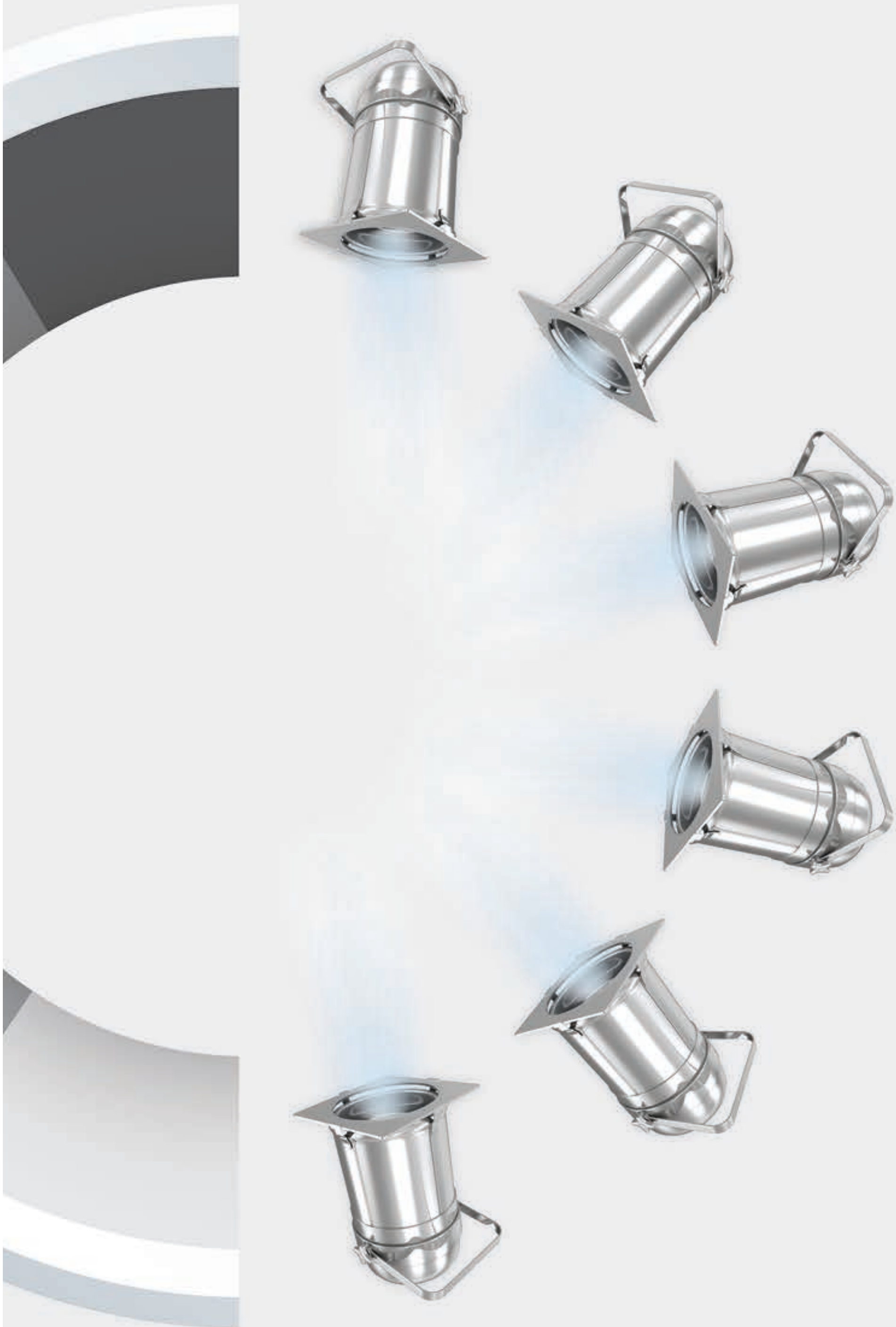
JPMorgan Brazil Investment Trust plc

Annual Report & Financial Statements for the year ended 30th April 2020



J.P.Morgan
Asset Management

Your Company

Objective

To provide shareholders with long term total returns, predominantly comprising capital growth but with the potential for income, by investing primarily in Brazilian focused companies.

Investment Policy

- To invest primarily in Brazilian companies and those incorporated or listed outside Brazil whose Brazilian operations constitute a material part of their business. Up to 10% of assets may be invested in companies focused on other Latin American countries.
- There will be no limit placed on the market capitalisation or sector of any investee companies. However, the Company may reduce its equity holdings to a minimum of 60% of its gross assets if it is considered to be beneficial to performance.
- The Company may invest in listed or unlisted securities or equity-linked securities, in addition to fixed income bonds. Unlisted securities will not exceed 10% of gross assets at the time of investment.

Benchmark

The Company's benchmark is the MSCI Brazil 10/40 Index (in sterling terms), with net dividends reinvested. This index limits the maximum weight of an individual stock constituent to 10% and limits the sum of the weights of all stocks representing more than 5% individually to 40%.

Capital Structure

At 30th April 2020, the Company's share capital comprised 61,728,898 ordinary shares of 1p each including 28,204,044 shares held in Treasury.

Continuation Vote

In accordance with the Company's Articles of Association, the Directors were required to propose a resolution at the 2019 Annual General Meeting that the Company continues as an investment trust and every third year thereafter. The Directors have resolved to propose an additional voluntary continuation resolution at the 2020 Annual General Meeting. The Directors have recommended to the shareholders to vote against the continuation vote for the reasons outlined in the Chairman's Statement on page 5.

Management Company

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

FCA Regulation of 'Non-Mainstream Pooled Investments'

The Company currently conducts its affairs so that the shares issued by JPMorgan Brazil Investment Trust plc 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.

Association of Investment Companies ('AIC')

The Company is a member of the AIC.

Website

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

NOTE: THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to the action you should take, you should seek your own personal financial advice from your stockbroker, bank manager, solicitor or other financial adviser authorised under the Financial Services and Markets Act 2000. If you are in the United Kingdom or, if not, from another appropriately authorised financial adviser. If you have sold or otherwise transferred all your ordinary shares in JPMorgan Brazil Trust plc, please forward this document, together with the accompanying documents, immediately to the purchaser or transferee, or to the stockbroker, bank or agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

Strategic Report

TOTAL RETURNS (INCLUDING DIVIDENDS REINVESTED) TO 30TH APRIL

	2020	2019	3 years Cumulative	5 years Cumulative
Return to shareholders[1,A]	-30.8%	-0.9%	-28.4%	-18.9%
Return on net assets[2,A]	-31.3%	+3.4%	-26.2%	-9.1%
Benchmark return[3]	-33.2%	+6.8%	-20.7%	+2.0%
Net asset return compared to benchmark return[3]	+1.9%	-3.4%	-5.5%	-11.1%

[1] Source: Morningstar.

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

[3] Source: Morningstar. The Company's benchmark is the MSCI Brazil 10/40 Index, with net dividends reinvested in sterling terms.

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

A glossary of terms and APMs is provided on page 71.

SUMMARY OF RESULTS

	2020	2019	% change
Total returns for the year ended 30th April			
Return to shareholders[1,A]	-30.8%	-0.9%	
Return on net assets[2,A]	-31.3%	+3.4%	
Benchmark return[3]	-33.2%	+6.8%	
Net asset value, share price and discount at 30th April			
Net assets (£'000)	17,835	26,170	-31.8
Shares in issue (excluding shares held in Treasury)	33,524,854	33,524,854	
Net asset value per share	53.2p	78.1p	-31.8
Share price	44.0p	64.3p	-31.6
Share price discount to net asset value per share[A]	17.3%	17.7%	
Revenue for the year ended 30th April			
Gross revenue return (£'000)	644	889	-27.6
Net revenue return after taxation (£'000)	43	333	-87.1
Revenue return per share	0.13p	0.99p	-86.9
Dividend per share	0.00p	0.80p	
Net cash at 30th April[A]	1.7%	1.8%	
Ongoing charges[4,A]	2.00%	2.00%	

[1] Source: Morningstar.

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

[3] Source: Morningstar. The Company's benchmark is the MSCI Brazil 10/40 Index, with net dividends reinvested in sterling terms.

[4] In light of the reduced size of the Company, it was agreed with the Manager that the management fee would be reduced to the extent necessary to ensure that the Company's Ongoing Charges do not exceed 2% with effect from 1st May 2015. Any such reduction is non-cumulative and therefore will not be clawed back in future years.

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

A glossary of terms and APMs is provided on page 71.

Howard Myles
Chairman

Introduction and Performance

Over the financial year to 30th April 2020, equity markets in Brazil experienced another highly volatile year dominated by politics, the global pandemic and further negative sentiment towards the country's economic outlook. For the year to 30th April 2020, the Company's total return on net assets was -31.3%, compared with -33.2% returned by the benchmark, the MSCI Brazil 10/40 Index (in sterling terms with net dividends re-invested).

The investment managers provide a detailed commentary on the markets and portfolio activity in their report.

Since the financial year-end, the Company's net asset value has risen by 40.0%, against an increase of 32.7% in the benchmark index expressed in sterling. Over this period the Brazilian Real has risen by 2.7% against sterling, compared with a fall of 25.9% over the course of the financial year.

Continuation Vote

It was stated in the Chairman's Statement of the 2019 Annual Report that the Board would voluntarily propose a continuation vote no later than the AGM in September 2020. Accordingly, a resolution will be put to shareholders at the forthcoming AGM in connection with the continuation of the Company. This resolution will require over 50% of all votes cast to be in favour of continuation for it to be approved. If the relevant continuation resolution is not passed, the Board of Directors of the Company (the 'Board') will be required to put forward to shareholders plans to wind-up, reorganise or reconstruct the Company.

Despite the long term potential of the Brazilian economy and stock market, the political and economic challenges facing the country remain substantial and it is not possible to be confident about when this potential may be realised. The Board has consulted with shareholders and has taken into account feedback received during those discussions, and has decided to recommend that shareholders vote against continuation of the Company.

Revenue and Dividends

Gross revenue for the year amounted to £644,000 (2019: £889,000) and net total revenue after administrative expenses and taxation amounted to £43,000 (2019: £333,000).

The Company's dividend policy has been to distribute all, or substantially all, of the available income each year. Owing to the uncertainty surrounding the continuation vote, the Board has not recommended a final dividend this year.

Asset Allocation

In accordance with the Company's investment policy, the investment managers have continued to be substantially invested in equities. As at 30th April 2020, the Company had 1.7% net cash.

Share Repurchases

At last year's AGM, shareholders granted Directors authority to repurchase the Company's shares. During the financial year, the Company did not repurchase any shares. The Board's long term objective remains to use the share repurchase authority to manage significant imbalances between the supply and demand of the Company's shares, thereby reducing the volatility of the discount, but in taking any decision to repurchase shares it will take into account the size of the Company, liquidity, expenses per share and general market conditions.

Whilst the Company's share price has been trading at a discount to NAV, this has been volatile and based on very small trading volumes. The Board believes that utilising the repurchase authority during the period was unlikely to have stabilised or reduced the discount in the face of wider sector volatility. However, the Board believes that the ongoing availability of this mechanism would be important if the Company's continuation vote were to be passed and therefore proposes and recommends that powers to repurchase up to 14.99% of the Company's issued share capital be renewed for a further period.

The Board

All three Directors have now been members of the Board for more than nine years. As previously stated, I will be retiring from the Board at this year's AGM and, in the event that the continuation vote is passed this year, further changes will be made with a view to refreshing the Board completely during 2021. The Board considers the skills and experience of the directors to be more important than their length of tenure and it is confident that the directors remain independent of the fund manager. Mark Bridgeman and Victor Bulmer-Thomas will continue to seek annual re-election at every AGM for the rest of their term of office.

Annual General Meeting

The Board has been considering how best to deal with the potential impact of the Coronavirus pandemic on arrangements for the Company's upcoming AGM. The Company is required by law to hold an AGM and the Board had been working on the basis that the Company's tenth AGM would be held on 17th September 2020 at 2.00 p.m. at 60 Victoria Embankment, London EC4Y 0JP, as previously scheduled.

However, in the light of the Coronavirus pandemic and the Government guidance, including the rules on social distancing, avoiding public gatherings and given the possibility that some of these measures of restriction will remain in place in September (the 'Restrictions'), the Board has resolved to amend the format of the AGM for this year. Therefore, whilst the formal business of the AGM (as set out in the Notice of AGM on page 68 of this document) will be considered, the meeting will be functional only, and will follow the minimum legal requirements for an AGM. There will be no presentation from the investment managers at the AGM and no refreshments will be offered. However, the Board is keen to ensure shareholders are not denied the opportunity to hear from the Manager and therefore, a presentation with the investment managers will be placed on the Company's website shortly after the AGM.

If the Restrictions remain in place in September, shareholders are strongly discouraged from attending the meeting and indeed entry may be refused if the law and/or Government guidance so requires. In such circumstances, arrangements will be made by the Company to ensure that the minimum number of shareholders required to form a quorum will attend the meeting in order that the meeting may proceed and the business concluded. The Board considers these revised arrangements to be in the best interests of shareholders in the current circumstances.

In addition, shareholders are encouraged to raise any questions in advance of the meeting with the Company Secretary at 60 Victoria Embankment, London EC4Y 0JP or via the 'Ask US A Question' link which can be found in the 'Contact Us' section on the Company's website. Any questions received will be replied to by either the Manager or Board via the Company Secretary after the AGM.

In light of the outbreak and evolving Government guidance, the Company will continue to keep arrangements for the AGM under review and it is possible the arrangements will need to change. We will keep shareholders updated of any changes through the Company's and announcements to the London Stock Exchange.

The Board strongly encourages all shareholders to submit their votes in advance of the meeting, so that these are registered and recorded at the AGM. Proxy votes can be lodged in advance of the meeting either by post or electronically by 15th September 2020: detailed instructions are included in the Notes to the Notice on page 69 of the Notice of AGM and on the proxy form that accompanies it.

Outlook

As mentioned previously, despite the long term potential of the Brazilian economy, the political and economic challenges facing the country remain substantial and it is not possible to be confident about when this potential may be realised. The Investment Managers will continue to identify high quality companies at attractive prices with significant earnings growth potential and financial characteristics with a view to achieving good long-term performance for shareholders, subject to the continuation vote.

Howard Myles
Chairman 29th July 2020

Luis Carrillo
Investment Manager

Sophie Bosch De Hood
Investment Manager

Market background

At the halfway stage of the Company's financial year we reported strong interim performance figures, along with some cautious optimism that Brazil had finally 'turned a corner'; this hope was subject to several caveats such as Brazil's sluggish economy, ongoing trade tensions, global growth in reverse and US dollar strength.

Looking back at 2019, a monetary policy about-turn by central banks around the world had buoyed global stock markets. Instead of raising interest rates, as had been expected, rates were reduced, to increase liquidity and stimulate economic activity. Equity markets reacted positively to this and Brazilian equities did particularly well, even though the Central Bank of Brazil was slower than most of its global peers to loosen its monetary policy, tying this to progress being achieved on the country's social security reform agenda.

Brazil's political backdrop also seemed more stable at the interim reporting stage, fuelling hope that a majority government, led by the conservative President Bolsonaro, would be able to fulfil its commitment towards fiscal and structural reform, so vital to Brazil's future economic growth trajectory. Morale was boosted by the subsequent passing of comprehensive pension reforms in late October, a process that had been subject to interminable delay and deadlock. With a helping hand from lower interest rates, there was a sense that Brazil could be entering a cycle of long-term growth. Such positivity created a window of opportunity for several Initial Public Offerings (IPOs), with a huge influx occurring over the period, in addition to a flurry of secondary offerings.

Now, at the end of the Company's financial year, we can see that the second half of the review period was very different to the first. Naturally, the spread of the coronavirus (COVID-19) from January onwards is the defining headline, since this terrible pandemic has had such a devastating impact on lives, economies and markets around the world. Regionally, however, there were several other factors within Brazil and Latin America that preceded COVID-19 but contributed to this being such a challenging period for the Company's investors.

The optimism that had greeted the reforms bill did not last long, displaced by overriding disappointment that economic indicators remained so lacklustre as the year progressed and that the domestic political situation was more volatile than it had appeared just months earlier. In Chile, social unrest manifested itself in national demonstrations that led to similar outpourings of resentment in other Latin American countries, all of which hurt already fragile economies, including Brazil's.

Political headwinds are a fact of life when investing in Brazil. Tensions were heightened by President Bolsonaro's conflicts with ministers and his decision to split with his existing party to set up a new one. The release from prison of former President Lula, a leftist icon who had been expected to win the 2018 election before he was imprisoned on corruption charges, added political tension. On his release, Lula was highly critical of Bolsonaro and his economic policies and promised to keep fighting for impoverished Brazilians.

