

## BOARD OF DIRECTORS

## VALUES AND LEADERSHIP



**MIKE LISTON, OBE (71)**  
NON-EXECUTIVE CHAIRMAN



**NIGEL LE QUESNE (62)**  
CHIEF EXECUTIVE OFFICER



**MARTIN FOTHERINGHAM (58)**  
CHIEF FINANCIAL OFFICER



**WENDY HOLLEY (56)**  
CHIEF OPERATING OFFICER

APPOINTMENT TO BOARD			
8 March 2018	12 January 2018 (joined the Group in 1991)	12 January 2018 (joined the Group in 2015)	19 July 2019 joined the Group in 2008)
COMMITTEE MEMBERSHIP			
Nomination, Remuneration	Not applicable.	Not applicable.	Nomination
QUALIFICATIONS			
Fellow of the Royal Academy of Engineering and the Institution of Engineering and Technology	Fellow of the Chartered Governance Institute	Chartered Accountant	Chartered FCIPD, MIAB
EXPERIENCE			
Extensive experience across public and private sector businesses. Chief Executive of Jersey Electricity plc between 1993 and 2008, subsequently holding a number of Non-Executive roles.	Key figure in the development of JTC over the last 32 years with extensive trust, fund and corporate administration experience.	Extensive management and corporate finance experience.	Over 25 years' experience in financial services operations and HR.
RELEVANT SKILLS			
Broad range of experience at Board level, including eight years' relevant industry experience.	Extensive experience in leadership and management. Commercial, strategic, communication and investor relations skills. Experience of financial markets and fund management.	Strong financial analysis skills. Extensive experience in financial management and reporting. Broad range of management experience.	Broad range of management, project and business integration experience.
EXTERNAL APPOINTMENTS			
Non-Executive Director and Chair of the Remuneration Committee and a member of the Audit & Risk Committee of Foresight Group Holdings PLC.	Not applicable.	Not applicable.	Not applicable.

## BOARD OF DIRECTORS CONTINUED



**DERMOT MATHIAS (73)**  
SENIOR INDEPENDENT NON-EXECUTIVE DIRECTOR



**MICHAEL GRAY (57)**  
INDEPENDENT NON-EXECUTIVE DIRECTOR



**ERIKA SCHRANER (55)**  
INDEPENDENT NON-EXECUTIVE DIRECTOR



**KATE BEAUCHAMP (48)**  
INDEPENDENT NON-EXECUTIVE DIRECTOR

DERMOT MATHIAS (73) SENIOR INDEPENDENT NON-EXECUTIVE DIRECTOR	MICHAEL GRAY (57) INDEPENDENT NON-EXECUTIVE DIRECTOR	ERIKA SCHRANER (55) INDEPENDENT NON-EXECUTIVE DIRECTOR	KATE BEAUCHAMP (48) INDEPENDENT NON-EXECUTIVE DIRECTOR
<b>APPOINTMENT TO BOARD</b> 8 March 2018	8 March 2018	18 November 2019	24 March 2022
<b>COMMITTEE MEMBERSHIP</b> Nomination, Audit (Chair), Governance and Risk, Remuneration	Nomination, Audit, Governance and Risk, Remuneration (Chair)	Nomination (Chair), Audit, Governance and Risk, Remuneration	Nomination, Audit, Governance and Risk (Chair), Remuneration
<b>QUALIFICATIONS</b> Chartered Accountant.	FCIBS, AMCT, Dip IoD.	PhD in Management Science & Engineering.	LLB (Hons).
<b>EXPERIENCE</b> Extensive management, corporate finance and NED experience.	20 years' senior management, financial and capital raising expertise and relevant experience.	Executive at IBM Corp. and Symantec Corp. Partner and Americas Operational Transaction Services leader (Tech Sector) at Ernst & Young (US). Partner, UK M&A Integration Leader & TMT M&A Advisory/Delivering Deal Value Leader at PwC LLP, London.	Qualified lawyer with more than 20 years' experience in both private and commercial practice and in the provision of corporate and legal advisory services in both the UK and USA
<b>RELEVANT SKILLS</b> Strong financial skills. Extensive experience in leadership and management.	Communication and management skills. Extensive experience in the banking sector.	Extensive information technology and M&A experience.	Strong risk management skills. Extensive corporate governance, M&A contract negotiation and commercial litigation experience.
<b>EXTERNAL APPOINTMENTS</b> Formerly Non-Executive Director and Chairman of the Audit Committee of Shaftesbury PLC (retired 25 February 2021 having served over eight years on the Board). Governor of Activate Learning.	Non-Executive Director Jersey Finance Limited. Non-Executive Director & member of the Audit Committee GCP Infrastructure Investments Limited. Non-Executive Director EPE Special Opportunities Limited. Non-Executive Director abrdn Latin Income Fund Limited.	Non-Executive Director, Chair of the Audit Committee and member of the Remuneration and Nomination Committees Aferian plc. Non-Executive Director Pod Point Group Holdings plc. Non-Executive Director Bytes Technology Group Plc.	Not applicable.

## GOVERNANCE AT A GLANCE



### 2022 HIGHLIGHTS

#### BOARD SKILLS & DIVERSITY

Pages 56 and 57

#### BOARD EFFECTIVENESS

Page 65

#### BOARD AND COMMITTEE OVERSIGHT

Pages 59 and 66

#### INDEPENDENCE

Pages 56, 57, 66 and 69

#### SHAREHOLDER ENGAGEMENT

Page 60

#### PAY-FOR-PERFORMANCE

Page 78

#### AUDIT, RISK AND INTERNAL CONTROLS

Pages 46 to 53 and 67 to 72

#### PROMOTION OF CORPORATE CULTURE

Pages 3 and 35

#### ESG Pages 32 to 45

Our full Corporate Governance Statement is available on:

[www.jtcgroup.com/investorrelations](http://www.jtcgroup.com/investorrelations)



JTC's success depends on our continual commitment to high corporate governance standards, as well as a healthy and responsible culture, both in the Boardroom and across the Group Accountability to all our stakeholders, including our clients, shareholders and employees, is at the heart of our culture, business and Board decisions.



Board and committee activity remained busy during 2022 with a number of key strategic issues taking centre stage including the delivery of the strategic plan agreed in February 2022. Board committees continued to play a crucial role in our governance framework, undertaking their complex work comprehensively and effectively supporting the work of the Board.

Governance and regulatory compliance have been key areas of focus and our 2022 results reflect the impact related matters continue to have on financial and operating performance. The Board will continue to drive growth and deliver performance and it is essential that our governance framework continues to evolve to support this.

During 2023, the Board will continue to focus on our key priorities, including clients, regulatory compliance, risk management and delivery of the strategic plan.

### OUR BOARD

The Board has eight directors comprising the Chairman, three executive directors and four independent non-executive directors, one of whom is the Senior Independent Director. Biographies for each director and details of which Board Committees they are members of can be found on pages 56 and 57.

There were no changes to the Board's composition during 2022. On 9 December 2022 the Company announced the formation of a stand-alone Governance and Risk Committee of the Board. The Governance and Risk Committee comprises all of the independent non-executive directors. As a result of the formation of the Governance and Risk Committee, the existing Audit & Risk Committee was renamed the "Audit Committee" and the

Terms of Reference, including the scope of responsibilities of the Audit Committee, amended appropriately. Further details may be found at pages 67 to 70.

