JPMorgan American Investment Trust plc

Annual Report & Financial Statements
for the year ended 31st December 2024

Kepler GROWTH 2025

ISA MILLIONAIRE aic 2025

CITYWIRE INVESTMENT TRUST AWARDS 2024 WINNER

NORTH AMERICA EQUITIES
JP Morgan American Investment Trust plc

J.P.Morgan
ASSET MANAGEMENT

Your Company at a Glance

Investment Objective and Benchmark	Key Investment Policies	Gearing Policy
The Company's objective is to provide shareholders with capital growth from North American investments. It aims to outperform a benchmark, which is the S&P 500 Index, with net dividends reinvested, expressed in sterling terms.	To invest in North American quoted companies including, when appropriate, exposure to smaller capitalisation companies. To emphasise capital growth rather than income. Please refer to page 37 for details.	The Company's gearing policy is to operate within a range of 5% net cash to 20% geared in normal market conditions. Within this range, the Board reviews and sets a strategic gearing level, which is currently 10% + or –2%. The current tactical level of gearing is 5% with a permitted range around this level of + or –5%, meaning that currently gearing can vary between 0% and 10%.
Capital Structure	**Management Fees**	**Management Company**
As at 31st December 2024, the Company's share capital comprised 281,633,910 ordinary shares of 5p each, including 102,537,956 shares held in Treasury.	The management fee is charged on a tiered basis as follows: ● 0.35% on the first £500 million of net assets; ● 0.30% on net assets above £500 million and up to £1 billion; and ● 0.25% on any net assets above £1 billion.	The Company employs JPMorgan Funds Limited ('JPMF' or the 'Manager' or the 'Investment Manager') as its Alternative Investment Fund Manager. JPMF delegates the management of the Company's portfolio to JPMorgan Asset Management (UK) Limited ('JPMAM') which further delegates the management to J.P. Morgan Asset Management, Inc. All of these entities are wholly owned subsidiaries of J.P. Morgan Chase & Co.

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

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

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

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

FINANCIAL CALENDAR

Financial year end	31st December
Final results announced	April
Annual General Meeting	May
Half year end	30th June
Half year results announced	August
Dividend on ordinary shares paid	May/October

US Equities, hand-picked by experts

Launched in 1881, the award-winning JPMorgan American Investment Trust plc ('JAM' or the 'Company') seeks to achieve capital growth from North American investments by outperformance of the Company's benchmark, which is the S&P 500 Index, with net dividends reinvested, expressed in sterling terms. Managed by four experienced Portfolio Managers, supported by an extensive network of US based research analysts and investment specialists, the Company aims to deliver its investment objective and provide highly actively managed exposure to the US stock market by investing in the most attractive value and growth stocks identified by our two specialist investment teams.

Why invest in JPMorgan American Investment Trust plc?

Experienced investment teams on the ground

The investment approach is a collaborative effort between the four Portfolio Managers. In order to build a concentrated portfolio of the right stocks, the team follows a rigorous in-depth research process that involves more than 900 company meetings each year. They use a checklist of 40+ questions to establish a company's key risks and classify it in terms of quality, as well as looking at financial metrics such as earnings growth and dividends to assess whether it is valued at a price they are willing to pay.

Offering a Blended Portfolio

By blending value and growth investing, the portfolio managers create a high-conviction, unique 40-stock Large Cap portfolio designed to perform well across various market conditions. This represents 90% or more of the company's total portfolio and combines the Manager's top growth and value ideas. Additionally, up to 10% is allocated to a Small Cap Portfolio, targeting smaller market cap companies.

A Forward-Thinking Dividend Policy and Competitive Ongoing Charges Ratio

Whilst capital growth is the primary aim of the Company, a final dividend of 8.25p per share has been proposed which will make a total dividend of 11.00p per share for FY24, a 41.9% increase on last year's total dividend of 7.75p per share.

A low Ongoing Charges Ratio (OCR) of 0.35% makes the Company one of the most competitively priced US actively managed funds available to UK investors, in either closed-ended or open-ended form.

Utilising the benefits of an Investment Trust Structure

The Company is an investment trust with a main market listing on the London Stock Exchange (Ticker: JAM). The Investment Trust structure offers several advantages including:

1. Stock Market Listed
2. Closed Ended Structure
3. Ability To Borrow
4. Income Generation
5. Competitive Pricing
6. Governance and Shareholder Rights

Environmental, Social and Governance (ESG) analysis is embedded

The Manager places a premium on environmental, social and governance responsibility – so much so that they developed their own standards for ESG analysis, rather than relying on scores decided by an outside agency. This framework enables the teams to identify the financially material ESG risks and opportunities in each sector, score companies against the most relevant factors for their sub-industry, and then actively engage with managements to help them address areas of weakness.

Award-winning investment trust

JAM has been recognised over the years with many investment awards and ratings. Notably, the 2024 North America Equities Citywire Award, 2025 AIC ISA Millionaire Award along with recommendations from Kepler Growth amongst others in 2025. Routine press coverage from respected publications such as Investors Chronicle, Shares, and MoneyWeek is a testament to the long-term performance record, hard work and dedication of the entire team.

Growth Team

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

Felise Agranoff, Portfolio Manager, JPMorgan American Investment Trust plc

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

Value Team

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

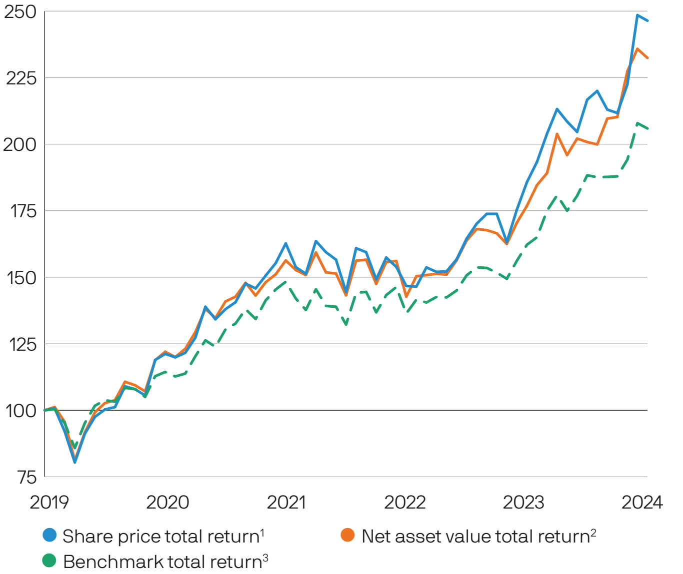
Jack Caffrey, Portfolio Manager, JPMorgan American Investment Trust plc

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

Generating long-term outperformance

Five year performance

Figures have been rebased to 100 at 31st December 2019

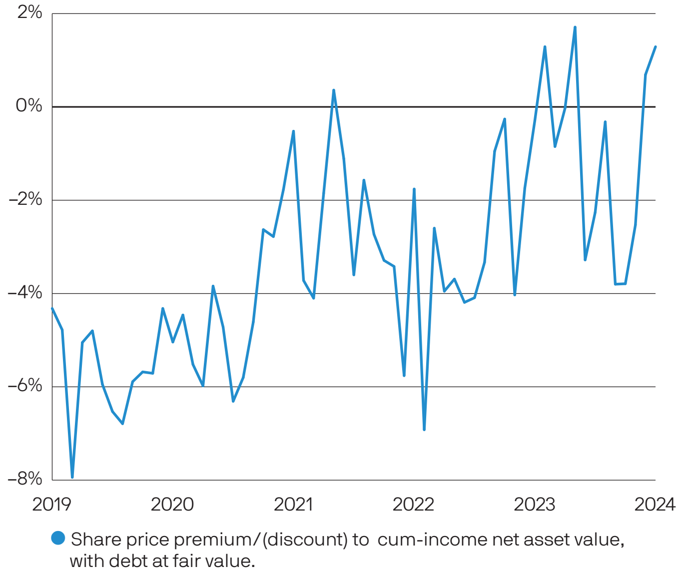


[1] Source: Morningstar.

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

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

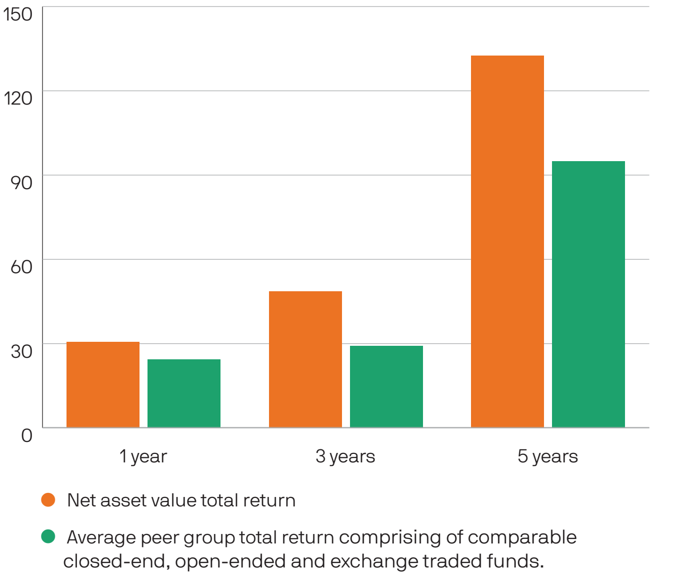
Share price relative to net asset value ('NAV') per share with debt at fair value - Premium/(discount)



In the year to 31st December 2024, the shares traded between a discount of 5.8% and a premium of 4.1% (daily figures calculated with debt at fair value and including income).

Five year performance against the Company's peer group

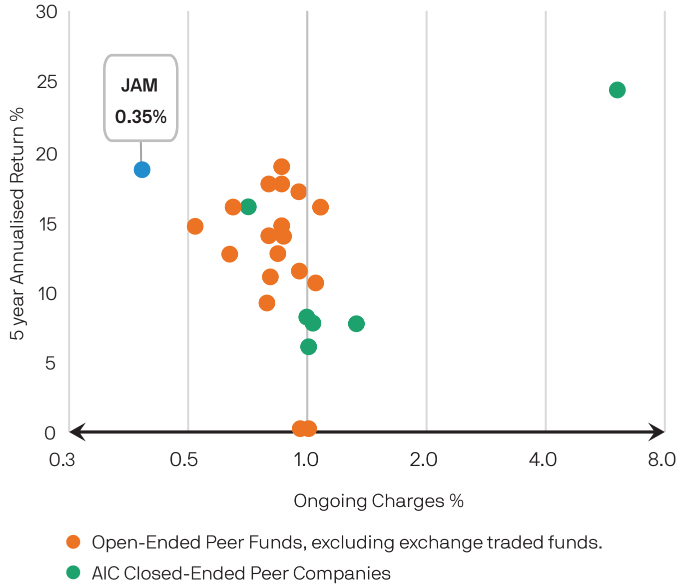
As at 31st December 2024



Source: Morningstar.

Peer group ongoing charges

As at 31st December 2024



Source: Morningstar.

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

For further details on any of the above charts, please refer to page 39.

Contents

Strategic Report

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

Financial Highlights

Total returns (including dividends reinvested)

	2024	2023	3 years Cumulative	5 years Cumulative	10 years Cumulative
Return on share price[1,APM]	+32.6%	+26.6%	+51.4%	+146.4%	+342.0%
Return on net assets[2,APM] – with debt at fair value	+30.6%	+24.7%	+48.6%	+132.4%	+343.1%
Benchmark return[3]	+27.0%	+18.9%	+38.9%	+105.9%	+315.0%
Annualised return on net assets relative to the benchmark[3,4,APM]	+3.6%	+5.8%	+2.3%	+2.5%	+0.7%
Dividend in respect of the year[5]	11.00p	7.75p			

[1] Source: Morningstar.
[2] Source: Morningstar/J.P. Morgan, using cum income net asset value per share.
[3] The Company's benchmark index is the S&P 500 Index, net of the appropriate withholding tax, expressed in sterling total return terms.
[4] Annualised returns calculated on a geometric basis for periods greater than one year.
[5] Includes the final dividend of 8.25p for the year ended 31st December 2024, which is subject to approval by Shareholders at the AGM on 14th May 2025.
[APM] Alternative Performance Measures ('APM').

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

Financial Highlights

Summary of results

	2024	2023	% change
Total returns for the year ended 31st December			
Return on share price[1,APM]	+32.6%	+26.6%	
Return on net assets – debt at fair value[2,APM]	+30.6%	+24.7%	
– debt at par value[2,APM]	+30.7%	+25.3%	
Benchmark return[1,3]	+27.0%	+18.9%	
Net asset value, share price, discount and market data at 31st December			
Net asset value per share – debt at fair value[4,APM]	1,115.7p	861.5p	+29.5
– debt at par value[APM]	1,109.9p	856.5p	+29.6
S&P 500 Index expressed in sterling (capital only)[5]	4,696.3	3,741.6	+25.5
Share price	1,130.0p	859.0p	+31.5
Share price premium/(discount) to net asset value per share:			
– with debt at fair value[APM]	1.3%	(0.3)%	
– with debt at par value[APM]	1.8%	0.3%	
Shareholders' funds (£'000)	1,987,845	1,563,999	+27.1
Market capitalisation (£'000)	2,023,784	1,568,562	+29.0
Exchange rate	1 £ = $ 1.2524	1 £ = $ 1.2748	+1.8[6]
Shares in issue (excluding shares held in Treasury)	179,095,954	182,603,216	–1.9
Revenue for the year ended 31st December			
Net revenue attributable to shareholders (£'000)	19,233	14,212	+35.3
Revenue return per share	10.59p	7.73p	+37.0
Dividend per share[7]	11.0p	7.75p	+41.9
Gearing at 31st December[APM]	**2.8%**	**2.8%**	
Ongoing Charges Ratio[APM]	**0.35%**	**0.38%**	
Management Fee:			
On the first £500 million of net assets	0.35%	0.35%	
On net assets above £500 million and up to £1 billion	0.30%	0.30%	
On any net assets above £1 billion	0.25%	0.25%	

[1] Source: Morningstar.
[2] Source: Morningstar/J.P. Morgan, using cum income net asset value per share.
[3] The Company's benchmark is the S&P 500 Index, net of the appropriate withholding tax, expressed in sterling total return terms.
[4] The fair value of the combined US$100m private placements issued by the Company was calculated using discounted cash flow technique, using the yield from a similarly dated treasury note plus a margin based on the US Broad Market AA 10-15 year spread.
[5] Source: Datastream.
[6] The % change in the exchange rate is based on the strengthening of the US dollar against Sterling during the year.
[7] Includes the final dividend of 8.25p for the year ended 31st December 2024, which is subject to approval by Shareholders at the AGM on 14th May 2025.
[APM] Alternative Performance Measure ('APM').

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

Chair's Statement

Robert Talbut
Chair

The US stock market made significant gains in 2024, with the S&P 500 Index achieving impressive returns. Despite some concerns about a slowdown, the jobs market remained strong, and declining inflation allowed the Federal Reserve to begin cutting interest rates. The result of the US Presidential election gave the market a further boost near the end of 2024, on expectations that the new administration's range of economic policy proposals will support US growth.

The Company's net asset value (NAV), with debt at fair value, increased by 30.6% on a total return basis in 2024 in sterling terms, ahead of its benchmark, the S&P 500, which increased by 27.0% on the same basis. During the year, the share price traded between a discount of 5.8% and a premium of 4.1% compared to NAV.

These very satisfying annual returns extend the Company's long-term track record of strong outright gains and benchmark outperformance. Since the Company changed its investment approach on 1st June 2019, it has outperformed the benchmark index by 22.4% in the subsequent 69 months through to the end of February 2025, providing a NAV total return with debt at fair value of 156.7%, compared with a benchmark return of 134.3%. This represents an annualised outperformance of 1.9 percentage points since the change in investment approach.

In addition, in recognition of the strong relative returns that have been delivered, I am pleased to report that the Company won the Citywire Investment Trust Award in the 'Best North American Equities' category.

The Portfolio

At the end of the review period, 94.1% of your Company's portfolio assets were invested in US large cap stocks, in a high conviction portfolio of some 40 stocks. This represents a carefully curated selection of the Manager's best growth and value investment ideas. The proportions of growth and value weightings can vary between 60% and 40% in either direction and stood at 55% in growth stocks and 45% in value names at the period end. The overall allocation to the small cap portfolio was 5.9% at the end of the review period.

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

Gearing

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

The Board believes it is prudent for the Company's gearing capacity to be funded from a mix of sources, including short- and longer-term tenors and fixed and floating rate borrowings. The Company's gearing strategy is thus implemented via the use of two forms of debt, including an £80 million revolving credit facility (with an additional £20 million accordion) provided by Mizuho Bank Ltd, which matures in August 2025. Whilst the facility was undrawn at year-end, at the time of writing this report, US$40 million was drawn. Alongside this bank facility, the Company has in issue a combined US$100 million of unsecured loan notes issued via private placements; US$65 million of which is repayable in February 2031 and carries a fixed interest rate of 2.55% per annum; and US$35 million of which matures in October 2032 and carries a fixed interest rate of 2.32%.

The Board has set the current tactical level of gearing at 5%, with a permitted range around this level of plus or minus 5%, meaning that currently gearing can vary between 0% and 10%. This tactical level of gearing remained unchanged throughout the year. The Company ended the year with gearing equivalent to 2.8% of net assets.

At the time of writing the gearing level of the Company was 5.2%, calculated in line with the Association of Investment Companies ('AIC') methodology. The Board continues to review the appropriate gearing level on a regular basis.

Board Review of the Manager

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

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

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

Investment Manager succession

As previously announced, Jonathan Simon retired as the portfolio manager responsible for value stocks in the Company's large cap portfolio on 3rd March 2025. I would like to thank Jonathan for the significant contribution he has made to the success of the Company during his tenure and wish him a happy and well-deserved retirement.

Also as previously announced, Jack Caffrey, who has 23 years' experience with the Manager, was appointed as a Portfolio Manager with effect from 7th August 2024, working on the value stocks in the portfolio, initially alongside Jonathan. With effect from 4th March 2025, Graham Spence, who had worked with Jonathan for some considerable time, was appointed as a Co-Portfolio Manager to support Jack Caffrey. Graham is a senior member of the U.S. Equity Value team with 12 years' experience with the Manager and is a co-portfolio manager on the JPMorgan Value Advantage Fund within the U.S. Equity Group. The growth stocks in the large cap portfolio continue to be managed by Felise Agranoff supported by Co-Portfolio Manager Eric Ghernati. The Board believes in the merit of additional portfolio manager resources and considers that the Company will benefit from four portfolio managers (two value-focussed and two growth-focussed) on the large cap portfolio as a key element of the Company's ongoing support from the Investment Manager. There will be no changes to the Company's investment process or investment objective as a result of these changes.

Ongoing Charges

The Board continues to closely monitor the Company's cost base. The Company's Ongoing Charges Ratio ('OCR') for the year under review was 0.35% (2023: 0.38%). The decrease over the year is primarily attributable to the growth in the Company's assets and its highly competitive management fee structure, with net assets over £1 billion being charged at just 0.25%. The Company remains one of the most competitively priced US actively managed funds available to UK investors, in either closed-ended or open-ended form.

Share Price and Premium/Discount

The Company's shares traded near NAV or at a premium at the start of the year, then at a discount to its NAV during the second half, before returning to premium territory at year end. Consistent with our statements made in previous years, and because share buy-backs at a discount to NAV enhance the NAV for remaining shareholders, the Board is prepared to buy back shares when they stand at anything more than a small discount. The Board is also prepared to issue shares at a premium to NAV. This undertaking has operated for several years and applies in normal market conditions.

During the year 4,862,262 shares were purchased into Treasury, at a cost of £48 million, representing 2.7% of the Company's issued share capital (excluding shares held in Treasury) at the beginning of 2024. The average discount to NAV at which these shares were purchased was 3.6%. During the year, the Company also issued 1,355,000 shares at an average premium of 0.9% to NAV, generating proceeds of £14 million.

Since the year end, the Company has been able to issue a further 1,414,046 shares from Treasury at a premium to NAV and 950,499 shares were purchased into Treasury.

Chair's Statement

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

Dividends

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

The Company paid an interim dividend of 2.75p in respect of the first six months of the 2024 financial year (FY24) on 7th October 2024, a 10% increase on the 2.5 pence per share interim dividend paid every year since 2018. Subject to shareholder approval at the AGM, a final dividend of 8.25p will be paid on 30th May 2025 to shareholders on the register on 22nd April 2025, making a total dividend of 11.00p per share for FY24. The Board is pleased to report that this represents an increase of 41.9% on last year's total dividend of 7.75p per share.

After the payment of the proposed final dividend, the balance in the revenue reserves will be £21.5 million, equivalent to 12.0p per share (2023: 12.0p per share) or 1.1 times (2023: 1.6 times) the current dividend. The Company's prudent approach of building up revenue reserves in prior years provides it with a means of supporting current and future dividend levels, should earnings per share drop materially in any financial year.

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

Portfolio Company Engagement

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

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

The Board

As announced previously, at the end of the Company's Annual General Meeting ('AGM') held in May 2024, Dr Kevin Carter retired as Chair, after serving the Company for almost ten years, and I assumed the role of Chair.

Mr Colin Moore joined the Board on 1st February 2024 and Ms Pui Kei Yuen became the Chair of the Risk Committee following my appointment as Chair of the Board.

The Board continues to carefully manage its succession planning. Looking ahead, the Company's Senior Independent Director, Ms Nadia Manzoor and I would, in the normal course, step down from the Board after nine years' service in 2025 and 2026 respectively. However, the Board is very mindful of the changes in the portfolio manager line-up in the last 18 months and also the refreshing of the Board itself, and therefore after consultation with our largest shareholders, in order to ensure ongoing Board continuity through this period the Board believes that it is in the Company's best interests that

Ms Manzoor should instead retire at the 2026 AGM, and I will retire the year after. The Board will begin the recruitment process for a new Non-Executive Director in the second half of this financial year, with the intention that the appointee will be in place for several months before Ms Manzoor's departure.

The results of the past year's externally facilitated Board evaluation process, conducted by Lintstock, an independent advisor on board governance practices, confirmed that Directors possess the experience and attributes to support a recommendation to shareholders that they seek re-appointment at the Company's forthcoming AGM. In line with the AIC Code of Corporate Governance, additional statements to support the re-appointment of each Director are included on pages 56 and 57.

