directors also took into consideration the perceived resilience of the Company's business model and of the Company's key third party service providers. The Company's existing financing facilities, described in notes 13 and 14 on page 81, comprise a mix of fixed and floating rate debt of different tenors, drawn in US dollars. The revolving credit facility matures in August 2028, while the private placements of US$65 million and US$35 million mature in 2031 and 2032 respectively. Notwithstanding that some of the existing facilities expire during the period of the viability assessment, the Directors are satisfied as to the Company's ability to raise new finance via loans or other debt facilities or share issuances, or alternatively through the realisation of investments in the Company's highly liquid quoted securities.

The Directors have considered three possible scenarios: a base case, which has then been stress tested through two more cautious scenarios. For each scenario, the principal risks specifically considered were investment, strategy and market risk, as described on pages 43 to 45. For the stress test scenarios, no assumptions have been included regarding mitigating actions that the Directors and the Manager could take, such as portfolio liquidations, reduced dividend payments and share buy-backs, and operating cost reductions. In addition, compliance with financing covenants was modelled and indicated headroom throughout the viability assessment period in all scenarios.

The base case, or first scenario, assumes a rise of US large caps of 6.7% p.a., in line with the manager's long term capital market assumptions, while cost inflation stabilises at 2.5%. The Company's debt levels are assumed to be 10% of opening assets. The robust case assumes four years of negative returns of between 10% and 20% p.a., while the final scenario replicated the returns experienced during 1929 – 1934, the worst period to date for the US market. In all scenarios, the Directors remain of the opinion that the Company remains a viable size.

The Directors therefore confirm that 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 from the date of approval of the financial statements.

For and on behalf of the Board

**Robert Talbut**
Chair

31st March 2026

# Directors' Report

Image: healthcare/consumer goods

# Board of Directors

## Robert Talbut (Chair of the Board)

A Director since 2017.

Last re-appointed to the Board: 2025.

Mr Talbut was, until 2014, the Chief Investment Officer of Royal London Asset Management and has over 30 years of financial services experience. He has represented the asset management industry through the chairmanship of both the ABI Investment Committee and the Asset Management Committee of the Investment Association. He has also been a member of the Audit & Assurance Council of the Financial Reporting Council and the Financial Conduct Authority's Listing Authority Advisory Panel. He is currently a non-executive director of Pacific Assets Trust PLC and Baillie Gifford Japan Trust PLC, and the Chair of the M&G With-Profits Committee. He was previously the Chair of Shires Income PLC and Schroder UK Mid Cap Fund plc.

**Connections with Manager:** None.

**Shareholding in Company:** 7,882 Ordinary shares.

**Shared directorships with other Directors:** None.

## Nadia Manzoor (Chair of the Remuneration Committee and Senior Independent Director)

A Director since 2016.

Last re-appointed to the Board: 2025.

Ms Manzoor is the Founder and CEO of Bia, a tech platform to support young people with their mental fitness. She also sits on the Investment Committee for BBC Children in Need. Prior to this Ms Manzoor was Partner, Head of Business Development and General Counsel for S.W. Mitchell Capital, a specialist European equities investment management house. Ms Manzoor commenced her career as a corporate lawyer at Slaughter and May in 2009. During this time she worked in London, Hong Kong and also spent six months seconded to a FTSE 100 client. Ms Manzoor is a Scholar of Downing College, Cambridge University, where she read Law.

**Connections with Manager:** None.

**Shareholding in Company:** 2,643 Ordinary shares.

**Shared directorships with other Directors:** None.

## Claire Binyon (Chair of the Audit Committee)

A Director since 2020.

Last re-appointed to the Board: 2025.

Following an early career in corporate finance in the City, Ms Binyon pursued a successful career working for global multinationals in the areas of corporate development and strategic planning. She is a non-executive director of Murray International Trust PLC and was previously a non-executive director of IG Design Group plc. Ms Binyon is a Fellow of the Institute of Chartered Accountants in England and Wales and qualified as a chartered accountant with EY.

**Connections with Manager:** None.

**Shareholding in Company:** 3,793 Ordinary shares.

**Shared directorships with other Directors:** None.

## Pui Kei Yuen (Chair of the Risk Committee)

A Director since 2023.

Last re-appointed to the Board: 2025.

Ms Yuen has over 30 years' experience in equities. Her previous roles included UK institutional equity portfolio management and research at Mercury Asset Management, Pan European equity responsibilities at UBS and Bank of America Merrill Lynch advising large institutional investors and hedge funds, and with the Boards of earlier stage private companies. She was previously a non-executive director of European Assets Trust PLC and is currently a non-executive director of BMO Capital Markets Limited.

**Connections with Manager:** None.

**Shareholding in Company:** 2,500 Ordinary shares.

**Shared directorships with other Directors:** None.

## Colin Moore

A Director since 2024.

Last re-appointed to the Board: 2025.

Mr Moore has over 40 years' experience in the investment industry. His previous roles include his position as the Global Chief Investment Officer at Columbia Threadneedle and his role as the Chief Investment Officer of International Value at Putnam Investments and Chief Investment Officer at Rockefeller & Co. Mr Moore is based in the US.

**Connections with Manager:** None.

**Shareholding in Company:** 10,000 Ordinary shares.

**Shared directorships with other Directors:** None.

# Directors' Report

The Directors present their Annual Report & Financial Statements for the year ended 31st December 2025. The Corporate Governance Statement on pages 49 to 51 forms part of this Directors' Report.

## Management of the Company

The Manager and Company Secretary is JPMF, a company authorised and regulated by the FCA. JPMF is a wholly-owned subsidiary of JPMorgan Chase Bank which, through other subsidiaries, also provides marketing, banking and dealing services to the Company. Custodian services are provided by a JPMorgan Chase Bank subsidiary, via a contract with the Company's depositary.

The Manager is employed under a contract which can be terminated on six months' notice, without penalty. If the Company wishes to terminate the contract on shorter notice, the balance of remuneration is payable by way of compensation.

The Management Engagement Committee conducts a formal review of the Manager on an annual basis. The review 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 the Manager. As part of this process, the Board visits the New York office each year. As a result of the review process, the Board confirms that it is satisfied that the continuing appointment of the Manager is in the interest of shareholders as a whole.

## The Alternative Investment Fund Managers Directive ('AIFMD')

JPMF is the Company's alternative investment fund manager ('AIFM'). JPMF has been approved as an AIFM by the FCA. For the purposes of the AIFMD the Company is an alternative investment fund ('AIF').

JPMF has delegated responsibility for the day to day management of the Company's portfolio to JPMAM, which further delegates the management to JPMorgan Asset Management, Inc. 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 remains 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.jpmamerican.co.uk. There have been no material changes (other than those reflected in these financial statements) to this information requiring disclosure. Any information requiring immediate disclosure pursuant to the AIFMD will be disclosed to the London Stock Exchange through a primary information provider.

The Company's leverage and JPMF's remuneration disclosures are set out on page 93.

## Management Fees

The management fee is charged on a tiered basis as follows:

- 0.35% on the first £500 million of net assets;
- 0.30% on net assets above £500 million and up to £1 billion; and
- 0.25% on any net assets above £1 billion.

The management fee is calculated and paid quarterly in arrears. Investments in funds on which the Manager or any of its associated companies earn a management fee are excluded from the calculation and therefore attract no further fee. The Company's investment in the JPMorgan USD Liquidity Fund was not subject to a separate management fee and therefore not excluded from the calculation.

## Directors

The Directors of the Company who held office at the end of the year are detailed on page 48. Details of Directors' beneficial shareholdings may be found in the Directors' Remuneration Report on pages 52 to 54.

All Directors will be retiring at the forthcoming Annual General Meeting and all Directors offer themselves for re-appointment except Ms Nadia Manzoor. The Board is satisfied that all Directors remain independent from the Manager. The Nomination Committee, having considered their qualifications, performance and contribution to the Board and its committees, confirms that each Director is and continues to be effective and demonstrates commitment to the role. The Board recommends to shareholders that they be re-appointed.

## Director Indemnification and Insurance

As permitted by the 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.

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

## Disclosure of information to Auditor

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

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

# Directors' Report

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

The above confirmation is given and should be interpreted in accordance with the provision of S418(2) of the Companies Act 2006.

## Independent Auditor

BDO LLP was appointed as Auditor to the Company with effect from 19th August 2022. BDO have expressed their willingness to continue in office as the Auditor and a resolution to appoint them and authorise the Directors to determine their remuneration for the ensuing year will be proposed at the forthcoming Annual General Meeting.

## Total Return, Revenue and Dividends

As detailed on page 72, the gross total return for the year amounted to £95.3 million (2024: £483.6 million return) and net total return after deducting finance costs, administrative expenses and taxation amounted to £81.5 million (2024: £471.8 million return). Distributable income for the year totalled £18.4 million (2024: £19.2 million).

The Company paid an interim dividend of 2.75p per share on 6th October 2025. The Directors recommend a final dividend of 8.75p per share, payable on 29th May 2026 to shareholders on the register at the close of business on 17th April 2026. These distributions total £19.7 million (2024: £19.8 million). After payment of the final dividend, if approved, the revenue reserve will amount to £20.2 million (2024: £21.5 million).

## Capital Structure and Voting Rights

The Directors have authority on behalf of the Company to repurchase shares in the market either for cancellation or into Treasury and to sell Treasury shares or issue new Ordinary shares for cash.

During the financial year, the Company repurchased 10,924,147 shares, into Treasury, for a total consideration of £115.8 million. The Company also issued a total of 1,414,046 shares from treasury at a premium to NAV during the same period. Since the year end, the Company repurchased 2,777,921 shares into Treasury, for a total consideration of £30.8 million.

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.

Special Resolutions to renew the Company's authorities to issue and repurchase shares will be put to shareholders at the forthcoming Annual General Meeting.

### Capital Structure

The Company's capital structure is summarised on page 3.

### Voting Rights in the Company's shares

Details of the voting rights in the Company's shares as at 1st April 2026 are given in note 16 to the Notice of Annual General Meeting on page 99.

### Notifiable Interests in the Company's Voting Rights

The Board has been advised that the following shareholders owned 3% or more of the issued share capital of the Company as at 31st December 2025:

| Shareholders | Number of voting rights as at 31st December 2025 | % holding as at 31st December 2025 |
|---|---|---|
| Quilter Cheviot Investment Management | 27,958,108 | 15.98 |
| Rathbones | 12,294,423 | 6.86 |
| Interactive Investor* | 12,026,117 | 6.71 |
| Hargreaves Lansdown* | 12,015,886 | 6.71 |
| RBC Brewin Dolphin | 11,318,744 | 6.32 |
| Craigs Investment Partners | 7,904,175 | 4.41 |
| Charles Stanley | 7,302,458 | 4.08 |
| Evelyn Partners | 5,382,646 | 3.01 |
| JM Finn | 5,375,493 | 3.00 |

* non-beneficial interests.

Since the year-end, no other interests have been notified to the Company as required under the Disclosure, Guidance and Transparency Rules.

## Listing Rule 6.6.4R and Subsequent Events

Listing Rule 6.6.4R requires the Company to include certain information in the identifiable section of the Annual Report & Financial Statements or a cross reference table indicating where the information is set out. The Directors confirm that there are no disclosures to be made in this respect.

# Directors' Report

Particulars of any important events affecting the company which have occurred since the end of the financial year are included in note 25 on page 91.

## Annual General Meeting

The notice covering the Annual General Meeting of the Company to be held on 14th May 2026 is given on pages 96 to 99. The full text of the Resolutions is set out in this notice.

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

**(i) Authority to allot new shares and to disapply statutory pre-emption rights (Resolutions 10 and 11)**

At the Annual General Meeting the Directors will seek authority to issue up to 16,680,793 new shares or sell shares held in Treasury for cash up to an aggregate nominal amount of £834,040 (such amount being equivalent to 10% of the issued share capital) and disapply pre-emption rights upon such issues. The full text of the resolutions is set out in the Notice of Meeting on pages 96 to 99. This authority will expire at the conclusion of the Annual General Meeting of the Company in 2027 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 such issues are only made at prices greater than the net asset value ('NAV'), they increase the NAV per share and spread the Company's administrative expenses, other than the management fee which is charged on the value of the Company's assets, over a greater number of shares. The issue proceeds are available for investment in line with the Company's investment policies.

**(ii) Authority to repurchase the Company's shares (Resolution 12)**

At the Annual General Meeting held on 15th May 2025, shareholders gave authority to the Company to purchase up to 14.99% of its then issued share capital. At that time, shareholders were informed that this authority would expire on 14th November 2026 but could be renewed by shareholders at any time at a general meeting of the Company. The Directors consider that the renewal of the authority is in the interests of shareholders as a whole, as the repurchase of shares at a discount to the underlying net asset value ('NAV') enhances the NAV of the remaining shares. Resolution 12 gives the Company authority to buy back its own issued 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 25,004,509 shares representing approximately 14.99% of the Company's issued shares as at 31st March 2026 (being the latest practicable date prior to the publication of this document). The authority also sets minimum and maximum prices.

If resolution 12 is passed at the Annual General Meeting, shares repurchased might not be cancelled but rather held as Treasury shares. The Company does not have authority to re-issue shares from Treasury at a discount to NAV, therefore any reissue of shares from Treasury would be at a premium to the prevailing NAV.

The full text of the resolution is set out in the Notice of Meeting on pages 96 to 99. Repurchases 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.

**(iii) Authority to hold general meetings (Resolution 13)**

Proposed as a special resolution, the Directors seek shareholder approval to call a general meeting, other than an Annual General Meeting, on no less than 14 clear days' notice. The Company will only use the shorter notice period where it is merited by the purpose of the meeting.

## Recommendation

The Board considers that resolutions 1 to 13 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 26,818 shares representing approximately 0.01% of the existing issued share capital of the Company (excluding Treasury shares).

By order of the Board
**Divya Amin**, for and on behalf of
JPMorgan Funds Limited,
Company Secretary

31st March 2026

# Directors' Remuneration Report

## Introduction

The Board presents the Directors' Remuneration Report for the year ended 31st December 2025 which has been prepared in accordance with the requirements of Section 421 of the Companies Act 2006.

The law requires the Company's Auditor to audit certain of the disclosures provided. Where disclosures have been audited they are indicated as such. The Auditor's opinion is included in their report on pages 64 to 68.

## Directors' Remuneration Policy

The law requires that the Directors' Remuneration Policy is subject to a triennial binding vote. However, the Board has resolved that for good governance purposes, the policy vote will be put to shareholders every year. Accordingly a resolution to approve the policy will be put to shareholders at the 2026 Annual General Meeting. The policy, which has not changed this year, and, subject to the vote, is set out in full below and is currently in force.

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

The Remuneration Committee, comprising all Directors, reviews 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 includes 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.

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.

In the year under review, Directors' fees were paid at the following rates: Chair £62,000; Audit Committee Chair £50,000 and £40,000 for other Directors. The roles of Senior Independent Director and Chair of the Risk Committee both attract an additional fee of £3,000. The role of the Chair of Remuneration Committee attracts an additional fee of £1,000.

From 1st January 2026 Director's fees are being paid at the following rates: Chair £67,000, Chair of the Audit Committee £52,000, and other Directors £41,500, in line with inflation. The Chair's remuneration has been increased to better reflect the requirements of the role, noting that it still remains significantly below the average for comparable trusts. The Senior Independent Director will receive an additional fee of £3,000, the Chair of the Risk Committee an additional £3,000 and the Chair of the Remuneration Committee an additional £1,000.

The Company's Articles of Association stipulate that aggregate fees must not exceed £325,000 per annum. Any increase in this amount requires both the Board's and shareholders' approval.

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.

The Remuneration Committee considers any comments received from shareholders on remuneration policy on an ongoing basis and will take account of these views if appropriate. No shareholder feedback has been received during the year in relation to the Company's remuneration policy.

The Directors do not have service contracts with the Company. 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 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 31st December 2024 and no changes are proposed for the year ending 31st December 2026.

At the Annual General Meeting held on 14th May 2025, 99.8% of votes cast were in favour of (or granted discretion to the Chair who voted in favour of) both the remuneration policy and the remuneration report and 0.1% voted against. Votes withheld were 70,585 and 65,269 respectively, the equivalent of less than 0.1% of votes cast.