The Board is collectively responsible for the long-term success of JTC and delivery of sustainable shareholder value. Its role is to provide leadership of JTC within a framework of prudent and effective controls which enables risks to be assessed and managed.

We conducted an internal evaluation of the effectiveness of the Board and its committees in 2022, led by the Chair of the Governance and Risk Committee and the Group Company Secretary. The evaluation has concluded that the Board is operating effectively but has identified some areas for improvement which we will focus on during 2023. Further details may be found on page 65

### OUR BOARD COMMITTEES

In order to provide effective oversight and leadership, the Board has established a number of Board committees with particular responsibilities. The work of the Board committees is discussed in their individual reports.

The terms of reference for each of these committees is available on [jtcgroup.com](http://jtcgroup.com) and copies are also available on request from the Group Company Secretary.

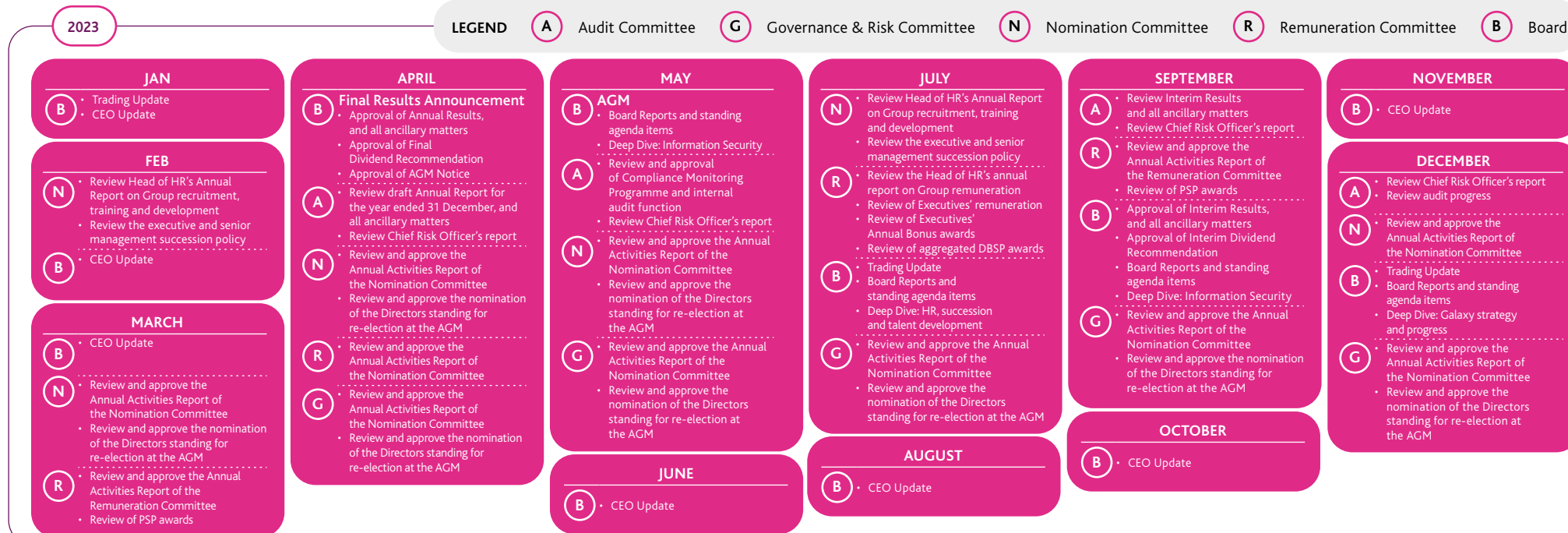
### UK CORPORATE GOVERNANCE CODE

Throughout the year ended 31 December 2022, JTC has complied with all of the provisions of the UK Corporate Governance Code issued by the Financial Reporting Council.

### MIKE LISTON OBE

Chairman of the Board of directors

## ACTIVITIES OF THE BOARD



## HOW THE BOARD ENGAGES (STAKEHOLDER ENGAGEMENT)

### OUR PEOPLE

– EVERYONE EMPLOYED BY JTC

#### What they need

- To be valued for their contribution
- To be supported
- To contribute to JTC's culture
- Training, learning and development
- Career progression
- To own part of JTC

#### How we engage

- Executive Director responsible for workforce engagement
- Regional Board meetings
- Senior leadership meetings
- All Employee Town hall meetings
- "Ask the CEO anything" video Q&As
- Employee engagement surveys
- Employee lifecycle surveys

#### How we add value

We support a positive, collaborative, diverse, equitable and inclusive culture and do all we can to make JTC a great place to work, where every person can bring their whole selves to work. We celebrate performance and offer employees support to learn new skills and progress their careers, giving them a sense of purpose, an integral part of our organisational culture that has a positive impact globally.

**1,500+**  
employees

**4.0/5.0**  
Employee survey rating

### OUR CLIENTS

– EVERY INDIVIDUAL OR ORGANISATION WHO ENGAGES OR USES JTC'S SERVICES

#### What they need

- A trusted professional services partner
- Expertise and experience
- Global reach
- Tailored solutions
- Compliance with regulatory requirements
- High-quality and accurate data
- Technology, data security and privacy

#### How we engage

- Day-to-day engagement with our client administration teams
- Ambassador programme
- Engaging with clients through webinars, advisory boards and conferences
- Marketing campaigns and media relations activities, including social media channels

#### How we add value

JTC adds value for its clients by providing them with a comprehensive range of services, tailored to their specific needs, delivered by a team of highly skilled professionals, supported by advanced technology and a global network of resources.

**100+**  
Countries

**10,000+**  
Clients globally

### OUR SHAREHOLDERS

– CURRENT AND POTENTIAL HOLDERS OF JTC SHARES

#### What they need

- To understand JTC's strategic direction, financial performance and sustainability
- To analyse structural market trends to generate sustainable investment returns through share price appreciation & dividends
- To understand management and incentive structures
- To ensure they are investing in businesses that are committed to environmental progress, societal benefit and which have strong governance

#### How we engage

- Interim financial updates
- Annual Report
- Meetings, roadshows, conferences and sessions specific to our business, strategy and ESG matters
- Responding to investors' queries on financial, strategic and ESG topics
- Regular investor surveys and feedback
- Annual General Meeting

#### How we add value

We aim to create long-term shareholder value through organic and inorganic investments to grow our position in our chosen markets, balanced with shareholder returns, while ensuring we meet our wider sustainability commitments.

**12%**  
Organic revenue growth

**9.98p**  
Full-year dividend per share

## HOW THE BOARD ENGAGES (STAKEHOLDER ENGAGEMENT)

### OUR REGULATORS

– REGULATORY BODIES, GOVERNMENT INSTITUTIONS AND POLICY-MAKERS IN ALL OUR JURISDICTIONS.

#### How we engage

- Transparent and constructive relationships with regulators and policy-makers, including regular interaction with members of senior management
- Responding to public consultations on issues relevant to our business
- Collaboratively with regulators to ensure clients are compliant

#### How we respond

We monitor regulations and put in place policies and processes to ensure compliance. Board and Governance and Risk Committee reporting includes legislative and regulatory matters as well as relevant government affairs matters. We take part in events to communicate the role we play in supporting an innovative, regulated data industry. We engage with policy-makers to inform the development of appropriate legislation, and participate in multi-stakeholder engagement for policy consultation and to provide policy-makers with a better understanding of our industry, data processing and innovative data use. We also engage with various organisations to address societal challenges.