Shareholder Engagement

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

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

Following the transfer of the management of the Company's share register from Equiniti Financial Services Limited to Computershare Investor Services PLC ('Computershare'), with effect from 24th June 2024, a notification letter from Computershare was sent to all registered shareholders advising of this change. The letter included an invitation to shareholders to create an online account which provides access to the details of their shareholdings and an opportunity to participate in the Company's Dividend Reinvestment Plan (DRIP). Please visit www.investorcentre.co.uk. for further information.

Annual General Meeting

This year's AGM will be held on Wednesday, 14th May 2025 at 2.30 p.m. at 60 Victoria Embankment, London EC4Y 0JP. Apart from the formal business of the meeting, shareholders will have the opportunity to hear from two of our portfolio managers, Felise Agranoff and Jack Caffrey, who will make a presentation by video, to be followed by a question-and-answer session.

Shareholders are invited to attend the meeting and raise any questions they have, either at the meeting, or in advance, by writing to the Company Secretary at the address on page 108, or via email to jpmam.investment.trusts@jpmorgan.com. As is normal practice for the Company, all voting on the resolutions will be conducted on a poll. The Board strongly encourages all shareholders to exercise their votes by completing and returning their proxy forms in accordance with the notes to the Notice of Meeting on pages 98 to 99.

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

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

Chair's Statement

Stay Informed

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

Outlook

With at least some of the immediate political uncertainties related to the US Presidential election process now behind us, the early months of the new administration saw US equity markets in a buoyant mood, despite some caution about the predictability of the new administration's policies, especially in relation to trade and international relations. More recently US financial markets are trying to absorb the implications of the barrage of policy initiatives launched by the new administration. The full impact of all the new policies has not yet emerged, but it is starting to create some uncertainties for companies, which in turn may not be entirely equity market friendly.

However, as my predecessor noted in his statement last year, the US economy still appears to be on a sound footing, with the potential of further interest rate declines over 2025 if inflation trends support this. In addition, corporate earnings are projected to grow strongly, and therefore overall, the Board shares the Manager's optimism regarding the outlook for US equities over the medium term.

The Directors continue to have confidence in the Manager's investment strategy and process. The Company's long-term performance track record attests to the Manager's ability to identify and capitalise on the most attractive investment opportunities, regardless of the prevailing investment climate. We expect this skill to continue manifesting itself in ongoing capital growth and outperformance for shareholders over coming years.

Thank you for your continued support.

Robert Talbut
Chair

2nd April 2025

Investment Manager's Report

Market Review

The past year was another robust one for the US economy and financial markets. The S&P 500 Index achieved a second year of double-digit returns, posting an impressive rise of 25% in US dollars terms and 27% in sterling. This remarkable growth was underpinned by resilient consumer spending, marking the fourth consecutive year of above-trend economic expansion.

US equity markets began 2024 on a strong note, fuelled by optimism surrounding a 'soft landing' for the economy. Initially economists projected modest growth of only 1.2% for the year. However GDP grew by 2.8% in 2024, after expanding by 2.9% and 2.5% in the prior two years. Consumption, which constitutes 68% of nominal GDP, has been especially resilient. Real consumer spending on goods has risen by 2% year-on-year, and spending on durable goods and services has increased by 3%.

Throughout the year, the jobs market and interest rates remained central topics of discussion. Despite some concerns about an economic slowdown, employment continued to rise with December 2024 marking the 48th consecutive month of job gains, and the unemployment rate concluded the year at 4.1%, only slightly higher than the 3.8% rate at which it began the year. Although it may seem counterintuitive that both figures increased, the strong labour market has attracted more individuals back into the workforce, as reflected in the rise in the employment participation rate. Inflation made significant progress toward the Federal Reserve's 2% target, which gave the Fed scope to begin lowering interest rates. Fed policy has been targeting inflation since March 2022, when it began increasing rates to slow the economy. In August 2023, the benchmark Fed funds rate reached a 23 year high. As inflation moderated, the central bank cut rates by 0.5 percentage points in September 2024, followed by two additional cuts, each of 0.25 percentage points. By year end, the Fed funds rate stood in a range of 4.25% to 4.5%.

The largest contribution to the market's return was US corporate earnings which again surpassed expectations. Forecasts for 2024 rose steadily due to the supportive macroeconomic environment. Current projections indicate expected earnings growth of 12% year-over-year for 2024, notably higher than the ten-year average growth rate of 8%.

Much like in 2023, the 'Magnificent 7' tech giants—Apple, Microsoft, Amazon, Alphabet, NVIDIA, Meta Platforms, and Tesla—also played a crucial role in the S&P 500's performance. These companies accounted for 61% of the index's return in 2024. However, their dominance slightly diminished as economic momentum contributed to a broadening of earnings expectations, a trend expected to continue in 2025.

Once again, the best-performing sectors of the S&P 500 were communication services, technology, and consumer discretionary. Financials also surprised with a robust performance, driven by expectations of a strong recovery in earnings and a more favourable regulatory environment. Conversely, the weakest sectors were materials, healthcare, and real estate.

However, it is important to note that while the overall market performed well, there were pockets of volatility. Geopolitical tensions and policy uncertainties occasionally spooked investors, leading to short-term market fluctuations. Despite these challenges, the underlying fundamentals remained strong, providing a solid foundation for continued growth.

Felise Agranoff
Portfolio Manager

Jack Caffrey
Portfolio Manager

Eric Ghernati
Portfolio Manager

Graham Spence
Portfolio Manager

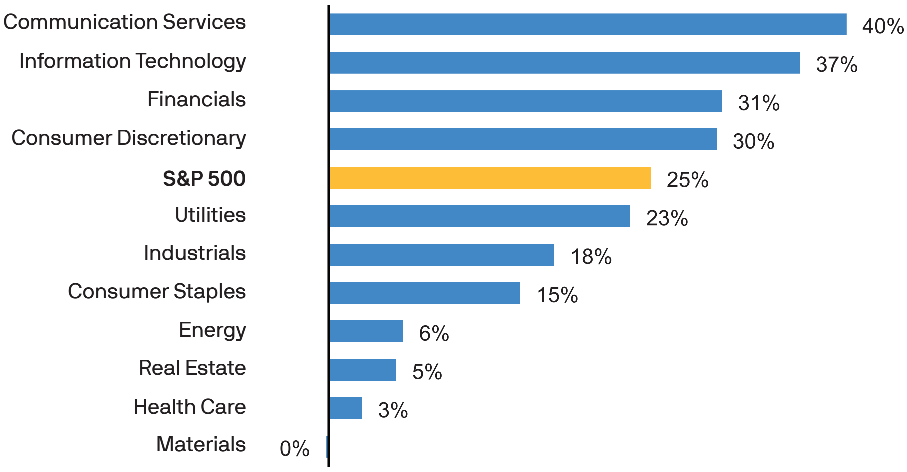
Investment Manager's Report

The following charts provide an overview of the returns of different investment styles in the US market during 2024, as well as the sector performance of the S&P 500 during that period.

2024 US Equities Style performance (US$)

2024	Value	Blend	Growth
Large	14.4%	25.0%	33.4%
Mid	13.1%	15.3%	22.1%
Small	8.1%	11.5%	15.2%

2024 S&P 500 Index performance (US$)

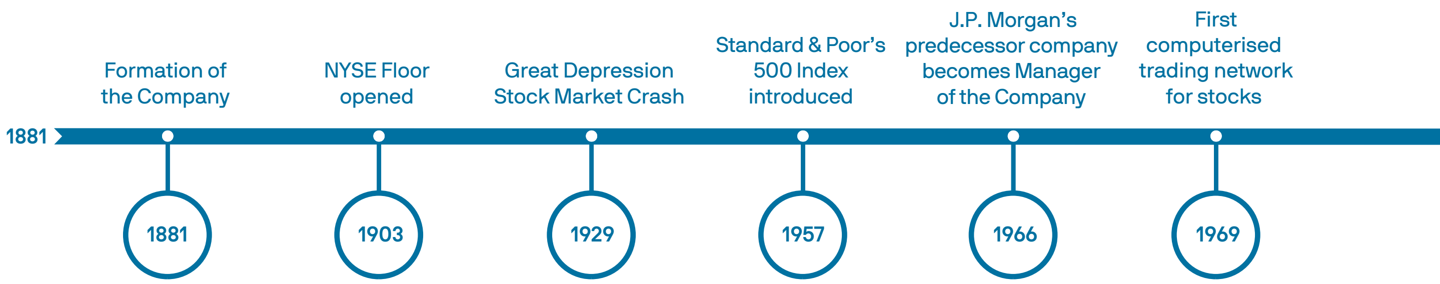


Source: FactSet, Russell Investment Group, Standard & Poor's, Wilshire, J.P. Morgan Asset Management. Data as of 31st December 2024. All calculations are cumulative total return, including dividends reinvested for the stated period. For all time periods, total return is based on Russell style indices with the exception of the large blend category, which is based on the S&P 500 Index. Past performance is not a reliable indicator for current and future performance.

Performance and Overall Asset Allocation

The Company's net asset value rose 30.6% on a sterling total return basis in 2024, significantly outpacing the 27.0% return of the S&P 500 Index. This result means that 2024 was the fifth year in the past six that the Company has delivered double digit returns, and 2024 saw the best absolute return over that period.

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



Performance attribution

For the year ended 31st December 2024

	%	%
Contributions to total returns		
Net asset value (debt at fair value) total return in sterling terms[APM]		**30.6**
Benchmark total return (in sterling terms)		27.0
Excess return		**3.6**
Combined Portfolio return in US dollar terms[1]	28.8	
Benchmark total return in US dollar terms	24.8	
Combined Portfolio relative return in US dollar terms	**4.0**	
Large & Small Cap Portfolio contribution[2]:		
Large Cap Portfolio in US dollar terms	4.9	
Small Cap Portfolio in US dollar terms	(0.9)	
Combined Portfolio relative return in US dollar terms	**4.0**	
Contributions to return		
Equity portfolio (ex-cash and gearing) in US dollar terms	3.0	
Cash and gearing impact in US dollar terms[3]	1.0	
Combined Portfolio relative return in US dollar terms	**4.0**	
Effect of foreign currency translation[4]	0.1	
Combined Portfolio relative return in sterling terms	**4.1**	**4.1**
Management fee and other expenses[5]		(0.4)
Finance costs[5]		(0.1)
Share buybacks and share issuances[6]		0.1
Impact of fair valuation of debt[7]		(0.1)
Total		**3.6**

Source: J.P. Morgan/Morningstar.

All figures are on a total return basis. Performance attribution analyses how the Company achieved its recorded performance relative to its benchmark.

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

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

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

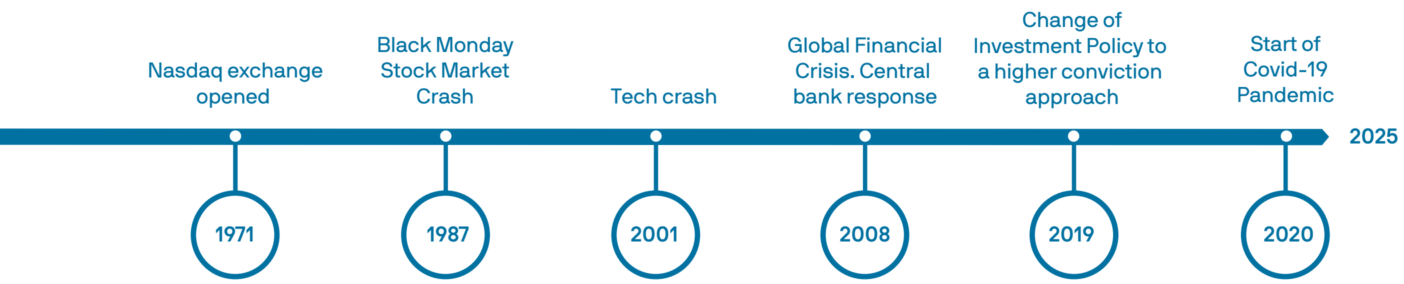
[4] Effect of foreign currency translation – measures the impact of currency exposure differences between the Company's portfolio and its benchmark.

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

[6] Share buybacks and issuances – measures the combined effect of (i) the enhancement to net asset value per share of buying back the Company's shares for cancellation at a price which is less than the Company's net asset value per share and (ii) the shares issued at a price higher (premium) than the net asset value per share, would result in an enhancement to net asset value per share.

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

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



Investment Manager's Report

Large Cap Portfolio

The outperformance by the large company portion of the portfolio over the review period was mainly driven by good stock selection.

Kinder Morgan, one of the largest energy infrastructure companies in the US, was a strong stock-specific contributor. The company's earnings growth was bolstered by increased demand for natural gas, including liquefied natural gas (LNG) exports, and strong overall demand for energy, especially from data centres. Additionally, Kinder Morgan maintained a robust project pipeline, further enhancing its growth prospects. We remain confident in this stock, due to the company's stable earnings from natural gas volumes rather than price.

Our overweight position in **Broadcom**, a leading semiconductor company, proved highly beneficial, as its share price surged over 100% during the period. The company experienced robust growth, fuelled by the strong appetite for artificial intelligence (AI) related products and the successful integration of VMware, a software provider which helps companies operate using a mix of computer environments. Broadcom's semiconductor revenue reached US$12.2 billion in the 2024 fiscal year, and there is potential for significant further growth, as it is projecting the serviceable addressable market (SAM) for its AI semiconductors to be US$60-90 billion by fiscal 2027, with key customers including Google, Meta, and ByteDance. Despite facing some challenges in non-AI segments, Broadcom's overall financial performance remained strong, with notable improvements in operating margins and annualised booking values.

Another top contributor was **Meta Platforms** (formerly Facebook), which is experiencing strong momentum driven by advances in AI and its Reality Labs segment, which provides augmented and virtual reality related products, including consumer hardware, software, and content. Meta AI has rapidly gained traction, with over 500 million monthly active users. Enhancements in AI-driven feed and video recommendations have boosted user engagement on Facebook and Instagram. Within the Reality Labs segment, Meta has successfully launched Ray-Ban Meta glasses and is developing Orion augmented reality (AR) glasses, which are expected to be available in two to three years. The company is focusing on long-term opportunities, including in AI, virtual reality, and new product initiatives such as click-to-messaging ads and Reels, an advanced video production tool, with the aim of maintaining its industry leadership and exploring new revenue growth opportunities.

The most significant stock-specific detractor from the portfolio's performance relative to the S&P 500 was our lack of exposure to **Tesla**. Although we have previously held Tesla in our portfolio, we decided to sell the stock in January 2024, due to concerns about increased competition from Chinese and European players. As the year progressed, Tesla's share price was supported by improvements in its profitability, which were driven by cost reductions and enhanced production efficiency, and announced plans for a more affordable EV model. Despite these positive developments, we are concerned about the potential for new vehicle models to cannibalise sales of the Model 3 and Model Y lines. Furthermore, we see challenges related to the full self-driving (FSD) technology, as well as from increased competition and economic pressures, all of which have the potential to adversely affect Tesla's profitability. These considerations have led us to remain on the sidelines for now.

Our position in **Regeneron Pharmaceuticals** also detracted from performance during 2024, as its stock price declined due to competitive pressures and legal challenges. The company reported strong revenue and earnings growth, driven by the successful launch of Eylea HD, a treatment for macular degeneration, and the robust performance of Dupixent, which relieves the symptoms of eczema and asthma. However, there are concerns about Eylea's competitive positioning, particularly with the potential entry of Amgen's biosimilar medication, an innovative, alternative treatment for macular degeneration. The company also faces legal issues related to the False Claims Act. Both of these concerns have negatively impacted the stock. Despite the current headwinds, Regeneron remains a compelling investment opportunity with long-term growth prospects, due to its significant research and development investments in oncology, immunology, and obesity, along with its robust pipeline.

Weyerhaeuser, one of the world's largest holders of timberlands, was another significant detractor. The company's stock price came under pressure due to declining sales, which were driven by lower harvest volumes and increased processing costs. The company faced significant challenges from high input costs and sector-wide underperformance, exacerbated by the impact of higher mortgage rates on housing activity. Additionally, regulatory scrutiny and shifting market dynamics in the wood products industry contributed to uncertainty, negatively impacting investor sentiment and stock performance. Following the sale of our position in May, the stock continued to decline, reflecting the ongoing difficulties faced by the company and the broader industry.

Large Cap Portfolio Stock Attribution[1]

For the year ended 31st December 2024

Top Contributors	Relative weight (%)	Stock return (%)	Impact (%)
Kinder Morgan	3.4	64.4	1.1
Broadcom	1.9	110.4	0.8
Meta Platforms	2.2	66.1	0.8
Trane Technologies	2.3	53.0	0.5
Morgan Stanley	1.9	47.9	0.5

Top Detractors	Relative weight (%)	Stock return (%)	Impact (%)
Tesla*	–2.3	24.6	–1.1
Regeneron Pharmaceuticals	1.3	–18.9	–0.9
Weyerhaeuser*	–0.1	–9.6	–0.7
EOG Resources	2.5	4.3	–0.6
Public Storage	1.9	2.1	–0.5

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

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

* Indicates stock was not held as of 31st December 2024. The portfolio is actively managed. Holdings, sector weights, allocations and leverage, as applicable, are subject to change at the discretion of the Investment Manager without notice. Past performance is not a reliable indicator of current and future results.

Investment Manager's Report

Portfolio Activity

During the year, we had several opportunities to acquire attractively valued companies at more reasonable prices. As always, we remain very selective, only adding names with differentiated and compelling fundamentals. We purchased eleven new names and exited the same number over the year – the same as in 2023.

During the year, we made some changes in our consumer exposure, adding discount retail apparel and home accessories store **TJX Companies** and fast-food retailer **McDonald's**. TJX has been a winner in the retail world, gaining market share as traditional department stores struggle and shoppers become more price sensitive. The company appeals to a wide range of customers, including those with higher incomes and younger shoppers, thanks to its great mix of merchandise. Known for superior execution, TJX has a skilled management team and a global network of suppliers. This allows it to offer popular brand-name products at great prices. TJX's flexible off-price business model means it can quickly adapt to new trends. The company also has a strong history of beating expectations and raising forecasts. Given its market share growth, attractive value offerings, operational excellence, and experienced leadership, TJX is truly a standout in the retail sector. Typically, the stock trades at a very high valuation, however its multiple compressed in the second quarter on concerns about a weaker outlook. We used this as an opportunity to trade up from a quality perspective, as we funded the acquisition of TJX via the disposal of our position in **Ross Stores**.

McDonald's franchise model minimises direct cost exposure, while maximising royalty income. This allows the company to generate stable revenue streams with a higher return on invested capital. Despite pricing challenges immediately after the pandemic, the company has since improved its US performance through effective value messaging and app promotions, such as the $5 meal deal. These initiatives have resonated with consumers, driving increased traffic and sales. The company is looking to accelerate global unit growth, and the current management team has demonstrated an ability to adapt to changing market dynamics and develop strategic initiatives. We believe the company's focus on value, menu innovation, and digital capabilities positions it well to deliver consistent returns over the long term.

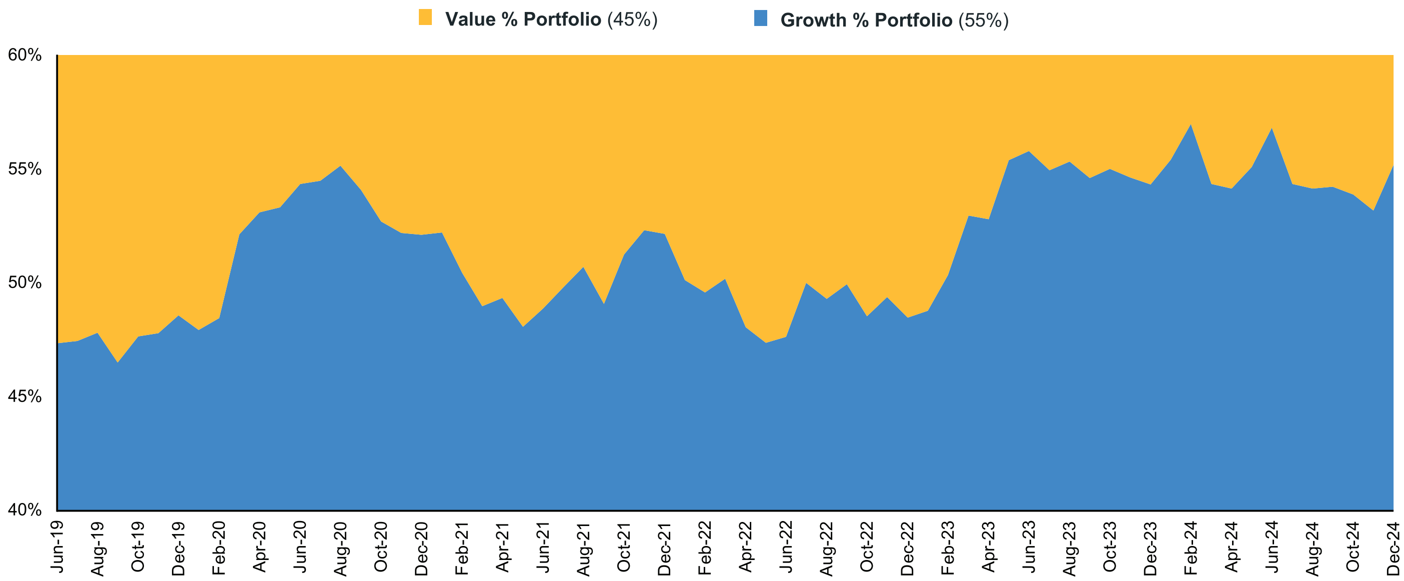
To fund this purchase, we sold our position in **United Parcel Services** (UPS), a logistics and package delivery company. Demand for its services has weakened and revenue per package and profit margins have come under pressure as more customers are opting for cheaper means of shipping. We lost confidence in the company and perceived McDonald's to be a more attractive opportunity.

We exited healthcare concern **AbbVie** to fund our acquisition of Estee Lauder. AbbVie's share price had rallied, and we felt it was prudent to exit the name, as its valuation had become less attractive, and we felt Estee Lauder offered a better risk/reward proposition.

One of the more recent portfolio adjustments has been the re-introduction of **Intuitive Surgical**, the dominant leader in robotic surgery systems. This company is seeing strong growth in procedures using its da Vinci surgical system, and it has launched several new products. Intuitive Surgical has experienced a significant jump in revenue, thanks also to higher selling prices and fewer leased systems. Strong sales, combined with cost controls, have resulted in strong margin growth. We believe the company is well-positioned for long term success. The repurchase of Intuitive Surgical was funded by our exit from **Advanced Micro Devices**, where we grew concerned about the company's data centre growth prospects, as the competitive landscape for graphics processing units (GPUs) is intensifying as well as the pace of AI capex growth slowing.