Investors were also disturbed by Brazilian currency weakness (with the Central Bank compelled to intervene and use foreign exchange reserves for the first time in 10 years) whilst the so-called 'Transfer of Rights' oil auction fell flat in November. This bidding opportunity was anticipated to lure international oil companies to the Brazilian oil reserves being offered but the actual results were underwhelming. Welcome good news came in January, in the shape of a signed trade deal between the United States and China, following two years of tit-for-tat wrangles. However, this positive news story was quickly overshadowed by the spread of COVID-19.

The coronavirus crisis ripped through the global economy with haste and precipitated a collapse in business and consumer confidence, not to mention the thousands of human lives lost. The outbreak hit Brazil later than many other countries but, at the time of writing, the disease's trajectory makes the country arguably the epicentre of this pandemic. It is far too early to assess its full impact but President Bolsonaro's handling of the pandemic has been widely criticised. And, to add yet more political angst, Bolsonaro now faces a corruption investigation by Brazil's Supreme Court, regarding claims he meddled with the selection of the new head of the federal police.

On the fiscal front, Congress approved an emergency increase in public spending, to support the most vulnerable members of society, and facilitate greater flexibility of labour laws. The measures also provide financial support for companies, states and municipalities. If more stimulus packages are announced, there will be a better recovery outlook.

In terms of monetary stimulus, Brazil's Central Bank announced liquidity measures that far exceed those implemented in the aftermath of 2008's global financial crisis. These aim to ensure that the banking system is liquid and stable, foreign exchange markets functioning smoothly and that monetary conditions provide stimulus. Since the end of the reporting period, the Central Bank has cut its benchmark interest rate by 0.75% to a record low of 3%, with further cuts anticipated.

With so much bad news, it comes as no surprise that Brazil's currency faced significant selling pressure. The real has been one of the worst performing global currencies so far in 2020, whilst Brazil experienced a record outflow of foreign capital from the country in the months leading up to the Company's year-end.

Portfolio review and spotlight on stocks

Against the extreme backdrop outlined above, the Company's net asset value fell by -31.3% over the year to 30th April 2020 and total shareholders' returns were -30.8%. Asset allocation - most notably in the consumer discretionary, financials and information technology sectors - enabled the Company to moderately outperform its benchmark index during this unprecedented period, with the MSCI Brazil 10/40 falling by -33.2%.

Our strategy is very much based on a long-term view, looking beyond short-term macro-economic and geopolitical challenges and their associated impact; never has this been more relevant than during unprecedented reporting periods like this one. The portfolio remains tilted in favour of small to mid-cap domestic themes and those stocks poised to benefit from strong domestic growth as and when this potential is realised.

By sector, **Financials** remains the Company's largest exposure, just as it was a year ago, and we are overweight relative to the benchmark index. COVID-19 has challenged the sector because of its negative impact on economic activity. At a stock level, however, there were successes as well as disappointments.

B3 – Brasil Bolsa Balcao is Brazil's sole stock exchange operator and our second largest holding. Although Brazilian stocks were amongst the world's laggards over the year, market volatility surrounding the pandemic attracted retail investors in search of yield and sent trading volumes soaring to record highs. Although B3 lost ground over the year it fared better than many other financial names.

Our overweight investment in ***SulAmérica***, Brazil's second largest insurance company contributed positively to returns. The company delivered relatively strong financial performance, operational results and earnings, against a weakening background across the Brazilian insurance industry.

Our investment in reinsurance company ***IRB Brasil RE*** was the Company's star performer this time last year, but the company has experienced a dramatic fall from grace since then, to become the portfolio's worst performer this time around. IRB shares lost more than 75% of their value over the review period. The dramatic turnaround follows regulatory probes into IRB's governance and risk management functions, as well as its financial statements and various other matters, culminating in wholesale board and management changes. Recently, the new management team placed the Company's dividend distribution policy under review whilst the global credit ratings agency AM Best downgraded IRB's credit rating and placed it 'under review with negative implications' status. This wall of bad news raises considerable question marks over the company's strategic direction. With all this in mind, we decided to reduce our exposure, with a view to reinvesting the proceeds elsewhere.

We took the opportunity to add Mexican bank ***Banorte*** to the portfolio, following price weakness. The bank is anticipating low investment for the remainder of 2020, but we see this as a well-managed business which should provide a tailwind to its prospects.

Elsewhere, our lack of exposure to **Energy** and our longstanding underweight exposure to **Materials** benefitted relative performance whilst specific investments, such as ***MercadoLibre***, ***Hapvida*** and ***Raia Drogasil*** were also helpful.

In terms of **Energy** stocks, the absence from our portfolio of multinational and majority state-owned oil giant ***Petrobras*** was particularly beneficial to relative performance. During the reporting period, energy companies were severely impacted by the deepening global economic slump and oil prices falling below a lvel anyone imagined possible.

We remain underweight to the **Materials** sector but nevertheless, iron ore producer ***Vale*** became the Company's largest holding over this volatile year. Latterly, Vale was hit by coronavirus concerns, shutting a series of its mines towards the end of the reporting period. The stock remains a core holding for us on a long-term basis.

Our position in Argentina-based ***MercadoLibre***, was one of the leading contributors to the Company's relative performance. It is Latin America's most popular e-commerce site and electronic payments company, similar to Amazon, so has greatly benefitted from the shift in demand to online retailing during the pandemic. The company's Chief Operating Officer believes COVID-19 may accelerate the move to e-commerce adoption across the region.

Vertically integrated health operator ***Hapvida*** was another strong performer. It agreed to acquire Grupo Sao Francisco in May 2019, which was well received. It also signalled its intent to make additional acquisitions although these aspirations are on hold at present, pending resolution of more pressing COVID-19 concerns.

PERFORMANCE ATTRIBUTION

	Year to 30th April 2020		Year to 30th April 2019	
Contributions to total returns	%	%	%	%
Benchmark return		–33.2		6.8
Asset allocation	3.1		0.1	
Stock selection	-1.0		-1.8	
Gearing/cash	1.8		0.3	
Investment Manager's contribution		3.9		-1.4
Portfolio return		–29.3		5.4
Management fee/other expenses	–2.0		–2.0	
Share buybacks	0.0		0.0	
Other effects		–2.0		–2.0
Return on net assets[A]		–31.3		3.4
Impact of change in discount		0.5		–4.3
Return to shareholders[A]		-30.8		-0.9

Source: FactSet, JPMAM and Morningstar.

All figures are on a total return basis.

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

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

A glossary of terms and APMs is provided on page 71.

Raia Drogasil is one of the Company's long-standing investments and its share price performed strongly. It is Brazil's largest pharmacy operator, with more than 2,100 stores, 95% of which have remained open during the worst of the health crisis. It has stated its commitment to resuming its ambitious store openings programme once restrictions ease.

Lojas Renner, Brazil's largest fashion retailer – remains one of our top 10 holdings, despite recent falls in sales due to the pandemic, and with income plummeting 94% in the first quarter of 2020 compared with the same quarter a year earlier. We continue to have faith in the Company's potential, noting its digital transformation goals, its reinvestment strategy and its strong and stable corporate governance structure.

The airline industry was brought to a virtual standstill by recent events, so our continued lack of exposure to Brazilian aerospace conglomerate ***Embraer***, a constituent of our benchmark index, was extremely beneficial overall. The stock lost two thirds of its value and its difficulties were exacerbated when Boeing walked away from its plans to acquire an 80% stake.

PagSeguro Digital (PAGS) is a mobile payment-based e-commerce service for commercial operations. Its shares hit a lifetime low in March, with its business under pressure from the government's 'stay-at-home' orders and currency weakness concerns, but prices rallied subsequently after encouraging first quarter results. Over the year, PAGS' impact on overall performance was broadly neutral but we recently met with the Chief Executive Officer, which reinforced our confidence in the business.

During the period we invested in multichannel sports good retailer ***Centauro*** which has partnerships with the likes of Nike, Adidas and Puma. As well as more than 190 physical stores, Centauro is continuing to gain market share via online purchases made through its mobile device app and website. We believe the stock has attractive growth prospects.

Outlook

The Company's financial year was a period in which the global economic and geopolitical landscape shifted in an unprecedented manner, whilst political uncertainty within Brazil returned to center stage. We accept the gravity of the current economic downturn, with COVID-19, a global recession, China's slowdown, and plummeting commodity prices all significant headwinds. For the rest of 2020 we expect a sharp contraction of activity and a further deterioration of an already weak labour market.

Brazil has become one of the world's major coronavirus hotspots and these unprecedented times have derailed the tentative economic recovery we had anticipated at the halfway stage of this reporting period. We are now assessing how the effects of COVID-19 might affect the future growth picture: it is a case of waiting and seeing how central government policy influences the economic recovery post-crisis.

Additionally, we are assessing the global demand for commodities, which will feed into the outlook for Latin America's materials exporters. So far, commodities have taken a hit and are pricing in a broad global slowdown. If the effects of the coronavirus are contained to one or two quarters this year there is potential for bounce-back; however, it is too soon to tell at this stage.

We are mindful that the emergency fiscal measures being rolled out will add further pressure to the country's already precarious debt burden. Brazil is in an unenviable position, treading a fine line between supporting the economy to contain social unrest, whilst remaining cognisant of the long-lasting damage this could impose on the country's debt levels.

Currency volatility, and how this will affect companies' revenues and costs, will be another important factor for us to watch. A weak real has a direct impact on Brazilians' spending power since many goods and services are traded in dollars so become more expensive.

Aside from COVID-19 factors, the need to refocus on Brazil's much-needed reform agenda must be addressed on the other side of the crisis. Plans have been set off course, but a comprehensive resolution of these issues will ultimately determine the direction and speed of travel for the country's economy. When tangible reform is achieved, the Brazilian economy could thrive, and political stability could re-emerge.

Although the short-term investment and economic landscape is bleak, our own tailored investment process remains unchanged: we seek to identify fundamentally sound businesses with good long-term prospects to deliver solid returns. We are confident in the quality of the Company's portfolio but mindful that uncertainty will continue to weigh heavily on Brazil's prospects until there is a return to some sort of normality, not forgetting the need to solve Brazil's numerous, unresolved domestic challenges.

We will adhere to our investment process and look beyond short-term volatility and towards a more positive outlook. Along the way we will endeavour to take advantage of market setbacks as opportunities arise to buy into high quality businesses at bargain prices. We accept that investors will need to display patience during the current difficulties, but we believe the Company's portfolio is well positioned for a recovery in the Brazilian economy as and when that time comes.

Luis Carrillo
Sophie Bosch De Hood
Investment Managers

29th July 2020

TEN LARGEST EQUITY INVESTMENTS

AT 30TH APRIL

Company	Sector	2020 Valuation £'000	2020 %[1]	2019 Valuation £'000	2019 %[1]
Vale	Materials	1,814	10.3	1,536	6.0
B3 SA - Brasil Bolsa Balção	Financials	1,237	7.1	1,681	6.5
Itaú Unibanco[2]	Financials	1,086	6.2	1,740	6.8
Lojas Renner	Consumer Discretionary	948	5.4	1,658	6.4
Banco Bradesco[2]	Financials	910	5.2	2,390	9.3
Magazine Luiza[3]	Consumer Discretionary	878	5.0	–	–
Localiza Rent a Car	Industrials	753	4.3	940	3.7
MercadoLibre[4,5]	Consumer Discretionary	684	3.9	580	2.3
WEG5	Industrials	635	3.6	559	2.2
Raia Drogasil	Consumer Staples	611	3.5	862	3.3
Total[6]		**9,556**	**54.5**		

[1] Based on total investments of £17.5m (2019: £25.7m).

[2] American Depositary Receipts (ADR).

[3] Not held in the portfolio at 30th April 2019.

[4] Non-Brazilian holdings.

[5] Not within the ten largest equity investments at 30th April 2019.

[6] At 30th April 2019, the value of the ten largest equity investments amounted to £14.2m representing 55.1% of total investments.

SECTOR ANALYSIS

	30th April 2020 Portfolio %[1]	30th April 2020 Benchmark %	30th April 2019 Portfolio %[1]	30th April 2019 Benchmark %
Financials	32.7	27.9	36.3	30.6
Consumer Discretionary	19.7	10.9	18.2	8.3
Materials	12.6	14.3	8.4	15.5
Industrials	11.2	8.9	10.3	8.3
Consumer Staples	8.4	13.5	12.1	13.6
Information Technology	5.9	0.4	2.6	0.9
Health Care	3.9	4.5	2.5	1.0
Communication Services	3.0	2.9	2.8	3.0
Utilities	2.3	6.2	4.7	6.6
Real Estate	0.3	1.3	1.0	1.7
Energy	–	9.2	1.1	10.5
Total	**100.0**	**100.0**	**100.0**	**100.0**

[1] Based on total investments of £17.5m (2019: £25.7m).

LIST OF INVESTMENTS AT 30TH APRIL 2020

Company	Valuation £'000
FINANCIALS	
B3 SA - Brasil Bolsa Balção	1,237
Itaú Unibanco[1]	1,086
Banco Bradesco[1]	910
SulAmérica	572
XP2	430
Banco BTG Pactual	389
Itaúsa - Investimentos Itaú Preference	360
Banco do Brasil	330
Porto Seguro	167
Grupo Financiero Banorte[2]	143
IRB Brasil Resseguros	116
	5,740

Company	Valuation £'000
CONSUMER DISCRETIONARY	
Lojas Renner	948
Magazine Luiza	878
MercadoLibre[2]	684
Ez Tec Empreendimentos e Participações	355
Tupy	251
Grupo SBF	191
Fras-Le	147
	3,454

Company	Valuation £'000
MATERIALS	
Vale	1,814
Gerdau[1]	388
	2,202

Company	Valuation £'000
INDUSTRIALS	
Localiza Rent a Car	753
WEG	635
Rumo	390
Wilson Sons[3]	193
	1,971

Company	Valuation £'000
CONSUMER STAPLES	
Raia Drogasil	611
Atacadão	498
Ambev[1]	238
M Dias Branco	119
	1,466

Company	Valuation £'000
INFORMATION TECHNOLOGY	
Pagseguro Digital[2]	434
Globant[2]	228
Linx	197
TOTVS	177
	1,036

Company	Valuation £'000
HEALTH CARE	
Hapvida Participacoes e Investimentos	397
Notre Dame Intermedica Participações	205
Ouro Fino Saúde Animal Participações	78
	680

Company	Valuation £'000
COMMUNICATION SERVICES	
Telefônica Brasil Preference	265
Locaweb Servicos de Internet	256
	521

Company	Valuation £'000
UTILITIES	
Equatorial Energia	400
	400

Company	Valuation £'000
REAL ESTATE	
LPS Brasil Consultoria de Imóveis	60
	60
TOTAL INVESTMENTS	**17,530**

[1] American Depositary Receipts ('ADRs').
[2] Non-Brazilian holdings.
[3] Brazilian Depositary Receipts ('BDRs').

The portfolio comprises investments in equity shares, ADRs and BDRs.

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

The Company's Purpose, Values, Strategy and Culture

The purpose of the Company is to provide an investment vehicle which meets the needs of investors, whether large institutions, professional advisers or individuals, who seek long term investment returns from Brazilian companies in an accessible, cost effective way. The Company has been investing in Brazil companies since 2010 and has a premium listing on the London Stock Exchange. Its objective is to achieve long-term capital growth through investment in Brazilian companies. It seeks to outperform its benchmark index, the MSCI Brazil 10/40 Index (in sterling terms), over the longer term and to manage risk by investing in a diversified portfolio of Brazil based companies, emphasising capital growth rather than income.

To achieve this, the Board of Directors is responsible for employing and overseeing an investment management company that has the appropriate capability, resources and controls in place to actively manage the Company's assets in order to meet its investment objective. The investment management company, J.P.Morgan Asset Management, employs an investment process with a strong focus on research that integrates environmental, social and governance issues and enables it to identify what it believes to be the most attractive stocks in the market.

To ensure that the Company's purpose, values, strategy and culture are aligned, the Board comprises Directors from a diverse background who have a breadth of relevant skills and experience. They act with professional integrity and contribute in an open boardroom culture that both supports and challenges the investment management company and its other third party suppliers.

Structure and Objective of the Company

JPMorgan Brazil Investment Trust plc is an investment trust company that has a premium listing on the London Stock Exchange. Its objective is to provide shareholders with long term total returns, predominantly comprising capital growth but with the potential for income, by investing primarily in Brazilian focused companies. In seeking to achieve this objective, JPMorgan Funds Limited ('JPMF' or the 'Manager'), an affiliate of JPMorgan Asset Management (UK) Limited ('JPMAM' or the 'Manager'), has been appointed as the Company's Alternative Investment Fund Manager ('AIFM') to manage its assets and also to act as the Company Secretary. The Board has determined an investment policy and related guidelines and limits as described below.

The Company is subject to UK and European legislation and regulations including UK company law, Financial Reporting Standards, the UK Listing, Prospectus, Disclosure and Transparency Rules, taxation law and the Company's own Articles of Association.

The Company is an investment company within the meaning of Section 833 of the Companies Act 2006 and has been approved by HM Revenue & Customs as an investment trust (for the purposes of Sections 1158 and 1159 of the Corporation Tax Act 2010). As a result, the Company is not liable for taxation arising 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.