#### How we add value

JTC provides timely and accurate reporting to regulators on behalf of its clients, including financial reporting, tax reporting, and regulatory filings. This helps regulators to monitor the financial health and activities of JTC's clients and maintain the integrity of the financial system.

39

Engagements by jurisdiction

34

Industry associations

### OUR SUPPLIERS

– ALL THOSE WHO DIRECTLY SUPPLY JTC WITH GOODS OR SERVICES.

#### How we engage

- Procurement process
- Supplier Relationship
- Third-Party Supplier Risk Assessment processes
- Through our ESG programme

#### How we respond

We create close and collaborative relationships with key suppliers to ensure streamlined processes and performance. This helps us uncover and realise new value, increase savings and reduce costs and risk of failure. We help suppliers to understand our expectations and ethical requirements, and we conduct due diligence to ensure compliance with critical issues such as data security, modern slavery and environmental performance. Forging close relationships also helps us ensure we meet our compliance obligations.

#### How we add value

We create close and collaborative relationships with key suppliers to ensure streamlined processes and performance. We help suppliers to understand our expectations and ethical requirements, and we conduct due diligence to ensure compliance with critical issues such as data security, modern slavery and environmental performance. Forging close relationships also helps us ensure we meet our compliance obligations.

£35m

Paid to suppliers

300+

Suppliers globally

### OUR COMMUNITIES

– ALL THOSE WHO LIVE AND WORK IN THE AREAS WHERE WE OPERATE.

#### How we engage

- Community investment, charity partnerships and sponsorship
- Employee volunteering
- Gifts in kind and pro-bono work
- Advice and support

#### How we respond

How we work is as important as what we do. Community engagement has always been central to our corporate responsibility programme. Our employees get involved in their local communities through volunteering and participating in a broad range of fundraising for local projects in Europe, the Americas, the Caribbean, Africa and Asia.

#### How we add value

We support local economies through employment, paying taxes and corporate sponsorship. By helping businesses prosper, we enhance their potential as local employers. We create close and collaborative relationships with key suppliers, realising value, increase savings and reduce costs and risk of failure.

£225k

Donated, fund raised and contributed

85

Charities supported



## NOMINATION COMMITTEE REPORT



### KEY ACTIVITIES IN THE YEAR AHEAD

- All current Directors will stand for re-election at the AGM
- Regular updates from the Group HR Director on senior management succession will be provided to the Committee
- The Committee will undertake its review of skills, composition and size of the Board
- A review the Boardroom Diversity Policy will be undertaken
- Executive Committee succession planning and talent management updates will be provided to the Committee

### NOMINATION COMMITTEE

#### 2022 MEETING ATTENDANCE

**Erika Schraner**



**Mike Liston**



**Dermot Mathias**



**Michael Gray**



**Kate Beauchamp**



**Wendy Holley**



Succession, diversity, talent management and future-proofing the Board were the key focus areas for the Nomination Committee in 2022. I am pleased with the progress made this year and we remain committed to evolving all four areas in 2023.



### INTRODUCTION FROM THE COMMITTEE CHAIR

Dear Shareholders

It is my pleasure to present the annual report of the Nomination Committee for 2022.

The core responsibilities of the Committee include Board succession, composition and evaluation, as well as talent management. In 2022 the Committee further increased its focus on equality, diversity, and inclusion, which will be maintained in 2023.

### GOVERNANCE AND RISK

At the Nomination Committee meeting in September, the Committee discussed and recommended to the Board to separate Risk from the Audit Committee and that a Governance and Risk Committee be established to ensure sufficient time and attention were being afforded to key governance and risk matters. The Board believes that as the business continues to increase in complexity, as the regulatory landscape continues to evolve and as the macroeconomic environment remains uncertain, the added Committee will enable further focused oversight of these areas. The Governance & Risk Committee also has responsibility for considering the ongoing work of the environmental, social, and governance (ESG) team, which continues to have a Board sponsor in Wendy Holley. The Nomination Committee will consider input on Board diversity from the Governance & Risk Committee.

The newly formed Committee is led by Kate Beauchamp, and was established in December 2022; its first report can be found on pages 71 to 72. The Audit Committee continues to be led by Dermot Mathias, the scope of its responsibilities and activities during the year can be found on pages 67 to 70.

### SUCCESSION

The Committee has evolved its succession and talent management discussions to include succession for key roles at the Group Holdings Board level and reviewed the enhanced company-wide HR development management system to understand how it supports training, performance management and succession planning at all levels of the organisation.

### COMPOSITION

In 2021 we undertook a selection process to identify suitable candidates to appoint to the Board as an additional NED. The final shortlist was of women only, with one from an ethnic background. Kate Beauchamp was appointed as an independent Non-Executive Director in March 2022. The remaining of the year was focused on on-boarding Kate and leveraging her skillsets and experience to enable the desired evolution of the Board structure and the formation of the new Governance & Risk Committee.

The Nomination Committee seeks to evolve the Board composition in line with the evolution of the business and

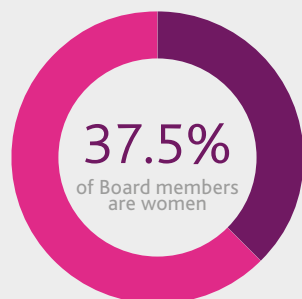
## NOMINATION COMMITTEE REPORT CONTINUED

### 2022 NOMINATION COMMITTEE ACTIVITY

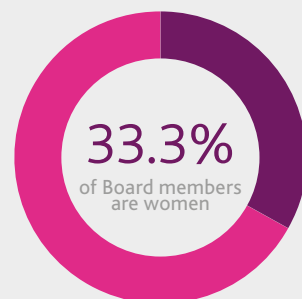


### GENDER BALANCE

#### BOARD OF DIRECTORS



#### EXECUTIVE DIRECTORS



strives to allow the necessary time and focus to enable Board changes to be fully embedded.

The Committee will continue to review its Board composition in 2023 with the view to evolve it in line with the business. The Committee is committed to broadening diversity within the Board, leadership and senior management teams. We are pleased with the progress made in improving gender representation on the Board and this will continue to be a focus, although we recognise this is not the only means by which a board achieves diversity. We embrace the need to improve gender, ethnicity and other imbalances throughout our organisation, but particularly at the Board level and senior leadership roles. We will further embed the element of diversity – gender, ethnicity and other imbalances in future Board searches.

We have disclosed our Board gender and ethnicity data within this report, and we will work with management during 2022 to prepare for further disclosure in alignment with the Listing Rule 9 Annex 2.1.

#### DIVERSITY, EQUITY AND INCLUSION

JTC is a people-led business that is inclusive, engaged and committed to developing our people and supporting their career progression through the business, providing a fulfilling, fair and equitable environment in which to work. JTC values diversity and the benefit it brings to the success of the business.