Value and growth exposure

The large cap portfolio is divided between value and growth stocks, with the allocation allowed to vary between 60:40 and 40:60. At the end of the review period, growth stocks comprised some 55% of the large cap portfolio, with the remaining 45% invested in value stocks. This is close to the current growth/value split of the S&P 500 index.



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

Portfolio Holdings

Large Cap Portfolio

As at 31st December 2024

Information Technology	Financials	Consumer Discretionary	Health Care	Industrials	Communication Services	Energy	Consumer Staples	Real Estate	Materials	Utilities
27.5% (-5.0%)*	16.2% (2.6%)*	13.8% (2.6%)*	9.2% (-0.9%)*	7.4% (-0.8%)*	6.9% (-2.5%)*	6.2% (3.0%)*	4.3% (-1.2%)*	3.9% (1.8%)*	2.7% (0.8%)*	2.0% (-0.3%)*
Apple	Capital One Financial	Booking Holdings	UnitedHealth Group	Trane Technologies	Alphabet	Kinder Morgan	Procter & Gamble	Public Storage	Packaging Corp of America	NextEra Energy
Microsoft	Loews	Amazon.com	Eli Lilly	JB Hunt Transport Services	Meta Platforms	EOG Resources	Estee Lauder	Regency Centers	Martin Marietta Materials	
Broadcom	Berkshire Hathaway	Home Depot	Regeneron Pharmaceuticals	Quanta Services						
NVIDIA	M&T Bank	TJX	Thermo Fisher Scientific	Honeywell International						
HubSpot	Mastercard	McDonald's	Intuitive Surgical							
Intuit	Morgan Stanley		HCA Healthcare							
Palo Alto Networks										
Analog Devices										

Value
Growth

Source: J.P. Morgan Asset Management.

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

The table below shows that at the year end the large cap portfolio was trading at a 20% discount to the market on a free cash flow basis, which confirms that we are not paying a premium for good cash flow. Indeed, the discount provides a comforting valuation cushion. The portfolio is expected to deliver earnings growth of around 16% over the next 12 months, in line with the market. However, both figures are based on consensus earnings, which may need to be revised.

Investment Manager's Report

Characteristics	Large Cap Portfolio	S&P 500
Weighted Average Market Cap	US$945.5bn	US$1,034.9bn
Price/Earnings, 12-month forward[1]	22.7x	20.8x
Price/Free Cash Flow, last 12-months	21.7x	26.2x
EPS Growth, 12-month forward	15.6%	16.0%
Return on Equity, last 12-months	22.5%	24.7%
Predicted Beta	0.99	—
Predicted Tracking Error	2.77	—
Active Share	61%	—
Number of holdings	40	500

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

[1] Including negatives. Data as of 31st December 2024. The portfolio is actively managed. Holdings, sector weights, allocations and leverage, as applicable, are subject to change at the discretion of the investment manager without notice.

A Glossary of Terms is provided on page 100.

Small Cap Portfolio

As mentioned above, the small cap portfolio negatively impacted returns over the review period, as it underperformed the S&P 500. The overall allocation to the small cap portfolio was maintained at an average of 6% during the year. Small cap valuations continue to look compelling relative to large caps following a prolonged period during which large caps outperformed small caps. Valuations may indicate the conditions are ripe for a potential reversal, we feel caution is still warranted.

Outlook

We are upbeat about the prospects for US equities over the coming year and beyond. The economy remains resilient, performing better than many had expected, the unemployment rate remains relatively steady, and consumer financial conditions are manageable and will be further supported by easing inflation pressures and declining interest rates. This combination of factors is fostering a stable economic environment, conducive to further growth. Against this positive backdrop, our research analysts are optimistic about the earnings outlook for the S&P 500, projecting a robust 12% growth in earnings for 2025 and 14% for 2026. These strong forecasts underpin our confidence in the market's potential.

While we are encouraged by signs of improving growth prospects, we remain vigilant regarding potential risks that could induce volatility. These include ongoing geopolitical tensions and upcoming shifts in US trade, regulatory and fiscal policies. It is also possible that bond yields will have to rise to attract the funds needed to finance government debt. Any of these factors could trigger short-term market fluctuations.

We are committed to investing in high-quality businesses with strong competitive advantages, ensuring stability during uncertain times. Additionally, we aim to capitalise on market volatility by selectively identifying and seizing opportunities that align with our long-term investment goals. Overall, our strategy is to maintain a balanced approach, leveraging our insights and expertise to navigate the complexities of the market, while actively seeking opportunities for growth and value creation. We are confident this approach will continue to reward shareholders with strong capital growth over time.

Felise Agranoff
Jack Caffrey
Eric Ghernati
Graham Spence
Portfolio Managers

2nd April 2025

Investing with conviction

Through its Manager, the Company aims to deliver its investment objective and provide highly actively managed exposure to the US stock market by investing in the most attractive value and growth stocks identified by our two specialist investment teams.

The investment approach is a collaborative effort between Jack Caffrey and Graham Spence, who choose the best value ideas, while Felise Agranoff and Eric Ghernati target the best growth ideas. Together, these value and growth stocks comprise the Large Cap portion of the portfolio, which represents 90% or more of the trust’s assets.

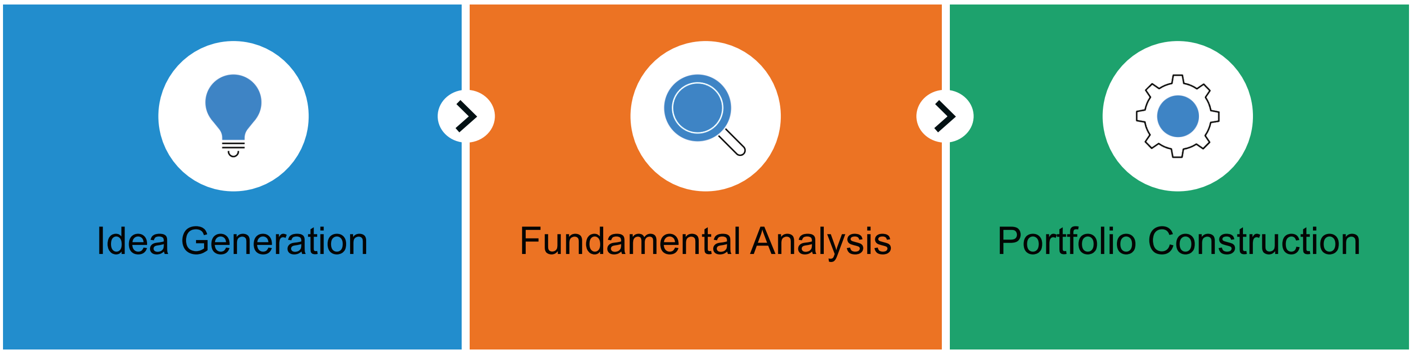
> *“We use a flexible bottom-up approach to find the best quality value and growth ideas in the US. Ours is a heavily researched fundamental process relying on a team of over 40 US equity research analysts”.*
>
> *- Felise Agranoff, Jack Caffrey, Graham Spence & Eric Ghernati, Co-Portfolio Managers*

There is also a Small Cap Blend allocation comprising up to 10% of the portfolio, which focuses on companies further down the market cap scale. This allocation is a combination of J.P. Morgan Asset Management’s Small Cap Growth and Small Cap Value strategies. The Small Cap Growth strategy is managed by Eytan Shapiro, while the Small Cap Value strategy is managed by Larry Playford. At the end of December 2024, the weighted average market cap in the large cap portfolio was US$ 945.5 billion, while the small cap portfolio averaged US$ 5.1 billion on an equivalent basis.

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

The Manager’s ability to draw on the expertise of both value and growth investment specialists provides investors with access to complementary investment styles and potentially smoother long-term returns.

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



Large Cap Portfolio

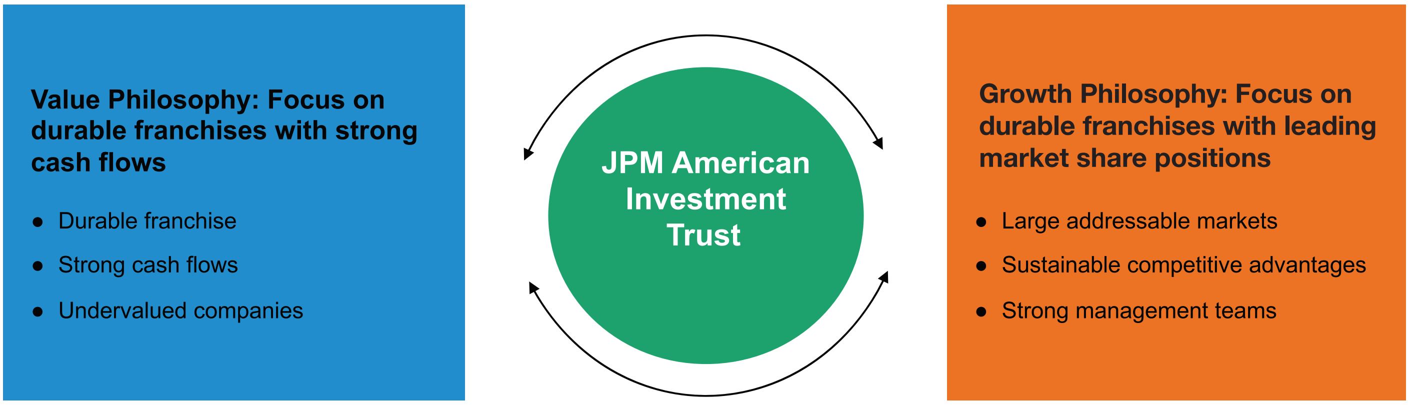
The main source of **idea generation** is the Manager’s team of US equity analysts. The Portfolio Managers benefit from the research efforts of a team of over 40 in-house US equity career analysts, whose longstanding relationships with the companies they cover provide them with insights into the US market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

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

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

Manager's Investment Process

Below is an overview of some of the characteristics the two teams seek in investments:



The analysts' ESG views on specific companies are the product of proprietary research and one-on-one engagements with companies. These ESG views are one of multiple informational inputs into the investment process, alongside data on traditional financial factors, and so are not the sole driver of decision-making. The research framework uses several internally developed processes to assess the financially material ESG risks and opportunities of any business. An ESG Checklist applies the same detailed 40 questions to more than 2,500 companies under coverage globally. This Checklist asks 12 questions specifically addressing environmental considerations, 14 on social factors and 14 on governance issues. The checklist includes both negative and positive questions, and a severity assessment. This is not a 'pass/fail' exercise, but rather a tool to inform discussions between Portfolio Managers and fundamental analysts, and engagements with the companies they cover.

Questions on the checklist include:

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

Responsibility for actual **portfolio construction** decisions lies with the Portfolio Managers, who construct a concentrated portfolio by considering for inclusion only those securities that meet their exacting investment criteria.

For the large cap portion of the portfolio, they operate within the investment policy and guidelines set by the Company (please refer to page 37). Additionally, they look to manage the large cap portfolio using the following parameters:

- A concentrated portfolio typically comprising 40 stocks
- Position sizes determined by conviction level:
  - Quality of the business
  - Risk/reward
  - Diversification impact on portfolio
- Sector constraint: +/–15% relative to the S&P 500
- Single stock constraint: +/–7.5% relative to the S&P 500
- Capital allocation tilt: 50% +/–10% for each value and growth sleeve

Sell Discipline

The Portfolio Managers employ a strict sell discipline based on the following principles:

Portfolio positions are reduced or eliminated when:

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

Small Cap Portfolio

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

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

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

Value

Focus on characteristics associated with long-term shareholder value creation:

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

Flexible tilt between growth and value styles

JPMorgan Small Cap Blend Strategy

Growth

Focus on high quality growth companies with underappreciated long term growth rates:

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

Manager's Investment Process

Summary

Concentration

A concentrated approach provides sharper focus and better insights

Value and Growth

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

Flexibility

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

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

Company Engagement

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

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

For the Company, the Investment Stewardship team, in conjunction with the Manager, conducted engagements across 41 companies in the year to 31st December 2024, specifically to discuss ESG issues. The companies engaged with represented 59.5% (by value) of the portfolio, with the engagements by sector and theme broken down as follows:

Environmental	Social	Governance
14 companies	24 companies	27 companies

Proxy Voting

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

Where the Manager has voted for resolutions, in this case the 95.4% of votes, these generally relate to board director election/re-elections which align with the Manager's expectations on board and key committee compositions. In addition, the Manager has supported compensation plans which appropriately link executive pay to company performance. Where the Manager withholds its support or vote against resolutions, in this case the 2.6% of votes, these have primarily related to environmental and social related resolutions. Over the last few years, there has been an uptick in the number of resolutions on environmental and social topics. These environmental and social-related resolutions are reviewed by the Manager and support is provided if these align with the Manager's Investment Stewardship Priorities, and where voting in favour of such resolutions is in the best interests of clients.

A summary of key voting statistics and activity undertaken in respect of stocks in the Company's portfolio for the 12 months to 31st December 2024 is detailed below.

Items	Number	Percentage
Number of votable meetings	248	—
Number of votable items	2,057	—
Number of items voted (instructions of Do Not Vote are not considered voted)	2,057	100.0%
Number of votes for	1,962	95.4%
Number of votes against	54	2.6%
Votes withheld	15	0.7%
Did not vote	0	0.0%
With Management	1,988	96.6%
Against Management	69	3.4%
Directors Related	42	60.9%
Non-Salary Comp	23	33.3%
Other/Misc	4	5.8%
With Policy	2,035	98.9%
Against Policy	22	1.1%

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

J.P. Morgan Asset Management 2nd April 2025

Manager's Investment Process

Quanta Services, Inc.	Portfolio Weight as at 31st December 2024	Sector	Invested since
	1.8%	Industrials	March 2022

Michael Stein

US Equity Research
Industrials

Experience:
17 years

Company Overview

Quanta Services is a leading specialised contracting services company, delivering comprehensive infrastructure solutions for the utility, renewable energy, communications, pipeline, and energy industries. Quanta employs the largest building and construction workforce in North America.

Business Segments

Quanta's services include designing, installing, repairing, and maintaining energy and communications infrastructure. With operations across the United States, Canada, Australia, and select international markets, the company operates through the following segments: Electric Power Infrastructure, Renewable Energy Infrastructure, and Underground Utility and Infrastructure.

JPMAM's Investment Thesis

We believe demand for Quanta's services are in the early stages of growth, thanks to the rapid global transition to renewable energy and sharp growth in power demand. Key drivers of energy demand include the increasing electrification of passenger vehicles and the significant energy requirements of AI tools and their supportive infrastructure.

In our opinion, electrical infrastructure has a very compelling growth profile as transmission and distribution spending by utility companies has been growing at a 7% compound annual growth rate (CAGR) over the past ten years, and yet the fixed asset base is still antiquated and in need of immediate upgrading.

Electric vehicle (EV) growth presents an even bigger investment challenge for utility companies. Despite the recent dip in demand for Tesla's EVs, we assume a 15% to 20% penetration by EVs of the US car market by 2030. Furthermore, growth in renewable energy sources and the need to improve energy supply resilience in the face of escalating climate-driven events will require additional long-term investments. As a result of this type of growth profile, we believe Quanta Services could deliver double digit annual revenue growth for many years to come.

Quanta Services also has a strategic edge in developing and retaining the industry's most skilled labour. Its numerous large training programs (including its ownership of the Northwest Lineman's College) give the company the means to attract and properly train employees. In the 'craft labour' sector, which includes specialist building and construction workers, labour availability is often the main determinant of growth, so we see this as a big differentiator.

We believe Quanta Services is one of the few almost pure-play ways to express a positive investment view on electrical infrastructure growth. As such, we view the company as a unique and strategic portfolio asset.

Company Engagement

Quanta Services has the added attraction of a strong commitment to environmental sustainability. The company has pledged to build at least 100 GW of renewable energy capacity by 2035, underscoring its commitment to a greener future. In September 2024, Quanta released its 2023 Sustainability Report, 'Forging the Future', which offers a transparent view of its sustainability strategy and progress. The report highlights Quanta's critical role in enabling the global transition to low-carbon energy sources and outlines its goals to reduce the carbon intensity of its operations. Additionally, Quanta aims to make a positive impact on society through collaboration with its customers. In terms of employees, Quanta places a high priority on safety, supported by world-class training resources and proactive hazard identification on job sites. This includes deploying event recorders across its fleet, and also by collaborating with customers during project planning to identify hazards and integrate safety controls.

Manager's Investment Process

Broadcom Inc.	Portfolio Weight as at 31st December 2024	Sector	Invested since
	4.0%	Information Technology	December 2023

Company Overview

Broadcom Inc. is a leading technology company operating in two primary areas: semiconductor solutions and infrastructure software. Its product offerings serve the data centre, networking, software, broadband, wireless, storage, and industrial markets.

Joe Wilson

US Equity Research
Technology

Experience:
19 years

Business Segments

Broadcom's semiconductor solutions are integral to the functioning of modern digital infrastructure, underscoring the company's pivotal role in the technology ecosystem. Its infrastructure software solutions focus on data centre management, enterprise software, and cybersecurity, areas that are increasingly critical in today's digital age. The company is also a leading player in the AI semiconductor market, offering customised AI accelerators and networking solutions tailored for hyperscale data centres.

JPMAM's Investment Thesis

Broadcom's strategic focus on diversification, financial strength, AI-driven innovation, and acquisitions offering synergies with its existing business, makes it a compelling investment opportunity, in our view. The company has experienced significant growth, generated by its AI and software segments.

Broadcom's AI business, particularly its customised AI accelerators and networking, has been a key contributor to growth. The company's niche focus on application-specific integrated circuits (ASICs) should position it well to capitalise on the growing demand for customised AI solutions. Broadcom has outlined a significant AI serviceable addressable market (SAM) of US$60-90 billion by fiscal year 2027 in relation to its top three customers. It has also confirmed that it is in advanced talks with two more hyperscalers, which could further expand its AI SAM.

The company's non-AI semiconductor business, which saw a cyclical bottom in 2024, is nonetheless another growth engine, and is expected to recover at a mid-single digit growth rate in the coming year and beyond. Broadcom's software business has also been bolstered by the recent acquisition of VMware.

We view Broadcom's management team as best-in-class and a significant determinant of its success. The company has made a number of strategic acquisitions including VMware, which should contribute significantly to its future earnings growth, further reinforcing Broadcom's market leading position. The company's close partnerships with customers, its strong cost control and strategic capital allocation further enhance its investment appeal.

In our view Broadcom offers an attractive stock valuation relative to its peers, as well as strong earnings growth expectations, which together comprise a favourable risk-reward profile.

Company Engagement

Broadcom is deeply committed to sustainability and environmental stewardship. The company has set an ambitious target to reduce its Scope 1 and Scope 2 greenhouse gas emissions by 38% by 2030, using 2021 as a baseline. This target aligns with the UN Paris Agreement and the Science Based Targets Initiative (SBTi) to limit global warming to 1.5° Celsius above pre-industrial levels. In a testament to its commitment to both innovation and sustainability, Broadcom has recently introduced a semiconductor chip that doubles bandwidth, without increasing power consumption. This offering can provide cost savings for cloud data centres by reducing electricity usage, thus playing a vital role in promoting energy efficiency. Additionally, Broadcom is at the forefront among its peers in initiatives to leverage growth opportunities in clean technology.

We have engaged with Broadcom's Compensation Committee Chairman to discuss compensation and succession planning. We addressed past compensation concerns, leading to a proxy that restricts further CEO equity grants and sets challenging stock price goals, which have been met but will vest only after five years. This structure aims to retain the CEO during succession planning, with similar terms for potential successors.

Manager's Investment Process

M&T Bank Corporation	Portfolio Weight as at 31st December 2024	Sector	Invested since
	2.4%	Financials	December 2020

Steven Wharton

US Equity Research
Banks & Capital Markets

Experience:
29 years

Company Overview

M&T Bank is a leading American bank holding company that offers a wide array of banking services to individuals, businesses, and institutions. Operating primarily in the eastern part of the US, the bank maintains an extensive network of over 1,000 branches spanning 12 states, from Maine to Virginia, including Washington, DC.

Business Segments

M&T Bank operates in several business segments, including consumer and commercial banking. The bank's fee income is diversified across various services such as wealth management, trust services, brokerage, mortgage provision and treasury functions. Additionally, the bank's corporate and institutional services, fund banking, mortgage warehouse lending, and equipment finance are key drivers of its commercial and industrial (C&I) loan growth.

JPMAM's Investment Thesis

M&T Bank has consistently demonstrated robust financial performance, underpinned by its strategic focus on core deposit growth, operational efficiency, prudent risk management and credit quality. This strong foundation has enabled the bank to navigate challenging economic environments effectively, maintaining stability and resilience. One testament to its financial resilience is the fact that M&T Bank was one of the few banks in the S&P 500 to maintain its dividend during the financial crisis. This track record underscores the bank's strong risk management and commitment to shareholder value. The bank's diverse business segments ensure stable fee income. The company has also seen growth in its consumer loan portfolio, particularly in indirect auto loans and recreational finance. This is further diversifying its revenue streams.

Looking ahead, we believe the bank is well-positioned to capitalise on growth opportunities as the credit cycle evolves. Its strategic focus on maintaining a strong balance sheet, coupled with its emphasis on cost control and talent management, mean the bank is well-positioned to deliver solid returns.

Company Engagement

M&T Bank is actively engaged in various ESG initiatives. The bank has pledged to offset 100% of its electricity use with renewable energy by 2030 and has established interim targets to reduce its Scope 1 and 2 emissions. The bank's commitment to sustainability efforts is further evidenced by the fact that its total sustainability finance loans and investments reached US$3.1 billion in 2023. In addition to its environmental efforts, M&T Bank is making strides in social impact. The bank has allocated US$900,000 to 30 organisations within its service areas to tackle affordable housing and homelessness in underserved low- to middle-income communities. It has also launched a Spanish-language Small Business Accelerator program in Prince George's County, Maryland, aimed at empowering local small business owners. These efforts underscore the bank's commitment to fostering economic growth and social well-being in the communities it serves.

McDonald's Corporation	Portfolio Weight as at 31st December 2024	Sector	Invested since
	2.4%	Consumer Discretionary	April 2024

Greg Fowlkes

US Equity Research
Consumer Discretionary

Experience:
25 years

Company Overview

McDonald's is a leading global fast food restaurant brand operating in more than 100 countries. The company has more than 36,000 restaurants worldwide, with over 90% of them franchised.