Investment Policies and Risk Management

In order to achieve the Company's investment objective and to seek to manage risk, the Board imposes various investment limits and restrictions.

- The Company invests primarily in Brazilian companies and those incorporated or listed outside Brazil whose Brazilian operations constitute a material part of their business. Up to 10% of assets may be invested in companies focused on other Latin American countries.
- There is no limit placed on the market capitalisation or sector of any investee companies.
- The Company may reduce its equity holdings to a minimum of 60% of its gross assets if it is considered to be beneficial to performance.
- The Company may invest in listed or unlisted securities or equity-linked securities, in addition to fixed income bonds. Unlisted securities will not exceed 10% of gross assets at the time of investment.
- The Company may invest no more than 15% of gross assets in any one company or group at the time of investment.
- The Company may invest no more than 10% of gross assets in other UK listed investment companies (including investment trusts) at the time of investment.
- The Company may use gearing when appropriate to increase potential returns to shareholders.

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

Performance

In the year to 30th April 2020, the Company produced a total return on net assets of -31.3%, compared with the total return on the Company's benchmark index of –33.2%. At 30th April 2020, the value of the Company's investment portfolio was £17.8 million (2019: £26.2 million). The Investment Managers' Report on pages 7 to 11 includes a review of developments during the period as well as information on investment activity within the Company's portfolio.

Total Return, Revenue and Dividends

Gross total loss amounted to £7.5 million (2019: £1.3 million gain) and net total loss after deducting administrative expenses and taxation, amounted to £8.0 million (2019: £0.8 million gain). Distributable income for the year amounted to £43,000 (2019: £0.3 million).

As mentioned in the Chairman's Statement earlier, the Board has not recommended a final dividend this year due to the uncertainty surrounding the passing of the continuation vote.

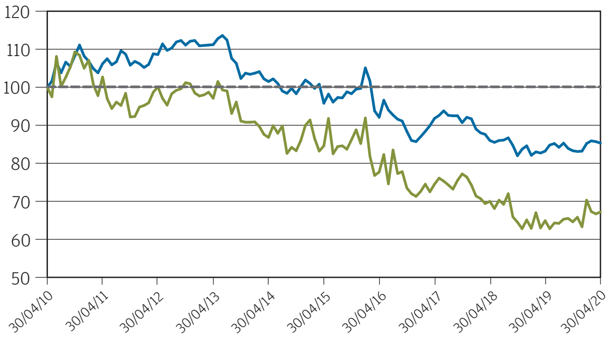
Key Performance Indicators ('KPIs')

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 the most important KPI by which performance is judged and it is explained in the Investment Managers' report in more detail on pages 7 to 11.

Performance Relative to Benchmark Index

FIGURES HAVE BEEN REBASED TO 100 AT 30TH APRIL 2010



Source: Morningstar/J.P. Morgan.

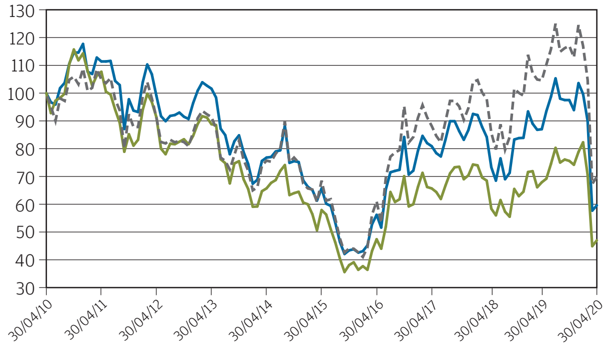
JPMorgan Brazil – share price total return.

JPMorgan Brazil – net asset value per share total return.

Benchmark total return. The Company's benchmark (represented by the grey dotted line) is the MSCI Brazil 10/40 Index, with net dividends reinvested, in sterling terms.

Performance since Inception

FIGURES HAVE BEEN REBASED TO 100 AT 30TH APRIL 2010



Source: Morningstar/J.P. Morgan.

JPMorgan Brazil – share price total return.

JPMorgan Brazil – net asset value per share total return.

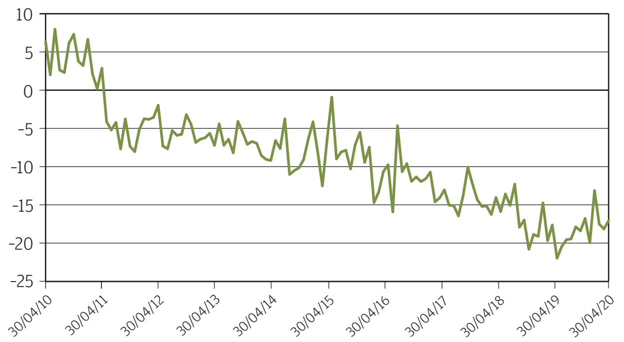
Benchmark total return.

- **Performance against the Company's peers**
  The principal objective is to achieve capital growth. The Board also monitors performance compared with a broad range of competitor funds, however, there is a limited degree of comparability with the Company's unique investment objective and policies. Performance is discussed in the Chairman's Statement in detail on pages 5 and 6.

- **Share price premium/(discount) to net asset value ('NAV') per share**
  The Board has adopted a share repurchase policy that seeks to address imbalances in supply of and demand for the Company's shares in the market and thereby seeks to manage the volatility and absolute level of the premium or discount to NAV per share at which the Company's shares trade. The Board's intention is to use its share repurchase and issuance powers with the aim of establishing a reasonably stable long term level of premium or discount. In the year to 30th April 2020, the shares traded at a discount varying between 4.0% and 29.7%, with a five year average discount of 13.8%.

  The Board's long term objective remains to use the share repurchase authority to manage significant imbalances between the supply and demand of the Company's shares, thereby reducing the volatility of the discount, but in taking any decision to repurchase shares it will take into account the size of the Company, liquidity, expenses per share and general market conditions.

Premium/(Discount)



Source: Morningstar.

JPMorgan Brazil – share price premium/(discount) to net asset value per share.

- **Ongoing Charges**

  The Ongoing Charges represents the Company's management fee and all other operating expenses, expressed as a percentage of the average daily net assets during the year. The Ongoing Charges for the year were 2.0% (2019: 2.0%). The Board pays close attention to the level of expenses. The charges for the year under review were considered reasonable, particularly given the smaller size of the Company. In light of the reduced size of the Company, it was agreed with the Manager that the management fee would be reduced to the extent necessary to ensure that the Company's Ongoing Charges do not exceed 2.0% with effect from 1st May 2015. Any such reduction is non-cumulative and therefore will not be clawed back in future years. The management fee charged was £254,000 after being reduced by £26,000 for the year ended 30th April 2020.

Share Capital

The Company has authority to issue new shares, to repurchase shares into Treasury and to repurchase shares for cancellation.

As at 30th April 2020, the Company's share capital comprised 61,728,898 ordinary shares of 1p each, of which 28,204,044 shares were held in Treasury. The Company will reissue shares held in Treasury only at a premium to NAV. During the year, no shares were repurchased for cancellation nor were any shares issued.

Resolutions to renew the authority to repurchase shares and issue new shares will be put to shareholders at the forthcoming Annual General Meeting. More details are given on pages 22 and 23 and the full text of the resolutions is set out in the Notice of Meeting on page 68.

Details of the voting rights in the Company's shares as at the date of this report are given in note 17 to the Notice of Meeting on page 70.

In addition to the votes available as referred to above, the ordinary shares also have rights in respect of dividends and return of assets as detailed in the Company's Articles of Association.

Board Diversity

As mentioned in the Chairman's Statement, the Chairman will be retiring at the forthcoming Annual General Meeting. Any further change to the Board composition will depend on the outcome of the continuation vote. When recruiting a new Director in future, the Board's policy is to introduce diversity subject to identifying candidates with optimum skill, knowledge and experience relevant to the Company's requirements. At 30th April 2020, there were three male Directors and no female Directors on the Board.

Employees, Social, Community 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 are carried out by third parties. There are therefore no disclosures to be made in respect of employees. The Board notes the Manager's policy statements in respect of Social, Community, Environmental and Human Rights issues, as highlighted in italics:

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

The Manager is also a signatory to the United Nations Principles of Responsible Investment, which commits participants to six principles, with the aim of incorporating ESG criteria into their processes when making stock selection decisions and promoting ESG disclosure. Our detailed approach to how we implement the principles is available on request.

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

Greenhouse Gas Emissions

The Company itself has no premises, consumes no electricity, gas or diesel fuel and consequently does not have a measurable carbon footprint. The Company's manager is a signatory to the Carbon Disclosure Project and JPMorgan Chase is a signatory to the Equator Principles on managing social and environmental risk in project finance.

The Modern Slavery Act 2015 (the 'MSA')

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

Corporate Criminal Offence

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

Principal and Emerging Risks

The Directors confirm that they have carried out a robust assessment of the principal and emerging risks facing the Company, including those that would threaten its business model, future performance, solvency or liquidity.

With the assistance of the Manager, the Board has drawn up a risk matrix, which identifies the key risks to the Company. These key risks fall broadly into the following categories:

- Investment and Strategy: An inappropriate investment strategy, for example asset allocation or the level of gearing, may lead to underperformance against the Company's benchmark index and peer group, comprising open and closed ended funds investing solely in Brazil or more widely in South America, resulting in the Company's shares trading on a wider discount. The Board manages these risks by diversification of investments through its investment restrictions and guidelines, which are monitored and reported on. The Manager provides the Directors with timely and accurate management information, including performance data and attribution analysis, revenue estimates, liquidity reports and shareholder analyses. The Board monitors the implementation and results of the investment process with the investment managers who attend all Board meetings, and reviews data which show statistical measures of the Company's risk profile. The investment managers are free to employ the Company's gearing to the extent that they can or hold cash, within a strategic range set by the Board. The Board holds a separate meeting devoted to strategy each year. In addition to the regular Board meetings, the Board visits Brazil from time to time to discuss strategy and consider all relevant aspects of investment in Brazil.

- Financial: The financial risks faced by the Company include foreign currency risk, interest rate risk, other price risk, liquidity risk and credit risk. Further details are disclosed in note 20 on pages 58 to 63.

- Accounting, Legal and Regulatory: In order to qualify as an investment trust, the Company must comply with Section 1158. Details of the Company's approval are given under 'Business of the Company' above. Were the Company to breach Section 1158, it might lose investment trust status and, as a consequence, gains within the Company's portfolio could be subject to Capital Gains Tax. The Section 1158 qualification criteria are continually monitored by the Manager and the results reviewed by the Board each month. The Company must also comply with the provisions of the Companies Act 2006 and, since its shares are listed on the London Stock Exchange, the UKLA Listing Rules, Disclosure and Transparency Rules ('DTRs') and, as an investment trust, the Alternative Investment Fund Managers Directive ('AIFMD'). A breach of the Companies Act could result in the Company and/or the Directors being fined or the subject of criminal proceedings. Breach of the UKLA Listing Rules or DTRs could result in the Company's shares being suspended from listing which in turn would breach Section 1158. The Board relies on the services of its Company Secretary, the Manager and its professional advisers to ensure compliance with the Companies Act 2006 and the UKLA Listing Rules, DTRs and AIFMD.

- Corporate Governance and Shareholder Relations: Details of the Company's compliance with Corporate Governance best practice, including information on relations with shareholders, are set out on pages 21 to 28.

- Operational: Disruption to, or failure of the Manager's accounting, dealing or payments systems or the depositary's or the custodian's records may prevent accurate reporting and monitoring of the Company's financial position. On 1st July 2014, the Company appointed the Bank of New York Mellon (International) Limited to act as its depositary, responsible for overseeing the operation of the custodian, JPMorgan Chase Bank, N.A., and the Company's cash flow. Details of how the Board monitors the services provided by the Manager and its associates and the key elements designed to provide effective internal control are included within the Risk Management and Internal Control section of the Corporate Governance report on pages 26 and 27.

- Political and Economic: Changes in financial or tax legislation, including in the UK and in Brazil, may adversely affect the Company. The Manager makes recommendations to the Board on accounting, dividend and tax policies and the Board seeks external advice where appropriate. General political uncertainty in Brazil and the state of the Brazilian economy may lead to investors deciding to reduce their exposure to Brazil resulting in the sale of a significant percentage of the Company's shares. In addition, the Company is subject to administrative risks, such as the imposition of restrictions on the free movement of capital. The Board monitors the impact of any changes in such restrictions on the Company.

- Climate Change: Climate change, which barely registered with investors a decade ago, has today become one of the most critical issues confronting asset managers and their investors. Investors can no longer ignore the impact that the world's changing climate will have on their portfolios, with the impact of climate change on returns now inevitable.

  The Board is overseeing the Manager to ensure the formal integration of ESG factors into its investment process over the course of the coming year. Financial returns for long-term diversified investors should not be jeopardised given the investment opportunities created by the world's transition to a low-carbon economy. The Board is also considering the threat posed by the direct impact of climate change on the operations of the Manager and other major service providers.

  As extreme weather events become more common, the resiliency, business continuity planning and the location strategies of our services providers will come under greater scrutiny.

- Global Pandemics: The recent emergence and spread of coronavirus (COVID-19) has raised the emerging risk of global pandemics, in whatever form a pandemic takes. The global reach and disruption to markets of this pandemic is unprecedented, so we have no direct comparatives from history to learn from. The Company is exposed to the risk of market volatility and falling equity markets brought about by the pandemic. The resilience of the operational services to the Company could be reduced as a result of the effects of the pandemic, representing a risk to the Company. The Board regularly reviews the mitigation measures which JPMorgan Asset Management and other key service providers have in place to maintain operational resilience and is satisfied that these are appropriate even in the current conditions. Relevant business continuity plans have been invoked at those service providers and the Board had been given updates. Working from home arrangements have been implemented where appropriate and government guidance is being followed. The Board does not anticipate a fall in the level of service. The pandemic has also triggered a sharp fall in global stock markets and created uncertainty around future returns. The pandemic has also impacted Brazil particularly significantly, as further set out in the Investment Manager's Report on page 7.

Long Term Viability

The UK Corporate Governance Code requires the Board to assess the prospects of the Company over a longer period than the 12 months required by the 'Going Concern' provision. The Company's current position and prospects are set out in the Chairman's Statement, the Investment Managers' Report and the Strategic Report. The principal and emerging risks are set out on pages 17 to 18.

At the forthcoming AGM, shareholders are invited to vote on the continuation of the Company. As mentioned in the Chairman's statement, the Directors recommend that the shareholders vote against the resolution; the outcome of the continuation vote is by no means certain and, as such, the vote represents a material uncertainty in the context of assessing the future prospects of the Company.

Notwithstanding this, the Directors have assessed the viability of the Company over a three year period. The Directors have considered the Company's investment objectives, risk management policies, capital management policies and procedures, nature of the portfolio and expenditure projections, as well as the economic situation in Brazil. This period was selected as the Company is subject to a continuation vote every three years and therefore, if the forthcoming continuation vote is passed, a further vote would be required to be put to shareholders in 2022. Depending on the outcome of that subsequent vote the Directors may be required to put forward proposals to wind-up, reorganise or reconstruct the Company. It is not unreasonable to estimate that this process could take up to a further 12 months. In making this assessment the Board has also considered the Company's principal and emerging risks, the Company's investment objective and strategy, the investment capabilities of the Manager and the current outlook for the Brazil economy and equity markets.

The assessment identified the following features which support the Company's ability to continue in operation and meet its liabilities as they fall due over the three year period:

- the vast majority of the Company's investments are readily realisable and can be sold to meet its liabilities as they fall due; and
- the expenses of the Company are predictable and modest in comparison with the assets and there are no capital commitments currently foreseen which would alter that position.

Furthermore, the current COVID-19 crisis is one of the most challenging that has been faced by the Company, equity markets have fallen significantly due primarily to concerns around the scale of its impact on the global economy.

Taking these factors into account and notwithstanding the potential that the continuation vote could require the Company to be wound up in the next 12 months, the Directors confirm that they have a reasonable expectation that the Company will continue to operate and meet its expenses as they fall due over the next three years.

For and on behalf of the Board
Victor Bulmer-Thomas
Director

29th July 2020

Directors' Report

Howard Myles (Chairman since 24th February 2010)

Remuneration: £34,000.

Qualifications for Board Membership: He was a partner in Ernst & Young from 2001 until June 2007 and was responsible for the investment funds corporate advisory team. He was previously with UBS Warburg from 1987 to 2001. Mr. Myles began his career in stockbroking in 1971 as an equity salesman and joined Touche Ross in 1975 where he qualified as a chartered accountant. In 1978 he joined W. Greenwell & Co. in the corporate broking team and in 1987 moved to SG Warburg Securities where he was involved in a wide range of commercial and industrial transactions in addition to leading Warburg's corporate finance function for investment funds. He is a fellow of the Institute of Chartered Accountants in England and Wales and of The Chartered Securities Institute. He is currently a non-executive director of Baker Steel Resources Trust Limited, Chelverton UK Dividend Trust PLC and its subsidiary, SDV 2025 ZDP PLC and BBGI SICAV S.A..