JTC was pleased to report that we had increased the number of women on our Board in 2022 as shown in the chart opposite and this remains a focus for the Committee in the future. We are also pleased to have a woman in a senior Board and Executive position with our COO and Chief Sustainability officer, Wendy Holley. While these are not one of the FCA defined senior Board positions, they are senior positions at JTC due to the criticality of the roles in ensuring the day-to-day execution of the strategy both in terms of organic and inorganic growth. The number of women appointed in management roles across the Group is shown in the table opposite. While we have made good progress this year, we have the ambition to further improve the diversity balance at all levels.

### EVALUATION

An internal Board evaluation process was undertaken in respect of the 2022 review. More information on the Board evaluation process and outcomes are set out on pages 65 and 66.

### RE-ELECTION OF DIRECTORS

On the recommendation of the Committee and in accordance with the Company's Articles of Association and with the Code, all Directors will retire at the forthcoming AGM and offer themselves for re-election by shareholders.

The Board recommends the re-election of each member of the Board based upon their skills, experience and contribution towards delivering the Group's strategy and delivering long-term value for stakeholders.

### SHAREHOLDER ENGAGEMENT

The Committee welcomes questions from shareholders on its activities throughout the year. If you wish to discuss any aspect of this report, please contact me via the Company Secretary. I would like to thank the other members of the Committee, management and our external advisers for their support during the year.

**ERIKA SCHRANER,**  
Nomination Committee Chair



## NOMINATION COMMITTEE REPORT CONTINUED

### DIVERSITY AND INCLUSION POLICY

The Board recognises the importance of ensuring that there is diversity of perspective, background and approach on the Board, in the management team and throughout the Group as a whole. The principle that everyone at JTC is treated fairly and respectfully, has equal access to opportunities and resources, and can contribute fully to the organization's success, regardless of their age, gender, ethnicity or background, is key to our culture.

### BOARD DIVERSITY POLICY

We believe it is in the interests of the Company and of shareholders for us to build a stable, cohesive, and representative Board and we are mindful of the outputs and recommendations from both the FTSE Women Leaders Review (formerly the Hampton-Alexander Review) and the Parker Review when making appointments to the Board. The Board remains committed to having an inclusive culture that recognises the importance of gender, ethnic diversity and other imbalances, and the benefits gained from different perspectives. Within the context of our smaller Board, we also remain mindful to not overlook well-qualified Board candidates.

The Nomination Committee will continue to seek diversity of skill set and experiences as well as of gender, race, and background when considering new appointments in the period to 2024, and it will continue to review this policy on an annual basis to ensure it remains appropriate.

More widely, we are committed to developing a long-term pipeline of executive talent that reflects the diversity of JTC's business and its stakeholders.

### SUCCESSION PLANNING

An integral part of the work of the Nomination Committee is to establish and maintain a stable leadership framework and to proactively manage changes and their impacts on the future leadership needs of the Company, both in terms of Executive and Non-Executive leadership. Ensuring the correct leaders are in place enables the organisation to compete effectively in the marketplace and therefore to meet its various obligations to its stakeholders. As detailed in the rest of the report, the Nominations Committee has managed succession programmes for both the Board and senior management, which have ensured that the necessary skills, expertise and experience are present in the leadership of the organisation.

### BOARD SUCCESSION

The Nomination Committee regularly reviews the skills and expertise that are present on the Board and compares these to the expertise that it believes to be required given the strategy, business priorities and culture of the organisation. Since JTC listed in 2018 our strategy has remained largely unchanged, however, the size and scope of our operations have grown and so our Board has evolved through sensible and well-managed succession planning that does not compromise the stability of the Board. There were no Director retirements and one Non-Executive Director appointment in 2022. We continue to manage a phased succession programme for Non-Executive Directors and actively review and evolve succession for Executive directors.

### SENIOR MANAGEMENT SUCCESSION

The Committee received regular updates regarding senior management succession planning (see Nomination Committee activity on page 63). These updates included the planning and processes involved with the appointment of a new Group Head of ICS. Further detail may be found below.

The Nominations Committee will continue to work with the CEO and Group HR Director on senior management succession and development in 2023.

### BOARD APPOINTMENTS

The Nomination Committee annually reviews the skills and experience it requires for the Board to effectively discharge its responsibilities. The skills matrix, which is a key input used by the Board to inform its succession planning discussions, is reviewed annually by the Board. The skills matrix, together with the collective knowledge, experience and diversity of the Board and the length of service of the Directors, are used by the Committee to identify where there are opportunities for a new Non-Executive Director to contribute to the skillset of the Board. Where it is identified through Board succession planning that a non-executive appointment is required to the Board, the Nomination Committee will engage with its external advisers to undertake the process of recruiting a new Non-Executive Director. The external search consultancy is informed of our Boardroom Diversity Policy and the Nominations Committee would specifically task them with producing a diverse shortlist of candidates for the position. Following longlisting and shortlisting processes, and prior to any recommendation being made by the Nominations Committee to the Board, the preferred candidate meets with each existing member of the Board.

### INDUCTION

Working with the Company Secretary, new Directors undertake an induction programme tailored to the needs of the individual. However, they will generally include a number of meetings with members of the Executive Committee, key employees and advisors. New Directors will also be provided with a mixture of documentation including Company publications, Board materials and some formal information on the role and responsibilities of UK-listed company directors. The Group's induction programme for newly appointed Directors will continue to be centred on familiarisation with the Group's operations, key individuals and external advisors.

## BOARD EVALUATION 2022

We operate an annual Board evaluation using a third party to assist the performance assessment at least every three years in line with the UK Corporate Governance Code. The Board continues to believe that these evaluations are a key element of good governance to ensure that the Board, as well as its committees and Board members, continue to operate and perform effectively.

This year, we undertook a questionnaire-based internal evaluation. A report on the evaluation was presented to the Board at its April 2023 meeting when the results were considered and discussed, and the Board reflected on potential focus areas. In addition, the Board reviewed its performance against the areas of focus it had agreed as part of the previous year's evaluation.

Overall, the Board concluded that it was operating effectively, and identified areas of focus for the coming year.

This year's internal evaluation was structured as follows:

- **Nomination and Corporate Governance Committee/Board**

The Committee was asked to provide input into the structure of, and topics for, the evaluation of the Board (a questionnaire-based internal evaluation). At its April 2023 meeting, the Board considered the responses and output from the Board evaluation questionnaire, reviewed the prior year's focus areas and considered areas of focus for the year ending 31 December 2023.

- **Committees**

A performance evaluation discussion was included on the agendas of the Board committees, supported by an analysis of how each committee was performing against the key areas in its terms of reference. Each of the Board committees concluded that it was operating effectively.

- **Individual directors**

Meetings were held between each director and the Chair during the year, in relation to each director's performance. The Senior Independent Director evaluated the Chair, taking account of input from other directors.

- **Implementation and monitoring of the action plan**

The development areas identified were added to an action plan designed to improve the work of the board, and these changes included in the annual planning for the Board.

### BOARD EFFECTIVENESS REVIEW FRAMEWORK

Directors were asked to consider whether the Board was fulfilling its core purpose across the three key components of Strategy, Governance and Risk and whether it was properly leveraging the three core drivers of effectiveness: behaviour, process and talent.

Directors were also asked to assess their performance and that of the board during the year.