Business Segments

McDonald's business is divided into three key segments: the US market, International Operated Markets (IOM) and International Developmental Licensed Markets (IDL). The IOM segment includes markets where McDonald's runs its restaurants directly, such as the UK, France, Germany and Australia. The IDL segment includes markets operated by developmental licensees.

JPMAM's Investment Thesis

McDonald's benefits from a franchise model that minimises direct cost exposure while maximising royalty income, a model which allows the company to generate stable revenue streams with lower operational risks. This is one of the main reasons we like the name.

Despite pricing challenges immediately after the pandemic, the company has since improved its performance in the US through effective value messaging and app promotions, such as the $5 deal and Chicken Big Mac. These initiatives have resonated well with consumers, driving increased traffic and sales.

The rollout of McDonald's loyalty program is expected to further enhance performance by raising customer traffic through personalised promotions. While difficult to quantify, in an increasingly digitally driven business, the benefits of scale should ensure a wider competitive moat and better unit economics.

Management is also looking to use the company's strength and scale to accelerate global unit growth. In fact, the period between 2024-2027 is expected to show the fastest unit growth in McDonald's history. The current management team, perhaps the best we've seen in some time at the company, has shown a clear ability to adapt to changing market dynamics and develop strategic initiatives that align with market trends and consumer preferences.

The company's focus on value, menu innovation, and digital capabilities positions it well to deliver consistent returns over the long term. These initiatives reflect McDonald's ability to navigate challenging market environments while drawing on its core strengths.

Company Engagement

McDonald's aims to achieve net zero carbon emissions by 2050, targets approved by the Science Based Targets initiative (SBTi). By 2030 (using 2018 as a base year), the company plans to halve Scope 1 and 2 Green House Gas (GHG) emissions in its company-owned restaurants and offices, as well as Scope 3 energy and industrial GHG emissions in franchisee and company owned restaurants, and in supply chain logistics and packaging. McDonald's also focuses on promoting energy-efficient systems in its stores and collaborating with franchisees to adopt these solutions.

Beyond environmental efforts, McDonald's has a long-standing commitment to social impact, particularly through its partnership with Ronald McDonald House Charities (RMHC). In 2023, McDonald's raised US$53 million through the Round-Up for RMHC program, which provides essential services and accommodations for families with children in hospitals. RMHC has a global presence, with over 385 programs worldwide, supporting families in more than 90% of the world's leading pediatric hospitals and facilitating over 2 million overnight family stays each year.

Portfolio Information

Ten largest equity investments

At 31st December

Company	Sector	Description	2024 £'000	2024 %[1]	2023 £'000	2023 %[1]
Amazon.com	Consumer Discretionary	Amazon is a technology company focused on e-commerce, digital streaming and online advertising. It also operates a cloud computing platform to public and private sector clients globally.	124,491	6.1	81,647	5.1
Microsoft	Information Technology	Microsoft develops, manufactures, sells and supports software products. The company offers operating systems and software and business and consumer applications. The Company also develops gaming consoles.	123,111	6.0	118,626	7.4
NVIDIA	Information Technology	NVIDIA designs, develops, and markets three dimensional (3D) graphics processors and related software. The company offers products that provide interactive 3D graphics to the mainstream personal computer market. It is also a leading supplier of hardware required for AI and AI software.	116,431	5.7	52,228	3.3
Meta Platforms	Communication Services	Meta Platforms is a multinational technology conglomerate which owns and operates Facebook, Instagram, Threads, and WhatsApp, among other products and services.	92,069	4.5	62,239	3.9
Broadcom[2]	Information Technology	Broadcom Inc. is a leading technology company operating in two primary areas: semiconductor solutions and infrastructure software. Its product offerings serve the data centre, networking, software, broadband, wireless, storage, and industrial markets.	78,384	3.8	24,150	1.5
Apple	Information Technology	Apple designs, manufactures, and markets smartphones, personal computers, tablets, wearables, and accessories worldwide, alongside related software and services.	76,254	3.7	60,398	3.8
Kinder Morgan[2]	Energy	Kinder Morgan is one of the largest energy infrastructure companies in North America. The company specialises in owning and controlling oil and gas pipelines and terminals.	67,890	3.3	35,630	2.2
Capital One Financial	Financials	Capital One Financial is a bank specialising in credit cards, auto loans, banking, and savings accounts.	60,211	2.9	48,870	3.1
Berkshire Hathaway	Financials	Berkshire Hathaway is a holding company owning subsidiaries engaged in numerous diverse business activities.	55,906	2.7	47,679	3.0
Loews	Financials	Loews is a diversified holding company engaged in a variety of sectors including insurance, energy, hospitality and packaging industries.	55,533	2.7	52,917	3.3
Total			**850,280**	**41.4**		

[1] Based on total investments of £2,042.8m (2023: £1,608.3m).

[2] Not included in the ten largest equity investments at 31st December 2023.

At 31st December 2023, the value of the ten largest equity investments amounted to £616.7 million representing 38.7% of total investments.

Portfolio Information

Investment activity

	Value at 31st December 2023		During the year ended 31st December 2024			Value at 31st December 2024	
	£'000	% of Total assets	Purchases £'000	Sales £'000	Change in value £'000	£'000	% of Total assets
Large Cap Portfolio	1,502,121	91.4%	524,072	(550,699)	446,252	1,921,746	92.9%
Small Cap Portfolio	106,142	6.5%	46,483	(44,783)	13,167	121,009	5.9%
Total investments	**1,608,263**	**97.9%**	**570,555**	**(595,482)**	**459,419**	**2,042,755**	**98.8%**[1]

[1] 1.2% remainder in 2024 (2023: 2.1%) consists of Net Current Assets. For further details please refer to the Statement of Financial Position on page 72.

Portfolio turnover, an indicator of portfolio activity during the year, was 32% (2023: 44%). This is based on the average of purchases and sales expressed as a percentage of average opening and closing portfolio values.

Portfolio Information

List of investments

At 31st December 2024

Company	Valuation £'000	%[1]
Large Companies		
Amazon.com	124,491	6.1
Microsoft	123,111	6.0
NVIDIA	116,431	5.7
Meta Platforms	92,069	4.5
Broadcom	78,384	3.8
Apple	76,254	3.7
Kinder Morgan	67,890	3.3
Capital One Financial	60,211	2.9
Berkshire Hathaway	55,906	2.7
Loews	55,533	2.7
EOG Resources	50,600	2.5
Mastercard	50,121	2.5
M&T Bank	47,988	2.4
McDonald's	47,591	2.3
Procter & Gamble	47,536	2.3
Trane Technologies	47,102	2.3
Honeywell International	43,097	2.1
Morgan Stanley	42,540	2.1
Palo Alto Networks	40,204	2.0
Alphabet	40,204	2.0
Home Depot	39,692	1.9
UnitedHealth	38,816	1.9
NextEra Energy	38,423	1.9
Public Storage	37,716	1.8
Regency Centers	36,554	1.8
Intuit	36,198	1.8
Estee Lauder	35,865	1.8
Quanta Services	34,890	1.7
Analog Devices	33,351	1.6
Eli Lilly	33,209	1.6
Booking	29,082	1.4
Intuitive Surgical	28,336	1.4
Regeneron Pharmaceuticals	28,047	1.4
Packaging Corp. of America	27,899	1.4
TJX	24,694	1.2
HCA Healthcare	24,139	1.2
HubSpot	23,938	1.2
Thermo Fisher Scientific	23,476	1.2
Martin Marietta Materials	23,398	1.2
JB Hunt Transport Services	16,760	0.8
	1,921,746	**94.1**

Company	Valuation £'000	%[1]
Small Companies		
Applied Industrial Technologies	1,748	0.1
PennyMac Financial Services	1,195	0.1
Hamilton Lane	1,161	0.1
Matador Resources	1,113	0.1
Selective Insurance	1,107	0.1
Cactus	1,082	0.1
Encompass Health	1,033	—
Casella Waste Systems	1,001	—
SouthState	942	—
Old National Bancorp	939	—
Other small companies (235 holdings)	109,688	5.3
	121,009	**5.9**
Total Investments (285 holdings)	**2,042,755**	**100.0**

[1] Based on total value of investments.

Large companies are generally defined as companies which have a market capitalisation of more than US$3 billion and small companies are generally defined as companies which, at the date of investment, have a market capitalisation of less than US$3 billion.

The full breakdown of the portfolio including all the small company holdings as at 31st December 2024 can be found on the Company's website.

Performance Track Record

Ten Year Record

At 31st December	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Shareholders' funds (£m)	804.2	816.7	985.2	980.4	919.2	1,056.8	1,211.5	1,496.1	1,304.1	1,564.0	1,987.8
Net asset value per share with debt at fair value (p)[1,2,APM]	283.1	293.4	379.3	423.6	420.7	504.8	607.6	771.1	697.3	861.5	1,115.7
Net asset value per share with debt at par value (p)[1,APM]	286.1	295.6	381.0	424.3	420.7	504.8	610.1	771.9	690.3	856.5	1,109.9
Share price (p)[1]	288.7	277.9	369.2	405.4	399.0	483.0	577.0	767.0	685.0	859.0	1,130.0
Share price premium/(discount) (%)[3,APM]	2.0	(5.3)	(2.7)	(4.3)	(5.2)	(4.3)	(5.0)	(0.5)	(1.7)	(0.3)	1.3
Gearing/(net cash) (%)[APM]	8.7	8.4	8.5	9.2	(1.0)	2.8	4.7	4.9	5.9	2.8	2.8
Exchange rate (£1=US$)	1.56	1.48	1.24	1.35	1.27	1.32	1.37	1.35	1.20	1.27	1.25
Year ended 31st December											
Revenue return per share (p)[1]	3.76	4.64	5.70	5.93	7.71	7.54	6.31	5.97	7.42	7.73	10.59
Dividend per share (p)[1]	3.25	4.00	5.00	5.50	6.50	6.50	6.75	7.00	7.25	7.75	11.00
Ongoing charges ratio (%)[4,APM]	0.64	0.62	0.62	0.55	0.38	0.18	0.34	0.38	0.36	0.38	0.35
Rebased to 100 at 31st December 2014											
Share price total return[5,APM]	100.0	97.6	131.6	146.4	146.1	179.4	217.4	292.0	263.1	333.2	442.0
Net asset value per share with debt at fair value – total return[6,APM]	100.0	105.0	137.7	155.8	156.8	190.7	232.6	298.1	272.0	337.1	443.1
Net asset value per share with debt at par value – total return[6,APM]	100.0	104.7	136.9	154.5	155.2	188.8	231.3	295.5	266.6	334.1	436.6
Benchmark total return[7]	100.0	106.9	142.3	157.9	159.9	201.5	230.6	298.9	274.9	326.8	415.0

[1] 2014 comparative figures have been restated due to the sub-division of each existing ordinary share of 25p into five ordinary shares of 5p each on 8th May 2014. Includes the final dividend of 8.25p for the year ended 31st December 2024, which is subject to approval by Shareholders at the AGM on 14th May 2025.

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

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

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

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

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

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

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

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

Performance Track Record

Movements in the Capital Base over the Year

	2024		2023	
	£'000	Percentage of opening net assets	£'000	Percentage of opening net assets
Net assets at start of year	**1,563,999**	**100.00%**	**1,304,083**	**100.00%**
Increase in net assets during the year from investing	459,654	29.39	304,899	23.38
Brokerage fees/commissions and other dealing charges	(248)	(0.02)	(264)	(0.02)
	2,023,405	129.37	1,608,718	123.36
Income received from investing – net of withholding tax	20,610	1.32	15,395	1.18
Interest received	1,352	0.09	1,654	0.13
Dividends paid to shareholders	(14,597)	(0.93)	(13,292)	(1.02)
Interest paid on borrowings	(2,464)	(0.16)	(3,133)	(0.24)
Net foreign currency gains/(losses) on cash at bank and current asset investments	(70)	—	(1,758)	(0.13)
Currency gains/(losses) on US$ loans	813	0.05	6,837	0.52
Management fee	(5,205)	(0.33)	(4,261)	(0.33)
Directors' fees	(325)	(0.02)	(228)	(0.02)
Other costs of the Company	(814)	(0.05)	(825)	(0.06)
Repurchase of shares into Treasury	(48,069)	(3.07)	(45,108)	(3.46)
Shares issued from Treasury	13,893	0.89	—	—
Proceeds from share forfeiture and unclaimed dividends	802	0.05	—	—
Net assets at end of year	**1,987,845**	**127.10**	**1,563,999**	**119.93**

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

Business Review

The Company's Purpose

The purpose of the Company is to provide a cost effective investment vehicle for investors who seek long term capital growth from a portfolio of North American companies, which outperforms its benchmark index over the longer term, taking account of wider issues including environmental, social and governance factors. To achieve this, the Board of Directors is responsible for employing and overseeing an investment management company that has appropriate investment expertise, resources and controls in place to meet the Company's investment objective.

Investment Objective

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

Investment Policies

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

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

Investment Guidelines (all at time of investment)

- The Company will not normally invest more than 8% of its gross assets or exceed a 2% active weight over the benchmark (whichever is larger) in any one individual stock.
- The Company will normally limit its five largest investments to 40% of its gross assets.
- The Company will not invest more than 10% of its gross assets in liquidity funds in normal market conditions.
- The Company will not invest more than 10% of gross assets in companies that themselves may invest more than 15% of gross assets in listed closed-ended funds.
- The Company will not invest more than 15% of its gross assets in other listed closed-ended funds.
- The Company will use gearing when appropriate to increase potential returns to shareholders. The Company's gearing policy is to operate within a range of 5% net cash to 20% geared in normal market conditions. The Company has a strategic gearing level, which is set by the Board and kept under review, which is currently 10% plus or minus 2%. In addition the Board may set a tactical gearing range, applying for a shorter period of time and reflecting an assessment of the potential future risks and returns from gearing. The tactical gearing range is currently 5% with a permitted range around this level of 5% plus or minus 5%.
- The Company will only hedge its currency risk in respect of any material long-dated non-dollar gearing it may draw down. Throughout the year, there was none.
- The Company's small cap allocation will not exceed 10% of the equity portfolio.

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

Duty to Promote the Success of the Company

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

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

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

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

The Company's Business Model

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

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

Duty to Promote the Success of the Company

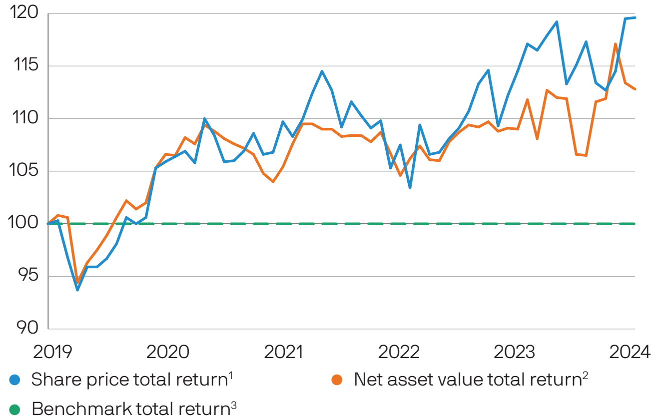
Key Performance Indicators ('KPIs')

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

- **Performance against the benchmark index**

  This is an important KPI by which performance is judged.

  Five year performance relative to benchmark, rebased to 100 at 31st December 2019.



[1] Source: Morningstar.

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

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

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

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

  Five year peer performance as at 31st December 2024

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

Source: Morningstar.

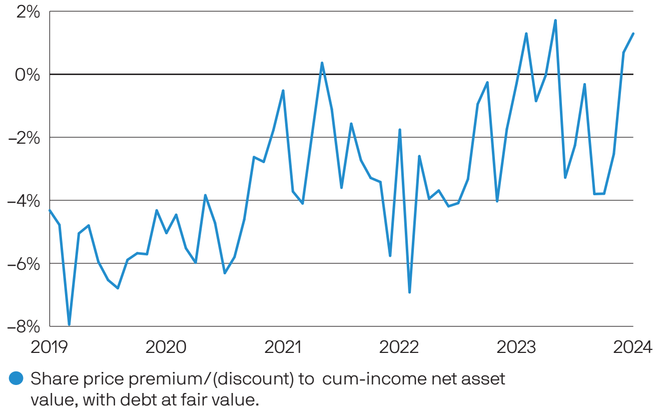
- **Performance attribution**

  The purpose of performance attribution analysis is to assess how the Company achieved its performance relative to its benchmark index, i.e. to understand the impact on the Company's relative performance of the various components such as asset allocation, gearing and stock selection. Details of the attribution analysis for the year ended 31st December 2024 are given in the Investment Manager's Report on page 17.

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

  The Board has adopted a share issuance and repurchase policy and is committed to buy-back shares when they stand at anything more than a small discount to enhance the NAV per share for remaining shareholders and to issue shares at a premium where the Board is confident of consistent market demand. In the year to 31st December 2024, the shares traded between a discount of 5.8% and a premium of 4.1% (daily figures calculated with debt at fair value and including income). Please refer to the Chair's Statement on pages 15 to 22 for further information.

  Premium/(discount)

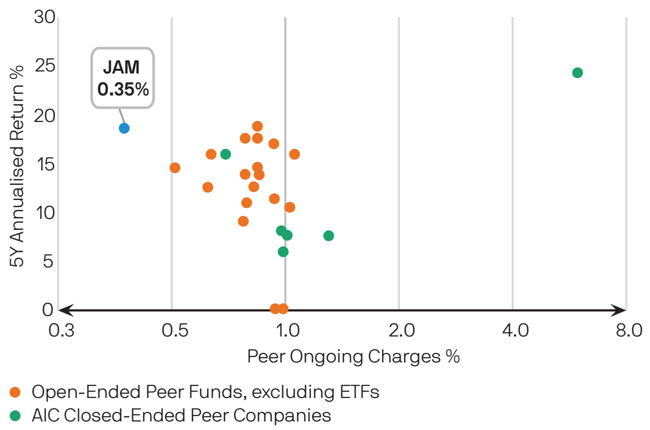


- **Ongoing charges ratio**

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

  Peer group ongoing charges[1]

  As at 31st December 2024



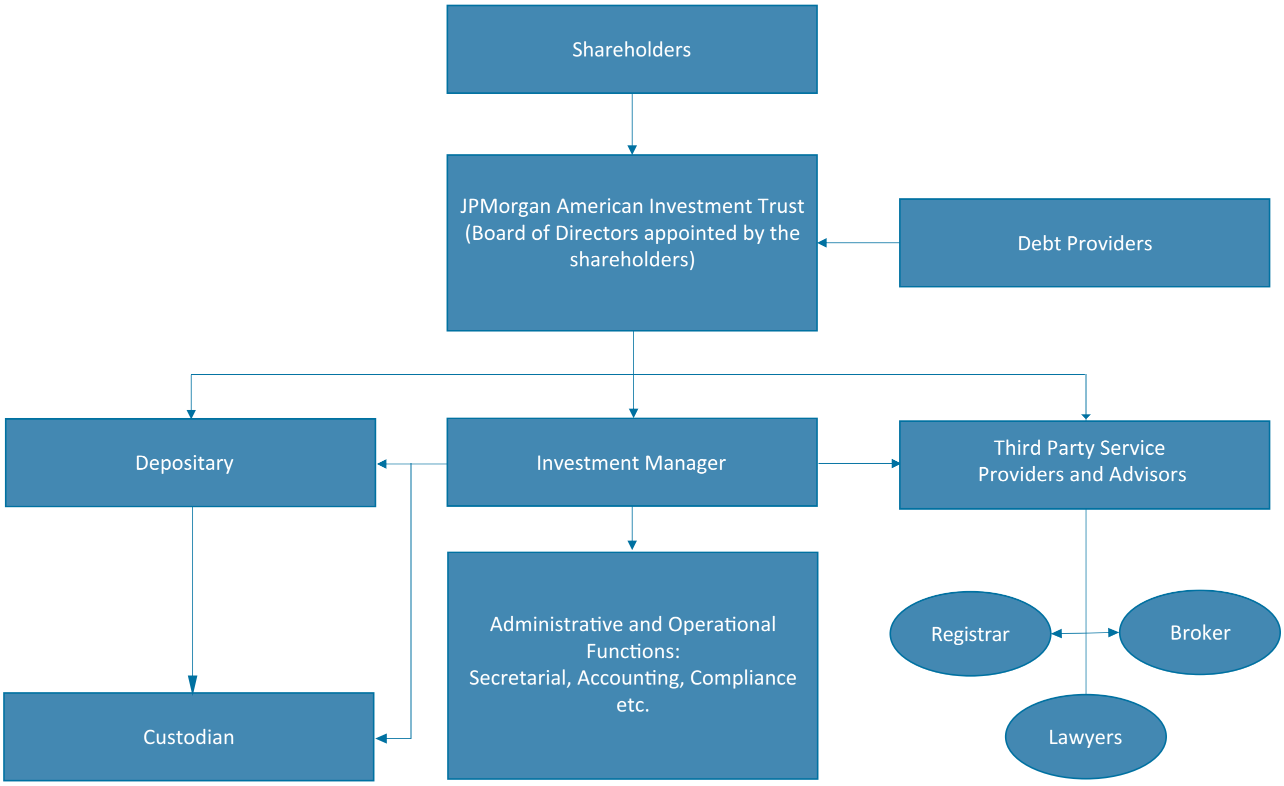
[1] The peer group comprises funds that the Directors deem suitable for comparison with the Company, including actively managed closed-ended and open-ended funds. The funds with zero annualised return do not have five year performance data available.

Source: Morningstar.

Duty to Promote the Success of the Company

Stakeholder Engagement

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



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

Shareholders

The Board regularly monitors the shareholder profile of the Company. It aims to provide shareholders with a full understanding of the Company's activities and performance, and reports formally to shareholders twice a year by way of the Annual Report & Financial Statements and the Half Year Report. This is supplemented by the daily publication, through the London Stock Exchange, of the net asset value of the Company's shares. In addition, the Company issues announcements for all substantive news which are available on the Company's website together with monthly factsheets published by the Manager.

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

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

The Manager

The Company's principal supplier is the Manager, in particular the investment management team who are responsible for managing the Company's assets in order to achieve its stated investment objective. The Board maintains a good working relationship with the Manager, who also provides administrative support and promotes the Company through its investment trust sales and marketing teams.

Duty to Promote the Success of the Company

The Board monitors the Company's investment performance at each Board Meeting in relation to its objective and also to its investment policy and strategy. The Board also maintains strong lines of communication with the Manager via its dedicated company secretary and client director which extend well beyond the formal business addressed at Board meetings.