Connections with Manager: None.

Shared directorships with other Directors: None.

Shareholding in Company: Nil.

Mark Bridgeman (Chairman of the Audit Committee since 24th February 2010)

Remuneration: £28,000.

Qualifications for Board Membership: He was Global Head of Research at Schroders PLC until late 2008, when he left to manage his own family farming business. Over the course of 19 years spent at Schroders he worked both as an investment analyst and fund manager in the UK and around the world, where his roles included being an Emerging Markets fund manager and Head of Emerging Markets research. Since leaving Schroders he has taken on a number of non-executive and advisory roles within the investment trust, private equity, land management and charity sectors. He is currently a non-executive director of The Law Debenture Trust Corporation plc.

Connections with Manager: None.

Shared directorships with other Directors: None.

Shareholding in Company: 21,007 Ordinary Shares.

Victor Bulmer-Thomas

A Director since 24th February 2010

Remuneration: £25,000.

Qualifications for Board Membership: From 2001 to 2006 he was the Director of Chatham House. From 1992 to 1998 he was the Director of the Institute of Latin American studies at the University of London. He was made a Commander of the Order of the Southern Cross by the Brazilian government in 1998. He was previously a non-executive director of New India Investment Trust PLC.

Connections with Manager: None.

Shared directorships with other Directors: None.

Shareholding in Company: 179,350 Ordinary Shares.

All Directors are members of the Audit Committee and are considered independent of the Manager.

The Directors present their report and audited financial statements for the year ended 30th April 2020.

Management of the Company

The Manager and Company Secretary is JPMorgan Funds Limited ('JPMF'), a company authorised and regulated by the FCA. JPMF, an affiliate of JPMAM is employed under a contract which is subject to six months' notice of termination. If the Company wishes to terminate the contract on less than six months' notice, the balance of the six months' remuneration is payable by way of compensation.

JPMF is a wholly-owned subsidiary of JPMorgan Chase Bank which, through other subsidiaries, also provides marketing, banking, dealing and custodian services to the Company.

The Board conducts a formal evaluation of the Manager on an annual basis. The evaluation includes consideration of the investment strategy and process of the Manager, performance against the benchmark over the long term and the support that the Company receives from the Manager. As a result of the evaluation process, the Board is of the opinion that the continuing appointment of the Manager is in the interests of the shareholders.

The Alternative Investment Fund Managers Directive ('AIFMD')

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

JPMF has delegated responsibility for the day to day management of the Company's portfolio to JPMAM. The Company has appointed The Bank of New York Mellon (International) Limited ('BNY') as its depositary. BNY has appointed JPMorgan Chase Bank, N.A. as the Company's custodian. BNY is responsible for the oversight of the custody 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.jpmbrazil.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.

JPMF's remuneration disclosures are set out on page 65.

Management Fee

Under the terms of the Management Agreement, the management fee is charged at the rate of 1.0% per annum of the Company's total assets less current liabilities. The fee is calculated and paid monthly in arrears. Investments made by the Company in investment funds on which the Manager or a member of its group earns a fee are excluded from the calculation and therefore attract no management fee.

The Manager has agreed to reduce management fees to cap the Company's Ongoing Charges ratio to 2% per annum up to the Voluntary Continuation Vote to be proposed at this year's (2020) AGM. Further details are given under Ongoing Charges on page 16.

Directors

All Directors served throughout the year and their details are included on page 20. Details of their beneficial shareholdings may be found in the Directors' Remuneration Report on page 32.

The Chairman will retire and the remaining two Directors will stand for reappointment at the forthcoming Annual General Meeting, having served on the Board for over nine years.

Director Indemnification and Insurance

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

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

Disclosure of information to the Auditor

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

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

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

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

Independent Auditor

Ernst & Young LLP have been the Company's auditor since incorporation in 2010. During the year, the Audit Committee undertook a full tender process in respect of external audit services in compliance with the Audit Regulations and Guidance effective from 2017.

A range of firms were approached to invite them to express their interest. Following this, a full tender process was undertaken.

Whilst the Audit Committee appreciated the quality of the proposals presented by all the tendering firms, it was decided that it is appropriate for Ernst & Young to continue as the auditor, taking into consideration their audit effectiveness, audit needs of the Company and the continuation vote.

It was therefore recommended to the Board that Ernst & Young LLP be re-appointed as the company's auditor for the financial year ending 30th April 2021.

Capital Structure and Voting Rights

Capital Structure
The Company's capital structure is summarised on the 'Features' page.

Voting Rights in the Company's shares
Details of the voting rights in the Company's shares as at the date of this report are given in note 17 to the Notice of Meeting on page 70.

Notifiable Interests in the Company's Voting Rights

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

Shareholders	Number of shares held	%
1607 Capital Partners	5,714,246	17.04
City of London Investment Management	4,346,537	12.97

Since the year end, 1607 Capital Partners has declared its updated notifiable interest of 5,449,027 (16.25%) voting rights and City of London Investment Management has declared its updated notifiable interest of 5,031,848 (15.0%) voting rights. No other changes have been notified.

Miscellaneous Information
The rules concerning the appointment and replacement of Directors, amendment of the Articles of Association and powers to issue or buy back 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 known to the Company between holders of securities regarding their transfer; no agreements which the Company is party to that affect its control following a takeover bid; and no agreements between the Company and its directors concerning compensation for loss of office.

Listing Rule 9.8.4R

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

Annual General Meeting

The notice convening the Annual General Meeting of the Company to be held on 17th September 2020 is given on pages 68 to 70. The full text of the Resolutions is set out in the notice of meeting. Among the Resolutions being proposed are the following:

(i) Authority to allot relevant Securities (resolution 7)

The Directors will seek authority at the Annual General Meeting to issue new shares equivalent to 10% of the present issued share capital (excluding shares held in Treasury). This authority will remain in effect until the conclusion of the Annual General Meeting in 2021 unless renewed at an earlier general meeting. The full text of the resolution is set out in the Notice of Meeting on page 68.

The Directors intend to use this authority when they consider that it is in the best interests of shareholders to do so and to satisfy continuing demand for the Company's Ordinary shares. As such issues are only made at prices greater than the NAV, they are not dilutive. They increase the assets underlying each 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.

(ii) Disapplication of pre-emption rights (resolution 8)

Resolution 8 seeks authority to disapply statutory pre-emption rights on any issues of new shares (subject to the passing of resolution 7) or by way of sale of Treasury shares. This avoids the legal requirement to offer them *pro rata* to all shareholders. The full text of the resolution is set out in the Notice of Meeting on page 68.

(iii) Authority to repurchase the Company's shares (resolution 9)

The authority to repurchase up to 14.99% of the Company's issued share capital, granted by shareholders at the Annual General Meeting on 10th September 2019, will expire on 10th March 2021 unless renewed at the forthcoming AGM. The Directors consider that the renewal of the authority is in the interests of shareholders as a whole. A resolution will therefore be proposed at the Annual General Meeting that the Company be authorised to purchase in the market up to 14.99% of the Company's issued share capital (excluding shares held in Treasury) as at the date of the passing of this resolution using its distributable reserves.

The decision as to whether the Company repurchases any shares will be at the discretion of the Board and purchases will be made in the market and at prices below the prevailing net asset value per share. Under the rules of the London Stock Exchange, the maximum price that may be paid on a purchase by a company of its shares under a general authority is 105% of the average of the middle market quotations of the shares for the five business days immediately before the day on which the purchase is made. The minimum price that the Company will pay for a share will be one pence (the nominal value of each share). The Company will utilise the authority to purchase shares on an ad hoc basis by either a single purchase or a series of purchases as and when market conditions are appropriate.

The authority to purchase shares will expire on 9th March 2022 or when the whole of the 14.99% has been acquired, whichever is the earlier. The authority may be renewed by shareholders at any time at a general meeting.

(iv) Continuation Vote (resolution 10)

Resolution 10 proposes that the Company continues in existence as an investment trust until the next such continuation vote at the 2022 Annual General Meeting.

The Board has concluded that it is in the best interests of the Company and its shareholders as a whole that shareholders vote against resolution 10.

If this Continuation Vote is passed, the Board will propose the next continuation vote at the AGM in 2022, at which point shareholders will have a further opportunity to consider the future of the Company.

Recommendation

The Board has deliberated on the resolutions to be proposed at the AGM and has concluded that it is in the best interests of the Company and its shareholders as a whole that shareholders vote in favour of resolutions 1 to 9 and against resolution 10. The Directors, therefore recommend that shareholders vote in favour of resolutions 1 to 9 and against resolution 10.

Corporate Governance Statement

Compliance

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

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

Copies of the UK Code and the AIC Code may be found on the respective organisations' websites:

www.frc.org.uk and
www.theaic.co.uk

Directors' Duty to promote the success of the Company

The Directors are mindful of their duties to promote the success of the Company for the benefit of its shareholders, while also considering the interests of its wider stakeholders. Section 172 of the Companies Act 2006 requires that a Director must act in the way he/she considers, 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 acknowledges that engagement with key stakeholders assists the Board in meeting these obligations and has identified its key stakeholders below. The Company has no employees and therefore there were no employee stakeholder matters to consider.

The following outlines the Board's engagement with stakeholders in the year. More details are provided below.

Stakeholder Group	Engagement in the year and their material issues
Investors	Shareholders play an important role in monitoring and safeguarding the governance of the Company and have access to the Board via the Company Secretary throughout the year and are encouraged to attend the AGM. The Board considered the view of the major shareholders while forming their recommendation regarding the Company's continuation vote.
Suppliers	Key suppliers are required to report to the Board on a regular basis. The Company employs a collaborative approach and looks to build long term partnerships based on open terms of business and fair payment terms. The Board regularly reviews the services provided by the key third party suppliers.
Investee Companies	The Manager meets with the management of the companies in which the Company has a significant interest and reports on findings to the Board on a quarterly basis.
Regulators	The Board ensures compliance with the necessary rules and regulations relevant to the Company in order to build trust and reputation in the market.

Further, the Board ensures that it promotes the success of the Company by engaging an investment manager (the 'Manager'), and other specialist third party suppliers, with appropriate capability, performance records, resources and controls in place to deliver the services that the Company requires, with particular focus on investment performance. Their performance is monitored by the Board and its committees, who have oversight of the Company's operations. The principal supplier is the Manager, which is 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. Whilst strong long term investment performance is essential, the Board recognises that to provide an investment vehicle that is sustainable over the long term, both it and the Manager must have regard to ethical and environmental issues that impact society. Hence environmental, social and governance considerations are integrated into the Manager's investment process and will continue to evolve.

The Board has sought to engage with and understand the views of the Company's shareholders and other key stakeholders as it regards an understanding of their views as essential in being able to fulfil its duty.

The Directors confirm that they have considered their duty under Section 172 when making decisions during the financial year under review.

Key decisions and actions during the year which have required the Directors to have regard to applicable section 172 factors include:

- negotiating continuation of the interim management fee arrangement with JPMF to cap the fees thus ensuring the Ongoing Charges ratio does not exceed 2%;
- the auditor review and tender process carried out by the Audit Committee and the Board taking into consideration the position of the Company and what would be beneficial for the members;
- the recommendation that shareholders vote in favour of the renewal of the allotment and buyback authorities in respect of the current year; and
- the recommendation that shareholders vote against the Company's continuation at the 2020 AGM.

To ensure continuing engagement with shareholders, a number of shareholder meetings have been held over the last year with brokers and the investment management team in attendance.

In addition, the Directors have continued to hold the Manager to account on investment performance and undertaken a robust review of the principal and emerging risks faced by the Company.

Role of the Board

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

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

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

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

Board Composition

Board Composition and re-appointment
The Board consists of three non-executive Directors and all 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 20. As explained in the Chairman's Statement, the Chairman will retire and the remaining two Directors will stand for reappointment at the forthcoming Annual General Meeting. The skills and experience that the Directors bring to the Board, and hence why their contributions are important to the long term success of the Company, are summarised below.

Resolution 5 concerns the reappointment of Mark Bridgeman. He has recent and relevant business and investment expertise with a strong financial background. This has enabled him to identify and manage issues and risks relating to the Company and the financial statements in conjunction with the external service providers. Mark actively works with the Auditors to ensure a smooth year-end process and audit. He brings a wider understanding and breadth of knowledge to the Company across the investment industry. He also has experience of financial markets in his former role as Global Head of Research at Schroder plc. For details of his current directorships, please refer to page 20 of the Report.

Resolution 6 concerns the reappointment of Victor Bulmer-Thomas. He brings a wealth of relevant skills and experience in governance and leadership and deep understanding and knowledge of the Latin American economy. He has received honours from the governments of Brazil, Colombia and the UK. He also brings significant understanding of international business strategy and management to the Board. For details of his current directorships, please refer to page 20 of the Report.

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

A review of Board composition and balance is included as part of the annual performance evaluation of the Board, details of which may be found below. The Chairman of the Audit Committee leads the evaluation of the performance of the Chairman and is available to shareholders if they have concerns that cannot be resolved through discussion with the Chair.

Tenure

Directors are initially appointed until the following Annual General Meeting when, under the Company's Articles of Association, it is required that they be reappointed by shareholders. Thereafter, a Director's appointment runs for a term of three years. In the light of the performance evaluation carried out each year, the Board will decide whether it is appropriate for the Director to seek an additional term. A Director's continuing appointment is subject to re-election by shareholders on retirement by rotation in accordance with the Company's Articles of Association. The Company's Articles of Association require that Directors stand for re-election at least every three years.

Mr. Mark Bridgeman and Mr. Victor Bulmer-Thomas having now been members of the Board for over nine years, will seek annual re-election at every AGM for the rest of their term of office.

The Board does not believe that length of service in itself necessarily disqualifies a Director from seeking reappointment but, when making a recommendation, the Board will take into account the ongoing requirements of the UK Corporate Governance Code and the AIC Code, including the need to refresh the Board and its Committees. As part of the Board's succession planning, it will be considering the appointment of new directors over the next 12 months with a view to refreshing the entire Board over the next two years.

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

Meetings and Committees

The Board delegates certain responsibilities and functions to the Audit Committee. Details of membership of the Audit Committee is shown on page 29.

The table below details the number of formal Board and Audit Committee meetings attended by each Director during the year.

Director	Board	Audit Committee
Howard Myles	3*	2*
Mark Bridgeman	4	3
Victor Bulmer-Thomas	4	3

*The Chairman's absence from the meeting was due to illness.

As well as the formal meetings detailed above, the Board meets and communicates frequently by email or telephone to deal with day to day matters as they arise. During the year, the Board also had a separate meeting devoted to strategy and a private meeting to evaluate the Manager.

Training and Appraisal

On appointment, the Manager and Company Secretary provide all Directors with induction training. Thereafter regular briefings are provided on changes in 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.

The Board has agreed procedures for the formal evaluation of the Manager, its own performance and that of the Audit Committee and individual Directors. Questionnaires, drawn up by the Board, are completed by each Director. The responses are collated and then discussed at a private meeting of the Audit Committee. The evaluation of individual Directors is led by the Chairman, on the basis of the questionnaires, and the Audit Committee Chairman leads the evaluation of the Chairman's performance.

Board Committee

Audit Committee
The report of the Audit Committee is set out on pages 29 and 30.

Terms of Reference

The Audit Committee has written terms of reference which define clearly its responsibilities. Copies are available for inspection on request at the Company's registered office and at the Annual General Meeting.

Risk Management and Internal Control

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

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

Since investment management, custody of assets and all administrative services are provided to the Company by the Manager and its associates, the Company's system of risk management and internal control mainly comprises monitoring the services provided by the Manager and its associates, including the operating controls established by them, to ensure they meet the Company's business objectives. There is an ongoing process for identifying, evaluating and managing the significant risks faced by the Company (see Principal and Emerging Risks on pages 17 and 18). 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 Turnbull guidance. Given the foregoing, and in common with most investment trust companies, the Company does not have an internal audit function of its own. The Manager's internal audit department conducts regular and rigorous reviews of the various functions within its asset management business. Any significant findings that are relevant to the Company and/or the Manager's investment trust business are reported to the Board.

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

- **Financial Reporting**

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

- **Management and Depositary Agreements**

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

- **Management Systems**

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

- **Investment Strategy**

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

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

  - the Board, through the Audit Committee, reviews the terms of the management agreement and regular reports from the Manager's Compliance department;
  - the Board reviews the report on the risk management and internal controls and operations of the Manager as well as its custodian, JPMorgan Chase Bank, which is itself independently reviewed;
  - the Directors review every six months an independent report on the risk management and internal controls and the operations of the Manager; and
  - reviews quarterly reports from the Company's depositary.

By means of the procedures set out above, the Board confirms that it has reviewed the effectiveness of the Company's system of risk management and internal control for the year ended 30th April 2020, and that the systems have been in place during the year under review and up to the date of approval of this Annual Report and Accounts. Moreover, the controls accord with the Financial Reporting Council, Guidance on Risk Management, internal control and related Financial and Business Reporting, September 2014.

