

# SHARED OWNERSHIP IS AT THE HEART OF OUR CULTURE AND OUR PURPOSE IS TO HELP MAXIMISE THE POTENTIAL OF EVERY CLIENT, COLLEAGUE AND PARTNER WITH WHOM WE WORK

As a leading global provider of financial services, we understand the opportunity we have to play a role in realigning capital flows to address ESG issues.

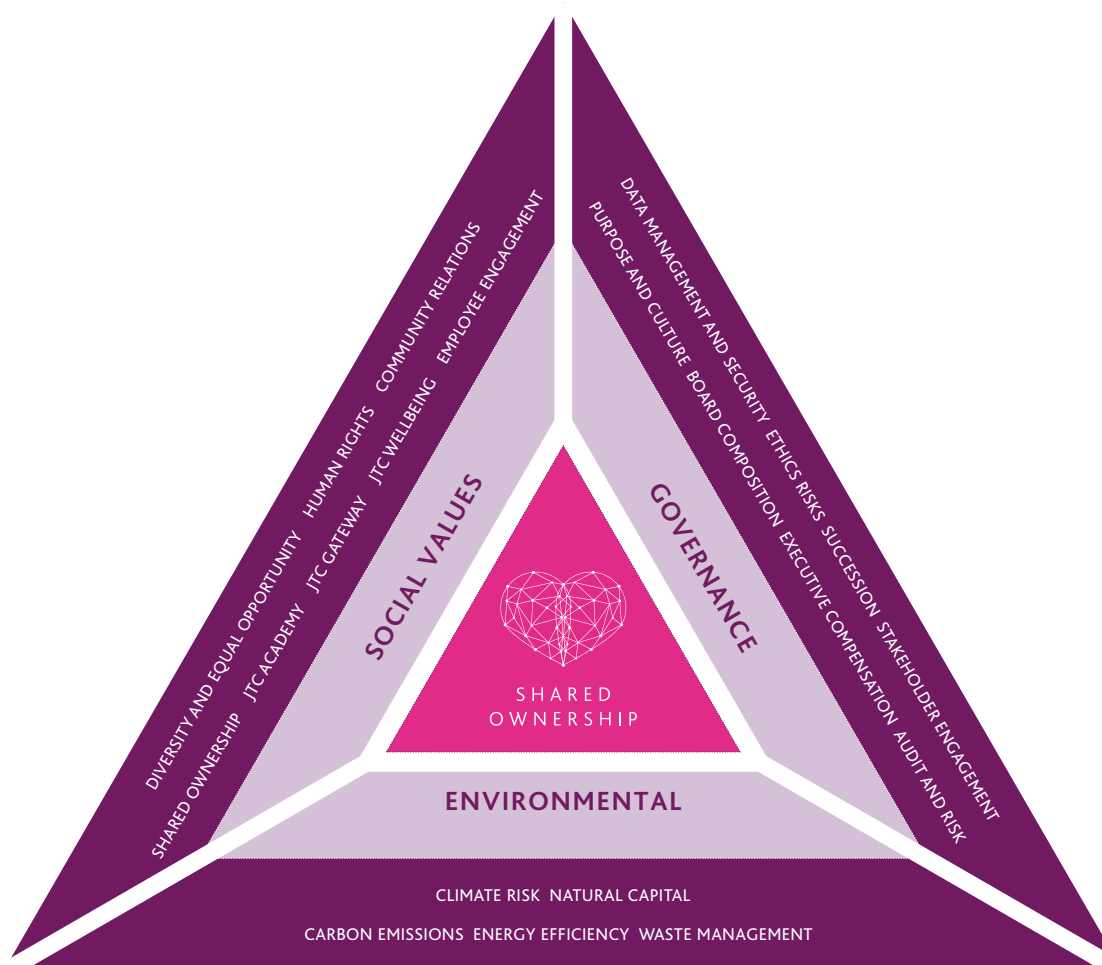
We know that we will thrive as a business by working in a sustainable way, within constantly evolving legal and regulatory frameworks, respecting the natural environment and creating a positive impact for the communities where we live and work.