Debt Providers

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

Other Third Party Service Providers and Advisors

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

Key Decisions

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

Re-appointment of Manager and Portfolio Manager Succession

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

As previously announced, Timothy Parton, one of the Company's Large Cap Portfolio Managers, retired on 1st March 2024 and Felise Agranoff assumed responsibility for the growth stocks in the Large Cap Portfolio from that date supported by Eric Ghernati. Jack Caffrey began to work alongside Jonathan Simon on the value stocks in the Large Cap Portfolio from 7th August 2024, following Jonathan giving notice that he intended to retire in early 2025. As further announced on 12th February 2025, Jonathan Simon retired on 3rd March 2025 and Jack Caffrey took responsibility for the value stocks in the Large Cap Portfolio from that date supported by Graham Spence. The Board believes in the merit of additional portfolio manager resources and considers that the Company will benefit from four portfolio managers (two growth, two value) on the large cap portfolio as a key element of the Company's ongoing management structure.

Share Buybacks and Share Issuances

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

During the year 4,862,262 shares were purchased into Treasury, at a cost of £48 million, representing 2.7% of the Company's issued share capital (excluding shares held in Treasury) at the beginning of 2024. The average discount to NAV at which these shares were purchased was 3.6%. To meet the demand from investors, 1,355,00 shares were issued during the year at a premium to NAV, generating proceeds of £14 million. Since the year end, the Company has been able to issue a further 1,414,046 shares from Treasury at a premium to NAV and 950,499 shares were purchased into Treasury.

Gearing and Borrowings

As mentioned in the Chair's statement, the Company's gearing strategy is implemented through the use of a mixed debt structure which will ensure that there are adequate facilities in place overall to enable the Company's Portfolio Managers to operate across the Company's gearing range as opportunities arise. The Board considered the level of gearing and decided to keep the Strategic and Tactical ranges unchanged as set out on page 10. Whilst the facility was undrawn at year-end, at the time of writing this report, US$40 million was drawn.

Duty to Promote the Success of the Company

Small Cap Portfolio Allocation

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

Dividends Payable

The Board's decision to recommend a final dividend of 8.25p per share, providing a total of 11.00p per share to shareholders for the year to 31st December 2024 balances the Company's investment objective to provide capital growth with the value placed by some investors on the receipt of a dividend. The Board continues to support a progressive dividend policy as noted in the Chair's statement on page 12.

Board Succession

Shareholder interests are best served by ensuring a smooth and orderly succession for the Board which serves to provide both continuity and refreshment whilst ensuring diversity of both background and experience. To reinforce this commitment, the Board has decided to extend the tenure of both the Chair and the Senior Independent Director by an additional year, preserving their invaluable experience and leadership during this transitional phase.

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

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

2nd April 2025

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 could threaten its business model, future performance, solvency or liquidity.

With the assistance of JPMF, the Risk Committee, chaired by Mr Robert Talbut until May 2024 and thereafter by Ms Pui Kei Yuen, has drawn up a risk matrix, which identifies the risks to the Company. These are reviewed and discussed on a regular basis by the Board.

The AIC Code of Corporate Governance requires the Board (via the relevant Committee) to put in place procedures to identify and manage emerging risks facing the Company. At each Risk Committee meeting, the Board considers whether any emerging risks, which it defines as potential trends, sudden events or changing risks which are characterised by a high degree of uncertainty in terms of occurrence probability and possible effects on the Company, have arisen. Once identified, as the impact of emerging risks is understood, they may be entered on the Company's risk matrix and mitigating actions considered as necessary. Previously considered emerging risks have either been removed from the risk matrix as they are no longer considered potential risks to the Company or escalated to a principal risk. The Board's recent review of its risks concluded that the emerging risk of a State-backed Cyber Security Attack identified at the half year ending 30th June 2024 should now be considered within the Operational Resilience, Controls and Security principal risk. As previously stated at the half year ending 30th June 2024, the Board concluded that the emerging risk of the Threat to Liberal Democracies would thereafter be considered within the Geopolitical principal risk. Whilst the Board has not identified any new emerging risks at the time of publication of this report, it has noted the heightened level and evolving nature of the Geopolitical risks facing the Company and is monitoring these accordingly.

The key principal risks identified by the Board and the ways in which they are managed or mitigated are summarised below.

Principal risk	Description	Mitigating activities	Movement from the prior year
Investment Strategy, Process and Performance			
Investment Strategy and Process	An inappropriate investment strategy, poor asset allocation or the level of gearing, may lead to underperformance against the Company's benchmark index and its peer companies, resulting in the Company's shares trading on a wider discount.	The Board has delegated investment responsibilities to one of the best resourced financial institutions globally and seeks to mitigate this risk through its investment policy and guidelines, which are monitored and reported on regularly by the Manager. The Board monitors the implementation and results of the investment process with the Portfolio Managers and reviews data which details the portfolio's holdings and risk profile. The Manager deploys the Company's gearing within a range set by the Board. The Board holds a meeting specifically on strategy annually.	↑
Investment Team	The departure of or failure to adequately replace one or more of the four Portfolio Managers or several members of the wider investment management team could result in a short-term deterioration in investment performance.	The Manager has a depth of experienced investment resources and takes steps to reduce the consequences of such an event by ensuring appropriate succession planning and the adoption of a team-based approach, including the appointment of four Portfolio Managers.	↑
Market Risk	Market risk arises from uncertainty about the future prices of the Company's investments. Examples of market risk are price volatility, liquidity, currency risk and interest rate risk.	Whilst the board has limited ability to mitigate the impact of market risk beyond the measures described above, the Board and Manager monitor and review market risks and their potential impact on the Company and the investment portfolio. These are risks that investors take having invested into a single country fund.	↑
Technological Change	This risk is not confined to the technology sector. The use of technology is pervasive. Changes in technology may disrupt the business of investee companies impacting their market value.	The Manager has extensive research resources focused on technology. The Board receives regular updates from the Manager and other experts.	→

Principal and Emerging Risks

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

Principal and Emerging Risks

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

Long Term Viability Statement

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

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

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

In assessing the Company's viability, the Directors have considered the Company's prospects, principal and emerging risks, the outlook for the US economy, US equity markets and for investment trusts. The Directors also took into consideration the perceived resilience of the Company's business model and of the Company's key third party service providers. The Company's existing financing facilities, described in notes 13 and 14 on page 81, comprise a mix of fixed and floating rate debt of different tenors, drawn in US dollars. The revolving credit facility matures in August 2025. The private placements mature beyond the period of the viability assessment. The Directors are satisfied as to the Company's ability to raise new finance via loans or other debt facilities or share issuances, or alternatively through the realisation of investments from the Company's portfolio of highly liquid quoted securities.

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

The base case, or first scenario, assumes a rise of US large caps of 6.7% p.a., in line with the manager's long term capital market assumptions, while cost inflation stabilises at 2.4%. The Company's debt levels are assumed to be 10% of opening assets. The robust case assumes four years of negative returns of between 10% and 20% p.a., while the final scenario replicated the returns experienced during 1929 – 1934, the worst period to date for the US market. In all scenarios, the Directors remain of the opinion that the Company remains a viable size.

The Directors therefore confirm that they have a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due over the five year period from the date of approval of the financial statements.

For and on behalf of the Board

Robert Talbut
Chair

2nd April 2025

Governance

Image: healthcare/consumer goods

Board of Directors

Robert Talbut (Chair of the Board)

A Director since 2017.

Last re-appointed to the Board: 2024.

Mr Talbut was, until 2014, the Chief Investment Officer of Royal London Asset Management and has over 30 years of financial services experience. He has represented the asset management industry through the chairmanship of both the ABI Investment Committee and the Asset Management Committee of the Investment Association. He has also been a member of the Audit & Assurance Council of the Financial Reporting Council and the Financial Conduct Authority's Listing Authority Advisory Panel. He is currently the Senior Independent Director of Pacific Assets Trust PLC.

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

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

A Director since 2016.

Last re-appointed to the Board: 2024.

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

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

Claire Binyon (Chair of the Audit Committee)

A Director since 2020.

Last re-appointed to the Board: 2024.

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

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

Pui Kei Yuen (Chair of the Risk Committee)

A Director since 2023.

Last re-appointed to the Board: 2024.

Ms Yuen has over 30 years' experience in equities. Her previous roles included UK institutional equity portfolio management and research at Mercury Asset Management, Pan European equity responsibilities at UBS and Bank of America Merrill Lynch advising large institutional investors and hedge funds, and with the Boards of earlier stage private companies. Ms Yuen is also a Non-Executive Director of European Assets Trust PLC.

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

Colin Moore

A Director since 2024.

Appointed to the Board: 2024.

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

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

Directors' Report

The Directors present their Annual Report & Financial Statements for the year ended 31st December 2024.

Management of the Company

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

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

The Management Engagement Committee conducts a formal evaluation of the Manager on an annual basis. The evaluation includes consideration of the investment strategy and the process of the Manager, performance against the benchmark and a relevant peer group over the long term and the support the Company receives from the Manager. As part of this process, the Board visits the New York office each year. As a result of the evaluation process, the Board confirms that it is satisfied that the continuing appointment of the Manager is in the interest of shareholders as a whole.

The Alternative Investment Fund Managers Directive ('AIFMD')

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

JPMF has delegated responsibility for the day to day management of the Company's portfolio to JPMAM, which further delegates the management to JPMorgan Asset Management, Inc. The Company has appointed Bank of New York Mellon (International) Limited ('BNY') as its depositary. BNY has appointed JPMorgan Chase Bank, N.A. as the Company's custodian. BNY remains responsible for the oversight of the custody of the Company's assets and for monitoring its cash flows.

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

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

Management Fees

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

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

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

Directors

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

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

Director Indemnification and Insurance

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

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

Disclosure of information to Auditor

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

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

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

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

Independent Auditor

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

Total Return, Revenue and Dividends

As detailed on page 70, the gross total return for the year amounted to £483.6 million (2023: £329.1 million return) and net total return after deducting finance costs, administrative expenses and taxation amounted to £471.8 million (2023: £318.3 million return). Distributable income for the year totalled £19.2 million (2023: £14.2 million).

The Company paid an interim dividend of 2.75p per share on 7th October 2024. The Directors recommend a final dividend of 8.25p per share, payable on 30th May 2025 to shareholders on the register at the close of business on 22nd April 2025. These distributions total £19.8 million (2023: £14.2 million). After payment of the final dividend, if approved, the revenue reserve will amount to £21.5 million (2023: £22.0 million).

Capital Structure and Voting Rights

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

During the financial year, the Company repurchased 4,862,262 shares, into Treasury, for a total consideration of £48.1 million. Since the year end, the Company has been able to issue a further 1,414,046 shares from Treasury at a premium to NAV and 950,499 shares were purchased into Treasury.

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

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

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

Capital Structure

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

Voting Rights in the Company's shares

Details of the voting rights in the Company's shares as at 1st April 2025 are given in note 16 to the Notice of Annual General Meeting on page 99.

Notifiable Interests in the Company's Voting Rights

The Board has been advised that the following shareholders owned 3% or more of the issued share capital of the Company as at 31st December 2024:

Shareholders	Number of voting rights as at 31st December 2024	% holding as at 31st December 2024
Quilter Cheviot Investment Management	28,104,413	15.69
Rathbones	12,294,423	6.86
Interactive Investor*	12,026,117	6.71
Hargreaves Lansdown*	12,015,886	6.71
RBC Brewin Dolphin	11,318,744	6.32
Craigs Investment Partners	7,904,175	4.41
Charles Stanley	7,302,458	4.08
Evelyn Partners	5,382,646	3.01
JM Finn	5,375,493	3.00

* non-beneficial interests.

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

Listing Rule 6.6.4R

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

Annual General Meeting

The notice covering the Annual General Meeting of the Company to be held on 14th May 2025 is given on pages 96 to 99. The full text of the Resolutions is set out in this notice.

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

(i) Authority to allot new shares and to disapply statutory pre-emption rights (Resolutions 11 and 12)

At the Annual General Meeting the Directors will seek authority to issue up to 17,955,950 new shares or sell shares held in Treasury for cash up to an aggregate nominal amount of £897,798 (such amount being equivalent to 10% of the issued share capital) and disapply pre-emption rights upon such issues. The full text of the resolutions is set out in the Notice of Meeting on pages 96 to 99. This authority will expire at the conclusion of the Annual General Meeting of the Company in 2026 unless renewed at a prior general meeting.

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

(ii) Authority to repurchase the Company's shares (Resolution 13)

At the Annual General Meeting held on 15th May 2024, shareholders gave authority to the Company to purchase up to 14.99% of its then issued share capital. At that time, shareholders were informed that this authority would expire on 14th November 2025 but could be renewed by shareholders at any time at a general meeting of the Company. The Directors consider that the renewal of the authority is in the interests of shareholders as a whole, as the repurchase of shares at a discount to the underlying net asset value ('NAV') enhances the NAV of the remaining shares. Resolution 13 gives the Company authority to buy back its own issued shares in the market as permitted by the Companies Act 2006 (the 'Act'). The authority limits the number of shares that could be purchased to a maximum of 26,915,969 shares representing approximately 14.99% of the Company's issued shares as at 1st April 2025 (being the latest practicable date prior to the publication of this document). The authority also sets minimum and maximum prices.

If resolution 13 is passed at the Annual General Meeting, shares repurchased might not be cancelled but rather held as Treasury shares. The Company does not have authority to re-issue shares from Treasury at a discount to NAV, therefore any reissue of shares from Treasury would be at a premium to the prevailing NAV.

The full text of the resolution is set out in the Notice of Meeting on pages 96 to 99. Repurchases will be made at the discretion of the Board and will only be made in the market at prices below the prevailing NAV per share, thereby enhancing the NAV of the remaining shares as and when market conditions are appropriate.

(iii) Authority to hold general meetings (Resolution 14)

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

Recommendation

The Board considers that resolutions 1 to 14 are likely to promote the success of the Company and are in the best interests of the Company and its shareholders as a whole. The Directors unanimously recommend that you vote in favour of the resolutions as they intend to do in respect of their own beneficial holdings which amount in aggregate to 15,540 shares representing approximately 0.01% of the existing issued share capital of the Company.

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

2nd April 2025

Directors' Remuneration Report

Introduction

The Board presents the Directors' Remuneration Report for the year ended 31st December 2024 which has been prepared in accordance with the requirements of Section 421 of the Companies Act 2006.

The law requires the Company's Auditor to audit certain of the disclosures provided. Where disclosures have been audited they are indicated as such. The Auditor's opinion is included in their report on pages 64 to 69.

Directors' Remuneration Policy

The law requires that the Directors' Remuneration Policy is subject to a triennial binding vote. However, the Board has resolved that for good governance purposes, the policy vote will be put to shareholders every year. Accordingly a resolution to approve the policy will be put to shareholders at the 2025 Annual General Meeting. The policy, which has not changed this year, and, subject to the vote, is set out in full below and is currently in force.

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

The Remuneration Committee, comprising all Directors, reviews fees on a regular basis and makes recommendations to the Board as and when appropriate. Reviews are based on information provided by the Manager, and includes research carried out by third parties on the level of fees paid to the Directors of the Company's peers and within the investment trust industry generally. The involvement of remuneration consultants has not been deemed necessary as part of this review.

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

In the year under review, Directors' fees were paid at the following rates: Chair £57,000; Audit Committee Chair £46,000 and £38,000 for other Directors. The roles of Senior Independent Director and Chair of the Risk Committee both attract an additional fee of £3,000 and £3,000 respectively. The role of the Chair of Remuneration Committee attracts an additional fee of £1,000.

From 1st January 2025 Director's fees are being paid at the following rates: Chair £62,000, Chair of the Audit Committee £50,000, and other Directors £40,000. The Chair's remuneration has been increased to better reflect the requirements of the role, noting that it still remains below the average for comparable trusts. The Senior Independent Director will receive an additional fee of £3,000, the Chair of the Risk Committee an additional £3,000 and the Chair of the Remuneration Committee an additional £1,000.

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

The Company has no Chief Executive Officer and no employees and therefore there was no consultation of employees, and there is no employee comparative data to provide in relation to the setting of the remuneration policy for Directors.

The Remuneration Committee considers any comments received from shareholders on remuneration policy on an ongoing basis and will take account of these views if appropriate.

The Directors do not have service contracts with the Company. The terms and conditions of Directors' appointments are set out in formal letters of appointment which are available for review at the Company's Annual General Meeting and the Company's registered office. Details of the Board's policy on tenure are set out on page 56.

Directors' Remuneration Policy Implementation

The Directors' Remuneration Report is subject to an annual advisory vote and therefore an ordinary resolution to approve this report will be put to shareholders at the forthcoming Annual General Meeting. There have been no changes to the policy compared with the year ended 31st December 2023 and no changes are proposed for the year ending 31st December 2025.

At the Annual General Meeting held on 15th May 2024, 99.87% of votes cast were in favour of (or granted discretion to the Chair who voted in favour of) both the remuneration policy and the remuneration report and 0.13% voted against. Votes withheld were 79,235 and 72,925 respectively, the equivalent of less than 0.05% of votes cast.

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

Single total figure of remuneration

The single total figure of remuneration and expenses for the Board as a whole for the year ended 31st December 2024 was £236,378. The single total figure of remuneration for each Director is detailed below together with the prior year comparative.

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

Single Total Figure Table (Audited)[1]

Directors' Name	2024 Fees £	2024 Taxable expenses[2] £	2024 Total £	2023 Fees £	2023 Taxable expenses[2] £	2023 Total £
Robert Talbut[3]	51,066	280	51,346	38,354	757	39,111
Dr Kevin Carter[4]	21,297	—	21,297	53,500	—	53,500
Claire Binyon	46,000	732	46,732	44,000	329	44,329
Nadia Manzoor	42,000	352	42,352	38,973	—	38,973
Pui Kei Yuen[5]	39,887	—	39,887	36,500	121	36,621
Colin Moore[6]	34,764	—	34,764	—	—	—
Sir Alan Collins[7]	—	—	—	16,611	265	16,876
Total	**235,014**	**1,364**	**236,378**	**227,938**	**1,472**	**229,410**

1 Other subject headings for the single figure table as prescribed by regulation are not included because there is nothing to disclose in relation thereto.
2 Taxable travel and subsistence expenses incurred in attending Board and Committee meetings.
3 Assumed the role of Chair with effect from 15th May 2024.
4 Retired on 15th May 2024.
5 Appointed on 1st January 2023. Assumed the Risk Committee Chair with effect from 15th May 2024.
6 Appointed on 1st February 2024
7 Retired on 18th May 2023.

Annual Percentage Change in Directors' Remuneration

The following table sets out the annual percentage change in Single Total Figure for Directors' fees for the year to 31st December 2024:

Directors' name	Percentage change for year to 31st Dec 2024	31st Dec 2023	31st Dec 2022	31st Dec 2021
Robert Talbut[1]	9.0%	9.5%	8.3%	11.9%
Dr Kevin Carter[2]	n/a	4.9%	6.3%	9.1%
Claire Binyon[3]	5.0%	3.9%	20.8%	2.6%
Nadia Manzoor[4]	9.0%	9.2%	8.1%	11.9%
Pui Kei Yuen[5]	9.0%	n/a	n/a	n/a
Colin Moore[6]	n/a	n/a	n/a	n/a
Sir Alan Collins[7]	n/a	n/a	9.2%	13.4%

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

Expenditure by the Company on Remuneration and Distributions to Shareholders

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

	Year ended 31st December 2024	2023
Remuneration paid to all Directors	£236,378	£229,410
Remuneration paid to Directors as a percentage of Shareholders' funds	0.01%	0.01%
Distributions to shareholders		
— by way of dividends paid	£14,597,000	£13,292,000
— by way of share repurchases	£48,069,000	£45,108,000

Directors' Remuneration Report

Remuneration for the Chair over the five years ended 31st December 2024

Year ended 31st December	Fees[1]
2024	£57,000
2023	£53,500
2022	£51,000
2021	£48,000
2020	£44,000

[1] Excluding taxable expenses.

Directors' Shareholdings (Audited)

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

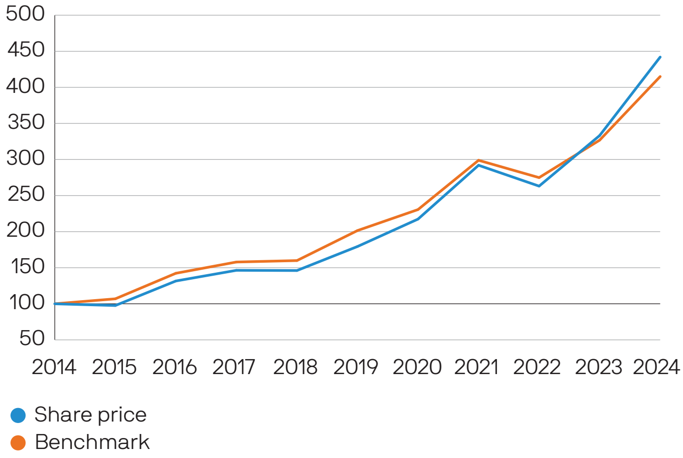
Ordinary	31st December 2024	1st January 2024
Dr Kevin Carter[1]	n/a	35,000
Claire Binyon	2,515	2,496
Nadia Manzoor	2,643	2,643
Robert Talbut	7,882	7,882
Pui Kei Yuen	2,500	2,500
Colin Moore[2]	nil	n/a

[1] Retired from the Board on 15th May 2024.
[2] Appointed to the Board on 1st February 2024.

All of the holdings of the Directors are beneficial.

Ten Year Ordinary Share Price and Benchmark Total Returns to 31st December 2024

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



Source: Morningstar.

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

2nd April 2025

Compliance

During the year, the Company was subject to UK legislation and regulations including UK company law, UK Financial Reporting Standards, the UK Listing, Prospectus, Disclosure Guidance and Transparency Rules, the Market Abuse Regulation, taxation law and the Company's own Articles of Association. The Company's underlying investments are also subject to some US and other worldwide regulations. The Company is an investment company within the meaning of Section 833 of the Companies Act 2006 and has been approved by HM Revenue & Customs as an investment trust (for the purposes of Sections 1158 and 1159 of the Corporation Tax Act 2010). As a result the Company is not liable for taxation on capital gains. The Directors have no reason to believe that approval will not continue to be retained. The Company is not a close company for taxation purposes.

By virtue of the Company's listing on the London Stock Exchange, the Board is required to report on how the principles of the 2018 UK Corporate Governance Code (the 'UK Code') have been applied. The 2019 AIC Code of Corporate Governance (the 'AIC Code') addresses the principles and provisions of the UK Code as well as additional provisions of specific relevance to investment companies, and has been endorsed by the Financial Reporting Council.