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

Going Concern

The Directors believe, having considered the Company's investment objectives, risk management policies, capital management policies and procedures, nature of the portfolio and expenditure projections, as well as the economic situation in the context of coronavirus COVID-19, that the Company has adequate resources, an appropriate financial structure and suitable management arrangements in place to continue in operational existence for the foreseeable future and, more specifically, that there are no material uncertainties pertaining to the Company that would prevent its ability to continue in such operational existence for at least 12 months from the date of the approving this Report. For these reasons, they consider there is reasonable evidence to adopt the going concern basis in preparing the financial statements.

As noted in the Chairman's Statement and the Long Term Viability Statement on page 18, the outcome of the continuation vote to be proposed at the AGM is uncertain. The nature of a continuation vote represents material uncertainty in the context of assessing the prospects of the Company beyond 30th April 2020 and casts significant doubt on the ability of the Company to continue preparing its financial statements on a going concern basis of accounting.

Also, as mentioned before, the Board has recommended that the shareholders vote against the continuation vote.

If at some point in the future the Directors conclude it is not appropriate to prepare the financial statements on a going concern basis of accounting then adjustments would be required to reclassify all assets as current, and a provision for further liabilities, including liquidation costs, would be made. In the Directors' opinion the impact of these adjustments on the financial statements is not expected to be significant.

Relations with Shareholders

The Board regularly monitors the shareholder profile of the Company. It aims to provide shareholders with a full understanding of the Company's activities and performance and reports formally to shareholders twice a year by way of the Annual Report and Accounts and the Half Year Report. This is supplemented by daily publication, through the London Stock Exchange, of the net asset value of the Company's shares. Shareholders may also visit the Company's website at www.jpmbrazil.co.uk, where the share price is updated every 15 minutes during trading hours.

All shareholders have the opportunity, and are encouraged, to COVID-19 pandemic legislation has made it necessary to amend arrangements for the Company's 2020 Annual General Meeting. Please see the Chairman's Statement for further details. During the year the Company's brokers, the investment managers, and the Manager hold regular discussions with larger shareholders and make the Board fully aware of their views. The Chairman and Directors make themselves available as and when required to support these meetings and to address shareholder queries. The Directors may be contacted through the Company Secretary whose details are shown on page 75 or via the 'Ask a Question' link on the Company's website.

The Company's Annual Report and Accounts is published in time to give shareholders at least 21 days' notice of the Annual General Meeting. Shareholders who cannot attend the meeting but wish to raise questions in advance of the meeting are encouraged to write to the Company Secretary at the address shown on page 75 or via the 'Ask a Question' link on the Company's website.

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

Corporate Governance and Voting Policy

The Company delegates responsibility for voting to JPMAM through the Manager. The following is a summary of JPMAM's policy statements on corporate governance, voting policy and social and environmental issues, which has been reviewed and noted by the Board. Details on social and environmental issues are included in the Strategic Report on page 16.

Corporate Governance

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

Proxy Voting

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

Stewardship/Engagement

JPMAM recognises its wider stewardship responsibilities to its clients as a major asset owner. To this end, we support the introduction of the FRC Stewardship Code, which sets out the responsibilities of institutional shareholders in respect of investee companies. Under the Code, managers should:

- *publicly disclose their policy on how they will discharge their stewardship responsibilities to their clients;*
- *disclose their policy on managing conflicts of interest;*
- *monitor their investee companies;*
- *establish clear guidelines on how they escalate engagement;*
- *be willing to act collectively with other investors where appropriate;*
- *have a clear policy on proxy voting and disclose their voting record; and*
- *report to clients.*

JPMAM endorses the Stewardship Code for its UK investments and supports the principles as best practice elsewhere. We believe that regular contact with the companies in which we invest is central to our investment process and we also recognise the importance of being an 'active' owner on behalf of our clients.

JPMAM's Voting Policy and Corporate Governance Guidelines are available on request from the Company Secretary or can be downloaded from JPMAM's website: http://www.jpmorganinvestmenttrusts.co.uk/governance, which also sets out its approach to the seven principles of the FRC Stewardship Code, its policy relating to conflicts of interest and its detailed voting record.

Audit Committee Report

The Audit Committee, chaired by Mark Bridgeman, and comprising all the independent Directors, meets at least twice each year to consider audit matters. The members of the Audit Committee consider that they have the requisite skills and experience to fulfil the responsibilities of the Committee.

The Committee reviews the actions and judgements of the Manager in relation to the Half Year and Annual Report & Financial Statements and the Company's compliance with the AIC Code.

Financial Statements and Significant Accounting Matters

During its review of the Company's financial statements for the year ended 30th April 2020, the Audit Committee considered the following significant issues, including those communicated by the Auditors during their reporting:

Significant issue	How the issue was addressed
Valuation, existence and ownership of investments	The valuation of investments is undertaken in accordance with the accounting policies, disclosed in note 1(b) to the accounts on page 49. Controls are in place to ensure valuations are appropriate and existence is verified through custodian reconciliations. The Board monitors significant movements in the underlying portfolio.
Recognition of investment income	The recognition of investment income is undertaken in accordance with accounting policy note 1(d) to the accounts on page 50. The Board reviews subjective elements of income such as special dividends and agrees their treatment is relevant.
Compliance with Sections 1158 and 1159	Approval for the Company as an investment trust under Sections 1158 and 1159 has been obtained and ongoing compliance with the eligibility criteria is monitored by the Board on a regular basis.
Material Uncertainty with regard to the outcome of the continuation vote	The Committee considered the impact on the financial statements of the Board's recommendation that shareholders vote against the continuation of the Company at the forthcoming AGM. The outcome of the continuation vote is by no means certain. This represents a material uncertainty which may cast significant doubt on the Company's future and its ability to continue as a going concern. Notwithstanding this, the Committee recommended to the Board that the financial statements continue to be prepared on a going concern basis. For further details, please refer to Note 1(a) on page 49.
Going Concern	The Committee considered the appropriateness of continuing to prepare the financial statements on a going concern basis. Notwithstanding the material uncertainty surrounding the outcome of the continuation vote, the Committee recommended to the Board that the financial statements continue to be prepared on a going concern basis. In arriving at its recommendation on the basis of preparation, the Committee considered the financial position of the Company, its cashflow and liquidity position as well as the continuation vote. If at some point in the future the Directors conclude it is not appropriate to prepare the financial statements on a going concern basis of accounting then adjustments would be required to reclassify all assets as current, and a provision for further liabilities, including liquidation costs, would be made. In the Directors' opinion the impact of these adjustments on the financial statements is not expected to be significant.
COVID-19	The Board has reviewed the risks arising from the impact of the COVID-19 pandemic. The pandemic has affected the value of the portfolio companies and has created uncertainty around levels of future revenue from dividends as well affecting the economic condition of Brazil. The Company's service providers have implemented business continuity plans to ensure their services remain as unaffected as possible.

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

The Committee assesses the Company's ability to continue as a going concern and makes recommendations to the Board. The Audit Committee recommends the Board to approve the going concern concept for preparation of the accounts. The Directors' statement on Going Concern is set out on page 27.

The Committee reviews the terms of the management agreement and examines the effectiveness of the Company's risk management and internal control systems, receives information from the Manager's Compliance department and 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 external Auditor. In the Directors' opinion the Auditors are independent. The Committee also has a primary responsibility for making recommendations to the Board on the reappointment and removal of external Auditors. Representatives of the Company's Auditors attend the

Committee meeting at which the draft annual report and accounts are considered. The Committee is satisfied that no prohibited non-audit services are provided by the external auditors.

The Directors' statement on the Company's system of risk management and internal control is set out on pages 26 and 27.

The current auditor firm Ernst & Young LLP ('E&Y') has audited the Company's financial statements for over 10 years, since the incorporation of the Company. As required by the audit legislation and FRC guidance on best practise, the Committee undertook a tender process for the Company's audit during the year. The Committee reviewed the tender submissions from a few audit firms, and, following detailed consideration, recommended to the Board that E&Y be re-appointed as auditors on the basis of the breadth of experience demonstrated of the investment trust sector, and the resources and strength of their audit team. The Board supported the recommendation which will be put to shareholders at the forthcoming Annual General Meeting.

The Committee fulfils the role of a Nomination Committee and meets at least once a year to ensure that the Board has an appropriate balance of skills to carry out its fiduciary duties and to select and propose suitable candidates when necessary for appointment. A variety of sources, including external search consultants, may be used to ensure that a wide range of candidates is considered. The Board's policy on diversity, including gender, is to take account of the benefits of these during the appointment process. However, the Board remains committed to appointing the most appropriate candidate, regardless of gender or other forms of diversity. Therefore, no targets have been set against which to report.

The Committee undertakes an annual performance evaluation to ensure that all its members have devoted sufficient time and contributed adequately to the work of the Board. In the light of these evaluations, the Committee makes recommendations to the Board concerning the reappointment by shareholders of any Director under the 'retirement by rotation' provisions in the Company's Articles of Association. The Committee also reviews Directors' fees and makes recommendations to the Board as and when required in relation to remuneration policy.

On an annual basis each Director submits a list of potential conflicts of interest for consideration. These are considered carefully, taking into account the circumstances surrounding them and, if considered appropriate, are approved for a period of one year.

Fair, Balanced and Understandable

As a result of the work performed, the Committee has concluded that the Annual Report for the year ended 30th April 2020, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's position and performance, business model and strategy, and has reported on these findings to the Board. The Board's conclusions in this respect are set out in the Statement of Directors' Responsibilities on page 35.

By order of the Board
Priyanka Vijay Anand
for and on behalf of
JPMorgan Funds Limited
Secretary

29th July 2020

Directors’ Remuneration Report

The Board presents the Directors' Remuneration Report for the year ended 30th April 2020, 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 in this report. Where disclosures have been audited they are indicated as such. The auditor's opinion is included in their report on page 37.

As all of the Directors are non-executive, the Board has not established a Remuneration Committee. Instead, the Audit Committee reviews Directors' fees on a regular basis and makes recommendations to the Board as and when appropriate.

Directors' Remuneration Policy

The Directors' Remuneration Policy is subject to a triennial binding vote, however, a decision has been taken to seek approval annually and therefore an ordinary resolution to approve this policy will be put to shareholders at the forthcoming Annual General Meeting. The policy subject to the vote is set out in full below and is currently in force.

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

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

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

In the year under review, Directors' fees were paid at the following annual rates: Chairman £34,000; Chairman of the Audit Committee £28,000; and other Director £25,000.

The Directors' fees will remain unchanged for the year ending 30th April 2021.

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

The Company has not sought shareholder views on its remuneration policy. The Audit Committee in its role of considering remuneration matters, considers any comments received from shareholders on remuneration policy on an ongoing basis and takes account of those views.

The terms and conditions of Directors' appointments are set out in formal letters of appointment which are available for review at the Company's Annual General Meeting and the Company's registered office. Details of the Board's policy on tenure are set out on page 25.

Directors' Remuneration Policy Implementation

The Directors' Remuneration Report, which includes details of the Directors' remuneration policy and its implementation, is subject to an annual advisory vote and therefore an ordinary resolution to approve this report will be put to shareholders at the forthcoming Annual General Meeting. There have been no changes to the policy compared with the year ended 30th April 2019 and no changes are proposed for the year ending 30th April 2021.

At the Annual General Meeting held on 10th September 2019, of votes cast, 98.98% of votes cast were in favour of (or granted discretion to the Chairman who voted in favour of) both the remuneration policy and the remuneration report and 1.02% voted against. Abstentions were received from less than 0.01% of the votes cast.

Details of voting on both the Remuneration Policy and the Directors' Remuneration Report from the 2020 Annual General Meeting will be given in the annual report for the year ending 30th April 2021.

Details of the implementation of the Company's remuneration policy are given below. No advice from remuneration consultants was received during the year under review.

Single total figure of remuneration

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

Single total figure table[1]

	2020			2019		
	Fees	Taxable expenses[2]	Total	Fees	Taxable expenses[2]	Total
Directors' Name	£	£	£	£	£	£
Howard Myles	34,000	1,165	35,165	34,000	370	34,370
Mark Bridgeman	28,000	–	28,000	28,000	1,212	29,212
Victor Bulmer-Thomas	25,000	–	25,000	25,000	–	25,000
Total	87,000	1,165	88,165	87,000	1,582	88,582

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

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

A table showing the total remuneration for the Chairman since launch to 30th April 2020 is below:

Remuneration for the Chairman over the period from the date of appointment on 24th February 2010 to 30th April 2020

Year ended 30th April	Fees
2020	£34,000
2019	£34,000
2018	£30,000
2017	£30,000
2016	£30,000
2015	£30,000
2014	£30,000
2013	£25,000
2012	£25,000
2011	£29,455

Directors' Shareholdings[1]

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

Directors' Name	30th April 2020	30th April 2019
Howard Myles	–	–
Mark Bridgeman	21,007	21,007
Victor Bulmer-Thomas	179,350	179,350
Total	200,357	200,357

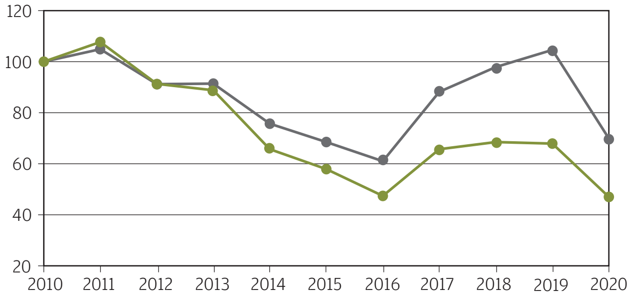
[1] Audited information.

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

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

A graph showing the Company's share price return compared with its benchmark index since the date the Company began investing is shown below.

Ten year share price and benchmark total return to 30th April 2020



Source: Morningstar/J.P. Morgan.
Share price total return.
Benchmark total return.

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

Expenditure by the Company on remuneration and distributions to shareholders

	Year ended 30th April 2020	2019
Remuneration, including taxable expenses, paid to all Directors (including repayment of expenses)	88,165	88,582
Distribution to shareholders		
– by way of dividends paid	268,000	268,000
– by way of share repurchase	–	–

For and on behalf of the Board
Victor Bulmer-Thomas
Director

29th July 2020

Statement of Directors' Responsibilities

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

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

- select suitable accounting policies and then apply them consistently;
- make judgments 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 adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements 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.jpmbrazil.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 Strategic Report, a Directors' Report and a Directors' Remuneration Report that comply with that law. The Strategic Report and the Directors' report include a fair review of the development and performance of the business and the position of the issuer, together with a description of the principal risks and uncertainties that they face.

Each of the Directors, whose names and functions are listed on page 20 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. The Board confirms that it is satisfied that the annual report and accounts 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.

For and on behalf of the Board
Victor Bulmer-Thomas
Director

29th July 2020

Independent Auditor’s Report

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF JPMORGAN BRAZIL INVESTMENT TRUST PLC

Opinion

We have audited the financial statements of JPMorgan Brazil Investment Trust plc (the 'Company') for the year ended 30th April 2020 which comprise of the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows, and the related notes 1 to 22, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the Company's affairs as at 30th April 2020 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 below. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty related to going concern

We draw attention to note 1(a) in the financial statements which indicates that the Company will hold a vote on continuance at the September 2020 AGM. As stated in note 1(a) these events indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

We describe below how our audit responded to the risk relating to going concern:

- We reviewed the minutes from the Brokers' discussions with certain shareholders about their current intentions in relation to the Continuation Vote and assessed the Directors' analysis of the responses the Broker received.
- We discussed with the Directors and considered whether any other events or conditions, apart from the continuation vote discussed in note 1(a), exist that, individually or collectively, may cast significant doubt on the entity's ability to continue as a going concern and concluded that no such circumstances exist.
- We reviewed whether the Annual Financial Report transparently presented the associated risks of the upcoming continuation vote.

We draw attention to the Viability Statement in the Annual Report on page 18 which indicates that an assumption to the statement of viability is in respect of going concern in light of the material uncertainty arising from the forthcoming continuation vote to be held at the September AGM.

Conclusions relating to principal risks, going concern and viability statement

Aside from the impact of the continuation vote disclosed in the material uncertainty related to going concern section, we have nothing to report in respect of the following information in the annual report, in relation to which the ISAs (UK) require us to report to you whether we have anything material to add or draw attention to:

- the disclosures in the annual report set out on pages 17 and 18 that describe the principal risks and explain how they are being managed or mitigated;
- the directors' confirmation set out on page 17 in the annual report that they have carried out a robust assessment of the emerging and principal risks facing the entity, including those that would threaten its business model, future performance, solvency or liquidity;

- the directors' statement set out on page 49 in the financial statements about whether they considered it appropriate to adopt the going concern basis of accounting in preparing them, and their identification of any material uncertainties to the entity's ability to continue to do so over a period of at least 12 months from the date of approval of the financial statements;
- whether the directors' statement in relation to going concern required under the Listing Rules in accordance with Listing Rule 9.8.6R(3) is materially inconsistent with our knowledge obtained in the audit; or
- the directors' explanation set out on page 18 in the annual report as to how they have assessed the prospects of the entity, over what period they have done so and why they consider that period to be appropriate, and their statement as to whether they have a reasonable expectation that the entity will be able to continue in operation and meet its liabilities as they fall due over the period of their assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions.