# Directors' Remuneration Report

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

## Single total figure of remuneration

The single total figure of remuneration and expenses for the Board as a whole for the year ended 31st December 2025 was £241,338. The single total figure of remuneration for each Director is detailed below together with the prior year comparative.

There are no performance targets in place for the Directors of the Company and there are no benefits for any of the Directors which will vest in the future. There are no benefits, pension, bonus, long term incentive plans, exit payments or arrangements in place on which to report.

## Single Total Figure Table (Audited)[1]

| Directors' Name | 2025 Fees £ | 2025 Taxable expenses[2] £ | 2025 Total £ | 2024 Fees £ | 2024 Taxable expenses[2] £ | 2024 Total £ |
|---|---|---|---|---|---|---|
| Robert Talbut[3] | 62,000 | 494 | 62,494 | 51,066 | 280 | 51,346 |
| Dr Kevin Carter[4] | — | — | — | 21,297 | — | 21,297 |
| Claire Binyon | 50,000 | 391 | 50,391 | 46,000 | 732 | 46,732 |
| Nadia Manzoor | 44,000 | 1,453 | 45,453 | 42,000 | 352 | 42,352 |
| Pui Kei Yuen[5] | 43,000 | — | 43,000 | 39,887 | — | 39,887 |
| Colin Moore[6] | 40,000 | — | 40,000 | 34,764 | — | 34,764 |
| **Total** | **239,000** | **2,338** | **241,338** | **235,014** | **1,364** | **236,378** |

[1] 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] Assumed the role of Chair with effect from 15th May 2024.
[4] Retired on 15th May 2024.
[5] Appointed on 1st January 2023. Assumed the Risk Committee Chair with effect from 15th May 2024.
[6] Appointed on 1st February 2024.

## Annual Percentage Change in Directors' Remuneration

The following table sets out the annual percentage change in Single Total Figure for Directors' fees for the year to 31st December 2025:

| Directors' name | Percentage change for year to 31st Dec 2025 | 31st Dec 2024 | 31st Dec 2023 | 31st Dec 2022 | 31st Dec 2021 |
|---|---|---|---|---|---|
| Robert Talbut[1] | 21.7% | 9.0% | 9.5% | 8.3% | 11.9% |
| Dr Kevin Carter[2] | n/a | n/a | 4.9% | 6.3% | 9.1% |
| Claire Binyon[3] | 7.8% | 5.0% | 3.9% | 20.8% | 2.6% |
| Nadia Manzoor[4] | 7.3% | 9.0% | 9.2% | 8.1% | 11.9% |
| Pui Kei Yuen[5] | 7.8% | 9.0% | n/a | n/a | n/a |
| Colin Moore[6] | n/a | n/a | n/a | n/a | n/a |

[1] Assumed the role of Chair with effect from 15th May 2024.
[2] Retired on 15th May 2024.
[3] Appointed as Audit Committee Chair on 31st August 2021.
[4] Assumed the role of Senior Independent Director and Remuneration Committee Chair with effect from 18th May 2023.
[5] Appointed on 1st January 2023. Assumed the Risk Committee Chair with effect from 15th May 2024.
[6] Appointed on 1st February 2024.

## Expenditure by the Company on Remuneration and Distributions to Shareholders

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

| | Year ended 31st December 2025 | 2024 |
|---|---|---|
| Remuneration paid to all Directors | £241,338 | £236,378 |
| Remuneration paid to Directors as a percentage of Shareholders' funds | 0.01% | 0.01% |
| Distributions to shareholders | | |
| — by way of dividends paid | £19,580,000 | £14,597,000 |
| — by way of share repurchases | £116,395,000 | £48,069,000 |

# Directors' Remuneration Report

## Remuneration for the Chair over the five years ended 31st December 2025

| Year ended 31st December | Fees[1] |
|---|---|
| 2025 | £62,000 |
| 2024 | £57,000 |
| 2023 | £53,500 |
| 2022 | £51,000 |
| 2021 | £48,000 |

[1] Excluding taxable expenses.

## Directors' Shareholdings (Audited)

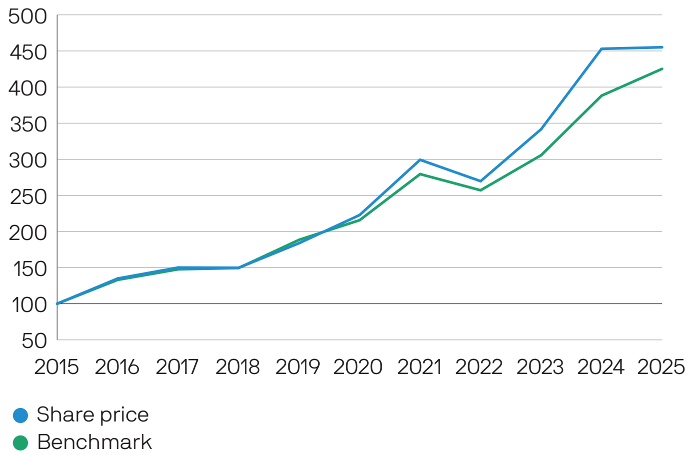
There are no requirements pursuant to the Company's Articles of Association for the Directors to own shares in the Company. The Directors' beneficial shareholdings are detailed below. The Directors have no other share interests or share options in the Company and no share schemes are available.

| Ordinary | 31st December 2025 | 1st January 2025 |
|---|---|---|
| Robert Talbut | 7,882 | 7,882 |
| Claire Binyon | 3,793 | 2,515 |
| Nadia Manzoor | 2,643 | 2,643 |
| Pui Kei Yuen | 2,500 | 2,500 |
| Colin Moore | 10,000 | nil |

All of the holdings of the Directors are beneficial.

## Ten Year Ordinary Share Price and Benchmark Total Returns to 31st December 2025

A graph showing the Company's share price total return compared with its benchmark index, the S&P 500 Index expressed in sterling total returns terms, over the last ten years is shown below:




Source: Morningstar.

For and on behalf of the Board
**Nadia Manzoor**
Remuneration Committee Chair

31st March 2026

## Compliance

During the year, the Company was subject to UK legislation and regulations including UK company law, UK Financial Reporting Standards, the UK Listing, Prospectus, Disclosure Guidance and Transparency Rules, the Market Abuse Regulation, taxation law and the Company's own Articles of Association. The Company's underlying investments are also subject to some US and other worldwide regulations. 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). As a result the Company is not liable for taxation on capital gains. The Directors have no reason to believe that approval will not continue to be retained. The Company is not a close company for taxation purposes.

By virtue of the Company's listing on the London Stock Exchange, the Board is required to report on how the principles of the 2024 UK Corporate Governance Code (the 'UK Code') have been applied. The 2024 AIC Code of Corporate Governance (the 'AIC Code') addresses the principles and provisions of the UK Code as well as additional provisions of specific relevance to investment companies, and has been endorsed by the Financial Reporting Council.

This enables investment company boards to report against the AIC Code and still meet their obligations under the UK Code and associated disclosure requirements under paragraph 6.6.6R (5) of the Listing Rules. The Board has chosen to report under the AIC Code, as it considers reporting against the AIC Code provides more relevant information to the Company's shareholders about its governance arrangements. The Board has fully adopted the recommendations of the 2024 AIC Code with the exception of provision 34, which applies to financial years beginning on or after 1st January 2026.

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

## Role of the Board

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

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. Further information on meetings and committees can be found on pages 57 and 58.

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.

There is an agreed procedure for Directors to take independent professional advice in the furtherance of their duties 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 adherence to Board procedures and compliance with applicable rules and regulations.

## Board Composition

The Board currently consists of five non-executive Directors and is chaired by Robert Talbut. All Directors are considered to be independent of the Company's Manager. 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 page 48.

## Board Diversity

When recruiting a new Director, the Board's policy is to appoint individuals on merit. The Board takes the approach that diversity, inclusion and equal opportunity are all 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. Following completion of a review of the skills and experience of Directors, the Board feels that they are equipped with the necessary attributes required for the sound stewardship of the Company and that their knowledge sets allow for lively and engaging debates.

Full details of the skills and experience of the Directors can be found on pages 56 and 58. At 31st December 2025, there were two male Directors and three female Directors on the Board, which was also in compliance with the Parker Review recommendations on diversity in the UK boardroom. Please refer to page 58 for more information on the workings of the Nomination Committee.

Listing Rule 6.6.6 (9) requires listed companies to include a statement in their annual reports and accounts in respect of certain targets on board diversity, or if those new targets have not been met to disclose the reasons for this. The table below shows the gender and ethnicity of our Board against these diversity targets in accordance with Listing Rule 6.6.6 (10).

# Corporate Governance Statement

The table below shows the information as at 31st December 2025:

| | Number of Board members | Percentage of Board | Number of senior positions on the Board (CEO, CFO, SID and Chair)[2] | Number in executive management | Percentage of executive management |
|---|---|---|---|---|---|
| **Gender** | | | | | |
| Men | 2 | 40% | 1 | n/a | n/a |
| Women | 3 | 60% | 2 | n/a | n/a |
| Not specified/prefer not to say | n/a | n/a | n/a | n/a | n/a |
| **Ethnicity[1]** | | | | | |
| White British (or any other white background) | 3 | 60% | 2 | n/a | n/a |
| Asian or Asian British | 2 | 40% | 1 | n/a | n/a |

[1] Categorisation of ethnicity is stated in accordance with the Office of National Statistics classification.
[2] The position of Audit Chair has been included as a senior position in the Company as the Company does not have a CEO or CFO.

The information in the above table was provided by individual Directors in response to a request from the Company. The Company is pleased to report that it meets FCA's target on all the three categories below:

- at least 40% of the board should be women.
- at least one senior board position should be held by a woman.
- at least one member of the board should be from an ethnic minority background, excluding white ethnic groups (using ONS categories).

## Tenure and terms of appointment

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

As disclosed in last year's annual report, owing to the changes within the portfolio management team and the Board itself, and after consultation with our largest shareholders, the Board agreed that Ms Nadia Manzoor, the Company's Senior Independent Director, would extend her tenure on the Board and will retire at the upcoming 2026 AGM. The Chair will also extend his tenure on the Board and will retire at the 2027 AGM.

The Board is currently conducting a search for a suitable non-executive director. An independent specialist recruitment agency with no connection to the manager, Odgers, is assisting in this search, and a further announcement will be made once the process has been finalised. 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 list of potential conflicts of interest for each Director is maintained by the Company. These are considered carefully, taking into account the circumstances surrounding them, and, if considered appropriate, are approved.

## Re-appointment of Directors

The Directors of the Company and their brief biographical details are set out on page 48. The skills and experience that each Director that is standing for re-election brings to the Board, and hence why their contributions are important to the long term success of the Company, are summarised below.

**Resolution 6** concerns the re-appointment of Robert Talbut. He joined the Board in May 2017 and has served for eight years as a Director. He has over 30 years of financial services experience and has represented the asset management industry through the chairmanship of both the ABI Investment Committee and the Asset Management Committee of the Investment Association. As well as experience as an asset manager including evolving best practice in corporate governance and ESG issues, his varied roles with the Financial Reporting Council and the FCA helps him bring broader perspectives to Board discussions.

# Corporate Governance Statement

For details of his current directorships, please refer to page 48 of the Report.

**Resolution 7** concerns the re-appointment of Claire Binyon. She joined the Board in June 2020 and has served for six years, becoming Audit Committee Chair in September 2021. After qualifying as a chartered accountant and following an early career in corporate finance, she worked for global multinationals in the areas of corporate development and strategic planning. Her relevant experience also includes her non-executive directorship at Murray International Trust PLC. Claire is a Fellow of the Institute of Chartered Accountants in England and Wales.

**Resolution 8** concerns the re-appointment of Pui Kei Yuen. She joined the Board in January 2023 and has served for three years. Ms Yuen has over 30 years' experience in equities in various roles including fund management, research and advising large institutional investors and hedge funds. Her relevant experience also includes her previous non-executive directorship at European Assets Trust PLC.

**Resolution 9** concerns the appointment of Colin Moore. He joined the Board in February 2024 and has served for two years. He has over 40 years' experience in the investment industry. His previous roles include his position as the Global Chief Investment Officer at Columbia Threadneedle and his role as the Chief Investment Officer of International Value at Putnam Investments and Chief Investment Officer at Rockefeller & Co.

For more details, please refer to page 48 of the Report.

The Board confirms that each of the Directors standing for re-appointment at the forthcoming Annual General Meeting continues to contribute effectively and recommends that shareholders vote in favour of their re-appointment.

As disclosed earlier in this report, Nadia Manzoor will be retiring at the forthcoming AGM and is therefore not proposed for re-appointment.

## 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 Directors. Directors are encouraged to attend industry and other seminars covering issues and developments relevant to investment trusts. Regular reviews of the Directors' training needs are carried out by the Board by means of the review process described below.

## Meetings and Committees

The Board delegates certain responsibilities and functions to committees. Details of membership of committees are shown with the Directors' profiles on page 48.

The table below details the number of formal Board and Committee meetings attended by each Director. There were seven Board meetings held during the year, four Audit Committee meetings, three Risk Committee meetings and one Remuneration, Management Engagement and Nomination Committee meetings during the year.

### Meetings attended during the year

| Director | Board Meeting | Audit Committee Meeting | Risk Committee Meeting |
|---|---|---|---|
| Robert Talbut | 7 | 4 | 3 |
| Claire Binyon | 7 | 4 | 3 |
| Nadia Manzoor | 7 | 4 | 3 |
| Pui Kei Yuen | 7 | 4 | 3 |
| Colin Moore | 7 | 4 | 3 |

| Director | Remuneration Committee Meeting | Management Engagement Committee Meeting | Nomination Committee Meeting |
|---|---|---|---|
| Robert Talbut | 1 | 1 | 1 |
| Claire Binyon | 1 | 1 | 1 |
| Nadia Manzoor | 1 | 1 | 1 |
| Pui Kei Yuen | 1 | 1 | 1 |
| Colin Moore | 1 | 1 | 1 |

As well as the formal meetings detailed above, the Board meets and communicates frequently by email or video-conference to deal with day to day matters as they arise. During the year, the Directors also travelled to the United States to have meetings with the investment management team and senior management based in New York.

## Board Committees

The Nomination, Remuneration, Management Engagement, Risk and Audit Committees 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 Annual General Meeting.

### Nomination Committee

The Nomination Committee, chaired by Robert Talbut, consists of all of the Directors and meets at least annually. The Nomination Committee reviews the composition, structure and diversity of the Board, succession planning, the independence of the Directors and whether each Director has sufficient time available to discharge their duties effectively.

The Board's policy on diversity, including gender, is to take account of the benefits of this during the appointment process. The Board remains committed to appointing the most appropriate candidate and seeks to ensure that it does not unwittingly exclude any group.

The Committee conducts an annual performance review 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 performance review of the Board considers the balance of experience, skills, independence, corporate knowledge, its diversity, and how it works together. Questionnaires, drawn up

# Corporate Governance Statement

by Lintstock, an independent advisory firm, are completed by each Director. The responses are collated and then discussed by the Committee. The performance review of individual Directors is led by the Chair. The Senior Independent Director leads the review of the Chair's performance, which includes an appraisal of his Board leadership and effectiveness in the role.

Having completed the annual performance review process, the Committee confirms that it believes that the Board has an appropriate balance of skills and experience, that all Directors should be considered as Independent in accordance with the provisions of the AIC Code and that all Directors have the time available to discharge their duties effectively.

### Remuneration Committee

The Remuneration Committee, chaired by Nadia Manzoor, consists of all Directors and meets at least annually. The Committee's remit is to review Directors' fees and make recommendations to the Board as and when appropriate in relation to the Company's remuneration policy and its implementation. Following Ms Manzoor's retirement from the Board, Mr Colin Moore will take over as Chair of the Remuneration Committee.

### Management Engagement Committee

The Management Engagement Committee, chaired by Robert Talbut, consists of all Directors and meets at least annually. The Committee's remit is to review the terms of the management agreement between the Company and the Manager, to review the performance of the Manager, review the performance of other third party suppliers, consider Management fee levels, to review the notice period that the Board has with the Manager and to make recommendations to the Board.