#### PROGRESS AGAINST THE FOCUS AREAS HIGHLIGHTED IN THE EXTERNAL 2021 REVIEW

Area	Focus	Progress
<b>Sustainability</b>	Environmental, social, and governance (ESG) factors directly affect JTC's long-term performance.	The Board is fully committed to the Company's ESG strategy, and during the year under the Board's direction, the business made strong progress on the key priority areas of: net zero commitment and diversity and inclusion. As the regulatory landscape continues to evolve in response to climate change, supply chain transparency and corporate due diligence, the Board will develop its approach to ensure we achieve a sustainable business for all our stakeholders
<b>Board composition</b>	To ensure the Board has the right mix of skills, diversity and experience going forward.	The Board is committed to providing equal opportunities to colleagues and candidates, and during the year has reviewed its strategy on developing how JTC thinks about diversity, inclusivity and equal opportunities across all areas of the business. We are committed to creating a Board that has an appropriate level of diversity. The Nomination Committee keeps the composition and diversity of the Board constantly under review to ensure the Board is sufficiently diverse in terms of age, gender, ethnicity, experience, and educational and professional background.
<b>Stakeholder oversight</b>	To have more insight over the employee experience views.	We have launched an employee survey programme (the results of the inaugural survey may be found at page 35) to enable all employees to anonymously share their honest feedback about what it's like to work at JTC. Survey results are shared with all staff, together with the proposed action plans to give employees visibility as to how the Board has interpreted and will use their feedback. The Board is committed to creating a survey experience that gives all employees a more direct voice via annual and periodic pulse surveys and to including employees at every step of the survey process.
<b>Succession and talent management</b>	To ensure appropriate succession planning for Board and senior management.	Project Talisman sits at the heart of JTC's priorities for the Galaxy era and its central aim is to gain a comprehensive understanding of the 'talent landscape' across the Group and deliver a programme of world-class development initiatives to grow our capabilities and provide the Group with a 'pipeline' of future leaders. The project also focuses on developing strong succession plans for all senior roles within the Group.

### 2023 OPPORTUNITIES FOR BOARD EXCELLENCE GROWTH AND IMPROVEMENT

- Development of Board Annual Work Plan for Cosmos Era
- Review of Board & Committee Meeting protocols
- Further Board focus of internal audit function and control framework reporting
- Board director training E.g. on governance aspects (risks/opportunities) of digital transformation for JTC
- Development of Stakeholder Map
- Deep Dive sessions on JTC's various service lines
- Consideration to be given to adding additional skill sets and experience to the Board in the Cosmos Era

## BOARD

### BOARD GOVERNANCE FRAMEWORK

### BOARD SKILLS & DIVERSITY PAGES 56 AND 57

### BOARD EFFECTIVENESS PAGE 65

### BOARD AND COMMITTEE OVERSIGHT PAGES 59 AND 66

### INDEPENDENCE PAGES 56, 57, 66 AND 69

### SHAREHOLDER ENGAGEMENT PAGE 60

### PAY-FOR-PERFORMANCE PAGE 78

### AUDIT, RISK AND INTERNAL CONTROLS PAGES 46 TO 53 AND 67 TO 72

### PROMOTION OF CORPORATE CULTURE PAGES 3 AND 35

### ESG PAGES 32 TO 45

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#### CHAIRMAN

- Leads & responsible for Board effectiveness
- Sets Board agendas in consultation with CEO, CFO and Company Secretary.
- Scrutinises the performance of the Executives & oversee the annual Board Effectiveness programme.
- Facilitates contributions from all Directors and ensures effective relationships.
- Ensures the views of all stakeholders are understood & considered appropriately in decision making.

#### CEO

- Represents all stakeholders, including employees, clients, regulators and investors.
- Develops and implements strategy, as approved by the Board Sets the cultural tone of the organisation.
- Facilitates an effective link between the business and the Board.
- Responsible for overall delivery of commercial objectives of the Group.
- The CEO's Review can be found on pages 9 to 13.

#### CFO

- Manages the Group's financial affairs.
- Supports the CEO in the implementation & achievement of the Group's strategic objectives.
- The CFO's Review can be found on pages 20 to 25.

#### SID

- Acts as a NED
- Supports the Chairman in the delivery of his objectives.
- Acts as an alternative contact for shareholders.
- Leads the appraisal of the Chairman's performance with the NEDs.
- Undertakes a key role in succession planning for the Board, together with the Board Committees, Chairman and NEDs.

#### NEDS

- Monitor the delivery of strategy within the risk & control framework set by the Board.
- Ensure internal controls are robust & that the external Audit is undertaken properly.

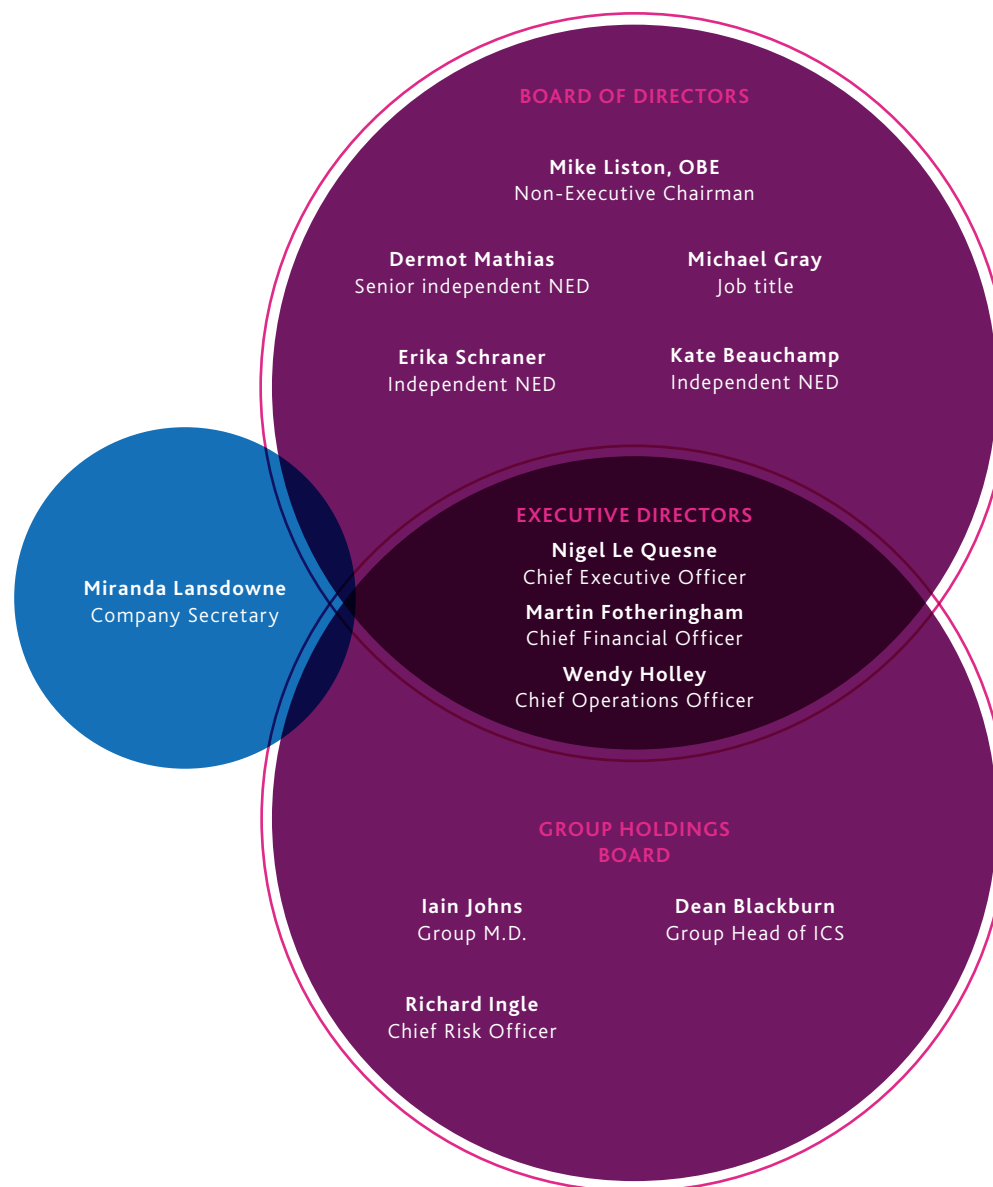
- Engage with internal & external stakeholders and feedback insights to the Board.
- Constructively challenge & assist in the development of strategy.
- Play a key role in succession planning for the Board.