Overview of our audit approach

Key audit matters	• Risk of incomplete and/or inaccurate revenue recognition, including classification of special dividends as revenue or capital items in the Statement of Comprehensive Income. • Risk of inappropriate valuation and/or defective title to the investment portfolio. • Impact of COVID-19 on the operations of the Company.
Materiality	• Overall materiality of £0.18 million which represents 1% of shareholders' funds (2019: £0.26 million).

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. These matters included 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 our opinion thereon, and we do not provide a separate opinion on these matters.

Risk	Our response to the risk	Key observations communicated to the Audit Committee
Incomplete and/or inaccurate revenue recognition, including classification of special dividends as revenue or capital items in the Statement of Comprehensive Income (as described on page 29 in the Audit Committee's Report and as per the accounting policy set out on page 50). The total revenue for the year to 30th April 2020 was £0.64 million (2019: £0.89 million), consisting primarily of dividend income from listed investments. The total amount of special dividends received by the Company was £0.01 million all were classified as revenue. The income receivable by the Company during the year directly affects the Company's revenue return. There is a risk of incomplete and/or inaccurate recognition of revenue through the failure to recognise proper income entitlements or applying appropriate accounting treatment.	**We have performed the following procedures:** We obtained an understanding of the Manager and Administrator's processes and controls surrounding revenue recognition and the recognition and classification of special dividends by reviewing their audited controls reports and by performing walkthrough procedures to, in the case of special dividends, evaluate the design and implementation of controls. We agreed 100% of dividends received from the income report to an independent data vendor. We recalculated the dividend income by multiplying the investment holdings at the ex-dividend date, traced from the accounting records, by the dividend per share as agreed to an external source. We agreed a sample to bank statements and, where applicable, we also agreed the exchange rates to an external source.	**The results of our procedures are:** Based on our testing we are satisfied that income is complete and, in the case of the one material special dividend, appropriately recognised as revenue.

Risk	Our response to the risk	Key observations communicated to the Audit Committee
In addition to the above, the directors are required to exercise judgement in determining whether income receivable in the form of special dividends should be classified as 'revenue' or 'capital'.	To test completeness of recorded income, we confirmed that all expected dividends for each investee company had been recorded as income with reference to investee company announcements obtained from an independent data vendor. For all dividends accrued at the year end, we reviewed the investee company announcements to assess whether the obligation arose prior to 30th April 2020. We agreed the dividend rate to corresponding announcements made by the investee company and recalculated the dividend amount receivable. Recognising that a number of companies have responded to the COVID-19 pandemic by cancelling their dividend payments, for all accrued dividends received subsequent to the year end, amounting to £0.01 million being 12.9% of total accrued dividend income, we traced the cash receipts to post year end bank statements to ensure that the accrued dividends had subsequently been received. We performed a review of the income and the acquisition and disposal reports to identify all dividends received and accrued during the period that are above our testing threshold. We identified which of the dividends above our testing threshold were special dividends with reference to an external source. There was one special dividend above our testing threshold. We recalculated and assessed the appropriateness of classification of the special dividend which was above our testing threshold and agreed with the allocation to revenue.	

Risk	Our response to the risk	Key observations communicated to the Audit Committee
Inappropriate valuation and/or defective title of the investment portfolio (as described on page 29 in the Audit Committee's Report and as per the accounting policy set out on page 49). The valuation of the portfolio at 30th April 2020 was £17.53 million (2019: £25.69 million) consisting of listed investments (equity, Brazilian Depositary Receipts (BDR) and American Depositary Receipts (ADRs)). The valuation of the assets held in the investment portfolio is the key driver of the Company's net asset value and total return. Inappropriate investment pricing, or a failure to maintain proper legal title of the investments held by the Company could have a significant impact on the portfolio valuation and the return generated for shareholders. The fair value of listed investments is determined by reference to stock exchange quoted market bid prices at close of business on the reporting date.	**We performed the following procedures:** We obtained an understanding of the Administrator's processes surrounding investment pricing of listed securities by reviewing their audited controls report and by performing walkthrough procedures. For all investments in the portfolio, we compared the market prices and exchange rates applied to an independent pricing vendor and recalculated the investment valuations as at the year-end. We assessed the liquidity of the investment portfolio through analysing the monthly average trading volume of the investments. We also reviewed the year end price exception and stale pricing reports to identify any prices that have not changed since the previous day and tested whether the listed price is a valid fair value. We agreed the Company's investments to the independent confirmation received from the Company's Custodian and Depositary at 30th April 2020.	**The results of our procedures are:** Based on our testing we are satisfied that the investment portfolio has been appropriately valued and that the existence has been confirmed.
Impact of COVID-19 on the operations of the Company (as described on page 18 in the Strategic Report, page 29 in the Audit Committee's Report and as per the accounting policy set out on page 49) The recent outbreak of a novel and highly contagious form of coronavirus ('COVID-19'), which the World Health Organization has declared to constitute a pandemic, has adversely impacted global commercial activity and contributed to significant declines in global equity and debt markets. It is uncertain how long this volatility will continue. As COVID-19 continues to spread, the potential impact, including a global, regional or other economic recession, is increasingly uncertain and difficult to assess.	**We performed the following procedures:** • We discussed with the Directors whether they had assessed the impact caused by COVID-19 and reviewed the assessment that they had prepared challenging the assumptions and judgements that have been made. We reviewed that the assessment and outcome was disclosed in the financial statements of the Company. • As referred to in the valuation risk we have performed procedures over the liquidity risk of the investment portfolio.	**The results of our procedures are:** Based on the procedures performed, we are satisfied that the Directors have appropriately considered the impact of COVID-19 and that adequate disclosures have been presented in the financial statements of the Company.

Risk	Our response to the risk	Key observations communicated to the Audit Committee
The outbreak and the resulting financial and economic market uncertainty described above could have a significant adverse impact on the operations and financial outlook of the Company through an adverse impact on the service providers the company relies on for its operations, reduced liquidity in its investment portfolio and reduced or cancelled dividend payments.	• We confirmed through discussion with the Company Secretary and the Directors that they are in close contact with key service providers and that Business Continuity Plans are in place with no significant deterioration of service being experienced. • As referred to in the revenue recognition risk above we have performed additional procedures on outstanding dividends at 30th April 2020.	

We re-assessed the risks determined at the planning stage of the audit and, due to the uncertainty in global markets caused by the COVID-19 pandemic, we revised our risk assessment to include the Key Audit Matter 'Impact of COVID-19 on the operations of the Company'.

An overview of the scope of our audit

Tailoring the scope

Our assessment of audit risk, our evaluation of materiality and our allocation of performance materiality determine our audit scope for the Company. This enables us to form an opinion on the financial statements. We take into account size, risk profile, the organisation of the Company and effectiveness of controls, including controls and changes in the business environment when assessing the level of work to be performed.

Our application of materiality

We apply the concept of materiality in planning and performing the audit, in evaluating the effect of identified misstatements on the audit and in forming our audit opinion.

Materiality

The magnitude of an omission or misstatement that, individually or in the aggregate, could reasonably be expected to influence the economic decisions of the users of the financial statements. Materiality provides a basis for determining the nature and extent of our audit procedures.

We determined materiality for the Company to be £0.18 million which is 1% of shareholders' funds. We believe that shareholders' funds provides us with materiality aligned to the key measurement of the Company's performance.

Performance materiality

The application of materiality at the individual account or balance level. It is set at an amount to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality.

On the basis of our risk assessments, together with our assessment of the Company's overall control environment, our judgement was that performance materiality was 75% (2019: 75%) of our planning materiality, namely £0.14 million (2019: £0.20 million).

Given the importance of the distinction between revenue and capital for the Company we also applied a separate testing threshold for the revenue column of the Statement of Comprehensive Income of £0.01 million (2019: £0.02 million) being the greater of 5% of revenue profit before tax and our reporting threshold.

Reporting threshold

An amount below which identified misstatements are considered as being clearly trivial.

We agreed with the Audit Committee that we would report to them all uncorrected audit differences in excess of £0.01 million (2019: £0.01 million), which is set at 5% of planning materiality, as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds.

We evaluate any uncorrected misstatements against both the quantitative measures of materiality discussed above and in light of other relevant qualitative considerations in forming our opinion.

Other information

The other information comprises the information included in the annual report set out on pages 1 to 35 and 64 to 75, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

In this context, we also have nothing to report in regard to our responsibility to specifically address the following items in the other information and to report as uncorrected material misstatements of the other information where we conclude that those items meet the following conditions:

- **Fair, balanced and understandable set out on page 35** – the statement given by the directors that they consider the annual report and financial statements taken as a whole is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's performance, business model and strategy, is materially inconsistent with our knowledge obtained in the audit; or
- **Audit committee reporting set out on page 29** – the section describing the work of the audit committee does not appropriately address matters communicated by us to the audit committee; or
- **Directors' statement of compliance with the UK Corporate Governance Code set out on page 23** – the parts of the directors' statement required under the Listing Rules relating to the Company's compliance with the UK Corporate Governance Code containing provisions specified for review by the auditor in accordance with Listing Rule 9.8.10R(2) do not properly disclose a departure from a relevant provision of the UK Corporate Governance Code.

Opinions on other matters prescribed by the Companies Act 2006

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

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

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and directors' reports have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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 directors' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements and the part of the Directors' Remuneration Report to be audited are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 35, 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.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit, in respect to fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses; and to respond appropriately to fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Company and determined that the most significant are FRS 102, the Companies Act 2006, the Listing Rules, the UK Corporate Governance Code and Section 1158 of the Corporation Tax Act 2010.
- We understood how the Company is complying with those frameworks through discussions with the Audit Committee and Company Secretary and review of the Company's documented policies and procedures.
- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur by considering the key risks impacting the financial statements. We identified a fraud risk with respect to the incomplete and/or inaccurate revenue recognition including classification of special dividends as revenue or capital in the Statement of Comprehensive Income. Further discussion of our approach is set out in the section on key audit matters above.

- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved review of the reporting to the directors with respect to the application of the documented policies and procedures and review of the financial statements to ensure compliance with the reporting requirements of the Company.

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

Other matters we are required to address

- We were appointed as auditors by the Board of Directors to audit the financial statements of the Company for the period ending 30th April 2011 and subsequent financial periods. Our appointment was ratified at the AGM on 2nd August 2011. Our total uninterrupted period of engagement is 10 years, covering the period from our appointment through to the period ending 30th April 2020.
- 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 the audit.
- The 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.

Caroline Mercer (Senior Statutory Auditor)
for and on behalf of
Ernst & Young LLP, Statutory Auditor
Edinburgh

29th July 2020

Notes:

1. The maintenance and integrity of the JPMorgan Brazil Investment Trust plc web site is the responsibility of the directors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the web site.
2. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Financial Statements

FOR THE YEAR ENDED 30TH APRIL 2020

	Notes	2020 Revenue £'000	2020 Capital £'000	2020 Total £'000	2019 Revenue £'000	2019 Capital £'000	2019 Total £'000
(Losses)/gains on investments held at fair value through profit or loss	3	–	(8,165)	(8,165)	–	495	495
Net foreign currency gains/(losses)		–	55	55	–	(40)	(40)
Income from investments	4	633	–	633	883	–	883
Interest receivable and similar income	4	11	–	11	6	–	6
Gross return/(loss)		**644**	**(8,110)**	**(7,466)**	**889**	**455**	**1,344**
Management fee	5	(254)	–	(254)	(155)	–	(155)
Other administrative expenses	6	(297)	–	(297)	(331)	–	(331)
Net return/(loss) before taxation		**93**	**(8,110)**	**(8,017)**	**403**	**455**	**858**
Taxation	7	(50)	–	(50)	(70)	–	(70)
Net return/(loss) after taxation		**43**	**(8,110)**	**(8,067)**	**333**	**455**	**788**
Return/(loss) per share	8	**0.13p**	**(24.19)p**	**(24.06)p**	**0.99p**	**1.36p**	**2.35p**

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

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

The notes on pages 49 to 63 form an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30TH APRIL 2020

	Called up share capital £'000	Share premium £'000	Capital redemption reserve £'000	Other reserve[1] £'000	Capital reserves £'000	Revenue reserve[1] £'000	Total £'000
At 30th April 2018	617	16,149	13	26,482	(18,586)	975	25,650
Net return	–	–	–	–	455	333	788
Dividend paid in the year (note 9)	–	–	–	–	–	(268)	(268)
At 30th April 2019	617	16,149	13	26,482	(18,131)	1,040	26,170
Net (loss)/return	–	–	–	–	(8,110)	43	(8,067)
Dividend paid in the year (note 9)	–	–	–	–	–	(268)	(268)
At 30th April 2020	617	16,149	13	26,482	(26,241)	815	17,835

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

AT 30TH APRIL 2020

	Notes	2020 £'000	2019 £'000
Fixed assets			
Investments held at fair value through profit or loss	10	**17,530**	**25,686**
Current assets	11		
Derivative financial assets		1	–
Debtors		244	249
Cash and cash equivalents		164	346
		409	595
Current liabilities	12		
Creditors: amounts falling due within one year			
Creditors		(103)	(111)
Derivative financial liabilities		(1)	–
Net current assets		**305**	**484**
Total assets less current liabilities		**17,835**	**26,170**
Net assets		**17,835**	**26,170**
Capital and reserves			
Called up share capital	13	617	617
Share premium	14	16,149	16,149
Capital redemption reserve	14	13	13
Other reserve	14	26,482	26,482
Capital reserves	14	(26,241)	(18,131)
Revenue reserve	14	815	1,040
Shareholders' funds		**17,835**	**26,170**
Net asset value per share	15	**53.2p**	**78.1p**

The financial statements on pages 46 to 63 were approved by the Directors and authorised for issue on 29th July 2020 and are signed on their behalf by:

Victor Bulmer-Thomas
Director

The notes on pages 49 to 63 form an integral part of these financial statements.

Company registration number: 7141630.

FOR THE YEAR ENDED 30TH APRIL 2020

	Notes	2020 £'000	2019 £'000
Net cash outflow from operations before dividends and interest[1]	16	(464)	(542)
Dividends received		642	749
Interest received		11	6
Net cash inflow from operating activities		**188**	**213**
Purchases of investments		(9,474)	(10,421)
Sales of investments		9,372	10,525
Settlement of foreign currency contracts		5	(15)
Net cash (outflow)/inflow from investing activities		**(97)**	**89**
Dividend paid		(268)	(268)
Net cash outflow from financing activities		**(268)**	**(268)**
(Decrease)/increase in cash and cash equivalents		**(176)**	**34**
Cash and cash equivalents at start of year		346	316
Unrealised losses on foreign currency cash and cash equivalents[1]		(6)	(4)
Cash and cash equivalents at end of year		164	346
(Decrease)/increase in cash and cash equivalents		**(176)**	**34**
Cash and cash equivalents consist of:			
Cash and short term deposits		77	64
Cash held in JPMorgan US Dollar Liquidity Fund		87	282
Total		**164**	**346**

[1] The unrealised exchange losses on the JPMorgan US Dollar Liquidity Fund in the comparative column has been moved from the initial 'Net cash outflow from operations' total to be disclosed separately as the 'unrealised losses on foreign currency cash and cash equivalents.

The notes on pages 49 to 63 form an integral part of these financial statements.

RECONCILIATION OF NET CASH

	As at 30th April 2019 £'000	Cash flows £'000	Other non-cash charges £'000	As at 30th April 2020 £'000
Cash and cash equivalents				
Cash	64	14	(1)	77
Cash equivalents	282	(190)	(5)	87
Total	**346**	**(176)**	**(6)**	**164**

FOR THE YEAR ENDED 30TH APRIL 2020

1. Accounting policies

(a) Basis of accounting

The financial statements are prepared under historical cost convention, modified to include fixed asset investments at fair value, and in accordance with the Companies Act 2006, United Kingdom Generally Accepted Accounting Practice ('UK GAAP'), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and with the Statement of Recommended Practice 'Financial Statements of Investment Trust Companies and Venture Capital Trusts' (the 'SORP') issued by the Association of Investment Companies in October 2019.

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

The financial statements have been prepared on a going concern basis. In forming this opinion, the directors have considered any potential impact of COVID-19 pandemic on the going concern and viability of the Company. They have considered the potential impact of COVID-19 and the mitigation measures which key service providers, including the Manager, have in place to maintain operational resilience particularly in light of COVID-19. The Directors have reviewed income and expense projections and the liquidity of the investment portfolio in making their assessment.