### Risk Committee

The Risk Committee, chaired by Pui Kei Yuen, consists of all the Directors, and meets at least twice each year. The Committee discusses the Company's overall risk appetite, tolerance and strategy, taking into account the current and prospective macroeconomic and financial environment. It further reviews the Company's principal risks and seeks to understand any emerging risks that arise during the year. Finally, the Committee reviews compliance with the Company's investment restrictions and guidelines.

### Audit Committee

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

## Annual General Meeting ('AGM')

As mentioned in the Chair's statement, this year's Annual General Meeting will be held on 14th May 2026, at 60 Victoria Embankment, London EC4Y 0JP. Apart from the formal business of the meeting, the shareholders will have the opportunity to hear from two of our portfolio managers, Felise Agranoff and Jack Caffrey, who will be presenting virtually, followed by a question and answer session. Shareholders are invited to attend the meeting and raise any questions they have, either by asking questions at the meeting, or in advance by writing to the Company Secretary at the address on page 108, or via email to invtrusts.cosec@jpmorgan.com. As is normal practice, all voting on the resolutions will be conducted on a poll. The Board strongly encourages all shareholders to exercise their votes by completing and returning their proxy forms in accordance with the notes to the Notice of Meeting on pages 98 to 99.

## Risk Management and Internal Control Framework

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

The Directors are responsible for the Company's risk management and internal control framework 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 risk management and internal control framework 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 and Emerging Risks on pages 43 to 44). 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 Corporate Governance Code 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.

# Corporate Governance Statement

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

*Financial Reporting* – Regular and comprehensive review by the Board of key investment and financial data, including revenue projections, analysis of transactions and performance comparisons.

*Management Agreement* – Evaluation and appointment of a manager and custodian regulated by the FCA, whose responsibilities are clearly defined in a written agreement.

*Management Systems* – The Manager's risk management and internal control framework includes organisational agreements which clearly define the lines of responsibility, delegated authority, control procedures and systems. These are monitored by JPMorgan's Compliance department which regularly monitors compliance with FCA rules and reports to the Board.

*Investment Strategy* – Authorisation and monitoring of the Company's investment strategy and exposure limits by the Board.

The Board keeps under review the effectiveness of the Company's risk management and internal control framework by monitoring the operation of the key operating controls of the Manager and its associates as follows:

- the Board, through the Audit Committee, receives regular reports from JPMorgan's Compliance department;
- the Board regularly receives a report, which is also independently reviewed, on the internal controls and the operations of its custodian, JPMorgan Chase Bank, and of the Registrar;
- 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 business.

By means of the procedures set out above, the Board confirms that it has reviewed the effectiveness of the Company's risk management and internal control framework for the year ended 31st December 2025, and to the date of approval of the Annual Report & Financial Statements.

During the course of its review of the risk management and internal control framework, 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 any necessary actions has not been considered appropriate.

## Employees, Social, Community, Environment and Human Rights Issues

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

The Board notes JPMAM's global policy statements in respect of Social, Community and Environmental and Human Rights issues. More details on this can be found on page 106.

## 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. More information can be found on page 106.

## 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 Company considers itself to be a low energy user under the SECR regulations and has no energy and carbon information to disclose. 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 Carbon Disclosure Project. It further notes that JPMorgan Chase is a signatory to the Equator Principles on managing social and environmental risk in project finance.

The Board's policy is to offset the carbon emissions from any air travel it undertakes on Company business. The Manager arranges such travel for the Board, and has been offsetting 100% of air travel emissions from flights booked through its travel agency since 2008.

## Criminal Corporate Offence

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

## Corporate Governance and Voting Policy

The Company delegates responsibility for voting to JPMAM through the Manager. JPMAM's policy statements on corporate governance, voting policy and social and environmental issues has been reviewed and noted by the Board and can be found on page 107. Details on Environmental, Social and Governance considerations are included in the Manager's Investment Process on pages 23 to 27.

By order of the Board
**Divya Amin**, for and on behalf of
JPMorgan Funds Limited,
Company Secretary

31st March 2026

# Audit Committee Report

I am pleased to present the Audit Committee Report for the year ended 31st December 2025.

## Role and Composition

The Audit Committee consists of all Directors, and meets at least three times each year. The Chair of the Company is a member of the Committee, which benefits from his valuable contributions drawing on his extensive knowledge and experience. This is permitted under the AIC Code as he was deemed to be independent on appointment to the Board. 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 Report and Annual Report & Financial Statements and the Company's compliance with the AIC Code. It examines the effectiveness of the Company's internal control systems, receives information from the Manager's compliance department and also reviews the scope and results of the external audit, its cost effectiveness and the independence and objectivity of the external Auditor.

It is also responsible for reporting any significant financial reporting issues to the Board and for providing review and challenge of key areas of judgement, including any assumptions used, in support of the going concern and viability statements.

The Audit Committee has reviewed the independence and objectivity of the Auditor and is satisfied that the Auditor is independent. The Audit Committee also has the primary responsibility for making recommendations to the Board on the re-appointment and the removal of the external Auditor.

## Financial Statements and Significant Accounting Matters

During its review of the Company's financial statements for the year ended 31st December 2025, the Audit Committee considered the following significant issues, including those communicated by the Auditor during its 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 to the accounts. 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 remains responsible for the oversight of the custody of the Company's assets. A representative from BNY reports directly to the Audit Committee on an annual basis. |
| Calculation of management fees | The management fees are calculated in accordance with the Investment Management Agreement. The Board reviews controls reports, expense schedules and the management fee calculation. |
| Recognition of investment income | The recognition of investment income is undertaken in accordance with accounting policy note 1(d) to the accounts. |
| Compliance with Sections 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 by the Manager, who reports on a monthly basis to the Board on the Company's continuing compliance. |
| Going Concern/Long Term Viability | The Committee has also reviewed the appropriateness of the adoption of the Going Concern basis in preparing the accounts. The Committee recommended to the Board that the adoption of the Going Concern basis is appropriate (see Going Concern statement below).<br><br>The Committee also assessed the Long Term Viability of the Company as detailed on page 46 and recommended to the Board its expectation that the Company would remain in operation for the five year period of the assessment. |

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 Board has, in particular, considered the impact of market volatility from the ongoing conflicts between Ukraine and Russia and in the Middle East as well as continued uncertainty regarding US domestic and foreign policy, and 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. Gearing levels and compliance with borrowing covenants are reviewed by the Board on a regular basis.

The Directors have also assessed the ability of the Company to repay the amount drawn down under its revolving credit facility, which expires in August 2028, and are satisfied as to its ability to do so on account of the ability of the Company to raise new finance via loans or other debt facilities or share issuances, or alternatively through the realisation of investments in the Company's highly liquid quoted securities. Furthermore, the Directors are satisfied that the Company and its key third party service providers have in place appropriate business continuity plans.

# Audit Committee Report

In preparing the financial statements, the Directors have reviewed the Company's ability to continue operating as a going concern. This review took into consideration the principal and emerging risks described on pages 43 to 45, including the outlook for the US economy, US equity markets and for investment trusts.

The Directors have considered three possible scenarios, comprising a base case and two stress tests, which are described in the Viability Statement on page 46. In addition, they have considered a reverse stress test as described below.

The Company's investments, which are predominantly readily realisable, quoted securities, and its other assets, are expected to significantly exceed its liabilities under all three scenarios reviewed by the Board. The Company's financing facilities, described in notes 13 and 14 on page 81, comprise a mix of fixed and floating rate debt of different tenors, drawn in US dollars. The private placements mature significantly beyond the period of the going concern review. The Directors are satisfied that the Company has access to sufficient readily realisable assets should it be required to repay its revolving credit facility at short notice. Gearing levels and compliance with borrowing covenants are reviewed by the Board on a regular basis and covenant compliance has been modelled as part of the going concern review with significant headroom anticipated throughout the period in all scenarios.

In addition, a reverse stress test has been modelled to estimate by how much the US stock market would have to fall, in the absence of any mitigating actions, to trigger a covenant breach. This test was for illustrative purposes only and the scale of market declines implied from this would exceed those of the 1929 crash. This outcome is considered extremely unlikely as it does not include any assumptions surrounding mitigating actions, such as portfolio liquidations, reduced dividend payments and share buy-backs and operating cost reductions, that the Directors and the Manager could take should such a situation arise.

Furthermore, the Directors are satisfied that the Company's key third party service providers have in place appropriate plans and controls to ensure their operational resilience and the performance of these service providers is reviewed at least annually by the Management Engagement Committee. Accordingly, the financial statements have been prepared on the going concern basis as it is the Directors' reasonable expectation that the Company has adequate resources to continue in operational existence up to 31st March 2027 which is a period of at least 12 months from the date of approval of the financial statements. The Company's longer-term viability is considered in the Viability Statement on page 46.

### Auditor Appointment and Tenure

The Committee reviews the scope and results of the external audit, its effectiveness and cost effectiveness, the balance of audit and non-audit services and the independence and objectivity of the Auditor. In the Directors' opinion the Auditor is independent. The Committee also has primary responsibility for making recommendations to the Board on the reappointment and removal of the Auditor.

Representatives of the Company's auditor attend the Audit Committee meeting at which the draft annual report and financial statements are considered and they also attend the half-year audit committee meeting to present their audit plan for the current financial year's audit.

As part of its review of the continuing appointment of the Auditor, the Audit Committee considered the length of tenure of the audit firm, its fee, its independence from JPMF and the Manager and any matters raised during the audit. In addition, the Audit Committee considered and discussed with BDO the results of the FRC Audit Quality Review ('AQR') team's inspection of BDO's audit work. The Committee shares BDO's disappointment at its AQR results for 2025. BDO has presented to the Audit Committee plans for improvement and the Audit Committee, whilst satisfied with the quality of BDO's audit work in respect of the Company, will continue to monitor the work of the auditor closely.

BDO LLP were appointed as the Auditor of the Company in August 2022. This is their fourth year auditing the Company. As the Company went through a formal tender process in 2022, based upon existing legislation, another tender process will not be required until 2032. Chris Meyrick is the Senior Statutory Auditor and has conducted the Company's 2025 audit. In accordance with present professional guidelines, the Senior Statutory Auditor will be rotated after no more than five years and the year ended 31st December 2025 is the fourth year for which Chris Meyrick will have served in this capacity.

The Company is therefore 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 Audit Committee 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. No such work was undertaken during the year.

### Fair, Balanced and Understandable

As a result of the work performed, the Audit Committee has concluded that the Annual Report & Financial Statements for the year ended 31st December 2025, taken as a whole, are fair, balanced and understandable and provide the information necessary for shareholders to assess the Company's position and performance, business model and strategy, and has reported on these findings to the Board. The Board's conclusions in this respect are set out in the Statement of Directors' Responsibilities on page 62.

**Claire Binyon**
Audit Committee Chair

31st March 2026

# Statement of Directors' Responsibilities

The Directors are responsible for preparing the Annual Report & Financial Statements in accordance with applicable law and regulations.

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

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

and the Directors confirm that they have done so.

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

The accounts are published on the www.jpmamerican.co.uk website, which is maintained by the Company's Manager. The maintenance and integrity of the website maintained by the Manager is, so far as it relates to the Company, the responsibility of the Manager. The work carried out by the Auditor does not involve consideration of the maintenance and integrity of this website and, accordingly, the Auditor accepts no responsibility for any changes that have occurred to the accounts since they were initially presented on the website. The accounts are prepared in accordance with UK legislation, which may differ from legislation in other jurisdictions.

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

Each of the Directors, whose names and functions are listed on page 48, confirms that, to the best of their knowledge:

- the financial statements, which have been prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), give a true and fair view of the assets, liabilities, financial position and return or loss of the Company; and
- the Strategic Report includes a fair review of the development and performance of the business and the position of the Company, together with a description of the principal risks and uncertainties that it faces.

The Board confirms that it is satisfied that the Annual Report & Financial Statements taken as a whole are fair, balanced and understandable and provide the information necessary for shareholders to assess the strategy and business model of the Company.

The Board also confirms that it is satisfied that the Strategic Report and Directors' Report include 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 the Company faces.

For and on behalf of the Board
**Robert Talbut**
Chair

31st March 2026

# Independent Auditor’s Report

Image: Philadelphia Skyline, US

# Independent Auditor's Report

## Independent auditor's report to the members of JPMorgan American Investment Trust plc

### Report on the audit of the financial statements

#### Opinion

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31st December 2025 and of its profit and cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Accounting Standards, including Financial Reporting Standard FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of JPMorgan American Investment Trust plc (the 'Company') for the year ended 31st December 2025 which comprise the Statement of Comprehensive Income, the Statement of Changes in Equity, the Statement of Financial Position, the Statement of Cash Flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard FRS 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*

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 the FRC's Ethical Standard were not provided to the Company and we remain independent of the Company in conducting our audit.

### Conclusions relating to going concern

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

- Evaluating the appropriateness of the Directors' method of assessing the going concern in light of economic and market conditions by reviewing the information used by the Directors in completing their assessment;
- Assessing the appropriateness of the Directors' assumptions and judgements made in their base case and stress tested forecasts including consideration of the available cash resources relative to forecast expenditure and commitments;
- Challenging the Directors' assumptions and judgements made in their forecasts by performing an independent analysis of the liquidity of the portfolio; and
- Reviewing the loan agreements to identify the covenants and assessing the likelihood of them being breached based on the Directors' forecasts and our sensitivity analyses.

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 12 months from when the financial statements are authorised for issue. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Company's ability to continue as a going concern.

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 in preparing the financial statements.

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

#### Overview

| | | 2025 | 2024 |
|---|---|---|---|
| **Key audit matters** | Valuation and ownership of quoted investments | ✔ | ✔ |
| **Materiality** | *Company financial statements as a whole*<br>£19.4m (2024:19.8m) based on 1% (2024: 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, the applicable financial reporting framework and the Company's system of internal control. We identified and assessed the risks of material misstatement of the Company financial statements. We then applied professional judgement to focus our audit procedures on the areas that posed the greatest risks to the financial statements. We continually assessed risks throughout our audit, revising the risks where necessary, with the aim of reducing the risk of material misstatement to an acceptable level, in order to provide a basis for our opinion.

### *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**<br><br>(Note 1 and 11 of notes to accounts in the annual report) | The investment portfolio at the year-end comprised of quoted equity investments held at fair value through profit or loss.<br><br>We considered the valuation and ownership of investments to be a significant audit area as investments represent the most significant balance in the financial statements and underpins the principal activity of the entity.<br><br>There is a risk that the bid price used as the fair value of investments held at the reporting date is inappropriate. Given the nature of the portfolio is such that it comprises solely of listed investments, we do not consider the use of bid price to be subject to significant estimation uncertainty.<br><br>There is also a risk of error in the recording of investment holdings such that those investment holdings recorded do not appropriately reflect the property of the Company.<br><br>For these reasons and the materiality to the financial statements as a whole, they are considered to be a key area of our overall audit strategy and allocation of our resources and hence 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:<br><br>● Confirmed the year-end bid price was used by agreeing to externally quoted prices;<br><br>● Assessed if there were contra indicators, such as liquidity considerations, to suggest bid price is not the most appropriate indication of fair value by considering the realisation period for individual holdings;<br><br>● Recalculated the valuation by multiplying the number of shares held per the statement obtained from the custodian by the -price per share; and<br><br>● Obtained direct confirmation of the number of shares held per equity investment from the depository covering all investments held at the balance sheet date.<br><br>***Key observations:***<br><br>Based on our procedures performed we are satisfied that the valuation and ownership of the quoted equity investments are not materially misstated. |

## Our application of materiality

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

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

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

# Independent Auditor's Report

| | Company financial statements | |
|---|---|---|
| | **2025 £m** | **2024 £m** |
| **Materiality** | 19.4 | 19.8 |
| **Basis for determining materiality** | 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. | |
| **Performance materiality** | 14.6 | 14.8 |
| **Basis for determining performance 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. | |

### *Reporting threshold*

We agreed with the Audit Committee that we would report to them all individual audit differences in excess of £194,900 (2024:£198,000). We also agreed to report differences below this threshold that, in our view, warranted reporting on qualitative grounds.

## Other information

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

We have nothing to report in this regard.