#### COO

- Develops & implements operational strategy.
- Leads & supports post-acquisition integration team.
- Responsible for 'people', culture & remuneration.

#### COMPANY SECRETARY

- Ensures appropriate information flows to the Board.
- Advises and keeps the Board updated on legal & regulatory requirements & best-practice corporate governance.
- Facilitates newly appointed Directors' inductions, tailored individual requirements.
- Ensures compliance with Board procedures & provides support to the Chairman.



## AUDIT COMMITTEE REPORT



### KEY ACTIVITIES IN THE YEAR AHEAD

- Review of the Annual Report and Accounts and preliminary results announcements
- PWC's appointment as auditor to be recommended to shareholders at the AGM
- Shareholder update by the Audit Committee
- Chair at the AGM
- Review of the 2023 interim results
- Consideration of internal audit's annual plan, independence, resources and findings
- Review of key controls
- Approval of the 2024 Audit Committee calendar

### AUDIT COMMITTEE 2022 MEETING ATTENDANCE

**Dermot Mathias**



**Michael Gray**



**Erika Schraner**



**Kate Beauchamp**



The Committee plays a critical role in ensuring the accuracy and integrity of JTC's financial reporting. We aim to work collaboratively with management and the auditors to identify and mitigate financial risks, promoting transparency, accountability, and integrity to maintain the confidence of our investors and other stakeholders.



### INTRODUCTION FROM THE COMMITTEE CHAIR

Dear Shareholders,

It is my pleasure to present the annual report of the Audit Committee for 2022. As the Chairman of the Audit Committee, I am pleased to provide you with an overview of our activities during the year, as well as our assessment of the company's financial and governance practices.

The Audit Committee plays a critical role in ensuring the integrity and transparency of the company's financial reporting, as well as overseeing the effectiveness of the company's internal control and risk management systems. Our mandate is to provide independent oversight of the company's financial reporting and disclosure processes, as well as to monitor compliance with laws, regulations, and ethical standards.

Throughout the year, the Audit Committee has worked diligently to fulfill its responsibilities, including reviewing the company's financial statements and ensuring that they are prepared in accordance with generally accepted accounting principles. We have also reviewed the company's internal control processes and risk management systems to ensure they are effective and appropriate for the company's operations.

As part of our mandate, the Audit Committee has also maintained regular communication with the company's external auditors to discuss the scope of their work and

the results of their audits. This has enabled us to obtain an independent assessment of the company's financial reporting and internal control systems.

In addition, the Audit Committee has taken steps to ensure that the company's governance practices are in line with best practices and are consistent with the expectations of our shareholders. We have reviewed the company's policies and procedures relating to governance, and have made recommendations for improvements where necessary.

Overall, I am pleased to report that the company's financial reporting, internal control, and risk management systems are effective and that the governance practices are appropriate. The Audit Committee will continue to monitor these areas closely in conjunction with the Governance and Risk Committee to ensure that the company remains committed to transparency, accountability, and sound financial management.

**DERMOT MATHIAS**

Audit Committee Chair

## AUDIT COMMITTEE REPORT CONTINUED

### 2022 AUDIT COMMITTEE ACTIVITY

#### MARCH – COMMITTEE MEETING

- 2021 draft Annual Report and Accounts and Full Year Announcement
- External audit report
- External audit policies
- External audit independence
- Going concern and viability
- Key controls project
- Discussion with external auditors (without management present)
- External audit tender requirement review

#### MAY – AGM

- Reappointment of external auditor and authority for the Directors to determine the auditor's remuneration were approved by shareholders

#### JULY

- Key controls and compliance review
- Discussion with Head of Internal Audit (without management present)

#### SEPTEMBER – COMMITTEE MEETING

- 2022 half year results
- External auditor half year review
- Discussion with external auditor (without management present)

#### DECEMBER – COMMITTEE MEETING

- FRC review of 2021 annual report and accounts
- 2022 internal audit planning

### FORMATION OF GOVERNANCE AND RISK COMMITTEE

During 2022 the Board undertook a review of its delegated Committees with the aim of enhancing certain aspects of the Group's corporate governance arrangements and aligning the skill sets and experience of the Non Executive Directors. Consequently, in December 2022 the Board announced that the oversight of risk would move from the Audit & Risk Committee (subsequently renamed as the "Audit Committee") to a newly-formed Governance and Risk Committee.

Given the crucial role that the Audit Committee plays in overseeing the Company's financial reporting processes, internal controls over financial reporting and audits of the Company's financial statements, the Committee's ability to focus its efforts as JTC's business continues to grow in size and complexity, and demands for financial disclosures increase, will enhance the Company's corporate governance arrangements.

The Board now delegates the oversight of risk to the Governance and Risk Committee, which consists of the four Independent Non-Executive Directors. In addition to the oversight of risk, the Governance and Risk Committee's remit includes the ongoing monitoring, management and mitigation of principal and emerging risks and advising the Board on the Group's overall risk appetite, tolerance and strategy.

As a result of the formation of the new Governance and Risk Committee, the Terms of Reference, including the scope of responsibilities of the Audit Committee, were amended appropriately. The terms of reference for each of these committees is available on [jtcgroup.com](http://jtcgroup.com) and copies are also available on request from the Group Company Secretary.

### LETTER FROM THE FINANCIAL REPORTING COUNCIL

During 2022, the Group received a letter from the FRC to advise that they had carried out a review of the Company's Annual Report and Accounts to 31 December 2021, in accordance with Part 2 of the FRC Corporate Reporting Review Operating Procedures. The principal area where they required further information was in respect of the valuation of shares issued as consideration.

Management's responses to the FRC were reviewed and approved by the Committee. We acknowledged that the Company's approach to the valuation of equity instruments issued as consideration did not adhere to the strict interpretation of IFRS 3 Business Combinations, paragraph 37 which requires consideration transferred in a business combination to be measured at the acquisition date fair value.

Management have reviewed all business combinations where shares were issued as consideration. They identified that the fair value of consideration for the acquisition of SALI required adjustment, increasing goodwill from £174.3m to £176.9m, with a corresponding increase of £2.6m to share premium.

Further to discussions with the FRC and the Group external auditor, the Company has adjusted the 31 December 2022 accounts and has not made a prior year adjustment as the sum involved was not considered to be qualitatively material to the accounts.