This enables investment company boards to report against the AIC Code and still meet their obligations under the UK Code and associated disclosure requirements under paragraph 6.6.6R (5) of the Listing Rules. The Board has chosen to report under the AIC Code, as it considers reporting against the AIC Code provides more relevant information to the Company's shareholders about its governance arrangements. The Board has fully adopted the recommendations of the 2019 AIC Code.

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

In January 2024, the Financial Reporting Council updated the UK Code and in August 2024, the AIC Code was updated to be in line with the changes. The new UK Code and AIC Code will apply to financial years beginning on or after 1st January 2025. The Company will report on these changes next year.

Role of the Board

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

The Board meets at least quarterly during the year and additional meetings are arranged as necessary. Full and timely information is provided to the Board to enable it to function effectively and to allow Directors to discharge their responsibilities. Further information on meetings and committees can be found on pages 57 and 58.

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

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

Board Composition

The Board currently consists of five non-executive Directors and is chaired by Robert Talbut. All Directors are considered to be independent of the Company's Manager. The Directors have a breadth of investment knowledge, business and financial skills and experience relevant to the Company's business and brief biographical details of each Director are set out on page 48.

Board Diversity

When recruiting a new Director, the Board's policy is to appoint individuals on merit. Diversity is important in bringing an appropriate range of skills and experience to the Board and an assessment is made of the qualities and skills of the existing Board before appointing new directors. Following completion of a review of the skills and experience of Directors, the Board feels that they are equipped with the necessary attributes required for the sound stewardship of the Company and that their knowledge sets allow for lively and engaging debates.

Full details of the skills and experience of the Directors can be found on pages 56 and 57. At 31st December 2024, there were two male Directors and three female Directors on the Board, which was also in compliance with the Parker Review recommendations on diversity in the UK boardroom. Please refer to page 58 for more information on the workings of the Nomination Committee.

Listing Rule 6.6.6 (9) requires listed companies to include a statement in their annual reports and accounts in respect of certain targets on board diversity, or if those new targets have not been met to disclose the reasons for this. This requirement applies to accounting periods commencing on or after 1st April 2022 and therefore the Company has included the table below to report against these diversity targets.

Corporate Governance Statement

The table below shows the information as at 31st December 2024:

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

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

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

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

Tenure and terms of appointment

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

As mentioned in the Chair's statement, Dr Kevin Carter retired as Chair at the Company's 2024 AGM, after serving the Company for ten years, and Mr Robert Talbut assumed the role of Chair. Mr Colin Moore joined the Board from 1st February 2024. The Board continues to carefully manage its succession planning. Looking ahead, the Company's Senior Independent Director, Ms Nadia Manzoor and the Chair would, in the normal course, step down from the Board after nine years' service in 2025 and 2026 respectively. However, the Board is very mindful of the changes in the portfolio manager line-up in the last 18 months and also the refreshing of the Board itself, and therefore after consultation with our largest shareholders, in order to ensure ongoing Board continuity through this period the Board believes that it is in the Company's best interests that Ms Manzoor should instead retire at the 2026 AGM, and the chair will retire the year after. The Board will begin the recruitment process for a new Non-Executive Director in the second half of this financial year, with the intention that the appointee will be in place for several months before Ms Manzoor's departure. The terms and conditions of Directors' appointments are set out in formal letters of appointment, copies of which are available for inspection on request at the Company's registered office and at the Annual General Meeting. A list of potential conflicts of interest for each Director is maintained by the Company. These are considered carefully, taking into account the circumstances surrounding them, and, if considered appropriate, are approved.

Re-appointment of Directors

The Directors of the Company and their brief biographical details are set out on page 48. The skills and experience that each Director brings 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 re-appointment of Nadia Manzoor. She joined the Board in June 2016 and has served for eight years as a Director. She has current financial expertise from her previous role as Partner, Head of Business Development and General Counsel for S.W. Mitchell Capital, a specialist European equities investment management house. She also has experience in marketing financial services which she brings to bear in assessing the Manager's efforts in promoting the Company. She has strong exposure and experience with the US market as she spent a great deal of her time in the US working with US institutions and investors.

As a qualified lawyer, having trained at Slaughter and May, her contribution to the legal aspects of the Board's role and particularly its relationship with service providers is much appreciated.

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

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

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

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

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

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

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

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

Induction and Training

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

Meetings and Committees

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

The table below details the number of formal Board and Committee meetings attended by each Director. There were 6 Board meetings held during the year, 3 Audit Committee meetings, 2 Risk Committee meetings and 1 Remuneration, Management Engagement and Nomination Committee meetings during the year.

Meetings attended during the year

Director	Board Meeting	Audit Committee Meeting	Risk Committee Meeting
Dr Kevin Carter[1]	3	2	2
Claire Binyon	6	3	2
Nadia Manzoor	6	3	2
Robert Talbut	6	3	2
Pui Kei Yuen	6	3	2
Colin Moore	6	3	2

Director	Remuneration Committee Meeting	Management Engagement Committee Meeting	Nomination Committee Meeting
Dr Kevin Carter	1	1	1
Claire Binyon	1	1	1
Nadia Manzoor	1	1	1
Robert Talbut	1	1	1
Pui Kei Yuen	1	1	1
Colin Moore	1	1	1

[1] Retired from the Board on 15th May 2024.

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

Board Committees

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

Corporate Governance Statement

Nomination Committee

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

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

The Committee conducts an annual performance evaluation of the Board, its committees and individual Directors to ensure that all Directors have devoted sufficient time and contributed adequately to the work of the Board and its Committees. The evaluation of the Board considers the balance of experience, skills, independence, corporate knowledge, its diversity, and how it works together. Questionnaires, drawn up by Lintstock, an independent advisory firm, are completed by each Director. The responses are collated and then discussed by the Committee. The evaluation of individual Directors is led by the Chair. The Senior Independent Director leads the evaluation of the Chair's performance, which includes an appraisal of his Board leadership and effectiveness in the role.

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

Remuneration Committee

The Remuneration Committee, chaired by Nadia Manzoor, consists of all Directors and meets at least annually. The Committee's remit is to review Directors' fees and make recommendations to the Board as and when appropriate in relation to the Company's remuneration policy and its implementation.

Management Engagement Committee

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

Risk Committee

The Risk Committee, chaired by Robert Talbut to May 2024 and thereafter by Pui Kei Yuen, consists of all the Directors, and meets at least twice each year. The Committee discusses the Company's overall risk appetite, tolerance and strategy, taking into account the current and prospective macroeconomic and financial environment. It further reviews the Company's principal risks and seeks to understand any emerging risks that arise during the year. Finally, the Committee reviews compliance with the Company's investment restrictions and guidelines.

Audit Committee

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

Annual General Meeting ('AGM')

As mentioned in the Chair's statement, this year's Annual General Meeting will be held on 14th May 2025, at 60 Victoria Embankment, London EC4Y 0JP. Apart from the formal business of the meeting, the shareholders will have the opportunity to hear from two of our portfolio managers, Felise Agranoff and Jack Caffrey, who will be presenting virtually, followed by a question and answer session. Shareholders are invited to attend the meeting and raise any questions they have, either by asking questions at the meeting, or in advance by writing to the Company Secretary at the address on page 108, or via email to invtrusts.cosec@jpmorgan.com. As is normal practice, all voting on the resolutions will be conducted on a poll. The Board strongly encourages all shareholders to exercise their votes by completing and returning their proxy forms in accordance with the notes to the Notice of Meeting on pages 98 to 99.

Risk Management and Internal Control

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 to include business, financial, operational, compliance and risk management.

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

Since investment management, custody of assets and all administrative services are provided to the Company by JPMF and its associates, the Company's system of risk management and internal control mainly comprises monitoring the services provided by the Manager and its associates, including the operating controls established by them, to ensure that they meet the Company's business objectives. There is an ongoing process for identifying, evaluating and managing the significant risks faced by the Company (see Principal and Emerging Risks on pages 43 to 44). This process has been in place for the year under review and up to the date of the approval of the annual report and accounts and it accords with the Financial Reporting Council's 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 internal control are as follows:

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

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

Management Systems – The Manager's 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 JPMorgan's Compliance department which regularly monitors compliance with FCA rules and reports to the Board.

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

The Board keeps under review the effectiveness of the Company's 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, receives regular reports from JPMorgan's Compliance department;
- the Board regularly receives a report, which is also independently reviewed, on the internal controls and the operations of its custodian, JPMorgan Chase Bank, and the Registrar;
- the Board reviews every six months a report from the Company's Depositary, Bank of New York Mellon (International) Limited, which summarises the activities performed by the Depositary during the reporting period; and
- the Board reviews every six months an independent report on the internal controls and the operations of JPMF's investment trust department.

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 31st December 2024, and to the date of approval of the Annual Report & Financial Statements.

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

Employees, Social, Community, Environment and Human Rights Issues

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

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

The Modern Slavery Act 2015 (the 'MSA')

The MSA requires companies to prepare a slavery and human trafficking statement for each financial year of the organisation. As the Company has no employees and does not supply goods and services, the MSA does not apply directly to it. The MSA requirements more appropriately relate to JPMF and JPMAM. More information can be found on page 106.

Greenhouse Gas Emissions

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

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

Criminal Corporate Offence

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

Corporate Governance and Voting Policy

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

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

2nd April 2025

Audit Committee Report

I am pleased to present the Audit Committee Report for the year ended 31st December 2024.

Role and Composition

The Audit Committee consists of all Directors, and meets at least three times each year. The Chair of the Company is a member of the Committee, which benefits from his valuable contributions drawing on his extensive knowledge and experience. This is permitted under the AIC Code as he was deemed to be independent on appointment to the Board. The members of the Audit Committee consider that at least one member has recent and relevant financial experience and that the Committee as a whole has competency relevant to the sector in which the Company operates.

The Committee reviews the actions and judgements of the Manager in relation to the Half Year Report and Annual Report & Financial Statements and the Company's compliance with the AIC Code. It examines the effectiveness of the Company's internal control systems, receives information from the Manager's compliance department and also reviews the scope and results of the external audit, its cost effectiveness and the independence and objectivity of the external Auditor.

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

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

Financial Statements and Significant Accounting Matters

During its review of the Company's financial statements for the year ended 31st December 2024, the Audit Committee considered the following significant issues, including those communicated by the Auditor during its reporting:

Significant issue	How the issue was addressed
Valuation existence and ownership of investments	The valuation of investments is undertaken in accordance with the accounting policies, disclosed in note 1 to the accounts. The Company has appointed Bank of New York Mellon (International) Limited ('BNY') as its depositary. BNY has appointed JPMorgan Chase Bank, N.A., as the Company's custodian. BNY remains responsible for the oversight of the custody of the Company's assets. A representative from BNY reports directly to the Audit Committee on an annual basis.
Calculation of management fees	The management fees are calculated in accordance with the Investment Management Agreement. The Board reviews controls reports, expense schedules and the management fee calculation.
Recognition of investment income	The recognition of investment income is undertaken in accordance with accounting policy note 1(d) to the accounts. Income recording is conducted by the Manager and the methodology is reported upon to the Board within a six monthly independent report on the operations of the Manager.
Compliance with Sections 1158 and 1159	Approval for the Company as an investment trust under Sections 1158 and 1159 for financial years commencing on or after 1st October 2012 has been obtained and ongoing compliance with the eligibility criteria is monitored on a regular basis by the Manager, who reports on a monthly basis to the Board on the Company's continuing compliance.
Going Concern/Long Term Viability	The Committee has also reviewed the appropriateness of the adoption of the Going Concern basis in preparing the accounts. The Committee recommended to the Board that the adoption of the Going Concern basis is appropriate (see Going Concern statement below). The Committee also assessed the Long Term Viability of the Company as detailed on page 46 and recommended to the Board its expectation that the Company would remain in operation for the five year period of the assessment.

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

Going Concern

In accordance with The Financial Reporting Council's guidance on going concern and liquidity risk, the Directors have undertaken a rigorous review of the Company's ability to continue as a going concern. The Board has, in particular, considered the impact of market volatility from the ongoing conflicts between Ukraine and Russia and in the Middle East as well as increasing uncertainty regarding US domestic and foreign policy, and does not believe the Company's going concern status is affected. The Company's assets, the vast majority of which are investments in quoted securities which are readily realisable, exceed its liabilities significantly under all stress test scenarios reviewed by the Board. Gearing levels and compliance with borrowing covenants are reviewed by the Board on a regular basis.

The Directors have also assessed the ability of the Company to repay the amount drawn down under its revolving credit facility, which expires in August 2025, and are satisfied as to the Company's ability to raise new finance via loans or other debt facilities or share issuances, or alternatively through the realisation of investments in the Company's highly liquid quoted securities. Furthermore, the Directors are satisfied that the Company and its key third party service providers have in place appropriate business continuity plans.

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

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

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

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

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

FRC's Review of the Company's Annual Report and Financial Statements

During the year, the FRC carried out a review of the Company's Annual Report and Financial Statements for the year ended 31st December 2023 in accordance with Part 2 of the FRC Corporate Reporting Review Operating Procedures. The FRC did not find any significant concerns to raise with the Board. The FRC noted that its review does not provide assurance that the Annual Report and Financial Statements are correct in all material respects and that its role is not to verify the information provided but to consider compliance with reporting requirements.

Auditor Appointment and Tenure

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

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

As part of its review of the continuing appointment of the Auditor, the Audit Committee considered the length of tenure of the audit firm, its fee, its independence from JPMF and the Manager and any matters raised during the audit. In addition, the Audit Committee considered and discussed with BDO the results of the FRC Audit Quality Review ('AQR') team's inspection of BDO's audit work. The Committee shares BDO's disappointment at its AQR results for 2024. BDO has presented to the Audit Committee plans for improvement and the Audit Committee, whilst satisfied with the quality of BDO's audit work in respect of the Company, will continue to monitor the work of the auditor closely.

BDO LLP were appointed as the Auditor of the Company in August 2022. This is their third year auditing the Company. Chris Meyrick is the audit partner and has conducted the Company's 2024 audit. As the Company went through a formal tender process in 2022, based upon existing legislation, another tender process is not required until 2032.

The Company is therefore in compliance with the provisions of 'The Statutory Audit Services for Large Companies Market Investigation' (Mandatory use of competitive tender processes and audit committee responsibilities) Order 2014 as issued by the Competition & Markets Authority.

The Audit Committee reviews and approves any non-audit services provided by the independent Auditors and assesses the impact of any non-audit work on the ability of the Auditors to remain independent. No such work was undertaken during the year.

Fair, Balanced and Understandable

As a result of the work performed, the Audit Committee has concluded that the Annual Report & Financial Statements for the year ended 31st December 2024, taken as a whole, are fair, balanced and understandable and provide the information necessary for shareholders to assess the Company's position and performance, business model and strategy, and has reported on these findings to the Board. The Board's conclusions in this respect are set out in the Statement of Directors' Responsibilities on page 62.

Claire Binyon
Audit Committee Chair

2nd April 2025

Statement of Directors' Responsibilities

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

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

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

and the Directors confirm that they have done so.

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

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

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

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

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

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

The Board also confirms that it is satisfied that the Strategic Report and Directors' Report include a fair review of the development and performance of the business, and the position of the Company, together with a description of the principal risks and uncertainties that the Company faces.

For and on behalf of the Board
Robert Talbut
Chair

2nd April 2025

Independent Auditor’s Report

Image: Philadelphia Skyline, US

Independent Auditor’s Report

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

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company’s affairs as at 31st December 2024 and of its *profit* for the year then ended;
- have been properly prepared in accordance with United Kingdom Accounting Standards, including Financial Reporting Standard FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of JPMorgan American Investment Trust plc (the ‘Company’) for the year ended 31st December 2024 which comprise the Statement of Comprehensive Income, the Statement of Changes in Equity, the Statement of Financial Position, the Statement of Cash Flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

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

Independence

Following the recommendation of the audit committee, we were appointed by shareholders on 19th August 2022 to audit the financial statements for the year ending 31st December 2022 and subsequent financial periods. The period of total uninterrupted engagement including retenders and reappointments is three years, covering the years ended 31st December 2022 to 31st December 2024. We remain independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC’s Ethical Standard as applied to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. The non-audit services prohibited by that standard were not provided to the Company.

Conclusions relating to going concern

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

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company’s ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

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

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

Overview

		2024	2023
Key audit matters	Valuation and ownership of quoted investments	✔	✔
Materiality	*Company financial statements as a whole* £19.8 million (2023: £15.6 million) based on 1% (2023: 1%) of Net assets		

Independent Auditor's Report

An overview of the scope of our audit

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

Key audit matters

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

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

Our application of materiality

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

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

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

Independent Auditor's Report

	Company financial statements	
	2024 £m	**2023 £m**
Materiality	19.8	15.6
Basis for determining materiality	1 % of Net assets	
Rationale for the benchmark applied	As an investment trust, the net asset value is the key measure of performance for users of the financial statements.	
Performance materiality	14.8	11.7
Basis for determining performance materiality	75% of materiality	
Rationale for the percentage applied for performance materiality	The level of performance materiality applied was set after having considered a number of factors including the expected total value of known and likely misstatements and the level of transactions in the year.	

Reporting threshold

We agreed with the Audit Committee that we would report to them all individual audit differences in excess of £198,000 (2023: £156,000). We also agreed to report differences below this threshold that, in our view, warranted reporting on qualitative grounds.

Other information

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

We have nothing to report in this regard.

Corporate governance statement

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

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

Going concern and longer-term viability	• The Directors' statement with regards to the appropriateness of adopting the going concern basis of accounting and any material uncertainties identified set out on page 60; and • The Directors' explanation as to their assessment of the Company's prospects, the period this assessment covers and why the period is appropriate set out on page 46.
Other Code provisions	• Directors' statement on fair, balanced and understandable set out on page 62; • Board's confirmation that it has carried out a robust assessment of the emerging and principal risks set out on page 43; • The section of the annual report that describes the review of effectiveness of risk management and internal control systems set out on page 58; and • The section describing the work of the audit committee set out on page 60.

Independent Auditor's Report

Other Companies Act 2006 reporting

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

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

Responsibilities of Directors

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

Non-compliance with laws and regulations

Based on:

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

We considered the significant laws and regulations to be Companies Act 2006, the FCA listing and DTR rules, the principles of the AIC Code of Corporate Governance, industry practice represented by the AIC SORP, the applicable accounting framework, and qualification as an Investment Trust under UK tax legislation as any non-compliance of this

Independent Auditor's Report

would lead to the Company losing various deductions and exemptions from corporation tax.

Our procedures in respect of the above included:

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

Fraud

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

Our risk assessment procedures included:

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

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

Our procedures in respect of the above included:

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

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

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

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

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.

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

2nd April 2025

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

Financial Statements

Image: Distribution Centre

Statement of Comprehensive Income

For the year ended 31st December 2024

		2024			2023		
	Notes	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Gains on investments held at fair value through profit or loss	3	—	459,406	459,406	—	304,636	304,636
Net foreign currency (losses)/gains		—	(743)	(743)	—	5,078	5,078
Income from investments	4	23,579	55	23,634	16,519	1,214	17,733
Interest receivable	4	1,352	—	1,352	1,654	—	1,654
Gross return		**24,931**	**458,718**	**483,649**	**18,173**	**310,928**	**329,101**
Management fee	5	(1,041)	(4,164)	(5,205)	(852)	(3,409)	(4,261)
Other administrative expenses	6	(1,139)	—	(1,139)	(1,053)	—	(1,053)
Net return before finance costs and taxation		**22,751**	**454,554**	**477,305**	**16,268**	**307,519**	**323,787**
Finance costs	7	(494)	(1,970)	(2,464)	(627)	(2,506)	(3,133)
Net return before taxation		**22,257**	**452,584**	**474,841**	**15,641**	**305,013**	**320,654**
Taxation charge	8	(3,024)	—	(3,024)	(1,429)	(909)	(2,338)
Net return after taxation		**19,233**	**452,584**	**471,817**	**14,212**	**304,104**	**318,316**
Return per share	9	**10.59p**	**249.22p**	**259.81p**	**7.73p**	**165.41p**	**173.14p**

The dividends payable in respect of the year ended 31st December 2024 amount to 11.00p (2023: 7.75p) per share, costing £19,778,000 (2023: £14,152,000). Details of dividends paid and proposed are given in note 10 on page 80.

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

The 'Total' column of this statement is the profit and loss account of the Company and the 'Revenue' and 'Capital' columns represent supplementary information prepared under guidance issued by the Association of Investment Companies.

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

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

Statement of Changes in Equity

	Called up share capital £'000	Share premium £'000	Capital redemption reserve £'000	Capital reserves £'000	Revenue reserve £'000	Total £'000
At 31st December 2022	**14,082**	**151,850**	**8,151**	**1,099,333**	**30,667**	**1,304,083**
Repurchase of shares into Treasury	—	—	—	(45,108)	—	(45,108)
Net return after taxation	—	—	—	304,104	14,212	318,316
Dividends paid in the year (note 10)	—	—	—	—	(13,292)	(13,292)
At 31st December 2023	**14,082**	**151,850**	**8,151**	**1,358,329**	**31,587**	**1,563,999**
Repurchase of shares into Treasury	—	—	—	(48,069)	—	(48,069)
Issue of shares from Treasury	—	7,971	—	5,922	—	13,893
Proceeds from share forfeiture[1]	—	—	—	731	—	731
Proceeds from forfeiture of unclaimed dividends[1] (note 10)	—	—	—	—	71	71
Net return after taxation	—	—	—	452,584	19,233	471,817
Dividends paid in the year (note 10)	—	—	—	—	(14,597)	(14,597)
At 31st December 2024	**14,082**	**159,821**	**8,151**	**1,769,497**	**36,294**	**1,987,845**

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

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

Statement of Financial Position

At 31st December 2024

	Notes	2024 £'000	2023 £'000
Fixed assets			
Investments held at fair value through profit or loss	11	**2,042,755**	**1,608,263**
Current assets			
Debtors	12	600	789
Current asset investments[1]		24,926	33,927
Cash at bank[1]		112	280
		25,638	34,996
Current liabilities			
Creditors: amounts falling due within one year	13	(971)	(1,121)
Net current assets		**24,667**	**33,875**
Total assets less current liabilities		**2,067,422**	**1,642,138**
Creditors: amounts falling due after more than one year	14	(79,577)	(78,139)
Net assets		**1,987,845**	**1,563,999**
Capital and reserves			
Called up share capital	15	14,082	14,082
Share premium	16	159,821	151,850
Capital redemption reserve	16	8,151	8,151
Capital reserves	16	1,769,497	1,358,329
Revenue reserve	16	36,294	31,587
Total shareholders' funds		**1,987,845**	**1,563,999**
Net asset value per share – debt at par	17	**1,109.9p**	**856.5p**

[1] For the year ending 31st December 2023, the 'Cash and cash equivalents' line item in the Statement of Financial Position has been revised to 'Cash at bank' and 'Current asset investments'. This revision separately reports the £33,927,000 investment in the JPMorgan USD Liquidity Fund as 'Current asset investments' and £280,000 as 'Cash at bank', in accordance with the statutory format required by the Companies Act 2006. This adjustment does not affect any other line items in the Statement of Financial Position or the total current assets.