## Corporate governance statement

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

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

| | |
|---|---|
| **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 page 60;<br>• 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 46; and<br>• The Directors' statement on whether they have a reasonable expectation that the Company will be able to continue in operation and meet its liabilities set out on page 46. |
| **Other Code provisions** | • Directors' statement on fair, balanced and understandable set out on page 62;<br>• Board's confirmation that it has carried out a robust assessment of the emerging and principal risks set out on page 43;<br>• The section of the annual report that describes the review of effectiveness of risk management and internal control systems set out on page 58; and<br>• The section describing the work of the Audit Committee set out on page 60. |

# Independent Auditor's Report

## 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:<br>● 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<br>● the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.<br>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:<br>● adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or<br>● 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<br>● certain disclosures of Directors' remuneration specified by law are not made; or<br>● we have not received all the information and explanations we require for our audit. |

## Responsibilities of Directors

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

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

## Auditor's responsibilities for the audit of the financial statements

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

However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the Company and management.

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

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

Non-compliance with laws and regulations

Based on:

- Our understanding of the Company and the industry in which it operates;
- Discussion with the Investment Manager and Administrator and those charged with governance; and
- Obtaining and understanding of the Company's policies and procedures regarding compliance with laws and regulations.

we considered the significant laws and regulations to be Companies Act 2006, DTR rules (Disclosure Guidance and Transparency Rules), the principles of the AIC Code of Corporate Governance (the AIC Code), industry practice represented by the AIC SORP (Statement of Recommended Practice), the applicable accounting framework, and the Company's qualification as an Investment Trust under UK tax

# Independent Auditor's Report

legislation, as any non-compliance of this would lead to the Company losing various deductions and exemptions from corporation tax.

Our procedures in respect of the above included:

- Agreement of the financial statement disclosures to underlying supporting documentation;
- Enquiries of management and those charged with governance relating to the existence of any non-compliance with laws and regulations;
- Reviewing minutes of meeting of those charged with governance throughout the period for instances of non-compliance with laws and regulations; and
- Reviewing the calculation in relation to Investment Trust compliance to check that the Company was meeting its requirements to retain their Investment Trust Status.

*Fraud*

We assessed the susceptibility of the financial statement to material misstatement including fraud.

Our risk assessment procedures included:

- Enquiry with management and Audit Committee regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Company's policies and procedures relating to:
  - o Detecting and responding to the risks of fraud; and
  - o Internal controls established to mitigate risks related to fraud.
- Review of minutes of meeting of those charged with governance for any known or suspected instances of fraud; and
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements.

Based on our risk assessment, we considered the areas most susceptible to be management override of controls.

Our procedures in respect of the above included:

- In addressing the risk of management override of control, we:
  - o Performed a review of estimates and judgements applied by management in the financial statements to assess their appropriateness and the existence of any systematic bias;
  - o Considered the opportunity and incentive to manipulate accounting entries and target tested relevant adjustments made in the period end financial reporting process;
  - o Reviewed for significant transactions outside the normal course of business; and
  - o Performed a review of unadjusted audit differences, if any, for indications of bias or deliberate misstatement.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, who were deemed to have the 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.

## Other matters which we are required to address

We were appointed by Audit Committee on 19th August 2020 to audit the financial statements for the period ended 31st December 2022. Our total uninterrupted period of engagement is four years, covering the periods ended 31st December 2022 to 31st December 2025.

Our audit opinion is consistent with the additional report to the Audit committee.

## 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.

In due course, as required by the Financial Conduct Authority Disclosure Guidance and Transparency Rule 4.1.15R – 4.1.18R, these financial statements will form part of the Electronic Format Annual Financial Report filed on the National Storage Mechanism of the FCA in accordance with DTR 4.1.15R – DTR 4.1.18R. This auditor's report provides no assurance over whether the Electronic Format Annual Financial Report has been prepared in compliance with DTR 4.1.15R – DTR 4.1.18R.

**Chris Meyrick**
For and on behalf of BDO LLP, Statutory Auditor
London, UK

31st March 2026

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


# Financial Statements

Image: Distribution Centre

# Statement of Comprehensive Income

| | | Year ended 31st December 2025 | | | Year ended 31st December 2024 | | |
|---|---|---|---|---|---|---|---|
| | | Revenue | Capital | Total | Revenue | Capital | Total |
| | Notes | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| Net gains on investments held at fair value through profit or loss | 3 | — | 65,973 | 65,973 | — | 459,406 | 459,406 |
| Foreign currency exchange gains/(losses) | | — | 4,562 | 4,562 | — | (743) | (743) |
| Income from investments | 4 | 23,946 | 5 | 23,951 | 23,579 | 55 | 23,634 |
| Interest receivable | 4 | 836 | — | 836 | 1,352 | — | 1,352 |
| **Gross return** | | **24,782** | **70,540** | **95,322** | **24,931** | **458,718** | **483,649** |
| Management fee | 5 | (1,116) | (4,462) | (5,578) | (1,041) | (4,164) | (5,205) |
| Other administrative expenses | 6 | (1,026) | — | (1,026) | (1,139) | — | (1,139) |
| **Net return before finance costs and taxation** | | **22,640** | **66,078** | **88,718** | **22,751** | **454,554** | **477,305** |
| Finance costs | 7 | (734) | (2,936) | (3,670) | (494) | (1,970) | (2,464) |
| **Net return before taxation** | | **21,906** | **63,142** | **85,048** | **22,257** | **452,584** | **474,841** |
| Taxation charge | 8 | (3,549) | — | (3,549) | (3,024) | — | (3,024) |
| **Net return after taxation** | | **18,357** | **63,142** | **81,499** | **19,233** | **452,584** | **471,817** |
| **Return per ordinary share** | 9 | **10.41p** | **35.80p** | **46.21p** | **10.59p** | **249.22p** | **259.81p** |

The dividends payable in respect of the year ended 31st December 2025 amount to 11.5p (2024: 11.0p) per share, costing £19,651,000 (2024: £19,778,000). Details of dividends paid and proposed are given in note 10 on page 80.

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.

The 'Net return after taxation' represents the profit for the year and also the total comprehensive income.

The notes on pages 74 to 91 form an integral part of these financial statements.

# Statement of Changes in Equity

## For the year ended 31st December

| | Called up share capital £'000 | Share premium account £'000 | Capital redemption reserve £'000 | Capital reserves[1] £'000 | Revenue reserve[1] £'000 | Total £'000 |
|---|---|---|---|---|---|---|
| **At 31st December 2023** | **14,082** | **151,850** | **8,151** | **1,358,329** | **31,587** | **1,563,999** |
| Repurchase of ordinary shares into Treasury | — | — | — | (48,069) | — | (48,069) |
| Issue of ordinary shares from Treasury | — | 7,971 | — | 5,922 | — | 13,893 |
| Proceeds from share forfeiture[2] | — | — | — | 731 | — | 731 |
| Proceeds from forfeiture of unclaimed dividends[2] (note 10) | — | — | — | — | 71 | 71 |
| Net return after taxation | — | — | — | 452,584 | 19,233 | 471,817 |
| Dividends paid in the year (note 10) | — | — | — | — | (14,597) | (14,597) |
| **At 31st December 2024** | **14,082** | **159,821** | **8,151** | **1,769,497** | **36,294** | **1,987,845** |
| Repurchase of ordinary shares into Treasury | — | — | — | (116,395) | — | (116,395) |
| Issue of ordinary shares from Treasury | — | 9,944 | — | 6,550 | — | 16,494 |
| Net return after taxation | — | — | — | 63,142 | 18,357 | 81,499 |
| Dividends paid in the year (note 10) | — | — | — | — | (19,580) | (19,580) |
| **At 31st December 2025** | **14,082** | **169,765** | **8,151** | **1,722,794** | **35,071** | **1,949,863** |

[1] These reserves form the distributable reserves of the Company and may be used to fund distributions to shareholders.

[2] During 2024, the Company undertook an Asset Reunification Program to reunite inactive shareholders with their shares and unclaimed dividends. In accordance with the Company's Articles of Association, the Company exercised its right to forfeit the shares belonging to untraced shareholders for a period of 12 years or more. These shares were sold in the open market and the net proceeds returned to the Company. In addition, any unclaimed dividends older than 12 years from the date of payment of such dividend were forfeited and returned to the Company.

The notes on pages 74 to 91 form an integral part of these financial statements.

# Statement of Financial Position

| | Notes | At 31st December 2025 £'000 | At 31st December 2024 £'000 |
|---|---|---|---|
| **Fixed assets** | | | |
| **Investments held at fair value through profit or loss** | 11 | **2,040,771** | **2,042,755** |
| **Current assets** | | | |
| Debtors | 12 | 3,177 | 600 |
| Current asset investments | | 11,094 | 24,926 |
| Cash at bank | | 1,488 | 112 |
| | | 15,759 | 25,638 |
| **Current liabilities** | | | |
| **Creditors:** amounts falling due within one year | 13 | (2,797) | (971) |
| **Net current assets** | | **12,962** | **24,667** |
| **Total assets less current liabilities** | | **2,053,733** | **2,067,422** |
| **Creditors:** amounts falling due after more than one year | 14 | (103,870) | (79,577) |
| **Net assets** | | **1,949,863** | **1,987,845** |
| **Capital and reserves** | | | |
| Called up share capital | 15 | 14,082 | 14,082 |
| Share premium account | 16 | 169,765 | 159,821 |
| Capital redemption reserve | 16 | 8,151 | 8,151 |
| Capital reserves | 16 | 1,722,794 | 1,769,497 |
| Revenue reserve | 16 | 35,071 | 36,294 |
| **Total shareholders' funds** | | **1,949,863** | **1,987,845** |
| **Net asset value per ordinary share – debt at par** | 17 | **1,149.8p** | **1,109.9p** |

The financial statements on pages 70 to 73 were approved and authorised for issue by the Directors on 31st March 2026 and signed on their behalf by:

**Claire Binyon**
Director

**The Company's registration number is 15543.**

The notes on pages 74 to 91 form an integral part of these financial statements.

# Statement of Cash Flows

| | Notes | Year ended 31st December 2025 £'000 | Year ended 31st December 2024 £'000 |
|---|---|---|---|
| **Cash flows from operating activities** | | | |
| Net return before finance costs and taxation | | 88,718 | 477,305 |
| Adjustment for: | | | |
| Net gains on investments held at fair value through profit or loss | 3 | (65,973) | (459,406) |
| Foreign currency exchange (gains)/losses | | (4,562) | 743 |
| Dividend income | 4 | (23,951) | (23,634) |
| Interest income | 4 | (836) | (1,352) |
| Realised losses on foreign currency exchange transactions | | (319) | (292) |
| Realised foreign currency exchange losses on JPMorgan USD Liquidity Fund | | (1,110) | (623) |
| Decrease in other debtors | | 5 | 31 |
| (Decrease)/increase in accrued expenses | | (105) | 41 |
| Net cash outflow from operating activities before dividends, interest and taxation | | (8,133) | (7,187) |
| Dividends received | | 20,475 | 23,593 |
| Interest received | | 836 | 1,481 |
| Overseas withholding tax recovered/(paid) | | 72 | (3,003) |
| **Net cash inflow from operating activities** | | **13,250** | **14,884** |
| Purchases of investments | | (673,293) | (570,659) |
| Sales of investments | | 738,523 | 595,515 |
| **Net cash inflow from investing activities** | | **65,230** | **24,856** |
| Dividends paid | 10 | (19,580) | (14,597) |
| Proceeds from forfeiture of unclaimed dividends | | — | 71 |
| Issue of ordinary shares from Treasury | | 16,494 | 13,893 |
| Repurchase of ordinary shares into Treasury | | (114,684) | (48,069) |
| Proceeds from share forfeiture | | — | 731 |
| Repayment of bank loan | | (29,844) | (15,205) |
| Drawdown of bank loans | | 60,650 | 15,790 |
| Bank loan and overdraft interest paid | | (1,522) | (583) |
| Private placement notes interest paid | | (1,890) | (1,925) |
| **Net cash outflow from financing activities** | | **(90,376)** | **(49,894)** |
| **Decrease in cash and cash equivalents[1]** | | **(11,896)** | **(10,154)** |
| Cash and cash equivalents at start of year[1] | | 25,038 | 34,207 |
| Foreign currency exchange movements | | (560) | 985 |
| **Cash and cash equivalents at end of year[1]** | | **12,582** | **25,038** |
| **Cash and cash equivalents consist of[1]:** | | | |
| Cash at bank | | 1,488 | 112 |
| Current asset investment in JPMorgan USD Liquidity Fund | | 11,094 | 24,926 |
| **Total** | | **12,582** | **25,038** |

[1] The term 'cash and cash equivalents' is used for the purposes of the Statement of Cash Flows.

The notes on pages 74 to 91 form an integral part of these financial statements.

# Notes to the Financial Statements

For the year ended 31st December 2025

## 1. Accounting policies

### (a) General information and basis of accounting

The Company is a closed-ended investment company incorporated in the UK. The address of its registered office is at 60 Victoria Embankment, London, EC4Y 0JP.

The financial statements are prepared under the historical cost convention, modified to include fixed asset investments at fair value, 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 have undertaken a rigorous review of the Company's ability to continue as a going concern. The Board has, in particular, considered the impact of market volatility from the ongoing conflicts between Ukraine and Russia and in the Middle East as well as continued uncertainty regarding US domestic and foreign policy, and 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. Gearing levels and compliance with borrowing covenants are reviewed by the Board on a regular basis.

Accordingly, the financial statements have been prepared on the going concern basis as it is the Directors' reasonable expectation that the Company has adequate resources to continue in operational existence up to 31st March 2027 which is a period of at least 12 months from the date of approval of the 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 apply the provisions of 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 included initially at fair value which is taken to be their cost, excluding expenses incidental to purchases which are written off to capital at the time of acquisition. Subsequently the investments are valued at fair value through profit or loss, which are quoted bid prices for investments traded in active markets.

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

### (c) Accounting for share capital and reserves

#### Called up share capital

Share capital is classified as equity and is the nominal value of the ordinary shares in issue and is not distributable.

#### Share premium account

Amounts received in excess of the nominal value of issued ordinary shares are held in the share premium account. For ordinary shares that have been reissued from Treasury, the excess amount of the sales proceeds over the purchase price of those ordinary shares will be transferred to share premium account. The share premium account is not distributable.

#### Capital redemption reserve

Nominal value of ordinary shares repurchased and cancelled (or where shares held in Treasury are subsequently cancelled) by the Company are transferred from called up share capital to the capital redemption reserve. This reserve is not distributable.

#### Capital reserve – realised gains and losses

Gains and losses on sales of investments including the related foreign exchange gains and losses, realised exchange gains and losses on cash at bank and current asset investments, realised gains and losses on foreign currency contracts, or foreign currency loans and private placements, management fee and finance costs allocated to capital and any other capital charges, are included in the Statement of Comprehensive Income and recognised in capital reserves within 'Realised gains and losses'. This reserve is available for distribution by way of share repurchases and dividends.

### Capital reserve – investment and other holding gains and losses

Increases and decreases in the valuation of investments held at the year end including the related foreign exchange gains and losses, unrealised gains and losses on forward foreign currency contracts or foreign currency loans and private placements included in the Statement of Comprehensive Income and recognised in capital reserves within 'Investment and other holding gains and losses'. This reserve may be available for distributions in accordance with the Company's Articles of Association and with ICAEW Technical Release 02/17BL on Guidance on Realised and Distributable Profits under Companies Act 2006, to the extent they represent realised profits. This reserve is not currently utilised for distributions by the Company.

### Revenue reserve

Net revenue return after taxation for the year is accounted for in the revenue reserve. This reserve is distributable by way of dividends to shareholders.

### (d) Income

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

Overseas dividends are included gross of any withholding tax.

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

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

Interest receivable from debt securities together with any premiums or discounts on purchase are allocated to revenue on a time apportionment basis so as to reflect the effective interest rate of those securities.

Deposit 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 is allocated 20% to revenue and 80% to capital, in line with the Board's expected long term split of revenue and capital return from the Company's investment portfolio.
- expenses incidental to the purchase and sale of an investment are charged to capital. These expenses are commonly referred to as transaction costs and comprise brokerage commission and stamp duty. Details of transaction costs are given in note 11.