At the 2020 AGM, a resolution in connection with the continuation of the Company will be put to shareholders. The Board will recommend that shareholders vote against the continuation of the Company. If the continuation resolution is not passed, the Board will be required to put forward to shareholders plans to wind-up, reorganise or reconstruct the Company. As the determination of the vote will not be decided until after the vote has taken place at the AGM, there is therefore a material uncertainty over the outcome of the continuation vote that may cast significant doubt on the Company's ability to continue as a going concern. The financial statements will continue to be prepared on a going concern basis, but with a material uncertainty in relation to going concern.

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

(b) Valuation of investments

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

The Company's business is investing in financial assets with a view to profiting from their total return in the form of income and capital growth. The portfolio of financial assets is managed and its performance evaluated on a fair value basis, in accordance with a documented investment strategy and information is provided internally on that basis to the Company's Board of Directors. Accordingly, upon initial recognition the investments are classified by the Company as 'held at fair value through profit or loss'. They are included initially at fair value which is taken to be their cost, excluding expenses incidental to purchase which are written off to capital at the time of acquisition. Subsequently the investments are valued at fair value, which are quoted bid prices for investments traded in active markets. For investments which are not traded in active markets, unlisted and restricted investments, the Board takes into account the latest traded prices, other observable market data and asset values based on the latest management accounts.

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

(c) Accounting for reserves

Gains and losses on sales of investments including the related foreign exchange gains and losses, realised gains and losses on foreign currency cash balances and loans, realised gains and losses on foreign currency contracts, and any other capital charges, are included in the Statement of Comprehensive Income and dealt with in capital reserves within 'Gains and losses on sales of investments'.

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

1. Accounting policies *continued*

(d) Income

Dividends receivable 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.

Deposit and liquidity fund 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 the revenue with the following exceptions:

Expenses incidental to the purchase of an investment are charged to capital and those incidental to the sale are deducted from the sale proceeds and then recognised in capital alongside the realised gain or loss on the investment. These expenses are commonly referred to as transaction costs and comprise brokerage commission and stamp duty. Details of transaction costs are given in note 10 on page 55.

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

(f) Financial instruments

Cash and cash equivalents may comprise cash including demand deposits which are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value. Liquidity funds are considered cash equivalents as they are held for cash management purposes as an alternative to cash. For the purpose of the Statement of Cash Flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

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

Derivative financial instruments, including short term forward currency contracts are classified as 'held for trading' and are valued at fair value, which is the net unrealised gain or loss, and are included in current assets or current liabilities in the Statement of Financial Position. Changes in the fair value of derivative financial instruments are recognised in the Statement of Comprehensive Income as capital.

(g) Taxation

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

Deferred tax is provided on all timing differences that have originated but not reversed by the year-end 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 year-end date and is measured on an undiscounted basis.

(h) Value Added Tax ('VAT')

Irrecoverable VAT is included in the expense on which it has been suffered. Recoverable VAT is calculated using the partial exemption method based on the proportion of zero rated supplies to total supplies.

(i) Foreign currency

The Company is required to identify its functional currency, being the currency of the primary economic environment in which the Company operates.

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

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

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

(j) Dividends payable

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

(k) Share issue costs

The costs of issuing shares are charged against any premium received on those shares.

(l) Repurchase of shares to hold in Treasury

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

Should shares held in Treasury be reissued, the sales proceeds up to the amount of the purchase price of those shares will be transferred to capital reserves. The excess of the sales proceeds over the purchase price will be transferred to share premium.

2. Significant accounting judgements, estimates and assumptions

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

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

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

	2020 £'000	2019 £'000
Realised (losses)/gains on sales of investments	(732)	933
Net change in unrealised gains and losses on investments	(7,428)	(426)
Other capital charges	(5)	(12)
Total capital (losses)/gains on investments held at fair value through profit or loss	**(8,165)**	**495**

4. Income

	2020 £'000	2019 £'000
Income from investments		
Overseas dividends	633	883
	633	883
Interest receivable and similar income		
Deposit interest	–	1
Interest from liquidity fund	11	5
	11	6
Total income	644	889

5. Management fee

		2020			2019	
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Management fee	254	–	254	155	–	155

Details of the management fee are given in the Directors' Report on page 21.

As discussed in the Business review on page 16 the management fee charged has been reduced to the extent necessary to ensure the Company's Ongoing Charges ratio does not exceed 2%. The management fee was reduced by £26,000 (2019: £72,000). Please refer to the Glossary and APMs on page 72 for the Ongoing Charges calculation.

6. Other administrative expenses

	2020 £'000	2019 £'000
Administration expenses	161	178
Directors' remuneration[1]	87	89
Auditors' remuneration for audit services[2]	35	28
Savings scheme costs[3]	6	28
Depositary fees	8	8
	297	331

[1] Full disclosure is given in the Directors' Remuneration Report on pages 32 and 33.

[2] Fees payable to the Company's auditor for the audit of the Company's annual accounts. No non-audit services were provided during the year (2019: nil).

[3] These amounts were payable to the Manager for the administration of savings scheme products.

All expenses, except Directors' remuneration, are inclusive of VAT.

7. Taxation

(a) Analysis of tax charge for the year

	2020 Revenue £'000	2020 Capital £'000	2020 Total £'000	2019 Revenue £'000	2019 Capital £'000	2019 Total £'000
Overseas withholding tax	50	–	50	70	–	70
Current tax charge for the year	**50**	**–**	**50**	**70**	**–**	**70**

Certain components of dividend distributions paid by Brazilian companies are subject to withholding tax.

(b) Factors affecting total tax charge for the year

The tax charge for the year is higher (2019: lower) than the Company's applicable rate of corporation tax of 19.0% (2019: 19.0%).

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

	2020 Revenue £'000	2020 Capital £'000	2020 Total £'000	2019 Revenue £'000	2019 Capital £'000	2019 Total £'000
Net return/(loss) before taxation	93	(8,110)	(8,107)	403	455	858
Net return/(loss) before taxation multiplied by the applicable rate of corporation tax of 19.0% (2019: 19.0%)	18	(1,541)	(1,523)	77	86	163
Effects of:						
Non taxable capital losses/(gains)	–	1,541	1,541	–	(86)	(86)
Non taxable overseas dividends	(33)	–	(33)	(117)	–	(117)
Unutilised expenses carried forward to future periods	26	–	26	48	–	48
Overseas withholding tax	50	–	50	70	–	70
Double taxation relief expensed	(11)	–	(11)	(8)	–	(8)
Total tax charge for the year	**50**	**–**	**50**	**70**	**–**	**70**

(c) Deferred taxation

The Company has an unrecognised deferred tax asset of £573,000 (2019: £491,000) based on unutilised expenses of £3,017,000 (2019: £2,891,000) and on a prospective corporation tax rate of 19% (2019: 17%). The deferred tax asset has arisen due to the cumulative excess of deductible expenses over taxable income. Given the composition of the Company's portfolio, it is not likely that this asset will be utilised in the foreseeable future and therefore no asset has been recognised in the financial statements.

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

8. Return/(loss) per share

	2020 £'000	2019 £'000
Revenue return	43	333
Capital (loss)/return	(8,110)	455
Total (loss)/return	**(8,067)**	**788**
Weighted average number of shares in issue during the period	33,524,854	33,524,854
Revenue return per share	0.13p	0.99p
Capital (loss)/return per share	(24.19)p	1.36p
Total (loss)/return per share	**(24.06)p**	**2.35p**

9. Dividends

(a) Dividends paid and proposed

	2020 £'000	2019 £'000
2019 dividend paid of 0.8p (2018: 0.8p) per share	268	268
Dividend proposed of nil (2019: 0.8p) per share	–	268

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

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

The requirement of Section 1158 of the Income and Corporation Tax Act 2010 are considered on the basis of dividends proposed in respect of the financial year, shown below. The revenue available for distribution by way of dividend for the year is £43,000 (2019: £333,000). As the final dividend is nil, the revenue reserve will be unchanged at £815,000. In 2019, the revenue reserve after payment of the final dividend amounted to £772,000.

	2020 £'000	2019 £'000
Final dividend of nil (2019: 0.8p) per share	–	268
Minimum dividend required for s1158 purposes	–	200

10. Investments

	2020 £'000	2019 £'000
Investments listed on a recognised stock exchange	17,530	25,686
Opening book cost	21,917	21,100
Opening investment holding gains/(losses)	3,769	4,195
Opening valuation	25,686	25,295
Movements in the year:		
Purchases at cost	9,474	10,421
Sales proceeds	(9,470)	(10,537)
(Losses)/gains on investments	(8,160)	507
Closing valuation	17,530	25,686
Closing book cost	21,189	21,917
Closing investment holding gains/(losses)	(3,659)	3,769
Total investments held at fair value through profit or loss	**17,530**	**25,686**

The company received £9,470,000 (2019: £10,537,000) from investments sold in the year. The book cost of these investments when they were purchased was £10,202,000 (2019: £9,604,000). 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 £14,000 (2019: £22,000) and on sales during the year amounted to £9,000 (2019: £11,000). These costs comprise mainly brokerage commission.

11. Current assets

Derivative financial assets

	2020 £'000	2019 £'000
Forward foreign currency contracts	1	–
	1	**–**

Debtors

	2020 £'000	2019 £'000
Dividends and interest receivable	92	151
Securities sold awaiting settlement	91	–
Other debtors	61	98
	244	**249**

The Directors consider that the carrying amount of debtors approximates to their fair value. No balances are considered to be past due or impaired as at 30th April 2020 (2019: none).

Cash and cash equivalents

Cash and cash equivalents comprise bank balances, short term deposits and liquidity funds.

The carrying amount of these represents their fair value. Cash balances in excess of a predetermined amount are placed on short term deposit at market.

12. Current liabilities

	2020 £'000	2019 £'000
Creditors amounts falling due within one year		
Other creditors	103	111

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

	2020 £'000	2019 £'000
Derivative financial liabilities		
Forward foreign currency contracts	1	–

13. Called up share capital

	2020 £'000	2019 £'000
Ordinary shares – allotted and fully paid		
Opening balance of 33,524,854 (2019: 33,524,854) shares excluding shares held in Treasury	335	335
Subtotal of 33,524,854 (2019: 33,524,854) shares of 1p each excluding shares held in Treasury	335	335
28,204,044 (2019: 28,204,044) shares held in Treasury	282	282
Closing balance of 61,728,898 (2019: 61,728,898) shares of 1p each including shares held in Treasury	**617**	**617**

Further details of transactions in the Company's shares are given in the Business Review on page 16.

14. Capital and reserves

					Capital reserves			
	Called up share capital £'000	Share premium £'000	Capital redemption reserve £'000	Other reserve[1] £'000	Gains/(losses) on sales of investments £'000	Investment holding gains/(losses) £'000	Revenue reserve[2] £'000	Total £'000
Opening balance	617	16,149	13	26,482	(21,900)	3,769	1,040	26,170
Net foreign currency gains	–	–	–	–	55	–	–	55
Realised losses on sale of investments	–	–	–	–	(732)	–	–	(732)
Net change in unrealised gains and losses on investments	–	–	–	–	–	(7,428)	–	(7,428)
Other capital charges	–	–	–	–	(5)	–	–	(5)
Revenue return for the year	–	–	–	–	–	–	43	43
Dividend paid in the year	–	–	–	–	–	–	(268)	(268)
Closing balance	**617**	**16,149**	**13**	**26,482**	**(22,582)**	**(3,659)**	**815**	**17,835**

[1] The share premium account was cancelled in July 2010 and the 'Other reserve' created for the purposes of financing share buybacks.

[2] This reserve forms the distributable reserve of the Company and may be used to fund distribution of profits to investors.

15. Net asset value per share

	2020	2019
Net assets (£'000)	17,835	26,170
Number of shares in issue	33,524,854	33,524,854
Net asset value per share	**53.2p**	**78.1p**

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

	2020 £'000	2019 £'000
Net (loss)/return before finance costs and taxation	(8,017)	858
Add capital loss/(less capital return) before finance costs and taxation	8,110	(455)
Decrease/(increase) in accrued income and other debtors	96	(115)
(Decrease)/increase in accrued expenses	(6)	16
Overseas withholding tax	(50)	(70)
Dividends received	(642)	(749)
Interest received	(11)	(6)
Realised gains/(losses) on foreign currency transactions	81	(23)
Realised (losses)/gains on liquidity funds	(25)	2
Net cash outflow from operations before dividends and interest	**(464)**	**(542)**

17. Contingent liabilities and capital commitments

At the balance sheet date there were no contingent liabilities or capital commitments (2019: nil).

18. Transactions with the Manager and related parties

Details of the management contract are set out in the Directors' Report on page 21. The management fee payable to the Manager for the year was £254,000 (2019: £155,000) and a reimbursement by manager to the Company of £26,000 (2019: £72,000) was outstanding at the year end.

During the year £6,000 (2019: £27,000) was payable to the Manager for the administration of savings scheme products, of which £nil (2019: £8,000) was outstanding at the year end.

Included in administration expenses in note 6 on page 52 are safe custody fees amounting to £18,000 (2019: £14,000) payable to JPMorgan Chase of which £4,000 (2019: £2,000) was outstanding at the year end.

The Company also holds cash in JPMorgan US Dollar Liquidity Fund, managed by JPMF. At the year end this was valued at £0.09 million (2019: £0.28 million). Income amounting to £11,000 (2019: £5,000) was receivable during the year of which £nil (2019: £nil) was outstanding at the year end.

Handling charges on dealing transactions amounting to £5,000 (2019: £12,000) were payable to JPMorgan Chase during the year of which £2,000 (2019: £4,000) was outstanding at the year end.

At the year end, total bank balance of £77,000 (2019: £64,000) was held with JPMorgan Chase Bank N.A. A net amount of interest of £nil (2019: £1,000) was receivable by the Company during the year from JPMorgan Chase Bank N.A. of which £nil (2019: £nil) was outstanding at the year end.

Full details of Directors' remuneration and shareholdings can be found on page 33 and in note 6 on page 52.

19. Disclosures regarding financial instruments measured at fair value

The fair value hierarchy disclosures required by FRS 102 are given below.

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

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

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

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

(3) Inputs 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 49.

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

	2020		2019	
	Assets £'000	Liabilities £'000	Assets £'000	Liabilities £'000
Level 1	17,530	–	25,686	–
Level 2[1]	1	(1)	–	–
Total	**17,531**	**(1)**	**25,686**	–

[1] Forward foreign currency contracts.

There were nil transfers between Levels 1, 2 or 3 during the year (2019: nil).

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

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

These financial risks include market risk (comprising currency risk, interest rate risk and other price risk), liquidity risk and credit risk. The Directors' policy for managing these risks is set out below. The Company Secretary, in close cooperation with the Board and the Manager, coordinates the Company's risk management policy.

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

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

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

(a) Market risk

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

(i) Currency risk

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

Management of Currency risk

The Manager monitors the Company's exposure to foreign currencies on a daily basis and reports to the Board, which meets on at least four occasions each year. The Manager measures the risk to the Company of 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. Foreign currency borrowing may be used to limit the Company's exposure to anticipated changes in exchange rates which might otherwise adversely affect the sterling value of the portfolio of investments. This borrowing is limited to currencies and amounts commensurate with the asset exposure to those currencies. Income denominated in foreign currencies is converted to sterling on receipt. The Company may use short term forward currency contracts to manage working capital requirements. It is currently not the Company's policy to hedge against foreign currency risk.

Foreign currency exposure

The fair value of the Company's monetary items that have foreign currency exposure at 30th April 2020 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.

			2020		
	US Dollar £'000	Brazilian Real £'000	Mexican Peso £'000	Euro £'000	Total £'000
Current assets	220	182	–	–	402
Creditors	–	(91)	–	–	(91)
Foreign currency exposure on net monetary items	220	91	–	–	311
Investments held at fair value through profit or loss	4,399	12,988	143	–	17,530
Total net foreign currency exposure	**4,619**	**13,079**	**143**	**–**	**17,841**

			2019		
	US Dollar £'000	Brazilian Real £'000	Mexican Peso £'000	Euro £'000	Total £'000
Current assets	322	129	3	1	455
Foreign currency exposure on net monetary items	322	129	3	1	455
Investments held at fair value through profit or loss	6,995	18,433	258	–	25,686
Total net foreign currency exposure	**7,317**	**18,562**	**261**	**1**	**26,141**

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

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

(a) Market risk *continued*

(i) Currency risk *continued*

Foreign currency sensitivity

The following table illustrates the sensitivity of return after taxation for the year and net assets with regard to the Company's monetary financial assets and financial liabilities and exchange rates. The sensitivity analysis is based on the Company's monetary currency financial instruments held at each balance sheet date and the income receivable in foreign currency and assumes a 10% (2019: 10%) appreciation or depreciation in sterling against the US dollar, Brazilian Real, Mexican Peso and Euro to which the Company is exposed, which is considered to be a reasonable illustration based on the volatility of exchange rates during the year. Please refer to the other price risk sensitivity for the sensitivity of investments.