The financial statements on pages 70 to 73 were approved and authorised for issue by the Directors on 2nd April 2025 and signed on their behalf by:

Claire Binyon
Director

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

The Company's registration number is 15543.

Statement of Cash Flows

For the year ended 31st December 2024

	Notes	2024 £'000	2023[1] £'000
Cash flows from operating activities			
Net return before finance costs and taxation		477,305	323,787
Adjustment for:			
Net gains on investments held at fair value through profit or loss	3	(459,406)	(304,636)
Net foreign currency losses/(gains)		743	(5,078)
Dividend income	4	(23,634)	(17,733)
Interest income	4	(1,352)	(1,654)
Realised foreign currency exchange losses on transactions		(292)	(756)
Realised foreign currency exchange losses on JPMorgan USD Liquidity Fund		(623)	(596)
Decrease /(increase) in accrued income and other debtors		31	(14)
Increase in accrued expenses		41	214
Net cash outflow from operating activities before dividends, interest and taxation		**(7,187)**	**(6,466)**
Dividends received		23,593	14,423
Interest received		1,481	1,656
Overseas withholding tax (paid)/recovered		(3,003)	1,182
Net cash inflow from operating activities		**14,884**	**10,795**
Purchases of investments		(570,659)	(625,714)
Sales of investments		595,515	703,254
Net cash inflow from investing activities		**24,856**	**77,540**
Dividends paid	10	(14,597)	(13,292)
Proceeds from forfeiture of unclaimed dividends		71	—
Issue of shares from Treasury		13,893	—
Repurchase of shares into Treasury		(48,069)	(45,108)
Proceeds from share forfeiture		731	—
Repayment of bank loan		(15,205)	(26,929)
Draw down of bank loan		15,790	—
Loan interest paid		(583)	(1,269)
Private placement interest paid		(1,925)	(2,007)
Net cash outflow from financing activities		**(49,894)**	**(88,605)**
Decrease in cash and cash equivalents[1]		**(10,154)**	**(270)**
Cash and cash equivalents at start of year[1]		34,207	34,884
Foreign currency exchange movements		985	(407)
Cash and cash equivalents at end of year[1]		**25,038**	**34,207**
Cash and cash equivalents consist of[1]:			
Cash at bank		112	280
Current asset investment in JPMorgan USD Liquidity Fund		24,926	33,927
Total		**25,038**	**34,207**

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

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

Notes to the Financial Statements

For the year ended 31st December 2024

1. Accounting policies

(a) General information and basis of accounting

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

The financial statements are prepared under the historical cost convention, modified to include fixed asset investments at fair value, in accordance with the Companies Act 2006, United Kingdom Generally Accepted Accounting Practice ('UK GAAP'), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and with the Statement of Recommended Practice 'Financial Statements of Investment Trust Companies and Venture Capital Trusts' (the 'SORP') issued by the Association of Investment Companies in July 2022.

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

The Directors have undertaken a rigorous review of the Company's ability to continue as a going concern. The Board has, in particular, considered the impact of market volatility from the ongoing conflicts between Ukraine and Russia and in the Middle East as well as increasing uncertainty regarding US domestic and foreign policy, and does not believe the Company's going concern status is affected. The Company's assets, the vast majority of which are investments in quoted securities which are readily realisable, exceed its liabilities significantly under all stress test scenarios reviewed by the Board. Gearing levels and compliance with borrowing covenants are reviewed by the Board on a regular basis.

The Directors have also assessed the ability of the Company to repay the amount drawn down under its revolving credit facility, which expires in August 2025, and are satisfied as to the Company's ability to raise new finance via loans or other debt facilities or share issuances, or alternatively through the realisation of investments in the Company's highly liquid quoted securities. Furthermore, the Directors are satisfied that the Company and its key third party service providers have in place appropriate business continuity plans.

Accordingly, the financial statements have been prepared on the going concern basis as it is the Directors' reasonable expectation that the Company has adequate resources to continue in operational existence up to 2nd April 2026 which is a period of at least 12 months from the date of approval of the financial statements.

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

(b) Valuation of investments

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

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

Accordingly, upon initial recognition the investments are measured by the Company at fair value through profit or loss. They are included initially at fair value which is taken to be their cost, excluding expenses incidental to purchases which are written off to capital at the time of acquisition. Subsequently the investments are valued at fair value through profit or loss, which are quoted bid prices for investments traded in active markets.

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

(c) Accounting for reserves

Capital reserve – realised gains and losses

Gains and losses on sales of investments including the related foreign exchange gains and losses, realised exchange gains and losses on cash at bank and current asset investments, realised gains and losses on foreign currency contracts, management fee and finance costs allocated to capital and any other capital charges, are included in the Statement of Comprehensive Income and recognised in capital reserves within 'Realised gains and losses'.

Capital reserve – investment holding gains and losses

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

Share premium

Amounts received in excess of the par value of issued shares are held in Share premium. For shares that have been reissued from Treasury, the excess amount of the sales proceeds over the purchase price of those shares, will be transferred to share premium.

Capital redemption reserve

Par value of shares repurchased and cancelled by the Company are transferred from Called up share capital to the Capital redemption reserve.

Revenue reserve

Net revenue return after taxation for the year is accounted for in the Revenue reserve.

(d) Income

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

Overseas dividends are included gross of any withholding tax.

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

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

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

Deposit interest receivable is taken to revenue on an accruals basis.

(e) Expenses

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

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

(f) Finance costs

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

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

(g) Financial instruments

Cash at bank may comprise cash including demand deposits which are short term. Current asset investments will include highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

The Company invests in JPMorgan Liquidity funds, money market funds, which are considered current asset investments or cash equivalent as they are held for short term cash management purposes, as an alternative to cash, which are readily realisable to a known amount of cash with low volatility NAV.

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

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

Notes to the Financial Statements

1. Accounting policies (continued)

(g) Financial instruments (continued)

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

(h) Taxation

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

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

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

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

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

(i) Value Added Tax (‘VAT’)

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

(j) Functional currency

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

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

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

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

(k) Dividends payable

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

(l) Repurchase of shares into Treasury

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

(m) Issue of shares

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

New shares issued by the Company are recognised in share capital for their nominal value and share premium for the excess issue proceeds over the nominal value of the shares issued.

2. Significant accounting judgements and key sources of estimation uncertainty

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

Except for the functional and presentation currency as noted in note 1(j) above, the Directors do not believe that any other significant accounting judgements have been applied to this set of financial statements. The Directors do not consider there to be any sources of key estimation uncertainty.

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

	2024 £'000	2023 £'000
Realised gains on sale of investments	141,600	123,176
Capital dividends from Real Estate Investment Trusts (REITs)	1,359	2,709
Net change in unrealised gains on investments	316,460	178,763
Other capital charges	(13)	(12)
Total capital gains on investments held at fair value through profit or loss	**459,406**	**304,636**

4. Income

	2024			2023		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Income from investments:						
UK dividends	4	—	4	6	—	6
Overseas dividends	23,570	—	23,570	15,862	—	15,862
Special dividends[1]	5	55	60	651	1,214	1,865
	23,579	**55**	**23,634**	**16,519**	**1,214**	**17,733**
Interest receivable and similar income						
Deposit interest	4	—	4	6	—	6
Interest from JPMorgan USD Liquidity Fund	1,348	—	1,348	1,648	—	1,648
	1,352	—	1,352	1,654	—	1,654
Total income	**24,931**	**55**	**24,986**	**18,173**	**1,214**	**19,387**

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

Notes to the Financial Statements

5. Management fee

	2024			2023		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Management fee	1,041	4,164	5,205	852	3,409	4,261

Details of the management fee are given in the Directors' Report on page 49.

6. Other administrative expenses

	2024 £'000	2023 £'000
Administration expenses	695	624
Auditor's remuneration for audit services[1]	54	56
Directors' fees[2]	235	228
Depository fees	155	145
	1,139	**1,053**

[1] Auditor's remuneration is shown excluding VAT and includes £3,000 (2023: £7,000) of additional one-off fees paid to the auditor in respect of the audit for 2023.

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

7. Finance costs

	2024			2023		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Bank loan and overdraft interest	99	391	490	192	763	955
Private placement loan interest	395	1,579	1,974	416	1,669	2,085
Loan arrangement fees	—	—	—	19	74	93
	494	**1,970**	**2,464**	**627**	**2,506**	**3,133**

8. Taxation

(a) Analysis of tax charge for the year

	2024			2023		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Overseas withholding tax	3,024	—	3,024	1,429	909	2,338
Total tax charge for the year	**3,024**	**—**	**3,024**	**1,429**	**909**	**2,338**

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

The tax charge for the year is lower (2023: lower) than the Company's applicable rate of corporation tax of 25% (2023: 23.52%) based on the respective tax rates applicable in the financial year.

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

	2024 Revenue £'000	2024 Capital £'000	2024 Total £'000	2023 Revenue £'000	2023 Capital £'000	2023 Total £'000
Net return before taxation	22,257	452,584	474,841	15,641	305,013	320,654
Net return on ordinary activities before taxation multiplied by the standard rate of corporation tax of 25% (2023: 23.52%)	5,564	113,146	118,710	3,679	71,739	75,418
Effects of:						
Non taxable UK dividends	(1)	—	(1)	(1)	—	(1)
Non taxable overseas dividends	(5,468)	(10)	(5,478)	(3,848)	—	(3,848)
Non taxable capital gains	—	(114,666)	(114,666)	—	(72,208)	(72,208)
Tax attributable to expenses and finance costs charged to capital	(1,530)	1,530	—	(607)	607	—
Income taxed in different years	(20)	—	(20)	(69)	—	(69)
Overseas withholding tax	3,024	—	3,024	1,429	909	2,338
Unrelieved expenses	1,678	—	1,678	842	—	842
Brought forward excess expenses utilised	(214)	—	(214)	—	—	—
Double taxation relief (credited)/expensed	(9)	—	(9)	4	(138)	(134)
Total tax charge for the year	**3,024**	**—**	**3,024**	**1,429**	**909**	**2,338**

(c) Deferred taxation

The Company has an unrecognised deferred tax asset of £29,280,000 (2023: £28,100,000) based on a prospective corporation tax rate of 25% (2023: 25%) as enacted by the Finance Act 2021. The deferred tax asset has arisen due to £117,514,000 (2023: £112,507,000) of cumulative excess of deductible management expenses and interest payable on borrowings, 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.

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

9. Return per share

	2024 £'000	2023 £'000
Revenue return	19,233	14,212
Capital return	452,584	304,104
Total return	**471,817**	**318,316**
Weighted average number of shares in issue during the year	181,599,757	183,852,137
Revenue return per share	10.59p	7.73p
Capital return per share	249.22p	165.41p
Total return per share	**259.81p**	**173.14p**

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

Notes to the Financial Statements

10. Dividends

(a) Dividends paid and declared

	2024		2023	
	Pence	£'000	Pence	£'000
Dividends paid				
Final dividend in respect of prior year	5.25	9,594	4.75	8,727
Interim dividend in respect of the six months	2.75	5,003	2.50	4,565
Total dividends paid in the year	**8.00**	**14,597**	**7.25**	**13,292**
Proceeds from forfeiture of unclaimed dividends[1]	—	(71)	—	—
Net dividends	**8.00**	**14,526**	**7.25**	**13,292**

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

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

The dividend proposed in respect of the year ended 31st December 2023 amounted to £9,587,000. However, the amount paid amounted to £9,594,000 due to shares repurchased after the balance sheet date but prior to the share register record date.

In accordance with the accounting policy of the Company, the dividend declared in respect of the year ended 31st December 2024, will be reflected in the financial statements for the year ending 31st December 2025.

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

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

The revenue available for distribution by way of dividend for the year is £19,233,000 (2023: £14,212,000).

	2024		2023	
	Pence	£'000	Pence	£'000
Interim dividend in respect of the six months	2.75	5,003	2.50	4,565
Final dividend	8.25	14,775	5.25	9,587
Total	**11.00**	**19,778**	**7.75**	**14,152**

The revenue reserve after payment of the final dividend will amount to £21,519,000 (2023: £22,000,000).

11. Investments

	2024 £'000	2023 £'000
Opening book cost	1,172,535	1,124,144
Opening investment holding gains	435,728	256,965
Opening valuation	1,608,263	1,381,109
Movements in the year:		
Purchases at cost	570,555	625,818
Sales proceeds	(595,482)	(703,312)
Gains on investments	459,419	304,648
Closing valuation	**2,042,755**	**1,608,263**
Closing book cost	1,290,567	1,172,535
Closing investment holding gains	752,188	435,728
Total investments held at fair value through profit or loss	**2,042,755**	**1,608,263**

The Company received £595,482,000 (2023: £703,312,000) from investments sold in the year. The book cost of these investments when they were purchased was £452,523,000 (2023: £577,427,000). 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 £99,000 (2023: £84,000) and on sales during the year amounted to £136,000 (2023: £84,000). These costs comprise mainly brokerage commission.

12. Current assets

	2024 £'000	2023 £'000
Debtors		
Dividends and interest receivable	532	620
Overseas tax recoverable	—	21
Securities sold awaiting settlement	—	49
Other debtors	68	99
	600	**789**

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

13. Current liabilities

	2024 £'000	2023 £'000
Creditors: amounts falling due within one year		
Bank Loan interest and fees payable	—	93
Private placement loan interest payable	606	597
Other creditors and accruals	365	327
Securities purchased awaiting settlement	—	104
	971	**1,121**

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

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

	2024 £'000	2023 £'000
US$65 million 2.55% Private Placement Feb 2031	51,670	50,727
US$35 million 2.32% Private Placement Oct 2032	27,907	27,412
	79,577	**78,139**

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

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

Notes to the Financial Statements

15. Called up share capital

	2024 Number of shares	2024 £'000	2023 Number of shares	2023 £'000
Authorised ordinary shares allotted and fully paid:				
Opening balance of Ordinary shares excluding shares held in Treasury	182,603,216	9,130	188,917,810	9,446
Repurchase of Ordinary shares into Treasury	(4,862,262)	(243)	(6,314,594)	(316)
Issue of Ordinary shares from Treasury	1,355,000	68	—	—
Closing balance of Ordinary shares of 5p each excluding shares held in Treasury	179,095,954	8,955	182,603,216	9,130
Shares held in Treasury	102,537,956	5,127	99,030,694	4,952
Closing Balance of shares of 5p each including shares held in Treasury	**281,633,910**	**14,082**	**281,633,910**	**14,082**

During the year, 4,862,262 shares of 5p were repurchased from the market into Treasury at an average price of 989p per share, for a net consideration of £ 48,069,000 and 1,355,000 shares of 5p were issued from Treasury at an average price of 1,025p per share for net proceeds of £13,893,000.

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

16. Capital and reserves

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

For the year ended 31st December 2023	Called up share capital £'000	Share premium £'000	Capital redemption reserve £'000	Capital reserves[1] Gains and losses on sales of investments £'000	Capital reserves[1] Investment holding gains and losses £'000	Revenue reserve[1] £'000	Total £'000
Opening balance	14,082	151,850	8,151	848,024	251,309	30,667	1,304,083
Net foreign currency exchange loss on cash and current asset investments	—	—	—	(1,759)	—	—	(1,759)
Realised gains on sale of investments	—	—	—	123,176	—	—	123,176
Net change in unrealised gains and losses on investments	—	—	—	—	178,763	—	178,763
Repurchase of shares into Treasury	—	—	—	(45,108)	—	—	(45,108)
Realised foreign currency exchange gains on repayment of loans	—	—	—	3,449	—	—	3,449
Unrealised gains on loans and private placements	—	—	—	—	3,388	—	3,388
Management fee and finance costs charged to capital	—	—	—	(5,915)	—	—	(5,915)
Other capital charges	—	—	—	(12)	—	—	(12)
Capital special dividend received	—	—	—	3,923	—	—	3,923
Withholding tax charged on capital special dividends	—	—	—	(909)	—	—	(909)
Retained revenue for the year	—	—	—	—	—	14,212	14,212
Dividends paid in the year	—	—	—	—	—	(13,292)	(13,292)
Closing balance	**14,082**	**151,850**	**8,151**	**924,869**	**433,460**	**31,587**	**1,563,999**

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

17. Net asset value per share

The net asset value per Ordinary share and the net asset value attributable to the Ordinary shares at the year end are set out below. These were calculated using 179,095,954 (2023: 182,603,216) Ordinary shares in issue at the year end (excluding Treasury shares).

	2024 Net asset value attributable £'000	2024 Net asset value attributable pence	2023 Net asset value attributable £'000	2023 Net asset value attributable pence
Net asset value - debt at par	**1,987,845**	**1,109.9**	**1,563,999**	**856.5**
Add: amortised cost of US$65 million 2.55% Private Placement Feb 2031	51,670	28.9	50,727	27.8
Less: fair value of US$65 million 2.55% Private Placement Feb 2031	(45,875)	(25.6)	(45,636)	(25.0)
Add: amortised cost of US$35 million 2.32% Private Placement Oct 2032	27,907	15.6	27,412	15.0
Less: fair value of US$35 million 2.32% Private Placement Oct 2032	(23,396)	(13.1)	(23,328)	(12.8)
Net asset value - debt at fair value	**1,998,151**	**1,115.7**	**1,573,174**	**861.5**

18. Contingent liabilities and capital commitments

At the balance sheet date there were no contingent liabilities or capital commitments (2023: same).

Notes to the Financial Statements

19. Transactions with the Manager and related parties

Details of the management contract are set out in the Directors' Report on page 49. The management fee payable to the Manager for the year was £5,205,000 (2023: £4,261,000) of which £nil (2023: £nil) was outstanding at the year end.

Included in administration expenses in note 6 on page 78 are safe custody fees amounting to £17,000 (2023: £15,000) payable JPMorgan Chase Bank N.A. of which £3,000 (2023: £5,000) was outstanding at the year end.

Handling charges on dealing transactions amounting to £13,000 (2023: £12,000) were payable to JPMorgan Chase Bank N.A during the year of which £2,000 (2023: £5,000) was outstanding at the year end.

The Company also invests in the JPMorgan USD Liquidity Fund, a money market fund which is managed by JPMorgan Asset Management (Europe) S.à r.l. At the year end this was valued at £24.9 million (2023: £33.9 million). Income amounting to £1,348,000 (2023: £1,648,000) was receivable during the year of which £nil (2023: £nil) was outstanding at the year end.

At the year end, total cash of £112,000 (2023: £280,000) was held with JPMorgan Chase Bank N.A. The net amount of interest of £4,000 (2023: £6,000) was receivable by the Company during the year from JPMorgan Chase of which £nil (2023: £nil) was outstanding at the year end.

Full details of Directors' remuneration can be found on page 53 and in note 6 on page 78.

20. Disclosures regarding financial instruments measured at fair value

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

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

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

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

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

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

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

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

	2024		2023	
	Assets £'000	Liabilities £'000	Assets £'000	Liabilities £'000
Level 1	2,042,755	—	1,608,263	—
Total	**2,042,755**	**—**	**1,608,263**	**—**

There were no transfers between Level 1, 2 or 3 during the year (2023: nil).

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

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

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

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

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

- investments in US equity shares, which are held in accordance with the Company's investment objective;
- investment in a liquidity fund;
- short term debtors, creditors and cash arising directly from its operations; and
- private placement unsecured notes and the revolving credit facility, the purpose of which is to finance the Company's operations.

(a) Market risk

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

(i) Currency risk

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

Management of currency risk

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

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

Notes to the Financial Statements

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

(a) Market risk (continued)

(i) Currency risk (continued)

Foreign currency exposure

The fair value of the Company's monetary items that have foreign currency exposure at 31st December are shown below. Where the Company's equity investments (which are not monetary items) are priced in a foreign currency, they have been included separately in the analysis so as to show the overall level of exposure.

	2024		2023	
	US Dollar £'000	Total £'000	US Dollar £'000	Total £'000
Current assets: Cash and debtors	25,557	25,557	34,858	34,858
Current liabilities (excluding bank loans and private placements)	(606)	(606)	(794)	(794)
Bank loan and private placements	(79,577)	(79,577)	(78,139)	(78,139)
Foreign currency exposure on net monetary items	(54,626)	(54,626)	(44,075)	(44,075)
Investments held at fair value through profit or loss	2,042,755	2,042,755	1,608,263	1,608,263
Total net foreign currency exposure	**1,988,129**	**1,988,129**	**1,564,188**	**1,564,188**

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

Foreign currency sensitivity

The following table illustrates the sensitivity of return after taxation for the year and net assets with regard to the Company's monetary financial assets, financial liabilities and equity investments and exchange rates. The sensitivity analysis is based on the Company's monetary currency financial instruments and equity investments held at each balance sheet date and the income receivable in foreign currency and assumes a 10% (2023: 10%) appreciation or depreciation in sterling against the US Dollar which is considered to be a reasonable illustration based on the volatility of exchange rates during the year.

	2024		2023	
	If sterling strengthens by 10% £'000	If sterling weakens by 10% £'000	If sterling strengthens by 10% £'000	If sterling weakens by 10% £'000
Statement of Comprehensive Income				
Revenue return after taxation	(2,493)	2,493	(1,817)	1,817
Capital return after taxation	(198,813)	198,813	(156,419)	156,419
Total return after taxation for the year	(201,306)	201,306	(158,236)	158,236
Net assets	**(201,306)**	**201,306**	**(158,236)**	**158,236**

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

(ii) Interest rate risk

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

	2024 £'000	2023 £'000
Exposure to floating interest rates		
Cash at bank	112	280
Current asset investment in JPMorgan USD Liquidity Fund	24,926	33,927
Net exposure	**25,038**	**34,207**

Interest receivable on cash balances, or payable on overdrafts, is at a margin below or above SONIA respectively (2023: same).

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

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

Details of the bank loans are given in note 13 on page 81.