### (f) Finance costs

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

Finance costs are allocated 20% to revenue and 80% to capital, in line with the Board's expected long term split of revenue and capital return from the Company's investment portfolio.

### (g) Financial instruments

Cash at bank comprises cash held with the custodian and demand deposits, which are short term.

Current asset investments include highly liquid short term investments that are subject to an insignificant risk of change in value. The Company invests in the JPMorgan USD Liquidity Fund, a money market fund, which is considered a current asset investment. This investment features a low volatility net asset value, is held for short term cash management purposes as an alternative to cash, and can be readily converted into a known amount of cash.

Forward foreign currency contracts are included in the Statement of Financial Position as derivative financial instruments and are carried at fair value, which is the cost of closing out those contracts. Changes in the fair value of derivative financial instruments are recognised in the Statement of Comprehensive Income as capital.

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

# Notes to the Financial Statements

## 1. Accounting policies (continued)

### (g) Financial instruments (continued)

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.

### (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.

Tax relief is allocated to expenses charged to capital on the 'marginal basis'. On this basis, if taxable income is capable of being entirely offset by revenue expenses, then no tax relief is transferred to the capital column.

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.

A deferred tax asset has not been recognised in respect of surplus management expenses as the Company is unlikely to have sufficient future taxable revenue to offset against these.

Withholding tax is recognised as a revenue expense, if it is not recoverable.

### (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 Company's investments are made primarily in US Dollars, however the Board considers the Company's functional currency to be Sterling. In arriving at this conclusion, the Board considered amongst other things that: the shares of the Company are listed on the London Stock Exchange; it is regulated in the United Kingdom, principally having its shareholder base in the United Kingdom; and also pays expenses and dividends to shareholders in Sterling.

Transactions denominated in foreign currencies are converted at actual exchange rates at the date of the transaction. Monetary assets and 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 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

Final dividends are included in the financial statements once approved by shareholders and interim dividends are included in the financial statements in the year in which they are paid.

### (l) Repurchase of ordinary shares into Treasury

The cost of repurchasing shares into Treasury, including the related stamp duty and transaction costs, is charged to capital reserves and recognised in the Statement of Changes in Equity. Share repurchases are accounted for on a trade date basis. If Treasury shares are later cancelled, the nominal value is transferred from called up share capital to the capital redemption reserve.

### (m) Issue of ordinary shares

If shares held in Treasury are reissued, the proceeds from the sale will be recognised as a realised capital profit up to the original purchase price of those shares and allocated to capital reserves. Any amount received in excess of the purchase price will be credited to the share premium account.

When the Company issues new shares, the nominal value is recorded in share capital, while any amount received above the nominal value is credited to the share premium account.

## 2. Significant accounting judgements and key sources of estimation uncertainty

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

Except for the functional and presentation currency as noted in note 1(j) above, the Directors do not believe that any other significant accounting judgements have been applied to this set of financial statements. The Directors do not consider there to have been significant accounting estimates applied to this set of financial statements that could have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

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

| | 2025<br>£'000 | 2024<br>£'000 |
|---|---|---|
| Realised gains on sale of investments | 182,137 | 141,600 |
| Capital dividends from Real Estate Investment Trusts (REITs) | 263 | 1,359 |
| Net change in unrealised (losses)/gains on investments | (116,412) | 316,460 |
| Other capital charges | (15) | (13) |
| **Total capital gains on investments held at fair value through profit or loss** | **65,973** | **459,406** |

## 4. Income

| | | 2025 | | | 2024 | |
|---|---|---|---|---|---|---|
| | Revenue<br>£'000 | Capital<br>£'000 | Total<br>£'000 | Revenue<br>£'000 | Capital<br>£'000 | Total<br>£'000 |
| **Income from investments** | | | | | | |
| UK dividends | 3 | — | 3 | 4 | — | 4 |
| Overseas dividends | 23,926 | — | 23,926 | 23,570 | — | 23,570 |
| Scrip dividends | 7 | — | 7 | — | — | — |
| Special dividends[1] | 10 | 5 | 15 | 5 | 55 | 60 |
| | **23,946** | **5** | **23,951** | **23,579** | **55** | **23,634** |
| **Interest receivable and similar income** | | | | | | |
| Deposit interest | 3 | — | 3 | 4 | — | 4 |
| Interest from JPMorgan USD Liquidity Fund | 833 | — | 833 | 1,348 | — | 1,348 |
| | 836 | — | 836 | 1,352 | — | 1,352 |
| **Total income** | **24,782** | **5** | **24,787** | **24,931** | **55** | **24,986** |

[1] Includes REIT income that is classified as special dividends.

## 5. Management fee

| | | 2025 | | | 2024 | |
|---|---|---|---|---|---|---|
| | Revenue<br>£'000 | Capital<br>£'000 | Total<br>£'000 | Revenue<br>£'000 | Capital<br>£'000 | Total<br>£'000 |
| Management fee | 1,116 | 4,462 | 5,578 | 1,041 | 4,164 | 5,205 |

The management fee is charged on a tiered basis.

- 0.35% on the first £500 million of net assets;
- 0.30% on net assets above £500 million and up to £1 billion; and
- 0.25% on any net assets above £1 billion.

The management fee is allocated 20% to revenue and 80% to capital, in line with the Board's expected long term split of revenue and capital return from the Company's investment portfolio.

Details of the management fee are given in the Directors' Report on page 70.

# Notes to the Financial Statements

## 6. Other administrative expenses

| | 2025 £'000 | 2024 £'000 |
|---|---|---|
| Administration expenses | 611 | 695 |
| Auditor's remuneration for audit services[1] | 54 | 54 |
| Directors' fees[2] | 239 | 235 |
| Depositary fees | 122 | 155 |
| | **1,026** | **1,139** |

[1] Auditor's remuneration is shown excluding VAT. The year ended 31st December 2024 amount includes £3,000 of additional one-off fees paid to the auditor in respect of the audit for 2023.

[2] Full disclosure is given in the Directors' Remuneration Report on pages 52 to 54. Excludes taxable director's expenses which are included within administration expenses.

## 7. Finance costs

| | 2025 | | | 2024 | | |
|---|---|---|---|---|---|---|
| | Revenue £'000 | Capital £'000 | Total £'000 | Revenue £'000 | Capital £'000 | Total £'000 |
| Bank loan and overdraft interest | 357 | 1,427 | 1,784 | 99 | 391 | 490 |
| Private placement notes interest | 377 | 1,509 | 1,886 | 395 | 1,579 | 1,974 |
| | **734** | **2,936** | **3,670** | **494** | **1,970** | **2,464** |

The finance cost is allocated 20% to revenue and 80% to capital, in line with the Board's expected long term split of revenue and capital return from the Company's investment portfolio.

## 8. Taxation

### (a) Analysis of tax charge for the year

| | 2025 | | | 2024 | | |
|---|---|---|---|---|---|---|
| | Revenue £'000 | Capital £'000 | Total £'000 | Revenue £'000 | Capital £'000 | Total £'000 |
| Overseas withholding tax | 3,549 | — | 3,549 | 3,024 | — | 3,024 |
| **Total tax charge for the year** | **3,549** | **—** | **3,549** | **3,024** | **—** | **3,024** |

### (b) Factors affecting the total tax charge for the year

The tax charge for the year is lower (2024: lower) than the Company's applicable rate of corporation tax of 25.0% (2024: 25.0%) based on the respective tax rates applicable in the financial year.

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

| | 2025 Revenue £'000 | 2025 Capital £'000 | 2025 Total £'000 | 2024 Revenue £'000 | 2024 Capital £'000 | 2024 Total £'000 |
|---|---|---|---|---|---|---|
| Net return before taxation | 21,906 | 63,142 | 85,048 | 22,257 | 452,584 | 474,841 |
| Net return on ordinary activities before taxation multiplied by the standard rate of corporation tax of 25.0% (2024: 25.0%) | 5,477 | 15,785 | 21,262 | 5,564 | 113,146 | 118,710 |
| Effects of: | | | | | | |
| Non taxable UK dividends | (1) | — | (1) | (1) | — | (1) |
| Non taxable overseas dividends | (5,345) | (1) | (5,346) | (5,468) | (10) | (5,478) |
| Non taxable capital gains | — | (17,633) | (17,633) | — | (114,666) | (114,666) |
| Tax attributable to expenses and finance costs charged to capital | (1,641) | 1,641 | — | (1,530) | 1,530 | — |
| Income taxed in different years | 50 | — | 50 | (20) | — | (20) |
| Overseas withholding tax | 3,549 | — | 3,549 | 3,024 | — | 3,024 |
| Unrelieved expenses | 1,641 | — | 1,641 | 1,678 | — | 1,678 |
| Brought forward excess expenses utilised | (77) | — | (77) | (214) | — | (214) |
| Double taxation relief expensed | (104) | — | (104) | (9) | — | (9) |
| Disallowed interest | — | 208 | 208 | — | — | — |
| **Total tax charge for the year** | **3,549** | **—** | **3,549** | **3,024** | **—** | **3,024** |

### (c) Deferred taxation

The Company has an unrecognised deferred tax asset of £30,998,000 (2024: £29,280,000) in respect of cumulative excess management expenses and loan relationships totalling £123,933,000 (2024: £117,514,000). This is based on a prospective corporation tax rate of 25.0% (2024: 25.0%) as enacted by the Finance Act 2021. The deferred tax asset has arisen due to the cumulative excess of deductible total expenses over taxable income. The Directors do not believe that there will be taxable profits in the future against which the deferred tax asset could be utilised and therefore no asset has been recognised in the financial statements.

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

## 9. Return per ordinary share

| | 2025 £'000 | 2024 £'000 |
|---|---|---|
| Revenue return | 18,357 | 19,233 |
| Capital return | 63,142 | 452,584 |
| **Total return** | **81,499** | **471,817** |
| Weighted average number of ordinary shares in issue during the year | 176,365,922 | 181,599,757 |
| Revenue return per ordinary share | 10.41p | 10.59p |
| Capital return per ordinary share | 35.80p | 249.22p |
| **Total return per ordinary share** | **46.21p** | **259.81p** |

The total return per ordinary share represents both basic and diluted return per share as the Company has no dilutive shares.

# Notes to the Financial Statements

## 10. Dividends

### (a) Dividends paid and declared

| | 2025 | | 2024 | |
|---|---|---|---|---|
| | Pence | £'000 | Pence | £'000 |
| **Dividends paid** | | | | |
| Final dividend in respect of prior year | 8.25 | 14,768 | 5.25 | 9,594 |
| Interim dividend in respect of the six months | 2.75 | 4,812 | 2.75 | 5,003 |
| **Total dividends paid in the year** | **11.00** | **19,580** | **8.00** | **14,597** |
| Refund of unclaimed dividends over 12 years old[1] | | | n/a | (71) |
| **Net dividends** | **11.00** | **19,580** | **8.00** | **14,526** |

[1] During the year ended 31st December 2024, the Company undertook an Asset Reunification Program to reunite inactive shareholders with their shares and unclaimed dividends. In accordance with the Company's Articles of Association, the Company exercised its right to forfeit the shares belonging to untraced shareholders for a period of 12 years or more. These shares were sold in the open market and the net proceeds returned to the Company. In addition, any unclaimed dividends older than 12 years from the date of payment of such dividend were forfeited and returned to the Company.

All dividends paid and declared in the period have been funded from the Revenue Reserve.

The final dividend proposed in respect of the year ended 31st December 2024 amounted to £14,775,000. However, the amount paid amounted to £14,768,000 due to shares repurchased after the balance sheet date but prior to the share register record date.

### (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 dividends declared in respect of the financial year, shown below.

The revenue available for distribution by way of dividend for the year is £18,357,000 (2024: £19,233,000).

| | 2025 | | 2024 | |
|---|---|---|---|---|
| | Pence | £'000 | Pence | £'000 |
| Interim dividend in respect of the six months | 2.75 | 4,812 | 2.75 | 5,003 |
| Final dividend | 8.75 | 14,839 | 8.25 | 14,775 |
| **Total** | **11.50** | **19,651** | **11.00** | **19,778** |

In accordance with the accounting policy of the Company, the final dividend declared in respect of the year ended 31st December 2025 will be reflected in the financial statements for the year ending 31st December 2026.

The revenue reserve after payment of the final dividend will amount to £20,232,000 (2024: £21,519,000).

## 11. Investments held at fair value through profit or loss

| | 2025<br>£'000 | 2024<br>£'000 |
|---|---|---|
| Opening book cost | 1,290,567 | 1,172,535 |
| Opening investment holding gains | 752,188 | 435,728 |
| Opening valuation | 2,042,755 | 1,608,263 |
| Movements in the year: | | |
| Purchases at cost | 673,300 | 570,555 |
| Sales proceeds | (741,272) | (595,482) |
| Gains on investments | 65,988 | 459,419 |
| **Closing valuation** | **2,040,771** | **2,042,755** |
| Closing book cost | 1,404,995 | 1,290,567 |
| Closing investment holding gains | 635,776 | 752,188 |
| **Total investments held at fair value through profit or loss** | **2,040,771** | **2,042,755** |

The Company received £741,272,000 (2024: £595,482,000) from investments sold in the year. The book cost of these investments when they were purchased was £558,872,000 (2024: £452,523,000). 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.

Transaction costs on purchases during the year amounted to £83,000 (2024: £99,000) and on sales during the year amounted to £81,000 (2024: £136,000). These costs comprise mainly of brokerage commissions which are included within the amounts for purchases at cost and sales proceeds shown in the table on the previous page.

## 12. Current assets

| | 2025<br>£'000 | 2024<br>£'000 |
|---|---|---|
| **Debtors** | | |
| Dividends and interest receivable | 380 | 532 |
| Securities sold awaiting settlement | 2,734 | — |
| Other debtors | 63 | 68 |
| | **3,177** | **600** |

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

## 13. Current liabilities

| | 2025<br>£'000 | 2024<br>£'000 |
|---|---|---|
| **Creditors: amounts falling due within one year** | | |
| Repurchases of the Company's own shares awaiting settlement | 1,711 | — |
| Bank loan interest and fees payable | 262 | — |
| Private placement notes interest payable | 564 | 606 |
| Other creditors and accruals | 260 | 365 |
| | **2,797** | **971** |

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

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

| | 2025<br>£'000 | 2024<br>£'000 |
|---|---|---|
| US$65 million 2.55% Private Placement Notes Feb 2031 | 48,144 | 51,670 |
| US$35 million 2.32% Private Placement Notes Oct 2032 | 25,987 | 27,907 |
| Bank loan | 29,739 | — |
| | **103,870** | **79,577** |

The private placement of US$65 million fixed-rate 11 year unsecured notes issued on 27th February 2020 at a fixed annualised coupon of 2.55%, will mature on 27th February 2031, and pay interest semi-annually.

The private placement of US$35 million fixed-rate 11 year senior unsecured notes issued on 7th October 2021 at a fixed annualised coupon of 2.32%, will mature on 7th October 2032, and pay interest semi-annually.

The bank loan is in respect of a revolving credit facility with ICBC Bank, entered into on 7th August 2025 (maturing on 7th August 2028) for an amount of £85 million (with a £15 million accordion facility). At 31st December 2025, the Company had US$40 million drawn down and this facility carries an interest rate of Secured Overnight Financing Rate (SOFR) plus a margin of 1.25%.

Bank loans and private placements notes are shown at amortised cost in the Statement of Financial Position.

# Notes to the Financial Statements

## 15. Called up share capital

| | 2025 Number of shares | 2025 £'000 | 2024 Number of shares | 2024 £'000 |
|---|---|---|---|---|
| **Authorised ordinary shares allotted and fully paid** | | | | |
| Opening balance of ordinary shares excluding shares held in Treasury | 179,095,954 | 8,955 | 182,603,216 | 9,130 |
| Repurchase of ordinary shares into Treasury | (10,924,147) | (547) | (4,862,262) | (243) |
| Issue of ordinary shares from Treasury | 1,414,046 | 71 | 1,355,000 | 68 |
| Closing balance of ordinary shares of 5p each excluding shares held in Treasury | 169,585,853 | 8,479 | 179,095,954 | 8,955 |
| Shares held in Treasury | 112,048,057 | 5,603 | 102,537,956 | 5,127 |
| **Closing balance of ordinary shares of 5p each including shares held in Treasury** | **281,633,910** | **14,082** | **281,633,910** | **14,082** |

During the year, 10,924,147 shares of 5p were repurchased from the market into Treasury at an average price of 1,065p per share, for a total net consideration of £116,395,000 and 1,414,046 shares of 5p were issued from Treasury at an average price of 1,166p per share for a total net consideration of £16,494,000.