To help ensure this, we maintain our commitment to the ESG framework shown below. The framework is based on our purpose and cultural values, which you can read more about on page 40. At its heart is our culture of shared ownership, established in 1998, that places the interests of the collective above that of any individual. The principal items listed in the framework are those we believe to be meaningful and material to our business, and as you will see in the coming pages,

many of these issues came to the fore during the Covid-19 pandemic. We work continuously to develop and improve our approach in all of these areas. The ESG framework is governed and overseen by the Board, with operational responsibility sitting with the executive team and in particular the Chief Operating Officer.

This year we are pleased to report for the first time using the Sustainability Accounting Standards Board (SASB) framework, which we believe is currently the most suitable for our business, a view that has also been expressed by many of our institutional investors.

In the coming year, we have undertaken to become a Carbon Neutral company on a global basis and will also be identifying which of the 17 United Nations Sustainable Development Goals (SDGs) are most relevant for our business and our stakeholders.





In choosing to report under the SASB framework we have elected to use the Professional & Commercial Services Standard, within the Services Sector. We believe that SASB is emerging as one of the most effective ESG reporting standards, with its focus on sustainability topics that are material to the business. At the time of writing, 21 of our institutional shareholders, including 50% of our ten largest holders, are SASB Alliance members. In addition, we are actively examining a number of other frameworks and standards as they relate to our business and stakeholders, including the UN's Sustainable Development Goals (SDGs) and readiness for reporting under the Task Force on Climate-related Financial Disclosures (TCFD).



## JTC SASB REPORT – PROFESSIONAL &amp; COMMERCIAL SERVICES



We have chosen to provide disclosures in line with the Professional & Commercial Services Standard issued by the Sustainability Accounting Standards Board (SASB).

SASB was founded in 2011 as a not-for-profit, independent standards setting organisation to establish and maintain industry-specific standards to assist in disclosing financially material, decision-useful sustainability information to investors.

The information disclosed is to assist investors and other stakeholders in understanding the governance and management of the Group's environmental and social impacts arising from its activities as well as the ability of the Group to create value over the long-term.

## Sustainability Disclosure Topics &amp; Accounting Metrics

## DATA SECURITY

Accounting Metric & Code	Category	Unit of Measure	Disclosure
Description of approach to identifying and addressing data security risks Code: SV-PS-230a.1	DISCUSSION & ANALYSIS	N/A	<p>At JTC, we understand the importance of protecting all of our information assets as well as retaining the trust of our existing and future clients. To support the JTC vision, and help the business meet its objectives, we are committed to building the protection of assets from the foundations up. For our Information Security program to be robust, effective and efficient, we align ourselves to the NIST Framework and ISO27001 Standards. The core framework itself is supported by Information Security policies and governance structures.</p> <p>Specifically with regard to identifying and addressing data/information security risk, Information Security Assessments are performed by our dedicated Information Security team. Our current assessment process includes assessment background, assessment details, compensating controls, conclusion and recommendations. Risk assessment reports are generated and shared with required stakeholders. The controls we consider necessary and appropriate to protect assets from unauthorised access to assure the confidentiality of information and maintain integrity are implemented.</p> <p>Post period end, we purchased an Information Security Governance Risk and Compliance solution. This solution will allow us to mature and enhance our Information Security Risk Assessments functionality and processes, improve frequency and efficiency and increase our risk transparency and reporting capabilities.</p>
Description of policies and practices relating to collection, usage, and retention of customer information Code: SV-PS-230a.2	DISCUSSION & ANALYSIS	N/A	<p>JTC is fully committed to both the spirit and the letter of all of the data protection/data privacy frameworks that apply to it globally. As a market-leading provider of private and institutional client services, client confidentiality sits at the heart of our business. We build on this foundation with respect for all of our data subjects' statutory data protection rights.</p> <p>We continually seek to enhance our data protection practices, and to that end in 2020 invested in our first Global Director of Data Protection Governance.</p> <p>We are excited by the opportunities that lie ahead to 'get closer' to data and in late 2020 we commenced an end-to-end review of our suite of data protection policies, procedures, template documents and practices, with retention practices and procedures being an early focus.</p>
Number of data breaches Code: SV-PS-230a.3	QUANTITATIVE	NUMBER, PERCENTAGE (%)	No personal data breaches requiring formal notification to an Information Commissioner or a data subject were recorded for the period.