Interest rate sensitivity

The following table illustrates the sensitivity of the return after taxation for the year and net assets to a 1.0% (2023: 1.0%) increase or decrease in interest rates in regards to the Company's monetary financial assets and financial liabilities. This level of change is considered to be a reasonable illustration based on observation of current market conditions. The sensitivity analysis is based on the Company's monetary financial instruments held at the balance sheet date, with all other variables held constant.

	2024		2023	
	1% increase in rate £'000	1% decrease in rate £'000	1% increase in rate £'000	1% decrease in rate £'000
Statement of Comprehensive Income				
Revenue return after taxation	250	(250)	342	(342)
Capital return after taxation	—	—	—	—
Total return after taxation	**250**	**(250)**	**342**	**(342)**
Net assets	**250**	**(250)**	**342**	**(342)**

In the opinion of the Directors, this sensitivity analysis may not be representative of the Company's future exposure to interest rate changes due to fluctuations in the level of cash balances, investment in the JPMorgan USD Liquidity Fund and amounts drawn down on the Company's loan facilities.

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

(iii) Other price risk

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

Management of other price risk

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

Notes to the Financial Statements

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

(a) Market risk (continued)

(iii) Other price risk (continued)

Other price risk exposure

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

	2024 £'000	2023 £'000
Investments held at fair value through profit or loss	2,042,755	1,608,263

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

Other price risk sensitivity

The following table illustrates the sensitivity of the return after taxation for the year and net assets to an increase or decrease of 10% (2023: 10%) in the market values. This level of change is considered to be a reasonable illustration based on observation of current market conditions. The sensitivity analysis is based on the Company's equities, adjusting for changes in the management fee but with all other variables held constant.

	2024		2023	
	10% increase in fair value £'000	10% decrease fair value £'000	10% increase fair value £'000	10% decrease fair value £'000
Statement of Comprehensive Income				
Revenue return after taxation	(102)	102	(80)	80
Capital return after taxation	203,867	(203,867)	160,505	(160,505)
Total return after taxation	**203,765**	**(203,765)**	**160,425**	**(160,425)**
Net assets	**203,765**	**(203,765)**	**160,425**	**(160,425)**

(b) Liquidity risk

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

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

Management of the risk

Liquidity risk is not significant as the Company's assets comprise mainly readily realisable securities, which can be sold to meet funding requirements if necessary. In addition, the cash at bank, investment in the JPMorgan USD Liquidity Fund and the borrowing facilities provide additional funding flexibility. The financial liabilities of the Company at the balance sheet date are shown in notes 13 and 14.

Liquidity risk exposure

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

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

	2023			
	Three months or less £'000	More than three months but less than one year £'000	One year or more £'000	Total £'000
Creditors				
Other creditors and accruals	327	—	—	327
Securities purchased for future settlement	104	—	—	104
Bank loan – Mizuho Bank, including interest	152	181	151	484
US$65 million 2.55% Private Placement Feb 2031	770	980	59,003	60,753
US$35 million 2.32% Private Placement Oct 2032	305	480	32,408	33,193
	1,658	**1,641**	**91,562**	**94,861**

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

(c) Credit risk

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

Management of credit risk

Portfolio dealing

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

Notes to the Financial Statements

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

(c) Credit risk (continued)

Management of credit risk (continued)

Cash at bank and current asset investments

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

Exposure to JPMorgan Chase

JPMorgan Chase Bank, N.A. is the custodian of the Company's assets. The Company's assets are segregated from JPMorgan Chase's own trading assets. Therefore these assets are designed to be protected from creditors in the event that JPMorgan Chase were to cease trading.

The Depositary, Bank of New York Mellon (International) Limited, is responsible for the safekeeping of all custodial assets of the Company and for verifying and maintaining a record of all other assets of the Company. However, no absolute guarantee can be given on the protection of all the assets of the Company.

Credit risk exposure

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

(d) Fair values of financial assets and financial liabilities

All financial assets and liabilities are either included in the Statement of Financial Position at fair value or the carrying amount is a reasonable approximation of fair value, except for the private placements which the Company has in issue. The fair value of those private placements, as shown on the following page, has been calculated using discounted cash flow technique using the yield from a similarly dated treasury note plus a margin based on the US Broad Market AA 10-15 year spread.

	2024		2023	
	Accounts value £m	Fair value £m	Accounts value £m	Fair value £m
US$65 million 2.55% Private Placement Feb 2031	51.7	45.9	50.7	45.6
US$35 million 2.32% Private Placement Oct 2032	27.9	23.4	27.4	23.3

22. Capital management policies and procedures

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

	2024 £'000	2023 £'000
Debt		
US$65 million 2.55% Private Placement Feb 2031	51,670	50,727
US$35 million 2.32% Private Placement Oct 2032	27,907	27,412
	79,577	78,139
Equity		
Equity share capital	14,082	14,082
Reserves	1,973,763	1,549,917
	1,987,845	1,563,999
Total debt and equity	**2,067,422**	**1,642,138**

Notes to the Financial Statements

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

Gearing

	2024 £'000	2023 £'000
Investments held at fair value through profit or loss	2,042,755	1,608,263
Net assets	1,987,845	1,563,999
Gearing	**2.8%**	**2.8%**

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

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

23. Analysis of change in net debt

	As at 31st December 2023 £'000	Cash flows £'000	Unrealised foreign exchange movements £'000	Other non-cash charges £'000	As at 31st December 2024 £'000
Cash and cash equivalents					
Cash at bank	280	(1,153)	985	—	112
Current asset investments[1]	33,927	(9,001)	—	—	24,926
	34,207	(10,154)	985	—	25,038
Borrowings					
Private placement due after one year	(78,139)	—	(1,398)	(40)	(79,577)
Net debt	**(43,932)**	**(10,154)**	**(413)**	**(40)**	**(54,539)**

[1] JPMorgan USD Liquidity Fund, money market fund.

24. Subsequent events

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

Regulatory Disclosures

Image: Federal Reserve Building in Washington, US

Regulatory Disclosures

Alternative Investment Fund Managers Directive Disclosures

Leverage

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

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

The Company's maximum and actual leverage levels at 31st December 2024 are shown below:

	Gross Method	Commitment Method
Leverage exposure		
Maximum limit	200%	200%
Actual	104.1%	104.1%

AIFMD Remuneration disclosures

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

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

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

Remuneration Policy

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

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

The Board reviews and adopts the Remuneration Policy on an annual basis, and oversees its implementation, including the classification of AIFMD Identified Staff. The Board last reviewed and adopted the Remuneration Policy that applied for the 2024 Performance Year in July 2024 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 2024 Performance Year and the number of beneficiaries. These figures include the remuneration of all staff of JP Morgan Asset Management (UK) Ltd (the relevant employing entity) and the number of beneficiaries, both apportioned to the Management Company on an Asset Under Management ('AUM') weighted basis.

Due to the Firm's structure, the information needed to provide a further breakdown of remuneration attributable to the Company is not readily available and would not be relevant or reliable. However, for context, the Management Company manages 24 Alternative Investment Funds (with 4 sub-funds) and 2 UCITS (with 42 sub-funds) as at 31st December 2024, with a combined AUM as at that date of £25,574 million and £21,277 million respectively.

	Fixed remuneration	Variable remuneration	Total remuneration	Number of beneficiaries
All staff of the Management Company (US$'000s)	25,131	17,434	42,565	150

The aggregate 2024 total remuneration paid to AIFMD Identified Staff was US$143,431,000 of which US$7,910,000 relates to Senior Management and US$135,521,000 relates to other Identified Staff[1].

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

Regulatory Disclosures

Securities Financing Transactions Regulation ('SFTR') Disclosures

The Company does not engage in Securities Financing Transactions – as defined in Article 3 of Regulation (EU) 2015/2365 Securities Financing Transactions include repurchase transactions, securities or commodities lending and securities or commodities borrowing, buy-selling back transactions or sell-buy back transactions and margin lending transactions – or Total Return Swaps. Accordingly, disclosures required by Article 13 of the Regulation are not applicable for the year ended 31st December 2024.

Shareholder Information

Image: Woman Working in Finance

Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting of JPMorgan American Investment Trust plc will be held at 60 Victoria Embankment, London EC4Y 0JP on 14th May 2025 at 2.30 p.m. for the following purposes:

1. To receive the Directors' Report, the Financial Statements and the Auditor's Report for the year ended 31st December 2024.
2. To approve the Directors' Remuneration Policy.
3. To approve the Directors' Remuneration Report for the year ended 31st December 2024.
4. To declare a final dividend on the ordinary shares of 8.25 pence per share.
5. To re-appoint Nadia Manzoor as a Director of the Company.
6. To re-appoint Robert Talbut as a Director of the Company.
7. To re-appoint Claire Binyon as a Director of the Company.
8. To re-appoint Pui Kei Yuen as a Director of the Company.
9. To re-appoint Colin Moore as a Director of the Company.
10. To re-appoint BDO LLP as Auditor to the Company and to authorise the Directors to determine BDO LLP's remuneration.

Special Business

To consider the following resolutions:

Authority to allot new shares – Ordinary Resolution

11. THAT the Directors of the Company be and they are hereby generally and unconditionally authorised (in substitution of any authorities previously granted to the Directors), pursuant to and in accordance with Section 551 of the Companies Act 2006 (the 'Act') to exercise all the powers of the Company to allot equity securities in the Company and to grant rights to subscribe for, or to convert any security into, shares in the Company ('Rights') up to an aggregate nominal amount of £897,798 or, if different, the aggregate nominal amount representing approximately 10% of the Company's issued share capital (excluding shares held in Treasury) as at the date of the passing of this resolution providing that this authority shall expire at the conclusion of the Annual General Meeting of the Company to be held in 2026 or the date occurring 15 months from the date on which this resolution is passed, whichever is the earlier, unless renewed, revoked or varied by the Company at a general meeting prior to such time, save that the Company may before such expiry make offers, agreements or arrangements which would or might require equity securities to be allotted or Rights to be granted after such expiry and so that the Directors of the Company may allot equity securities and grant Rights in pursuance of such offers, agreements or arrangements as if the authority conferred hereby had not expired.

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

12. THAT subject to the passing of Resolution 11, the Directors of the Company be and they are hereby empowered pursuant to Sections 570 and 573 of the Act to allot equity securities (within the meaning of Section 560 of the Act) for cash pursuant to the authority conferred by Resolution 11 or by way of a sale of Treasury shares as if Section 561(1) of the Act did not apply to any such allotment, provided that this power shall be limited to the allotment of equity securities for cash up to an aggregate nominal amount of £897,798 or, if different, the aggregate nominal amount representing approximately 10% of the total Ordinary share capital (excluding shares held in Treasury) as at the date of the passing of this resolution at a price of not less than the net asset value per share and shall expire upon the expiry of the general authority conferred by Resolution 11, save that the Company may before such expiry make offers, agreements or arrangements which would or might require equity securities to be allotted after such expiry and so that the Directors of the Company may allot equity securities in pursuance of such offers, agreements or arrangements as if the power conferred hereby had not expired.

Authority to repurchase the Company's shares – Special Resolution

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

PROVIDED ALWAYS THAT

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

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

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

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

(v) the authority hereby conferred shall expire on 14th November 2026 unless the authority is renewed at the Company's Annual General Meeting in 2026 or at any other general meeting prior to such time; and

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

Authority to hold general meetings – Special Resolution

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

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

2nd April 2025

Notes

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

1. If law or Government guidance so requires at the time of the Meeting, the Chairman of the Meeting will limit, in his sole discretion, the number of individuals in attendance at the Meeting. In addition, the Company may still impose entry restrictions on certain persons wishing to attend the AGM in order to secure the orderly and proper conduct of the Meeting.

2. A member entitled to attend and vote at the meeting may appoint another person(s) (who need not be a member of the Company) to exercise all or any of his rights to attend, speak and vote at the meeting. A member can appoint more than one proxy in relation to the meeting, provided that each proxy is appointed to exercise the rights attaching to different shares held by him.

3. A proxy does not need to be a member of the Company but must attend the Meeting to represent you. Your proxy could be the Chairman, another Director of the Company or another person who has agreed to attend to represent you. Details of how to appoint the Chairman or another person(s) as your proxy or proxies using the proxy form are set out in the notes to the proxy form. If a voting box on the proxy form is left blank, the proxy or proxies will exercise his/their discretion both as to how to vote and whether he/they abstain(s) from voting. Your proxy must attend the Meeting for your vote to count. Appointing a proxy or proxies does not preclude you from attending the Meeting and voting in person.

4. Any instrument appointing a proxy, to be valid, must be lodged in accordance with the instructions given on the proxy form.

5. You may change your proxy instructions by returning a new proxy appointment. The deadline for receipt of proxy appointments (see above) also applies in relation to amended instructions. Any attempt to terminate or amend a proxy appointment received after the relevant deadline will be disregarded. Where two or more valid separate appointments of proxy are received in respect of the same share in respect of the same meeting, the one which is last received (regardless of its date or the date of its signature) shall be treated as replacing and revoking the other or others as regards that share. If the Company is unable to determine which was last received, none of them shall be treated as valid in respect of that share.

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

Notice of Annual General Meeting

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

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

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

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

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

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

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

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

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

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

15. As an alternative to completing a hard copy Form of Proxy, you can appoint a proxy or proxies electronically by visiting www.investorcentre.co.uk/eproxy. You will need the Control Number, Shareholder Reference Number and PIN which are set out on your proxy form or the electronic broadcast you received from Computershare.
16. As at 1st April 2025 (being the latest business day prior to the publication of this Report), the Company's issued share capital consists of 281,633,910 shares, including of 102,074,409 Treasury shares. Therefore the total voting rights in the Company are 179,559,501.

Electronic appointment – CREST and Proxymity

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

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

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

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

Glossary of Terms

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

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

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

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

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

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

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

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

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

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

Alternative Performance Measures (APM)

Alternative Performance Measures (APM)

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

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

Return on share price (APM)

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

Total return calculation	Page	Year ended 31st December 2024	Year ended 31st December 2023	
Opening share price (p)	9	859.0	685.0	(a)
Closing share price (p)	9	1,130.0	859.0	(b)
Total dividend adjustment factor[1]		1.008291	1.009830	(c)
Adjusted closing share price (p) (d=b x c)		1,139.4	867.4	(d)
Total return on share price (e=(d/a)–1)		**32.6%**	**26.6%**	(e)

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

Return on net assets with debt at fair value (APM)

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

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

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

Total return calculation	Page	Year ended 31st December 2024	Year ended 31st December 2023	
Opening cum-income NAV per share with debt at fair value (p)	9	861.5	697.3	(a)
Closing cum-income NAV per share debt at fair value (p)	9	1,115.7	861.5	(b)
Total dividend adjustment factor[1]		1.008295	1.009589	(c)
Adjusted closing cum-income NAV per share (p) (d=b x c)		1125.0	869.8	(d)
Total return on net assets with debt at fair value (e=(d/a)–1)		**30.6%**	**24.7%**	(e)

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

Alternative Performance Measure (APM)

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

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

Total return calculation	Page	Year ended 31st December 2024	Year ended 31st December 2023	
Opening cum-income NAV per share with debt at par value (p)	9	856.5	690.3	(a)
Closing cum-income NAV per share debt at par value (p)	9	1,109.9	856.5	(b)
Total dividend adjustment factor[1]		1.008345	1.009670	(c)
Adjusted closing cum-income NAV per share (p) (d=b x c)		1,119.2	864.8	(d)
Total return on net assets with debt at par value (e=(d/a)–1)		**30.7%**	**25.3%**	(e)

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

Annualised return on net assets relative to benchmark (APM)

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

Net asset value per share (APM)

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

Gearing/(Net Cash) (APM)

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

Gearing calculation	Page	31st December 2024 £'000	31st December 2023 £'000	
Investments held at fair value through profit or loss	72	2,042,755	1,608,263	(a)
Net assets	72	1,987,845	1,563,999	(b)
Gearing (c = (a/b) – 1)		**2.8%**	**2.8%**	(c)

Ongoing charges ratio (APM)

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

Ongoing charges calculation	Page	Year ended 31st December 2024 £'000	Year ended 31st December 2023 £'000	
Management fee	70	5,205	4,261	
Other administrative expenses	70	1,139	1,053	
Total management fee and other administrative expenses		6,344	5,314	(a)
Average daily cum-income net assets		1,807,798	1,416,971	(b)
Ongoing charges ratio (c = a/b)		**0.35%**	**0.38%**	(c)

Alternative Performance Measure (APM)

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

If the share price of an investment trust is lower than the NAV per share, the shares are said to be trading at a discount. The discount is shown as a percentage of the NAV per share. The opposite of a discount is a premium. It is more common for an investment trust company's shares to trade at a discount than at a premium (page 11).

	Page	31st December 2024	31st December 2023	
Share price (p)	9	1,130.0	859.0	(a)
Net assets value per share with debt at fair value (p)	9	1,115.7	861.5	(b)
Premium/(discount) to net asset value with debt at fair value (c = (a–b)/b)		**1.3%**	**(0.3)%**	(c)

	Page	31st December 2024	31st December 2023	
Share price (p)	9	1,130.0	859.0	(a)
Net asset value per share with debt at par value (p)	9	1,109.9	856.5	(b)
Premium to net asset value with debt at par value (c = (a–b)/b)		**1.8%**	**0.3%**	(c)

Investing in JPMorgan American Investment Trust plc

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

1. Via a third party provider

Third party providers include:

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

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

The Board encourages all of the Company's 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 to find an investment that suits your individual circumstances. An adviser will let you know the fee for their service before you go ahead. You can find an adviser at www.unbiased.co.uk.

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

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

Investment and pension scams are often sophisticated and difficult to spot

FINANCIAL CONDUCT AUTHORITY

Be a **ScamSmart** Investor

Be a ScamSmart investor and spot the warning signs

Fraudsters will often:

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

How to avoid investment and pension scams

1 Reject unexpected offers
Scammers usually cold call, but contact can also come by email, post, word of mouth or at a seminar. If you've been offered an investment out of the blue, chances are it's a high risk investment or a scam.

2 Check the FCA Warning List
Use the FCA Warning List to check the risks of a potential investment – you can also search to see if the firm is known to be operating without our authorisation.

3 Get impartial advice
Get impartial advice before investing – don't use an adviser from the firm that contacted you.

If you're suspicious, report it

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

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

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

Information About the Manager

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

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

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

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

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

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

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

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

The Modern Slavery Act 2015 ('MSA')

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

Corporate Governance

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

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

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

Proxy Voting

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

Stewardship/Engagement

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

Information About the Manager

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

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

- governance;
- strategy alignment with the long term;
- human capital management;
- stakeholder engagement;
- climate change; and
- natural capital and ecosystems.

Within each priority area, we have identified related sub-themes that we are seeking to address over a shorter timeframe (18-24 months). These subthemes will evolve, over time, as we engage with investee companies to understand issues and promote best practices. This combination of priorities and evolving themes provides a structured and targeted framework for engagement for our investors and Investment Stewardship team globally.

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

https://am.jpmorgan.com/content/dam/jpm-amaem/ global/en/sustainable-investing/investmentstewardship- report.pdf

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

The Company currently conducts its affairs so that the shares issued by the Company can be recommended by independent financial advisers to ordinary retail investors in accordance with the FCA's rules in relation to non-mainstream investment products and intends to continue to do so for the foreseeable future. The shares are excluded from the FCA's restrictions which apply to non-mainstream investment products because they are shares in an investment trust. The Company's ordinary shares are not considered to be 'complex instruments' under the FCA's 'Appropriateness' rules and guidance in the COB sourcebook.

Consumer Duty Value Assessment

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

Task Force on Climate-related Financial Disclosures

As a regulatory requirement, JPMorgan Asset Management (JPMAM) published its first UK Task Force on Climate-related Financial Disclosures ('TCFD') Report for the Company in respect of the year ended 31st December 2023 in June 2024. The report discloses estimates of the Company's portfolio climate-related risks and opportunities according to the Financial Conduct Authority (FCA) Environmental, Social and Governance (ESG) Sourcebook and the Task Force on Climate-related Disclosures (TCFD). The report is available on the Company's website under the ESG documents section:

https://am.jpmorgan.com/content/dam/jpm-am-aem/emea/regional/en/regulatory/esg-information/jpm-american-investment-trust-plc-combined-fund-tcfd-report.pdf

Information About the Company

History

The Company has its origins in the Alabama, New Orleans, Texas and Pacific Junction Railways Company Limited which was formed in 1881 to acquire interests in, and to undertake the completion of, three American railroads – the Vicksburg and Meridian, the Vicksburg, Shreveport and Pacific and the New Orleans and North Eastern. In 1917 the Company was reorganised, a proportion of the railroad interests were sold, and the investment powers were widened enabling its assets to be invested in several countries including the United Kingdom. To reflect the new objectives the name was changed to The Sterling Trust. The Company's investment policy reverted to North American securities in 1982 when the name was changed to The Fleming American Investment Trust plc. The name was changed to JPMorgan Fleming American Investment Trust plc in April 2002 and to its present form in 2006. JPMorgan, and its predecessor company, has been the Company's manager and secretary since 1966.

Company Information

Company registration number: 15543
Country of registration: England and Wales
London Stock Exchange number: 08456505
ISIN: GB00BKZGVH64
SEDOL Code: BKZGVH6
Bloomberg code: JAM LN
LEI: 549300QNAI4XRPEB4G65

Market Information

The Company's net asset value ('NAV') is published daily via the London Stock Exchange. The Company's shares are listed on the London Stock Exchange and the price is noted daily in the Financial Times and on the J.P. Morgan website at www.jpmamerican.co.uk, where the share price is updated every 15 minutes during trading hours.

Website

www.jpmamerican.co.uk

Share Transactions

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

Manager and Company Secretary

JPMorgan Funds Limited

Company's Registered Office

60 Victoria Embankment
London EC4Y 0JP
Telephone: 0800 20 40 20 or +44 1268 44 44 70
email: jpmam.investment.trusts@jpmorgan.com

For company secretarial and administrative matters, please contact Priyanka Vijay Anand.

Depositary

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

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

Registrar

Computershare Investor Services PLC
The Pavilions
Bridgwater Rd
Bristol
BS99 6ZZ
United Kingdom
Telephone: + 44 (0)370 707 1519

Lines open 8.30 a.m. to 5.30 p.m. Monday to Friday
Shareholders can manage their shareholding online by visiting Investor Centre at www.investorcentre.co.uk, Shareholders just require their Shareholder Reference Number ('SRN'), which can be found on any communications previously received from Computershare.

Independent Auditor

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Broker

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aic
The Association of Investment Companies

A member of the AIC

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ASSET MANAGEMENT