Further details of transactions in the Company's shares are given in the Strategic Report on page 41.

## 16. Capital and reserves

| For the year ended 31st December 2025 | Called up share capital £'000 | Share premium account £'000 | Capital redemption reserve £'000 | Capital reserves[1,2] Realised gains and losses £'000 | Capital reserves[1,2] Investment and other holding gains and losses £'000 | Revenue reserve[1] £'000 | Total £'000 |
|---|---|---|---|---|---|---|---|
| Opening balance | 14,082 | 159,821 | 8,151 | 1,020,975 | 748,522 | 36,294 | 1,987,845 |
| Foreign currency exchange losses on cash and current asset investments | — | — | — | (1,990) | — | — | (1,990) |
| Realised gains on sale of investments | — | — | — | 182,400 | — | — | 182,400 |
| Net change in unrealised gains and losses on investments | — | — | — | — | (116,412) | — | (116,412) |
| Issue of ordinary shares from Treasury | — | 9,944 | — | 6,550 | — | — | 16,494 |
| Repurchase of ordinary shares into Treasury | — | — | — | (116,395) | — | — | (116,395) |
| Realised foreign currency exchange gains on repayment of loans | — | — | — | 962 | — | — | 962 |
| Unrealised gains on loans and private placement notes | — | — | — | — | 5,590 | — | 5,590 |
| Management fee and finance costs charged to capital | — | — | — | (7,398) | — | — | (7,398) |
| Other capital charges | — | — | — | (15) | — | — | (15) |
| Capital special dividend received | — | — | — | 5 | — | — | 5 |
| Retained revenue for the year | — | — | — | — | — | 18,357 | 18,357 |
| Dividends paid in the year | — | — | — | — | — | (19,580) | (19,580) |
| **Closing balance** | **14,082** | **169,765** | **8,151** | **1,085,094** | **637,700** | **35,071** | **1,949,863** |

## Notes to the Financial Statements

| For the year ended 31st December 2024 | Called up share capital £'000 | Share premium account £'000 | Capital redemption reserve £'000 | Capital reserves[1,2] Realised gains and losses £'000 | Capital reserves[1,2] Investment and other holding gains and losses £'000 | Revenue reserve[1] £'000 | Total £'000 |
|---|---|---|---|---|---|---|---|
| Opening balance | 14,082 | 151,850 | 8,151 | 924,869 | 433,460 | 31,587 | 1,563,999 |
| Foreign currency exchange gains on cash and current asset investments | — | — | — | 70 | — | — | 70 |
| Realised gains on sale of investments | — | — | — | 142,959 | — | — | 142,959 |
| Net change in unrealised gains and losses on investments | — | — | — | — | 316,460 | — | 316,460 |
| Issue of ordinary shares from Treasury | — | 7,971 | — | 5,922 | — | — | 13,893 |
| Repurchase of ordinary shares into Treasury | — | — | — | (48,069) | — | — | (48,069) |
| Realised foreign currency exchange gains on repayment of loans | — | — | — | 585 | — | — | 585 |
| Unrealised losses on loans and private placement notes | — | — | — | — | (1,398) | — | (1,398) |
| Management fee and finance costs charged to capital | — | — | — | (6,134) | — | — | (6,134) |
| Other capital charges | — | — | — | (13) | — | — | (13) |
| Capital special dividend received | — | — | — | 55 | — | — | 55 |
| Proceeds from share forfeiture | — | — | — | 731 | — | — | 731 |
| Proceeds from forfeiture of unclaimed dividends | — | — | — | — | — | 71 | 71 |
| Retained revenue for the year | — | — | — | — | — | 19,233 | 19,233 |
| Dividends paid in the year | — | — | — | — | — | (14,597) | (14,597) |
| **Closing balance** | **14,082** | **159,821** | **8,151** | **1,020,975** | **748,522** | **36,294** | **1,987,845** |

[1] These reserves form the distributable reserves of the Company and may be used to fund distributions to investors in accordance with the Articles of Association of the Company. The Company normally uses the realised capital reserve to fund share buybacks and the revenue reserve for dividend distributions.

[2] The aggregate of the realised gains and losses and investment and other holding gains and losses amounts to £1,722,794,000 (2024: £1,769,497,000), which is shown as capital reserves in the Statement of Financial Position on page 72.

## 17. Net asset value per ordinary share

The net asset value per ordinary share and the net asset value attributable to the ordinary shares at the year end are set out below. These were calculated using 169,585,853 (2024: 179,095,954) ordinary shares in issue at the year end (excluding Treasury shares).

| | 2025 Net asset value attributable £'000 | 2025 Net asset value attributable pence | 2024 Net asset value attributable £'000 | 2024 Net asset value attributable pence |
|---|---|---|---|---|
| **Net asset value - debt at par** | **1,949,863** | **1,149.8** | **1,987,845** | **1,109.9** |
| US$65 million 2.55% Private Placement Feb 2031 | | | | |
| Add: amortised cost | 48,144 | 28.4 | 51,670 | 28.9 |
| Less: fair value | (45,077) | (26.6) | (45,875) | (25.6) |
| US$35 million 2.32% Private Placement Oct 2032 | | | | |
| Add: amortised cost | 25,987 | 15.3 | 27,907 | 15.6 |
| Less: fair value | (23,165) | (13.6) | (23,396) | (13.1) |
| **Net asset value - debt at fair value** | **1,955,752** | **1,153.3** | **1,998,151** | **1,115.7** |

## 18. Contingent liabilities and capital commitments

At the balance sheet date there were no contingent liabilities or capital commitments (2024: same).

# Notes to the Financial Statements

## 19. Related parties

The Directors of the company are considered to be related parties. Full details of Directors' remuneration and shareholdings can be found on pages 52 to 54.

## 20. Transactions with the Manager

Details of the management contract are set out in the Directors' Report on page 49. The management fee payable to the Manager for the year was £5,578,000 (2024: £5,205,000) of which £nil (2024: £nil) was outstanding at the year end.

Included in administration expenses in note 6 on page 78 are safe custody fees amounting to £18,000 (2024: £17,000) payable to JPMorgan Chase Bank N.A. of which £3,000 (2024: £3,000) was outstanding at the year end.

Other capital charges (handling charges) on dealing transactions amounting to £15,000 (2024: £13,000) were payable to JPMorgan Chase Bank N.A. during the year of which £2,000 (2024: £2,000) was outstanding at the year end.

The Company also invests in the JPMorgan USD Liquidity Fund, a money market fund which is managed by JPMorgan Asset Management (Europe) S.à.r.l. At the year end this was valued at £11.1 million (2024: £24.9 million). Income amounting to £833,000 (2024: £1,348,000) was receivable during the year of which £nil (2024: £nil) was outstanding at the year end.

At the year end, total cash of £1,488,000 (2024: £112,000) was held with JPMorgan Chase Bank N.A. The net amount of interest of £3,000 (2024: £4,000) was receivable by the Company during the year from JPMorgan Chase Bank N.A. of which £nil (2024: £nil) was outstanding at the year end.

## 21. Disclosures regarding financial instruments measured at fair value

The Company's financial instruments within the scope of FRS 102 that are held at fair value comprise its investment portfolio and derivative financial instruments.

The investments are categorised into a hierarchy consisting of the following three levels:

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

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

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

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

Details of the valuation techniques used by the Company are given in note 1(b) on page 74.

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

| | 2025 | | 2024[2] | |
|---|---|---|---|---|
| | Assets £'000 | Liabilities £'000 | Assets £'000 | Liabilities £'000 |
| Level 1 | 2,040,771 | — | 2,042,755 | — |
| Level 2[1] | 11,094 | — | 24,926 | — |
| **Total** | **2,051,865** | **—** | **2,067,681** | **—** |

[1] Consists of the current asset investment in the JPMorgan USD Liquidity Fund.

[2] The figures for 2024 have been restated to include the current asset investment in the JPMorgan USD Liquidity Fund as Level 2.

There were no transfers between Level 1, 2 or 3 during the year (2024: nil).

## 22. Financial instruments' exposure to risk and risk management policies

As an investment trust, the Company invests in equities and other securities for the long term so as to secure its investment objective stated on the 'Key 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 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 US equity shares, which are held in accordance with the Company's investment objective;
- investment in the JPMorgan USD Liquidity Fund;
- short term debtors, creditors and cash arising directly from its operations; and
- private placement unsecured notes and the bank loan (revolving credit facility), the purpose of which is to finance the Company's operations.

### (a) Market risk

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

#### (i) Currency risk

The majority of the Company's assets and income are denominated in US dollars. Sterling is the Company's functional currency and the currency in which it reports. As a result, movements in exchange rates will affect the sterling value of those items.

#### Management of currency risk

The Manager monitors the Company's exposure to foreign currencies on a daily basis and reports to the Board, which meets on at least quarterly each year. The Manager measures the risk to the Company of the foreign currency exposure by considering the effect on the Company's net asset value and income of a movement in the rates of exchange to which the Company's assets, liabilities, income and expenses are exposed. The Manager may use forward currency contracts to mitigate currency risk in respect of any material long-dated non-dollar gearing it may draw down. Throughout the year, there was none.

Income denominated in foreign currencies is converted to sterling on receipt. The Company does not use financial instruments to mitigate the currency exposure in the period between the time that income is included in the financial statements and its receipt.

# Notes to the Financial Statements

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

### (a) Market risk (continued)

#### (i) Currency risk (continued)

**Foreign currency exposure**

The fair value of the Company's monetary items that have foreign currency exposure at 31st December 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.

| | 2025 | | | 2024 | |
|---|---|---|---|---|---|
| | US Dollar £'000 | Canadian Dollar £'000 | Total £'000 | US Dollar £'000 | Total £'000 |
| Current assets | 14,708 | 61 | 14,769 | 25,557 | 25,557 |
| Current liabilities | (826) | — | (826) | (606) | (606) |
| Bank loan and private placements | (103,870) | — | (103,870) | (79,577) | (79,577) |
| Foreign currency exposure on net monetary items | (89,988) | 61 | (89,927) | (54,626) | (54,626) |
| Investments held at fair value through profit or loss | 2,040,771 | — | 2,040,771 | 2,042,755 | 2,042,755 |
| **Total net foreign currency exposure** | **1,950,783** | **61** | **1,950,844** | **1,988,129** | **1,988,129** |

The above year end amounts are broadly representative of the exposure to foreign currency risk during the current and comparative year.

**Foreign currency sensitivity**

The following table illustrates the sensitivity of return after taxation for the year and net assets with regard to the Company's monetary financial assets, financial liabilities and equity investments and exchange rates. The sensitivity analysis is based on the Company's monetary currency financial instruments and equity investments held at each balance sheet date and the income receivable in foreign currency and assumes a 10% (2024: 10%) appreciation or depreciation in sterling against the US Dollar which is considered to be a reasonable illustration based on the volatility of exchange rates during the year.

| | 2025 | | 2024 | |
|---|---|---|---|---|
| | If sterling strengthens by 10% £'000 | If sterling weakens by 10% £'000 | If sterling strengthens by 10% £'000 | If sterling weakens by 10% £'000 |
| **Statement of Comprehensive Income** | | | | |
| Revenue return after taxation | (2,478) | 2,478 | (2,493) | 2,493 |
| Capital return after taxation | (195,084) | 195,084 | (198,813) | 198,813 |
| Total return after taxation | (197,562) | 197,562 | (201,306) | 201,306 |
| **Net assets** | **(197,562)** | **197,562** | **(201,306)** | **201,306** |

In the opinion of the Directors, the above sensitivity analysis is broadly representative of the whole year.

### (ii) Interest rate risk

Interest rate movements may affect the level of income receivable on cash deposits and the liquidity fund. The Company's exposure to floating interest rates, giving cash flow interest rate risk when rates are reset, is as follows:

| | 2025 £'000 | 2024 £'000 |
|---|---|---|
| **Exposure to floating interest rates** | | |
| Cash at bank | 1,488 | 112 |
| Current asset investment in JPMorgan US Dollar Liquidity Fund | 11,094 | 24,926 |
| Bank loan | (29,739) | — |
| **Net exposure** | **(17,157)** | **25,038** |

Interest receivable on cash balances, or payable on overdrafts, is at a margin below or above Sterling Over Night Index Average (SONIA) respectively (2024: same).

Cash deposits are held with the custodian, JPMorgan Chase Bank, N.A. which is AA rated.

The target interest earned on the JPMorgan US Dollar Liquidity Fund, a AAA rated money market fund, is the prevailing money market rate on the US dollar.

Details of the bank loan (revolving credit facility) are provided in note 14 on page 81.

#### Interest rate sensitivity

The following table illustrates the sensitivity of the return after taxation for the year and net assets to a 1.0% (2024: 1.0%) 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.

| | 2025 | | 2024 | |
|---|---|---|---|---|
| | 1% increase in rate £'000 | 1% decrease in rate £'000 | 1% increase in rate £'000 | 1% decrease in rate £'000 |
| **Statement of Comprehensive Income** | | | | |
| Revenue return after taxation | 66 | (66) | 250 | (250) |
| Capital return after taxation | (238) | 238 | — | — |
| **Total return after taxation** | **(172)** | **172** | **250** | **(250)** |
| **Net assets** | **(172)** | **172** | **250** | **(250)** |

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, investment in the JPMorgan USD Liquidity Fund and amounts drawn down on the Company's private placement and loan facilities.

The Company's portfolio is not directly exposed to interest rate risk.

### (iii) Other price risk

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

#### Management of other price risk

The Board considers on a regular basis the asset allocation of the portfolio and the risk associated with particular industry sectors. The investment management team has responsibility for monitoring the portfolio, which is selected in accordance with the Company's investment objectives and seeks to ensure that individual stocks meet an acceptable risk/reward profile.

# Notes to the Financial Statements

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

### (a) Market risk (continued)

#### (iii) Other price risk (continued)

##### Other price risk exposure

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

| | 2025<br>£'000 | 2024<br>£'000 |
|---|---|---|
| Investments held at fair value through profit or loss | 2,040,771 | 2,042,755 |

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

##### 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% (2024: 10%) in the market values. This level of change is considered to be a reasonable illustration based on observation of current market conditions. The sensitivity analysis is based on the Company's equities, adjusting for changes in the management fee but with all other variables held constant.

| | 2025 | | 2024 | |
|---|---|---|---|---|
| | 10% increase in fair value £'000 | 10% decrease fair value £'000 | 10% increase fair value £'000 | 10% decrease fair value £'000 |
| **Statement of Comprehensive Income** | | | | |
| Revenue return after taxation | (102) | 102 | (102) | 102 |
| Capital return after taxation | 203,669 | (203,669) | 203,867 | (203,867) |
| **Total return after taxation** | **203,567** | **(203,567)** | **203,765** | **(203,765)** |
| **Net assets** | **203,567** | **(203,567)** | **203,765** | **(203,765)** |

### (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.

A lack of liquidity in the portfolio may make it difficult for the Company to realise assets at or near their purported value in the event of a forced sale.

#### 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. In addition, the cash at bank, investment in the JPMorgan USD Liquidity Fund and the borrowing facilities provide additional funding flexibility. The financial liabilities of the Company at the balance sheet date are shown in note 14.