## WORKFORCE DIVERSITY &amp; ENGAGEMENT

Accounting Metric & Code	Category	Unit of Measure	Disclosure
Percentage of gender and racial/ethnic group representation. Code: SV-PS-330a.1	QUANTITATIVE	NUMBER, PERCENTAGE (%)	<p>Executive Management (Group Holdings Board and Group Directors) – 25% female/75% male.</p> <p>All other employees – 59% female/41% male.</p> <p><i>At present, we do not record data on racial/ethnic group, but plan to collect such data to enable reporting for our US workforce from 2021 onwards.</i></p>
Voluntary and involuntary turnover rate for employees Code: SV-PS-330a.2	QUANTITATIVE	NUMBER, PERCENTAGE (%)	<p>5.7% voluntary.</p> <p>9.0% involuntary.</p>
Employee engagement Code: SV-PS-330a.3	QUANTITATIVE	NUMBER, PERCENTAGE (%)	<i>At present we do not record data, but plan to collect such data to enable reporting from 2021 onwards.</i>

## PROFESSIONAL INTEGRITY

Accounting Metric & Code	Category	Unit of Measure	Disclosure
Description of approach to ensuring professional integrity Code: SV-PS-510a.1	DISCUSSION & ANALYSIS	N/A	<p>The Group has a set of guiding principles and core value behaviours that are designed to establish the organisational cultural tone and set the standards we expect our employees to follow. These clear standards aim to support the Group's policy of ensuring that business is conducted in a manner that is consistent with our reputation, conducive to maintaining high standards of integrity in all our business dealings, whilst having the highest regard for the interests of our clients.</p> <p>The guiding principles include the Group's commitment to:</p> <ul style="list-style-type: none"> <li>– Full compliance with all legal, regulatory and other requirements wherever we operate, adopting best practice wherever possible;</li> <li>– Maintaining monitoring and risk management systems and procedures for the effective control of our affairs; and</li> <li>– Open and transparent dealings with our stakeholders including our clients and regulators.</li> </ul> <p>The principles are underpinned by Group Policies which set expected standards in a number of areas linked to professional integrity including Conduct Risk, Anti-Money Laundering, Countering of Terrorist Financing, Anti-Bribery and Corruption, Sanctions Compliance, Insider Trading, Conflicts of Interest and Whistleblowing. Adherence to these standards are periodically tested through the Group's 'three lines' model of assurance (read more on page 46) and further supported by an employee compliance declaration exercise undertaken each year.</p> <p>On an annual basis, each employee's adherence to the Group's core value behaviours of accessibility, integrity, commercial awareness, personality, engagement and innovation are assessed and are key contributory factors to the annual appraisal process.</p> <p>Over and above the internal organisational processes, the Group is currently regulated in 15 different jurisdictions. It is an accepted global practice for regulators to require those employees who look to take senior board roles and responsibilities either within the Group or on behalf of clients, to submit personal questionnaires or other confirmatory paperwork before assuming such positions. Regulators will then examine such applications and grant licences only upon satisfaction of local and international checks and regulatory considerations of fitness, suitability, experience and proven integrity. As such, and in support of the integrity achieved through internal organisational processes, there is considerable and consistent external regulatory scrutiny of integrity conducted by experienced authorities, often utilising information gateways (e.g. to law enforcement) that would not typically be available to the Group.</p>
Total amount of monetary losses as a result of legal proceedings associated with professional integrity Code:SV-PS-510a.2	QUANTITATIVE	REPORTING CURRENCY	During the reporting period there were no monetary losses to the Group stemming from legal proceedings associated with lack of professional integrity or stemming from other environmental, social or governance issues.