	2020		2019	
	If sterling strengthens by 10% £'000	If sterling weakens by 10% £'000	If sterling strengthens by 10% £'000	If sterling weakens by 10% £'000
Statement of Comprehensive Income – return after taxation				
Revenue return	(64)	64	(89)	89
Capital return	(31)	31	(46)	46
Total return after taxation for the year	(95)	95	(135)	135
Net assets	**(95)**	**95**	**(135)**	**135**

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, the interest payable on variable rate cash borrowings and the fair value of fixed interest rate financial instruments during the year and at year end.

Management of interest rate risk

The Company aims to be fully invested in normal market conditions, so exposure to interest rate risk will be limited. Short term borrowings may be used if required.

Interest rate exposure

The Company had no exposure to fixed interest rate financial instruments at the year end (2019: none).

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

	2020 £'000	2019 £'000
Exposed to floating interest rates:		
Cash and short term deposits	77	64
JPMorgan US Dollar Liquidity Fund	87	282
Total exposure	**164**	**346**

Interest receivable on cash balances is at a margin below LIBOR respectively (2019: same).

Interest rate sensitivity

The following table illustrates the sensitivity of the return after taxation for the year and net assets to a 1% (2019: 1%) increase or decrease in interest rates with regard 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.

	2020		2019	
	1% increase in rate £'000	1% decrease in rate £'000	1% increase in rate £'000	1% decrease in rate £'000
Statement of Comprehensive Income – return after taxation				
Revenue return	2	(2)	3	(3)
Total return after taxation for the year	2	(2)	3	(3)
Net assets	**2**	**(2)**	**3**	**(3)**

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.

(iii) Other price risk

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

Management of other price risk

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

Other price risk exposure

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

	2020 £'000	2019 £'000
Investments held at fair value through profit or loss	17,530	25,686

In the opinion of the Directors, the above data is broadly representative of the exposure to other price risk during the current and comparative year.

Concentration of exposure to other price risk

An analysis of the Company's investments is given on page 12. This shows that substantially all of the investments' value is in Brazil. Accordingly there is a concentration of exposure to that country. However, it should be noted that an investment may not be entirely exposed to the economic conditions in its country of domicile or of listing.

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

(a) Market risk *continued*

(iii) Other price risk *continued*

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% (2019: 10%) in the market value of equity investments. This level of change is considered to be a reasonable illustration based on observation of current market conditions. The sensitivity analysis is based on the Company's equities, adjusting for changes in the management fee but with all other variables held constant.

	2020		2019	
	10% increase in fair value £'000	10% decrease in fair value £'000	10% increase in fair value £'000	10% decrease in fair value £'000
Statement of Comprehensive Income – return after taxation				
Revenue return	(18)	18	(26)	26
Capital return	1,753	(1,753)	2,569	(2,569)
Total return after taxation for the year	1,735	(1,735)	2,543	(2,543)
Net assets	**1,735**	**(1,735)**	**2,543**	**(2,543)**

(b) Liquidity risk

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

Management of the risk

Liquidity risk is not significant as the Company's assets comprise mainly readily realisable securities, the liquidity of which in normal markets is frequently tested by the investment managers and which can be sold to meet funding requirements if necessary. Short term flexibility is achieved through the use of overdraft facilities.

Liquidity risk exposure

All financial liabilities stated in note 12 are repayable on demand to the value they are stated.

(c) Credit risk

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

Management of credit risk

Portfolio dealing

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

Cash and cash equivalents

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

Exposure to JPMorgan Chase

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

Credit risk exposure

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

(d) Fair values of financial assets and financial liabilities

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

21. Capital management policies and procedures

The Company's capital structure comprises the following:

	2020 £'000	2019 £'000
Equity:		
Called up share capital	617	617
Reserves	17,218	25,553
Total capital	**17,835**	**26,170**

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

The Company is not subject to my externally imposed capital requirements.

The Board's policy is to utilise gearing when the Manager believes it appropriate to do so, up to a maximum of 20% geared at the time of drawdown.

	2020 £'000	2019 £'000
Investments held at fair value through profit or loss	17,530	25,686
Net assets	17,835	26,170
Net cash	**(1.7)%**	**(1.8)%**

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

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

22. Subsequent events

The Directors have considered the period since the year end and have noted the significant impact on the Brazil economy, the stock market, foreign exchange rates and the Company's net assets, arising from the COVID-19 pandemic. This impact is commented on earlier in this document, and particularly in the Chairman's and the Investment Manager's statements.

Regulatory Disclosures

ALTERNATIVE INVESTMENT FUND MANAGERS DIRECTIVE ('AIFMD') DISCLOSURES (UNAUDITED)

Leverage

For the purposes of the Alternative Investment Fund Managers Directive ('AIFMD'), leverage is any method which increases the Company's exposure, including the borrowing of cash and the use of derivatives. It is expressed as a ratio between the Company's exposure and its net asset value and 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 30th April 2020 are shown below:

	Gross Method	Commitment Method
Leverage Exposure		
Maximum limit	200%	200%
Actual	101%	101%

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

The Remuneration Policy applies to all employees of the Management Company, including individuals whose professional activities may have a material impact on the risk profile of the Management Company or the Alternative Investment Funds it manages ('**AIFMD Identified Staff**'). The AIFMD Identified Staff include members of the board of the Management Company, 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 JPM Fund's Board reviews and adopts the Remuneration Policy on an annual basis, and oversees its implementation, including the classification of AIFMD Identified Staff. As at 31st December 2019, the Board last reviewed and adopted the Remuneration Policy in June 2019 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 2019 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 Assets Under Management ('AUM') weighted basis.

Due to the Firm's operational structure, the information needed to provide a further breakdown of remuneration attributable to the Company is not readily available and would not be relevant or reliable. However, for context, the Management Company manages 30 Alternative Investment Funds (with four sub-funds) and two UCITS (with 38 sub-funds) as at 31st December 2019, with a combined AUM as at that date of £13.8 billion and £17.1 billion respectively.

	Fixed remuneration	Variable remuneration	Total remuneration	Number of beneficiaries
All staff of the Management Company ($'000s)	15,972	9,139	25,111	119

The aggregate 2019 total remuneration paid to AIFMD Identified Staff was USD $57,449,000, of which USD $4,425,000 relates to Senior Management and USD $53,024,000 relates to other Identified Staff[1].

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

SECURITIES FINANCING TRANSACTIONS REGULATION ('SFTR') DISCLOSURES (UNAUDITED)

The Company does not engage in Securities Financing Transactions (as defined in Article 3 of Regulation (EU) 2015/2365, securities financing transactions include repurchase transactions, securities or commodities lending and securities or commodities borrowing, buy-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 30th April 2020.

Shareholder Information

Notice is hereby given that the tenth Annual General Meeting of JPMorgan Brazil Investment Trust plc will be held at 60 Victoria Embankment, London EC4Y 0JP on Thursday, 17th September 2020 at 2.00 p.m. for the following purposes:

1. To receive the Directors' Report & Accounts and the Auditor's Report for the year ended 30th April 2020.
2. To approve the Directors' Remuneration Policy.
3. To approve the Directors' Remuneration Report for the year ended 30th April 2020.
4 To reappoint Mark Bridgeman as a Director of the Company.
5. To reappoint Victor Bulmer-Thomas as a Director of the Company.
6. To reappoint Ernst & Young LLP as auditor of the Company and to authorise the Directors to determine their remuneration.

Special Business

To consider the following resolutions:

Authority to allot new shares – Ordinary Resolution

7. 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 for the Company to allot relevant securities (within the meaning of Section 551 of the Act) up to an aggregate nominal amount of £33,524, representing approximately 10% of the Company's issued Ordinary share capital (excluding treasury shares) as at the date of this notice and shall expire at the conclusion of the Annual General Meeting of the Company to be held in 2021, save that the Company may before such expiry make offers, agreements or arrangements which would or might require relevant securities to be allotted after such expiry and so that the Directors of the Company may allot relevant securities 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 shares – Special Resolution

8. THAT subject to the passing of Resolution 7 set out above, the Directors of the Company be and they are hereby empowered pursuant to Section 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 7 or by way of sale of Treasury shares as if Section 561(1) of the Act did not apply to any such allotment or sale, provided that this power shall be limited to the allotment of equity securities for cash up to an aggregate nominal amount of £33,524, representing approximately 10% of the Ordinary issued share capital (excluding treasury shares) as at the date of this notice at a price of not less than the Net Asset Value per share and shall expire at the Company's Annual General Meeting in 2021, save that the Company may before such expiry make offers, agreements or arrangements which would or might require 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

9. 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 Ordinary shares, on such terms and in such manner as the Directors may from time to time determine.

PROVIDED ALWAYS THAT

(i) the maximum number of Ordinary shares hereby authorised to be purchased shall be 5,025,375, or if less, that number of Ordinary shares which is equal to 14.99% of the issued share capital (excluding shares held in Treasury) as at the date of the passing of this Resolution;

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

(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 an Ordinary share, taken from and calculated by reference to the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which the 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 9th March 2022 unless the authority is renewed at any other general meeting prior to such time; and

(vi) the Company may make a contract to purchase Ordinary shares under the authority and may make a purchase of ordinary shares pursuant to any such contract notwithstanding such expiry.

Continuation Vote – Ordinary Resolution

10. THAT the Company continues in existence as an investment trust until the next such continuation vote at the 2022 Annual General Meeting.

By order of the Board
Priyanka Vijay Anand, for and on behalf of
JPMorgan Funds Limited,
Company Secretary

29th July 2020

Notes

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

1. At the date of this Notice the format of the Company's 2020 AGM has had to be changed so that it complies with both the existing Companies Act and the recently introduced legislation which the UK Government introduced to limit the impact of the Covid-19 pandemic, restricting travel and limiting gatherings to no more than two persons. Shareholders are asked to comply with the government's latest Covid-19 pandemic legislation restricting travel and public gatherings and not to attend the AGM. Arrangements will be made by the Company to ensure that the minimum number of two shareholders required to form a quorum for the AGM will attend the meeting in order that the meeting may proceed and the business be concluded. To ensure compliance with Covid-19 pandemic legislation restricting public gatherings, no shareholders (other than the two previously notified shareholders making up the quorum for the AGM) will be permitted to attend the meeting and entry to the building will not be allowed.

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 also applies in relation to amended instructions. Any attempt to terminate or amend a proxy appointment received after the relevant deadline will be disregarded. Where two or more valid separate appointments of proxy are received in respect of the same share in respect of the same Meeting, the one which is last received (regardless of its date or the date of its signature) shall be treated as replacing and revoking the other or others as regards that share; if the Company is unable to determine which was last received, none of them shall be treated as valid in respect of that share.

6. To be entitled to attend and vote at the Meeting (and for the purpose of the determination by the Company of the number of votes they may cast), members must be entered on the Company's register of members as at 6.30 p.m. two business days prior to the Meeting (the 'specified time'). If the Meeting is adjourned to a time not more than 48 hours after the specified time applicable to the original Meeting, that time will also apply for the purpose of determining the

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

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

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

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

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

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

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

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

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

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

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

17. As at 29th July 2020 (being the latest business day prior to the publication of this Notice), the Company's issued share capital consists of 33,524,854 Ordinary shares (excluding treasury shares) carrying one vote each. Therefore the total voting rights in the Company are 33,524,854.

Electronic appointment – CREST members

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

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

Total return calculation	Page	30th April 2020	30th April 2019	
Opening share price	3	64.3p	65.8p	(a)
Closing share price	3	44.0p	64.3p	(b)
Total dividend adjustment factor[1]		1.010847	1.014035	(c)
Adjusted closing share price (d = b x c)		44.5p	65.2p	(d)
Total return to shareholders (e = d / a – 1)		**–30.8%**	**–0.9%**	(e)

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

Return on Net Assets (APM)
Total return on net asset value ('NAV') per share, on a bid value to bid value basis, assuming that all dividends paid out by the Company were reinvested, into the shares of the Company at the NAV per share at the time the shares were quoted ex-dividend.

Total return calculation	Page	30th April 2020	30th April 2019	
Opening cum-income NAV per share	3	78.1p	76.5p	(a)
Closing cum-income NAV per share	3	53.1p	78.1p	(b)
Total dividend adjustment factor[1]		1.009143	1.012759	(c)
Adjusted closing cum-income NAV per share (d = b x c)		53.6p	79.1p	(d)
Total return on net assets (e = d / a – 1)		**–31.4%**	**3.4%**	(e)

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

Benchmark return
Total return on the benchmark, on a closing-market value to closing-market value basis, assuming that all dividends received were reinvested 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.

Share Price Discount/Premium to Net Asset Value ('NAV') per Share (APM)
If the share price of an investment trust is lower than the NAV per share, the shares are said to be trading at a discount, meaning there are more sellers than buyers.

The discount is shown as a percentage of the NAV per share. The opposite of a discount is a premium. It is more common for an investment trusts' shares to trade at a discount than at a premium (see page 15).

The Board has adopted a share repurchase policy that seeks to address imbalances in supply of and demand for the Company's shares in the market and thereby seeks to manage to volatility and absolute level of the premium or discount to NAV per share at which the Company's shares trade. The Board's intention is to use its share repurchase and issuance powers with the aim of establishing a reasonably stable long term level of premium or discount (see page 15 for further details).

Gearing/(Net cash) (APM)
Gearing represents the excess amount above shareholder's 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	30th April 2020 £'000	30th April 2019 £'000	
Investments held at fair value through profit or loss	47	17,530	25,686	(a)
Net assets		17,835	26,170	(b)
Net cash (c = (a / b) – 1)		**(1.7)%**	**(1.8)%**	(c)

Ongoing Charges (APM)

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

Ongoing charges calculation	Page	30th April 2020 £'000	30th April 2019 £'000	
Management fee[1]	46	254	155	
Other administrative expenses	46	297	331	
Total management fee and other administrative expenses		551	486	(a)
Average daily cum-income net assets		27,599	24,266	(b)
Ongoing Charges (c = a / b)		**2.00%**	**2.00%**	(c)

[1] To ensure ongoing charges do not exceed the 2.00% cap, the management fee has been reduced by £26,000 (2019: £72,000).

Performance attribution

Analysis of how the Company achieved its recorded performance relative to its benchmark (see page 9).

Performance Attribution Definitions:

Asset allocation

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

Stock/Sector selection

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

Gearing/Net Cash

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

Management fee/Other expenses

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

Share repurchases

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

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

1. Via a third party provider

Third party providers include:

AJ Bell	Hargreaves Lansdown
Barclays Smart Investor	Interactive Investor
Charles Stanley Direct	Selftrade
Fidelity FundsNetwork	The Share Centre
Halifax	

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 ('AIC') website at www.theaic.co.uk/aic/shareholder-voting-consumer-platforms for information on which platforms support these services and how to utilise them.

2. Through a professional adviser

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

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

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

FINANCIAL CALENDAR

Financial year end	30th April
Final results announced	July
Half year end	31st October
Half year results announced	December
Annual General Meeting	September

History

JPMorgan Brazil Investment Trust plc is an investment trust which was launched in April 2010 to provide investors with exposure to Brazilian invested equities through a closed-ended structure.

Company Numbers

Company registration number: 7141630

Ordinary Shares

London Stock Exchange ISIN code: GB00B602HS43
Bloomberg code: JPB
SEDOL B602HS4
LEI: 5493002T5BE3YCTKTE20

Market Information

The Company's unaudited net asset value ('NAV') is published daily, via the London Stock Exchange.

The Company's shares are listed on the London Stock Exchange. The market price is shown daily in the Financial Times, The Times, The Daily Telegraph, The Scotsman and on the JPMorgan website at www.jpmbrazil.co.uk, where the share price is updated every fifteen minutes during trading hours.

Website

www.jpmbrazil.co.uk

Share Transactions

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

Manager and Company Secretary

JPMorgan Funds Limited

Company's Registered Office

60 Victoria Embankment
London EC4Y 0JP
Telephone: 020 7742 4000

For company secretarial and administrative matters, please contact Priyanka Vijay Anand at the above address.

Depositary

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

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

Registrars

Equiniti Limited
Reference 3533
Aspect House
Spencer Road
Lancing
West Sussex BN99 6DA
Telephone number: 0371 384 2814

Lines open 9.00 a.m. to 5.00 p.m. Monday to Friday. Calls to the helpline will cost no more than a national rate call to a 01 or 02 number. Callers from overseas should dial +44 121 415 0225.

Notifications of changes of address and enquiries regarding share certificates or dividend cheques should be made in writing to the Registrar quoting reference 3533. Registered shareholders can obtain further details on their holdings on the internet by visiting www.shareview.co.uk.

Independent Auditor

Ernst & Young LLP
Statutory Auditor
Atria One
144, Morrison Street
Edinburgh EH3 8EX

Brokers

Numis Securities Limited
The London Stock Exchange Building
10 Paternoster Square
London EC4M 7LT

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A member of the AIC

CONTACT

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J.P.Morgan
Asset Management