### Liquidity risk exposure

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

| | 2025 | | | |
|---|---|---|---|---|
| | Three months or less £'000 | More than three months but less than one year £'000 | One year or more £'000 | Total £'000 |
| **Creditors** | | | | |
| Other creditors and accruals | 260 | — | — | 260 |
| Repurchases of the Company's own shares awaiting settlement | 1,711 | — | — | 1,711 |
| Bank loan including interest | 30,118 | — | — | 30,118 |
| US$65 million 2.55% Private Placement Feb 2031 | 728 | 928 | 53,453 | 55,109 |
| US$35 million 2.32% Private Placement Oct 2032 | 289 | 455 | 29,506 | 30,250 |
| | **33,106** | **1,383** | **82,959** | **117,448** |

| | 2024 | | | |
|---|---|---|---|---|
| | Three months or less £'000 | More than three months but less than one year £'000 | One year or more £'000 | Total £'000 |
| **Creditors** | | | | |
| Other creditors and accruals | 365 | — | — | 365 |
| US$65 million 2.55% Private Placement Feb 2031 | 782 | 997 | 58,730 | 60,509 |
| US$35 million 2.32% Private Placement Oct 2032 | 310 | 488 | 32,337 | 33,135 |
| | **1,457** | **1,485** | **91,067** | **94,009** |

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

## (c) Credit risk

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

### Management of credit risk

***Portfolio dealing***

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

***Cash at bank and current asset investments***

Counterparties are subject to regular credit analysis by the Manager and deposits can only be placed with counterparties that have been approved by JPMAM's Counterparty Risk Group. The Board regularly reviews the counterparties used by the Manager.

# Notes to the Financial Statements

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

### (c) Credit risk (continued)

#### Management of credit risk (continued)

*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, 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, cash at bank and current asset investments 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, except for the private notes, issued by the Company, which are carried at amortised cost. The fair value of those private placements, as shown below, has been calculated using discounted cash flow techniques using the yield on a similarly dated treasury note plus a margin based on the US Broad Market AA 10-15 year spread.

| | 2025 | | 2024 | |
|---|---|---|---|---|
| | Accounts value £m | Fair value £m | Accounts value £m | Fair value £m |
| US$65 million 2.55% Private Placement Feb 2031 | 48.1 | 45.1 | 51.7 | 45.9 |
| US$35 million 2.32% Private Placement Oct 2032 | 26.0 | 23.2 | 27.9 | 23.4 |

## 23. Capital management policies and procedures

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

| | 2025 £'000 | 2024 £'000 |
|---|---|---|
| **Debt** | | |
| Bank loan | 29,739 | — |
| US$65 million 2.55% Private Placement Feb 2031 | 48,144 | 51,670 |
| US$35 million 2.32% Private Placement Oct 2032 | 25,987 | 27,907 |
| | 103,870 | 79,577 |
| **Equity** | | |
| Equity share capital | 14,082 | 14,082 |
| Share premium account and other reserves | 1,935,781 | 1,973,763 |
| | 1,949,863 | 1,987,845 |
| **Total debt and equity** | **2,053,733** | **2,067,422** |

The Company's capital management objectives are to ensure that it will continue as a going concern and to maximise the income and capital return to its equity shareholders through an appropriate level of gearing. The Board's gearing policy is to operate within a range of 5% net cash to 20% geared in normal market conditions.

# Notes to the Financial Statements

### Gearing

| | 2025 £'000 | 2024 £'000 | |
|---|---|---|---|
| Investments held at fair value through profit or loss | 2,040,771 | 2,042,755 | (a) |
| Net assets | 1,949,863 | 1,987,845 | (b) |
| **Gearing (c=(a/b)-1)** | **4.7%** | **2.8%** | (b) |

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

- the planned level of gearing, which takes into account the Manager's views on the market;
- the need to buy back equity shares, either for cancellation or to hold in Treasury, which takes into account the share price discount or premium;
- the need for issues of new shares, including selling shares from Treasury; and
- the extent to which revenue in excess of that which is required to be distributed should be retained.

## 24. Analysis of changes in net debt

| | As at 31st December 2024 £'000 | Cash flows £'000 | Foreign exchange movements £'000 | Other non-cash changes[2] £'000 | As at 31st December 2025 £'000 |
|---|---|---|---|---|---|
| **Cash and cash equivalents** | | | | | |
| Cash at bank | 112 | 1,372 | 4 | — | 1,488 |
| Current asset investments[1] | 24,926 | (13,268) | (564) | — | 11,094 |
| | 25,038 | (11,896) | (560) | — | 12,582 |
| **Borrowings** | | | | | |
| Bank loan due within one year – Mizuho Bank | — | (962) | 962 | — | — |
| Bank loan due after one year – ICBC Bank | — | (29,844) | 105 | — | (29,739) |
| Private placements due after one year | (79,577) | — | 5,485 | (39) | (74,131) |
| **Net debt** | **(54,539)** | **(42,702)** | **5,992** | **(39)** | **(91,288)** |

[1] JPMorgan USD Liquidity Fund, money market fund.
[2] Other non-cash changes include amortisation adjustment on the private placements.

## 25. Subsequent events

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

# Regulatory Disclosures

Image: Federal Reserve Building in Washington, US

# Regulatory Disclosures

## Alternative Investment Fund Managers Directive Disclosures

### Leverage

JPMorgan Funds Limited (the '**Management Company**') is the authorised manager of JPMorgan American 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.

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 is 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's maximum and actual leverage levels at 31st December 2025 are shown below:

| | Gross Method | Commitment Method |
|---|---|---|
| **Leverage exposure** | | |
| Maximum limit | 200.0% | 200.0% |
| Actual | 105.4% | 105.3% |

## AIFMD Remuneration Disclosures

JPMorgan Funds Limited (the '**Management Company**') is the authorised manager of JPMorgan American 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 ('**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 applying to the Management Company (the '**Remuneration Policy**') can be found at https://am.jpmorgan.com/content/dam/jpm-am-aem/emea/regional/en/policies/remuneration-policy/jpmam-emea-remuneration-policy.pdf (the '**Remuneration Policy Statement**'). 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 2025 Performance Year in June 2025 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 2025 Performance Year and the number of beneficiaries. These figures include the remuneration of all staff of JP Morgan Asset Management (UK) Ltd (the relevant employing entity) and the number of beneficiaries, both apportioned to the Management Company on an Asset Under Management ('AUM') weighted basis.

Due to the Firm's 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 24 Alternative Investment Funds (with 4 sub-funds) and 2 UCITS (with 42 sub-funds) as at 31st December 2025, with a combined AUM as at that date of £26,122 million and £21,624 million respectively.

| | Fixed remuneration | Variable remuneration | Total remuneration | Number of beneficiaries |
|---|---|---|---|---|
| All staff of the Management Company (US$'000s) | 22,376 | 17,212 | 39,588 | 127 |

The aggregate 2025 total remuneration paid to AIFMD Identified Staff was US$145.7 million of which US$8.6 million relates to Senior Management and US$137.1 million relates to other Identified Staff[1].

[1] 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.

# Regulatory Disclosures

## Securities Financing Transactions Regulation Disclosures

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-selling 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 31st December 2025.

# Shareholder Information

Image: Woman Working in Finance

# Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting of JPMorgan American Investment Trust plc will be held at 60 Victoria Embankment, London EC4Y 0JP on 14th May 2026 at 2.30 p.m. for the following purposes:

1. To receive the Directors' Report, the Financial Statements and the Auditor's Report for the year ended 31st December 2025.
2. To approve the Directors' Remuneration Policy.
3. To approve the Directors' Remuneration Report for the year ended 31st December 2025.
4. To declare a final dividend on the ordinary shares of 8.75 pence per share.
5. To re-appoint Robert Talbut as a Director of the Company.
6. To re-appoint Claire Binyon as a Director of the Company.
7. To re-appoint Pui Kei Yuen as a Director of the Company.
8. To re-appoint Colin Moore as a Director of the Company.
9. To re-appoint BDO LLP as Auditor to the Company and to authorise the Directors to determine BDO LLP's remuneration.

## Special Business

To consider the following resolutions:

### Authority to allot new shares – Ordinary Resolution

10. 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 equity securities 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 £834,040 or, if different, the aggregate nominal amount representing approximately 10% of the Company's issued share capital (excluding shares held in Treasury) as at the date of the passing of this resolution providing that this authority shall expire at the conclusion of the Annual General Meeting of the Company to be held in 2027 or the date occurring 15 months from the date on which this resolution is passed, whichever is the earlier, unless renewed, revoked or varied by the Company at a general meeting prior to such time, save that the Company may before such expiry make offers, agreements or arrangements which would or might require equity securities to be allotted or Rights to be granted after such expiry and so that the Directors of the Company may allot equity securities and grant Rights in pursuance of such offers, agreements or arrangements as if the authority conferred hereby had not expired.

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

11. THAT subject to the passing of Resolution 10, the Directors of the Company be and they are hereby empowered pursuant to Sections 570 and 573 of the Act to allot equity securities (within the meaning of Section 560 of the Act) for cash pursuant to the authority conferred by Resolution 10 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 £834,040 or, if different, the aggregate nominal amount representing approximately 10% of the total 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 10, save that the Company may before such expiry make offers, agreements or arrangements which would or might require equity securities to be allotted after such expiry and so that the Directors of the Company may allot equity securities in pursuance of such offers, agreements or arrangements as if the power conferred hereby had not expired.

### Authority to repurchase the Company's shares – Special Resolution

12. THAT the Company be generally and subject as hereinafter appears unconditionally authorised in accordance with Section 701 of the Companies Act 2006 (the 'Act') to make market purchases (within the meaning of Section 693 of the Act) of its issued shares in the capital of the Company ('ordinary shares').

PROVIDED ALWAYS THAT

(i) the maximum number of shares hereby authorised to be purchased shall be that number of shares which is equal to 14.99% of the Company's issued share capital as at the date of the passing of this resolution;

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

(iii) the maximum price which may be paid for a share shall be an amount equal to the highest of: (a) 105% of the average of the middle market quotations for a 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 share is contracted to be purchased; or (b) the price of the last independent trade; or (c) the highest current independent bid;

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

(v) the authority hereby conferred shall expire on 14th November 2027 unless the authority is renewed at the Company's Annual General Meeting in 2027 or at any other general meeting prior to such time; and

(vi) the Company may make or contract to purchase shares under the authority hereby conferred prior to the expiry of such authority and may make a purchase of shares pursuant to any such contract notwithstanding such expiry.

### Authority to hold general meetings – Special Resolution

13. 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
**Divya Amin,**
for and on behalf of JPMorgan Funds Limited,
Company Secretary

31st March 2026

### Notes

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

1. If law or Government guidance so requires at the time of the Meeting, the Chairman of the Meeting will limit, in his sole discretion, the number of individuals in attendance at the Meeting. In addition, the Company may still impose entry restrictions on certain persons wishing to attend the AGM in order to secure the orderly and proper conduct of the Meeting.
2. A member entitled to attend and vote at the meeting may appoint another person(s) (who need not be a member of the Company) to exercise all or any of his rights to attend, speak and vote at the meeting. A member can appoint more than one proxy in relation to the meeting, provided that each proxy is appointed to exercise the rights attaching to different shares held by him.
3. A proxy does not need to be a member of the Company but must attend the Meeting to represent you. Your proxy could be the Chairman, another Director of the Company or another person who has agreed to attend to represent you. Details of how to appoint the Chairman or another person(s) as your proxy or proxies using the proxy form are set out in the notes to the proxy form. If a voting box on the proxy form is left blank, the proxy or proxies will exercise his/their discretion both as to how to vote and whether he/they abstain(s) from voting. Your proxy must attend the Meeting for your vote to count. Appointing a proxy or proxies does not preclude you from attending the Meeting and voting in person.
4. Any instrument appointing a proxy, to be valid, must be lodged in accordance with the instructions given on the proxy form.
5. You may change your proxy instructions by returning a new proxy appointment. The deadline for receipt of proxy appointments (see above) also applies in relation to amended instructions. Any attempt to terminate or amend a proxy appointment received after the relevant deadline will be disregarded. Where two or more valid separate appointments of proxy are received in respect of the same share in respect of the same meeting, the one which is last received (regardless of its date or the date of its signature) shall be treated as replacing and revoking the other or others as regards that share. If the Company is unable to determine which was last received, none of them shall be treated as valid in respect of that share.
6. To be entitled to attend and vote at the Meeting (and for the purpose of the determination by the Company of the number of votes they may cast), members must be entered on the Company's register of members as at 6.30 p.m. two business days prior to the meeting (the 'specified time'). If the meeting is adjourned to a time not more than 48 hours after the specified time applicable to the original meeting, that time will also apply for the

# Notice of Annual General Meeting

purpose of determining the entitlement of members to attend and vote (and for the purpose of determining the number of votes they may cast) at the adjourned meeting. If however the meeting is adjourned for a longer period then, to be so entitled, members must be entered on the Company's register of members as at 6.30 p.m. two business days prior to the adjourned meeting or, if the Company gives notice of the adjourned meeting, at the time specified in that notice. Changes to entries on the register after this time shall be disregarded in determining the rights of persons to attend or vote at the meeting or adjourned meeting.

7. A corporation, which is a shareholder, may appoint individuals to act as its representatives 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 Auditor's report and the conduct of the audit) that are to be laid before the Annual General Meeting ('AGM'); or (b) any circumstances connected with Auditor of the Company ceasing to hold office since the previous AGM, which the members propose to raise at the Meeting. The Company cannot require the members requesting the publication to pay its expenses. Any statement placed on the website must also be sent to the Company's Auditor no later than the time it makes its statement available on the website. The business which may be dealt with at the AGM includes any statement that the Company has been required to publish on its website pursuant to this right.

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.jpmamerican.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 and public holidays excepted). It will also be available for inspection at the AGM. No Director has any contract of service with the Company.

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

15. As an alternative to completing a hard copy Form of Proxy, you can appoint a proxy or proxies electronically by visiting www.investorcentre.co.uk/eproxy. You will need the Control Number, Shareholder Reference Number and PIN which are set out on your proxy form or the electronic broadcast you received from Computershare.
16. As at 30th March 2026 (being the latest business day prior to the publication of this Report), the Company's issued share capital consists of 281,633,910 shares, including of 114,825,978 Treasury shares. Therefore the total voting rights in the Company are 166,807,932.

### Electronic appointment – CREST and Proxymity

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.

In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a 'CREST Proxy Instruction') must be properly authenticated in accordance with Euroclear UK & International Limited's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the Company's Registrar (CREST ID is 3RA50) by the latest time(s) for receipt of proxy appointments specified in the notice of the meeting.

For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Application Host) from which the Company's agent is liable to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

If you are an institutional investor you may be able to appoint a proxy electronically via the Proxymity platform. For further information regarding Proxymity, please go to www.proxymity.io. Before you can appoint a proxy via this process you will need to have agreed to Proxymity's associated terms and conditions. It is important that you read these carefully as you will be bound by them and they will govern the electronic appointment of your proxy.

# Glossary of Terms

**Active Share** – This measures the percentage of a portfolio that differs from a benchmark index. A higher active share indicates that the portfolio is more actively managed and deviates more from the index. It is calculated by summing the absolute differences between the portfolio and benchmark weights for each security, then dividing by two.

**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.

**EPS Growth, 12-month forward** – Refers to the projected growth rate of a company's earnings per share (EPS) over the next 12 months. This metric is used by investors and analysts to estimate how much a company's earnings are expected to increase in the future.

**Predicted Beta** – is a measure of a stock's or portfolio's expected sensitivity to movements in the overall market. It is a forward-looking estimate of how much the asset's returns are expected to change in response to changes in the market index.

**Predicted Tracking Error** – is a measure of the expected deviation of a portfolio's returns from its benchmark index. It quantifies the risk of a portfolio not following the benchmark's performance. Low tracking error indicates that the portfolio's returns are expected to closely follow the benchmark. High tracking error suggests that the portfolio's returns may deviate significantly from the benchmark, indicating active management or different risk exposures.

**Price/Earnings, 12-month forward** – This is a financial metric that measures the price of a company's stock relative to its expected earnings over the next 12 months. A higher forward P/E ratio might indicate that investors expect higher growth in the future, while a lower ratio could suggest lower growth expectations or that the stock is undervalued.

**Price/Free Cash Flow, last 12-months** – The Price/Free Cash Flow ratio is a financial metric used to evaluate the valuation of a company. It compares the company's market price per share to its free cash flow per share over the last 12 months. This ratio helps investors understand how much they are paying for a company's free cash flow, which is the cash generated by the company that is available for distribution to shareholders, reinvestment, or debt repayment. A lower ratio may indicate that a company is undervalued or generating strong free cash flow relative to its market price, while a higher ratio might suggest overvaluation or weaker free cash flow generation.