## ACTIVITY METRICS





Accounting Metric & Code	Category	Unit of Measure	Disclosure
Number of employees by: (1) full-time and part-time, (2) temporary, and (3) contract Code: SV-PS-000.A	QUANTITATIVE	NUMBER, PERCENTAGE (%)	<p>Full-time – 845</p> <p>Part-time – 31</p> <p>Temporary – 28</p> <p>Contract – 13</p>
Employee hours worked, percentage billable Code: SV-PS-000.B	QUANTITATIVE	NUMBER, PERCENTAGE (%)	<p>For our fee earning employees, hours worked as % of contracted hours was 106%.</p> <p>Billable time as a % of contracted hours was 82%.</p>

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### ENVIRONMENTAL

Components of our framework	Our response and capabilities
<b>Operations</b> <ul style="list-style-type: none"> <li>Carbon emissions</li> <li>Energy efficiency</li> <li>Waste management</li> </ul> <p>Our strategies in these areas are focused on efforts to reduce energy usage, increase office efficiency and ensure compliance with environmental regulations.</p>	<p>We have committed to become a Carbon Neutral organisation by the end of 2021. INDOS, acquired post period end, is a service provider signatory to the UN Principles for Responsible Investment (UNPRI) and a Carbon Footprint Standard accredited Carbon Neutral Organisation. We intend to leverage the experience of INDOS across the wider Group in the near-term.</p> <p>We are further committed to minimising other types of negative environmental impact wherever practicable and in the best interests of all stakeholders. Such measures include:</p> <ul style="list-style-type: none"> <li>a commitment to energy efficient office premises and measures including those that manage lighting, heating and IT/communications equipment;</li> <li>a commitment to digital document management to reduce paper consumption. New working practices and habits in this area have been accelerated by the need to adapt to remote working as part of our response to Covid-19;</li> <li>a commitment to minimise all non-essential travel, in particular air travel, and the use of alternative technologies, such as telephone and video conferencing for both internal and external applications. As a result of the pandemic, our use of travel in 2020 was dramatically reduced and our adoption of technology solutions vastly accelerated. While we do not believe it will be possible to alleviate all travel in the future, like many organisations, we have rapidly learnt how to be effective with vastly reduced travel;</li> <li>a commitment to minimise the use of disposable/single use plastics, including the Group-wide adoption of glass and ceramic glasses, bottles, cups, plates and bowls for food and beverage consumption; and</li> <li>a commitment to purchase all paper stationery from responsible suppliers that are committed to sustainable source materials i.e. those that adhere to the <a href="http://www.fsc.org">www.fsc.org</a> 'paper from responsible sources' and the Rainforest Alliance standards.</li> </ul>
<b>Services</b> <ul style="list-style-type: none"> <li>Climate change</li> <li>Natural capital</li> <li>ESG integration for clients</li> </ul> <p>Our strategies in this area include engagement with our value chain (including investors, clients and suppliers) and providing support to clients as they seek to adapt their own business models to become more sustainable.</p>	<p>As the climate change regulatory environment matures and becomes clearer, we understand the need to manage transition risk for our business and also recognise the service opportunities that will emerge for us to support our clients. We recognise the need for TCFD compliance and in the coming year will be working on preparation steps, including upskilling and governance development.</p> <p>In addition to the capabilities added to the Group through the acquisition of INDOS, as noted above, the acquisition of NESF in 2020 brought expertise that can be leveraged in impact and socially responsible investing globally. These solutions have been designed for fund managers focused on impact investing and can help clients of our ICS Division globally to emphasise, and improve capital allocation towards and provide transparency of, investment impact and compliance. NESF's solutions are closely integrated with Howard W. Buffett, President of Global Impact, professor at Columbia University and creator of the impact rate of return (IRR®) algorithm. When combined with IRR® reporting, NESF technology helps organisations calculate how efficient their financial investments are in terms of accomplishing social, environmental and economic (including job creation) impact goals.</p>