Details of the adjustment made to the fair value of equity instruments issued as initial consideration may be found in note 31.7(a)) on page 134.

The Committee is satisfied that this has been correctly addressed and resolved and has reviewed the process by which appropriate accounting policies are adopted.



## AUDIT COMMITTEE REPORT CONTINUED

### FINANCIAL REPORTING RESULTS REVIEW

The Audit Committee reviewed the Group's 2022 Annual Report and Accounts and the half-yearly financial report published in September 2022. As part of these reviews, the Committee received papers from management on changes in accounting policy, areas of significant judgement, the Group's key risks, going concern considerations and longer-term viability. The Committee also discussed reports from PwC on their audit of the Annual Report and Accounts and review of the half-yearly financial report.

### FAIR BALANCED AND UNDERSTANDABLE

Each year, in line with the UK Corporate Governance Code and the Committee's terms of reference, the Committee is asked to consider whether or not, in its opinion, the Annual Report is fair, balanced and understandable and whether or not it provides the information necessary for shareholders to assess the Group's position and performance, business model and strategy. There is an established process to support the Audit Committee in making this assessment, and we follow broadly the same process for the Group's half-yearly financial report.

The Committee has considered whether this Annual Report and Accounts, taken as whole: is open and honest about the challenges, opportunities and successes throughout the year; provides clear explanations of our KPIs and how they link to our strategy and remuneration; explains our business model, strategy and accounting policies simply and clearly; incorporates clear cross-references to additional information where necessary; is in line with what the Board had considered and decided throughout the year; provides appropriate information for shareholders to assess performance and strategy; and has been written in clear and concise language. On this basis the Committee recommended to the Board that the Annual Report and Consolidated Financial Statements are fair, balanced and understandable.

### AREAS OF SIGNIFICANT FINANCIAL JUDGEMENT

The Committee exercises its judgement in deciding the areas of accounting that are significant to the Group's accounts. The external auditor's reports detailed the results of their procedures in relation to these areas to the Committee. The matters shown below have been discussed with the Chief Financial Officer, Group Finance Director and the external auditor, and the Committee is satisfied that each of the matters have been fully and adequately addressed by the Group Holdings Board, appropriately tested and reviewed by the external auditor, and the disclosures made in the 2022 Annual Report and Accounts are appropriate.

- Recognition and recoverability of 'work in progress'
- Impairment of goodwill and other intangibles
- Accounting for business combinations
- Risk management framework: resiliency, data and technology and cyber risk
- Implementation of internal controls
- Regulatory developments, accounting and disclosure trends
- Management's assessment of Company's TCFD disclosures

### GOVERNANCE UPDATES

Updates on the latest governance practices for Audit Committees and changes in reporting requirements were provided by the external auditor and the Company Secretary.

### POLICIES AND CONFLICTS

The Committee reviewed its policies in relation to allocation of non-audit work and employment of ex-audit firm personnel, as detailed in this report below. It also reviewed the Directors' conflicts of interest register. Further information about conflicts of interest may be found on pages 56 and 57.

### COMMITTEE MEMBERSHIP

The Committee is composed entirely of independent Non-Executive Directors. Independence is critical for fair assessment of the management team and the external and internal audit functions.

### COMMITTEE CHAIR

Dermot Mathias was appointed Audit Committee Chair in March 2018. He is responsible for determining the Committee's agenda and for maintaining the key relationships between the Group's senior management, the Company Secretary and senior representatives of the external auditor.

### RECENT AND RELEVANT FINANCIAL EXPERIENCE

The Committee is satisfied that the Committee Chairman has the appropriate technical knowledge, industry expertise, leadership skills, and governance experience, as well as a commitment to ongoing education and development to effectively carry out his role.

### COMMITTEE EFFECTIVENESS

An effectiveness review was carried out of the Committee and its members as part of the wider Board evaluation process. The review concluded that the competence relevant to the Group's operations was adequately represented within the current membership and that the opportunities to meet with senior management and Executives throughout the year had enhanced the members' working knowledge of the way the Company operates and the sectors it spans.

### EXTERNAL AUDITOR\*

External auditor	PwC
External auditor tenure**	5 years
Lead audit partner	Karl Hairon
Lead audit partner tenure	Less than 12 months
External audit appointment review	Annually
Total fees paid to auditor in 2022	£1.225m

\* The information above is correct as at 31 December 2022.

\*\* From date of appointment as External Auditor of JTC PLC.

### EXTERNAL AUDITOR INDEPENDENCE

The Committee reviews the independence of the external auditor bi-annually. This includes consideration of the potential for conflicts of interest as well as the auditor's internal procedures to ensure independence of its staff.

### EXTERNAL AUDITOR EFFECTIVENESS

At its September 2022 meeting, the Audit Committee reviewed and discussed PwC's audit strategy for the year ended 31 December 2022. In December 2022 the Committee received detailed updates on the audit's progress, which included details of the external auditor's actions, such as the audit procedures undertaken, the audit's coverage, the segregation of duties and the status of any significant findings, as well as details of key matters arising from the audit and assessments of management's judgments on them; and reviewed the content of the independence letter and the management representation letter, as well as engagement terms.

The Committee formally reviews the effectiveness of the external auditor at its May meeting. The Company Secretary supports the Committee with this by issuing questionnaires to Board members and senior financial management leadership. As part of the evaluation, the UK FRC's Guidance on Audit Committees was reviewed to ensure that best practice was being followed. The Committee also reflected on the assurance on financial statements, the audit teams and communication, as well as considering external regulatory updates on the external auditor received during the year. The overall results of the evaluation were positive. There were no concerns regarding the independence of the audit team. The Committee concluded, based on feedback and information obtained during its other work, that the external auditor had performed effectively, and that the Group and the auditor had complied with relevant guidance.

### EXTERNAL AUDITOR FEES

All relevant fees proposed by the external auditor must be reported to and approved by the Audit Committee. Details of the fees paid during the year to PwC may be found in note 6 to the consolidated financial statements (page 110).

## AUDIT COMMITTEE REPORT CONTINUED

### POLICY FOR NON-AUDIT SERVICES PROVIDED BY THE EXTERNAL AUDITOR

The main aims of this policy are to:

- Ensure the independence of the auditor in performing the statutory audit; and
- Avoid any conflict of interest by clearly detailing the types of work that the auditor can and cannot undertake.

The Audit Committee has reviewed and updated the policy for non-audit services to ensure that it is in line with the FRC's Revised Ethical Standards 2019 (which took effect from 15 March 2020) and the FRC's Audit Quality Practice Aid 2019. The policy, in line with regulation, substantially limits the nonaudit services which can be provided by the external auditor. The policy provides:

- A 70% cap of the value of the audit fee for all non-audit services calculated on a rolling three-year basis.
- Categories of service that are prohibited from being carried out by the auditor.

The policy specifies a de minimis limit as well as the type of non-audit work that the auditor may be engaged in without the matter first being referred to the Audit Committee, which considers each referral on a case-by-case basis. The policy ensures that the auditor does not audit its own work or make management decisions for the Company or any of its subsidiaries. The policy also clarifies responsibilities for the agreement of fees payable for non-audit work. The only non-audit services provided by PwC in the year was their review of the half-yearly financial report and services relating to the ISAE 3402 controls report and review of the loan covenants. No advisory work has been requested from the auditor during the previous five years.