**Return on Equity, last 12-months** – is a financial metric used to assess the profitability of a company in relation to its equity. When applied to a portfolio of investments, ROE can help evaluate how effectively the investments are generating returns relative to the equity invested in them.

**Weighted Average Market Cap** – Is a measure used to determine the average market capitalisation of a portfolio or index, where each component's market cap is weighted according to its proportion in the portfolio or index. This metric provides insight into the size characteristics of the investments within the portfolio or index.

# Alternative Performance Measures (APM)

## Alternative Performance Measures (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 on share price (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 31st December 2025 | Year ended 31st December 2024 | |
|---|---|---|---|---|
| Opening share price (p) | 9 | 1,130.0 | 859.0 | (a) |
| Closing share price (p) | 9 | 1,122.0 | 1,130.0 | (b) |
| Total dividend adjustment factor[1] | | 1.011695 | 1.008291 | (c) |
| Adjusted closing share price (p) (d=b x c) | | 1,135.1 | 1,139.4 | (d) |
| **Total return on share price (e=(d/a)–1)** | | **0.5%** | **32.6%** | (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 with debt at fair value (APM)

The Company's debt (including the private placements) is valued in the Statement of Financial Position (on page 72) at amortised cost, which is materially equivalent to the repayment value of the debt on the assumption that it is held to maturity. This is often referred to as 'Debt at Par Value'.

The current replacement or market value of the debt, which assumes it is repaid and renegotiated under current market conditions, is often referred to as the 'Debt at Fair Value'.

This fair value is explained in note 21(d) (on page 90) on the accounts. The difference between fair and par values of the debt is subtracted from the NAV to derive the NAV with debt at fair value, as shown in note 17 on page 83. The fair value of the combined US$100 million private placements has been calculated using discounted cash flow technique, using the yield from a similar dated treasury note plus a margin based on the US Broad Market AA 10-15 year spread.

| Total return calculation | Page | Year ended 31st December 2025 | Year ended 31st December 2024 | |
|---|---|---|---|---|
| Opening cum-income NAV per share with debt at fair value (p) | 9 | 1,115.7 | 861.5 | (a) |
| Closing cum-income NAV per share debt at fair value (p) | 9 | 1,153.3 | 1,115.7 | (b) |
| Total dividend adjustment factor[1] | | 1.011714 | 1.008295 | (c) |
| Adjusted closing cum-income NAV per share (p) (d=b x c) | | 1,166.8 | 1,125.0 | (d) |
| **Total return on net assets with debt at fair value (e=(d/a)–1)** | | **4.6%** | **30.6%** | (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 cum-income NAV at the ex-dividend date.

# Alternative Performance Measures (APM)

## Return on net assets with debt at par value (APM)

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

| Total return calculation | Page | Year ended 31st December 2025 | Year ended 31st December 2024 | |
|---|---|---|---|---|
| Opening cum-income NAV per share with debt at par value (p) | 9 | 1,109.9 | 856.5 | (a) |
| Closing cum-income NAV per share debt at par value (p) | 9 | 1,149.8 | 1,109.9 | (b) |
| Total dividend adjustment factor[1] | | 1.011773 | 1.008345 | (c) |
| Adjusted closing cum-income NAV per share (p) (d=b x c) | | 1,163.3 | 1,119.2 | (d) |
| **Total return on net assets with debt at par value (e=(d/a)–1)** | | **4.8%** | **30.7%** | (e) |

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

## Annualised return on net assets relative to benchmark (APM)

This is the difference between the return on net assets, with debt at fair value, and the benchmark return. For periods greater than one year, the relative return has been annualised. Annualised returns show the average yearly return, taking account for compounding over the period.

## Net asset value per share

The value of the Company's net assets (total assets less total liabilities) divided by the number of ordinary shares in issue. Please see note 17 on page 83 for detailed calculations of both the net asset value with debt at par and debt at fair value (APM).

## 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 | 31st December 2025 £'000 | 31st December 2024 £'000 | |
|---|---|---|---|---|
| Investments held at fair value through profit or loss | 72 | 2,040,771 | 2,042,755 | (a) |
| Net assets | 72 | 1,949,863 | 1,987,845 | (b) |
| **Gearing (c = (a/b) – 1)** | | **4.7%** | **2.8%** | (c) |

## Ongoing charges ratio (APM)

The ongoing charges ratio 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 AIC.

| Ongoing charges calculation | Page | Year ended 31st December 2025 £'000 | Year ended 31st December 2024 £'000 | |
|---|---|---|---|---|
| Management fee | 70 | 5,578 | 5,205 | |
| Other administrative expenses | 70 | 1,026 | 1,139 | |
| Total management fee and other administrative expenses | | 6,604 | 6,344 | (a) |
| Average daily cum-income net assets | | 1,918,884 | 1,807,798 | (b) |
| **Ongoing charges ratio (c = a/b)** | | **0.34%** | **0.35%** | (c) |

# Alternative Performance Measures (APM)

## Share price discount/premium to Net Asset Value ('NAV') per Ordinary Share (APM)

If the share price of an investment trust is lower than the NAV per ordinary share, the shares are said to be trading at a discount. The discount is shown as a percentage of the NAV per ordinary 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 (page 11).

| | Page | 31st December 2025 | 31st December 2024 | |
|---|---|---|---|---|
| Share price (p) | 9 | 1,122.0 | 1,130.0 | (a) |
| Net assets value per ordinary share with debt at fair value (p) | 9 | 1,153.3 | 1,115.7 | (b) |
| **(Discount)/premium to net asset value with debt at fair value (c = (a–b)/b)** | | **(2.7)%** | **1.3%** | (c) |

| | Page | 31st December 2025 | 31st December 2024 | |
|---|---|---|---|---|
| Share price (p) | 9 | 1,122.0 | 1,130.0 | (a) |
| Net asset value per ordinary share with debt at par value (p) | 9 | 1,149.8 | 1,109.9 | (b) |
| **(Discount)/premium to net asset value with debt at par value (c = (a–b)/b)** | | **(2.4)%** | **1.8%** | (c) |

# Investing in JPMorgan American Investment Trust plc

You can invest in the Company and other J.P. Morgan managed investment trusts through the following:

## 1. A third party provider

Third party providers include:

| | |
|---|---|
| AJ Bell Investcentre | Halifax Share Dealing |
| Barclays Smart investor | Hargreaves Lansdown |
| Charles Stanley Direct | Interactive investor |
| Fidelity Personal Investing | |

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

The Board encourages all of its shareholders to exercise their rights and notes that many specialist platforms provide shareholders with the ability to receive company documentation, to vote their shares and to attend general meetings, at no cost. Please refer to your investment platform for more details, or visit the Association of Investment Companies' website at www.theaic.co.uk/invest-engage for information on which platforms support these services and how to utilise them.

## 2. Through a professional adviser

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

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

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

## 3. Voting on Company Business and Attending the Annual General Meeting

The Board encourages all of its shareholders to exercise their rights by voting at annual 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 Annual General Meeting Notice on pages 97 to 99 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 annual general meetings, at no cost. Please refer to your investment platform for more details, or visit the Association of Investment Companies' website at www.theaic.co.uk/how-to-attend-an-AGM 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 Manager

## Manager's Policies regarding Employees, Social, Community, Environment and Human Rights Issues

JPMAM are committed to becoming the world's most diverse and inclusive asset manager. We know diverse perspectives create differentiated thinking. We know our client relationships are stronger when our teams mirror the communities in which we work and invest. We reflect these beliefs in our hiring, development and promotion practices, and by nurturing a culture in which everyone is judged on their merits and empowered to hold each other accountable.

Beyond our firm, we put our people and assets to work to help advance equity and economic opportunities – and influence other companies to do the same. We continually reinvest in our communities to close opportunity gaps wherever they exist.

We're working to support the transition to a low-carbon economy by scaling green solutions, balancing environmental, social and economic needs, and managing our operational footprint. We help clients navigate the challenges and realise the economic opportunities of the transition to a low-carbon economy. We believe supporting our clients, through advice and capital, to accelerate their low-carbon transition objectives creates positive environmental benefits and generates long-term financial returns for our shareholders.

We seek to deliver stronger financial outcomes, including by focusing on the most financially material environmental, social and governance (ESG) issues that we believe impact the long-term performance of companies in which we invest.

Additionally, we advocate for robust corporate governance and sound business practices. We believe that understanding financially material ESG factors plays an important role in delivering long-term value creation for our clients.

JPMorgan Chase supports fundamental principles of human rights across all our lines of business and in each region of the world in which we operate. JPMorgan Chase's respect for the protection and preservation of human rights is guided by the principles set forth in the United Nations Universal Declaration of Human Rights. JPMorgan Chase believes it is the role of government in each country to protect the human rights, including the safety and security, of its citizens.

However, we believe we can play a constructive role in helping to promote respect for human rights by our own actions and by seeking to engage with the governments of the countries with and in which we operate.

### The Modern Slavery Act 2015 ('MSA')

JPMorgan's statement on the MSA can be found on the following website:
https://www.jpmorganchase.com/about/ourbusiness/human-rights

### Corporate Governance

JPMAM believes that there is a strong positive correlation between high governance standards and superior shareholder returns. Governance is about ensuring the quality of the decision-making process, which can determine the success and failure of the company. Effective corporate governance features transparency, accountability, oversight and respect for shareholders. We evaluate governance starting with the board composition, structure and performance, looking for independence, relevant skillsets and board dynamics.

Importantly, it is the mandate of the board to oversee whether the corporate strategy is aligned with the purpose and value of the company. The board oversees management's execution against the company's capital, liquidity, strategic and financial operating plans in achieving its set objectives.

Capital allocation issues are judged in terms of alignment with long-term strategy and value creation at the applicable company. Boards are also responsible for overseeing the management of financially material environmental and social matters, which could affect the longevity of the company.

### Proxy Voting

JPMAM vote shares held in our clients' portfolios in a prudent and diligent manner, based on our reasonable judgement of what will best serve the long-term interests of our clients. To help ensure that proxies are voted in the best interests of clients, J.P. Morgan Asset Management has adopted detailed, regional, proxy voting guidelines that incorporate comprehensive guidelines for voting proxies on specific types of issues, and these are publicly available on our websites. We aim to keep abstentions to a minimum. In certain instances, however, it may be in a client's best interests to intentionally refrain from voting.

### Stewardship/Engagement

Engaging investee companies in dialogue and encouraging sound environmental, social and governance (ESG) practices is an important component of how we deliver our investment stewardship strategy. Our engagement is based on our in-depth investment research on companies, alongside our assessment of macroeconomic drivers, sector-specific factors and financially material ESG themes. This research insight enables us to act proactively and encourage investee companies to acknowledge issues and improve practices before risks are realised and opportunities are missed. This is how we seek to drive impact in our investment stewardship activity and advocate for sound practices at our investee companies. We believe this will ultimately preserve and enhance asset value.

# Information About the Manager

Our engagement model is built on an investor-led, expert-driven approach and leverages the knowledge of more than 1,000 investment professionals around the world, working in close collaboration with investment stewardship specialists. Our engagement process benefits from the longstanding relationships our investment teams have with local investee companies, through regular interactions with board directors and chairs, senior executives, and CEOs. We believe this collaborative, well-resourced approach enables us to recognise significant risks early and identify new opportunities, supporting our goal of generating attractive risk-adjusted returns. Combining our ESG research capability with the experience and skill of our investment teams and the expertise of our investment stewardship specialists gives us a deep understanding of the risks and opportunities facing different sectors, industries, and geographies. By integrating this expertise into a global common platform, we seek to maintain a consistently high standard of engagement, considering the myriad of nuances a responsible investor needs to embrace.

We have identified six Investment Stewardship Priorities that we believe can be broadly applied in our engagement efforts and will remain relevant through market cycles. These priorities address the ESG issues that pose the most significant long-term material financial risks to our investments, while also presenting the greatest opportunities. Engaging on these topics is therefore important to delivering value to our clients:

- governance;
- strategy alignment with the long term;
- human capital management;
- stakeholder engagement;
- climate change; and
- natural capital and ecosystems.

Within each priority area, we have identified related sub-themes that we are seeking to address over a shorter timeframe (18-24 months). These subthemes will evolve, over time, as we engage with investee companies to understand issues and promote best practices. This combination of priorities and evolving themes provides a structured and targeted framework for engagement for our investors and Investment Stewardship team globally.

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-amaem/ global/en/sustainable-investing/investmentstewardship- report.pdf

## Financial Conduct Authority ('FCA') Regulation of 'non-mainstream pooled investments', 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 instruments' under the FCA's 'Appropriateness' rules and guidance in the Conduct of Business sourcebook.

## Consumer Duty Value Assessment

The Manager has conducted an annual value assessment on the Company in line with 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 Company (against both benchmark and peers), total fees (including management fees and entry and exit fees as applicable to the Company), and also considers whether all consumers, including vulnerable consumers, are able to receive fair value from the product. The Manager has concluded that the Company is providing value based on the above assessment.

## Task Force on Climate-related Financial Disclosures

As a regulatory requirement, JPMorgan Asset Management (JPMAM) published its first UK Task Force on Climate-related Financial Disclosures ('TCFD') Report for the Company in respect of the year ended 31st December 2023 in June 2024. The report discloses estimates of the Company's portfolio climate-related risks and opportunities according to the Financial Conduct Authority (FCA) Environmental, Social and Governance (ESG) Sourcebook and the Task Force on Climate-related Disclosures (TCFD). The report is available on the Company's website under the ESG documents section:

https://am.jpmorgan.com/content/dam/jpm-am-aem/emea/regional/en/regulatory/esg-information/jpm-american-investment-trust-plc-combined-fund-tcfd-report.pdf

# Information About the Company

## History

The Company has its origins in the Alabama, New Orleans, Texas and Pacific Junction Railways Company Limited which was formed in 1881 to acquire interests in, and to undertake the completion of, three American railroads – the Vicksburg and Meridian, the Vicksburg, Shreveport and Pacific and the New Orleans and North Eastern. In 1917 the Company was reorganised, a proportion of the railroad interests were sold, and the investment powers were widened enabling its assets to be invested in several countries including the United Kingdom. To reflect the new objectives the name was changed to The Sterling Trust. The Company's investment policy reverted to North American securities in 1982 when the name was changed to The Fleming American Investment Trust plc. The name was changed to JPMorgan Fleming American Investment Trust plc in April 2002 and to its present form in 2006. JPMorgan, or its predecessor company, has been the Company's manager and secretary since 1966.

## Company Information

Company registration number: 15543
Country of registration: England and Wales
London Stock Exchange number: 08456505
ISIN: GB00BKZGVH64
SEDOL Code: BKZGVH6
Bloomberg code: JAM LN
LEI: 549300QNAI4XRPEB4G65

## Market Information

The Company's net asset value ('NAV') is published daily via the London Stock Exchange. The Company's shares are listed on the London Stock Exchange and the price is noted daily in the Financial Times and on the J.P. Morgan website at www.jpmamerican.co.uk, where the share price is updated every 15 minutes during trading hours.

## Website

www.jpmamerican.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.

aic
The Association of Investment Companies

A member of the AIC

## 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: jpmam.investment.trusts@jpmorgan.com

For company secretarial and administrative matters, please contact Divya Amin.

## 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.

## Registrar

Computershare Investor Services PLC
The Pavilions
Bridgwater Rd
Bristol
BS99 6ZZ
United Kingdom
Telephone: + 44 (0)370 707 1519

Lines open 8.30 a.m. to 5.30 p.m. Monday to Friday
Shareholders can manage their shareholding online by visiting Investor Centre at www.investorcentre.co.uk. Shareholders just require their Shareholder Reference Number ('SRN'), which can be found on any communications previously received from Computershare.

## Independent Auditor

BDO LLP
55 Baker Street
London W1U 7EU

## Broker

Stifel Nicolaus Europe Limited (until 16th January 2026)
4th floor, 150 Cheapside,
London EC2V 6ET

Canaccord Genuity Limited (from 20th January 2026)
88 Wood Street
London EC2V7QR

**CONTACT**

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


GB A121 | 03/26

J.P.Morgan
ASSET MANAGEMENT