### SOCIAL

Components of our framework	Our response and capabilities
<b>Shared ownership</b>	<p>The foundation of JTC's culture is 'shared ownership' and this has been in place for over 20 years and is a key differentiator in attracting and retaining talent. Further details can be found in our IPO prospectus and Annual Reports for 2018 and 2019.</p> <p><a href="http://www.jtcgroup.com/investor-relations/prospectus/">www.jtcgroup.com/investor-relations/prospectus/</a></p> <p><a href="http://www.jtcgroup.com/investor-relations/annual-report-archive/">www.jtcgroup.com/investor-relations/annual-report-archive/</a></p> <p>In addition, in 2019 the JTC shared ownership 'story' was made the subject of a Harvard Business School (HBS) case study: <a href="http://www.hbs.edu/faculty/Pages/item.aspx?num=56820">www.hbs.edu/faculty/Pages/item.aspx?num=56820</a></p>
<b>Employee engagement</b> <b>Recruitment</b> <b>Employee communications</b> <b>JTC Academy</b> <b>JTC Gateway</b> <b>JTC Wellbeing</b>	<p>We understand that our people are a fundamental source of differentiation and employee engagement is afforded the highest priority within the Group.</p> <p>Finding and attracting the best talent is managed through a structured approach to recruitment on a global basis through a strategic Human Resources team that is headquartered in Jersey, but has representatives in other JTC offices globally. This includes a dedicated role of Recruitment Manager. JTC conducts regular benchmarking of remuneration and benefits packages globally, in order to remain competitive within the labour markets where it operates. An overview of our approach can be found on the 'Careers' section of our website: <a href="http://www.jtcgroup.com/careers/">www.jtcgroup.com/careers/</a></p> <p>We use a wide variety of employee communication methods to share information about the business and the markets in which we operate. This includes communication of the Group's purpose, cultural values, commercial goals and strategies, performance updates and market news.</p> <p> <a href="#">Read more on page 43</a></p> <p>JTC operates three specific global programmes as part of its wider employee engagement strategy and in support of both recruitment and retention goals. These are:</p> <ul style="list-style-type: none"> <li>JTC Academy – our global learning and development programme  <a href="#">Read more on page 42;</a></li> <li>JTC Gateway – our global talent mobility programme  <a href="#">Read more on page 42;</a> and</li> <li>JTC Wellbeing – our employee wellness (physical and mental good health) programme  <a href="#">Read more on page 42.</a></li> </ul> <p>With the exception of JTC Gateway, which was necessarily curtailed due to global travel restrictions, all of these strategies and programmes were more valuable than ever during 2020 as our workforce transitioned rapidly to remote working in response to Covid-19. We are incredibly proud of the team spirit demonstrated by our colleagues around the world and the incredible output of our operations teams, in particular IT, HR and Marketing, in supporting our people.</p>

## SOCIAL CONTINUED

Components of our framework	Our response and capabilities
<b>Employee turnover rate</b>	<p>Our employee turnover rate is one of eight key performance indicators (KPIs) used by the Board to measure the performance of the Group. We define staff turnover as the number of staff who leave each year that we did not want to leave and we target 10% or less per year. Staff turnover is important because we deliver a high touch service to clients and maintaining continuity of staff helps to ensure that we are able to meet client needs. Staff retention is also important for our meritocratic internal talent development programmes and succession planning. Staff turnover in 2020 was 5.7% (2019: 9.7%) and this low figure is testament to the secure and engaging employment provided by the Group. It is challenging to find benchmarks for a global business of our type, but we believe that turnover rates in the region of 15 – 20% are more typical.</p> <p> Read more on <a href="#">pages 33 &amp; 36</a></p>
<b>Human rights, diversity and equal opportunity</b>	<p>JTC has defined policies covering:</p> <ul style="list-style-type: none"> <li>– modern anti-slavery and human trafficking <a href="http://www.jtcgroup.com/modern-anti-slavery-and-human-trafficking-statement/">www.jtcgroup.com/modern-anti-slavery-and-human-trafficking-statement/</a>;</li> <li>– equal opportunities <a href="http://www.jtcgroup.com/careers/equal-opportunities/">www.jtcgroup.com/careers/equal-opportunities/</a>;</li> <li>– dignity at work; and</li> <li>– social media (inappropriate use/content, business and personal).</li> </ul>
<b>Health and safety</b>	<p>JTC has a defined Health and Safety Policy (and numerous related policies) that are detailed in the Employee Handbook and are introduced during a new employee's induction to the Group as well as being reviewed and revised on a regular basis.</p>
<b>Community relations</b>	<p>We value and respect the communities in which we operate around the world and understand the support they provide to our employees, clients and intermediary partners. We seek to create a positive impact wherever we operate, creating opportunities for employment and giving back through charitable donations of time, expertise and money.</p> <p>In 2020 we felt it was more important than ever to give back to local communities and within the bounds of restrictions imposed by the pandemic, we were able to remain highly active, especially in fundraising for a wide range of local charities.</p> <p>In addition, we were quick to recognise the significance of the pandemic and in April made a donation of £100,000 to three international charities to support their work in fighting Covid-19, these were the WHO Covid-19 Solidarity Response Fund, Médecins Sans Frontières and Comic Relief.</p> <p> Read more on <a href="#">pages 41-45</a></p>

## GOVERNANCE

Components of our framework	Our response and capabilities
<b>Purpose, culture and ethics</b>	<p>JTC's purpose and culture are based on shared ownership and supported by eight defined 'Guiding Principles' that are intended to clearly define the Company's cultural values and in turn drive ethical behaviours throughout the organisation. Read more on <a href="#">page 40</a>.</p>
<b>Board composition and effectiveness</b>	<p>Full details are provided on <a href="#">pages 61-67</a>.</p> <p>Additional relevant detail, including the Terms of Reference of the various PLC Board Committees, are also available on our website: <a href="http://www.jtcgroup.com/investor-relations/corporate-governance/">www.jtcgroup.com/investor-relations/corporate-governance/</a></p>
<b>Stakeholder engagement</b>	<p>We engage on an ongoing basis with a wide range of stakeholders, including: clients, employees, investors, intermediaries, regulators, government bodies, industry associations and charities.</p> <p> Read more on <a href="#">pages 63-65</a></p>
<b>Executive compensation</b>	<p>Following feedback from investors, the Remuneration Committee conducted an extensive review of our reporting and disclosures on Executive Compensation and appointed Mercer as an expert third party to assist with that process. This has resulted in substantially revised and updated report of the Remuneration Committee, which can be found on <a href="#">pages 76-98</a></p> <p>In addition to executive compensation, JTC's wider shared ownership culture and programmes are central to aligning the interests of our people with the interests of our stakeholders. As of 31 December 2020 c. 21.5% of the issued share capital of the Group was owned by employees, either directly or through the JTC EBTs.</p> <p>In 2019 JTC's shared ownership model became the subject of a Harvard Business School MBA case study <a href="http://www.hbs.edu/faculty/Pages/item.aspx?num=56820">www.hbs.edu/faculty/Pages/item.aspx?num=56820</a></p>
<b>Succession</b>	<p>The Board's Executive Succession Plan is based on JTC's shared ownership culture and places particular emphasis on meritocratic succession from within the business.</p> <p> Read more on <a href="#">page 57</a></p>
<b>Audit &amp; risk, including ethics risks</b>	<p>Full details are provided in the report of the Audit &amp; Risk Committee on <a href="#">pages 72-75</a> and the Risk Management section of the Strategic Report on <a href="#">pages 46 to 53</a>.</p>