### INTERNAL CONTROL FRAMEWORK

The Group has an established framework of internal controls, which includes the following key elements:

- The Audit Committee meets regularly and its responsibilities are set out in the Audit Committee Terms of Reference.
- It receives reports from the Internal Audit function on the results of work carried out under an annually agreed audit programme. Operational and compliance controls are considered when the Committee reviews the annual Internal Audit programme. The Audit Committee has full and unfettered access to the internal and external auditors.
- The Audit Committee annually assesses the effectiveness of the assurance provided by the internal and external auditors.

In line with the Code, the Audit Committee monitors the risk management and internal control systems, robustly assesses the principal risks identified by management's risk assessment processes (including those that would threaten the business model, future performance, solvency or liquidity), and monitors actions taken to mitigate them. For certain joint arrangements, the Board relies on the systems of internal control operating within JTC's infrastructure. The Code requires companies to review the effectiveness of their risk management and internal control systems, at least annually. The Board performs this review and considers that the information it received enabled it to review the effectiveness of the Group's system of internal control in accordance with the FRC's 'Guidance on Risk Management, Internal Control and Related Financial and Business Reporting' and that the system has no significant failings or weaknesses.

### FORMATION OF GOVERNANCE AND RISK COMMITTEE

As a result of the formation of the new Governance and Risk Committee in December 2022, the Audit & Risk Committee was renamed the "Audit Committee" and the Terms of Reference, including the scope of responsibilities of the Audit Committee, amended appropriately.

### SHAREHOLDER ENGAGEMENT

I welcome questions from shareholders on the Committee's activities. If you wish to discuss any aspect of this report, please contact me via the Company Secretary. I would like to thank the other members of the Committee, management and our External Auditors for their support during the year

By order of the Board

**DERMOT MATHIAS,**

Audit Committee Chair

6 April 2023

## GOVERNANCE & RISK COMMITTEE REPORT



### KEY ACTIVITIES IN THE YEAR AHEAD

- Review and approve the significant risk management policies and associated risk management frameworks;
- Review and approve the risk appetite statement
- Review significant risk exposures and the steps that management has taken to identify, measure, monitor, control and report such exposures, including risks such as cyber, information security credit, market, liquidity, operational (which includes fiduciary and technology risks), strategic, and model and risks associated with incentive compensation plans;
- Evaluate risk exposure and tolerance;
- Review significant issues identified by Risk and Compliance and the Internal Audit Department with respect to the risk management and compliance activities, together with management's responses and follow-up to these reports; and
- Review significant examination reports and associated matters identified by regulatory authorities relating to risk management and compliance issues, and management's responses.

### COMMITTEE COMPOSITION

**Kate Beauchamp (Chair)**  
**Dermot Mathias**  
**Michael Gray**  
**Erika Schraner**

### MEETING ATTENDANCE 2022

The Committee was formed by the Board in December 2022. The inaugural Committee meeting was held on 6 April 2023.



Having built my career around managing risk, protecting assets and advocating for good corporate governance, I look forward to working with my new Governance and Risk Committee colleagues to support JTC's unique culture, commitment to excellence and sustainable growth ambitions.



### INTRODUCTION FROM THE COMMITTEE CHAIR

#### DEAR SHAREHOLDERS

It is my pleasure to present the first report of the Governance and Risk Committee. The Committee was formed as a new standalone committee in December 2022 in recognition of JTC's continued commitment to operating to the highest standards of governance and risk management.

The Committee members comprise all of the independent non-executive directors. The Chief Risk Officer, head of internal audit and external audit lead partner will be invited to attend and address meetings of the Committee on a regular basis and other non-members may be invited to attend all or part of any meetings as and when appropriate.

As a result of the formation of the Governance and Risk Committee, the Audit & Risk Committee was renamed the "Audit Committee" and the Terms of Reference, including the scope of responsibilities of the Audit Committee, amended appropriately.

This year's report aims to provide an overview of the role of the Committee and of JTC's corporate governance framework and risk management processes, however, it should be read in the context of the Annual Report as a whole and with particular with reference to the Risk Management Report (pages 46 to 53) and Sustainability Report (pages 32 to 45), which serve as important tools for stakeholders to assess JTC's current governance and risk practices during the year.

In future years it is intended that the Committee's report will highlight the progress the Company has made over the year and identify areas where the Committee intends to focus its efforts to ensure that the Group further strengthens and enhances its policies, procedures and practices.

### COMMITTEE'S PURPOSE

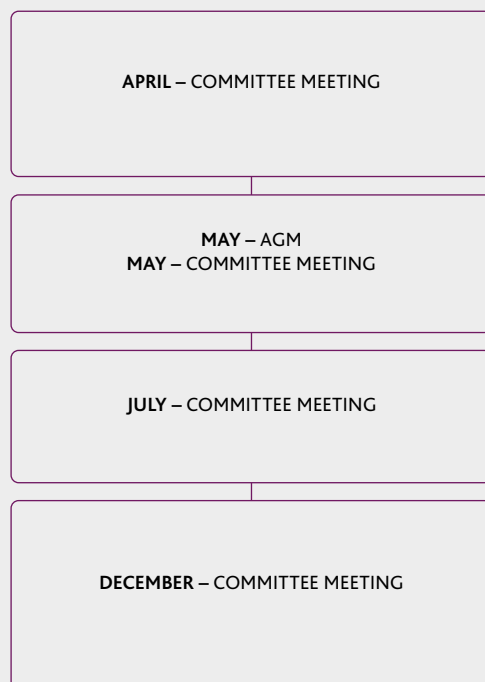
The Directors believe that sound corporate governance practices are essential to the well-being of the Company and the promotion and protection of its shareholders' interests. The Board will oversee the functioning of JTC's governance and risk framework, in part, through the work of the Committee. The Committee will be responsible for assisting the Board in its oversight of risk, including the ongoing monitoring, management and mitigation of principal and emerging risks, and advising the Board on the Group's overall risk appetite, tolerance and strategy.

In advance of the Committee's inaugural meeting in April 2023 I met with the CEO, Chief Sustainability Officer, the Chief Risk Officer, the Chief Group Counsel, the Head of Risk and Compliance, the Head of Internal Audit and the Group Company Secretary to discuss the Committee's objectives and priorities, and to ensure that the Committee is equipped with the necessary resources and support to fulfil its mandate.

**KATE BEAUCHAMP,**  
 Governance & Risk Committee Chair

## GOVERNANCE &amp; RISK COMMITTEE REPORT CONTINUED

## 2023 COMMITTEE ACTIVITY



At the Committee's inaugural meeting in April 2023 the risk management framework and plans to further develop a strategy for addressing key risk management priorities were discussed in detail, together with the whistle-blowing and escalation mechanism and the Committee's work plan for 2023.

In 2023, the Committee will focus on several key areas, including enhancing the Group's internal control framework, reviewing our cyber and data protection measures, and ensuring compliance with relevant regulations and legislation. We will also continue to monitor the impact of climate change on our business and recommend proactive steps to mitigate the associated risks.

**RISK MANAGEMENT**

The Committee will consider and advise the Board concerning the appropriate risk appetite for the Company and the principal and emerging risks that the Company is willing to take across all major activities, taking into account the long-term strategy of the Company, its future plans and other internal information, as well as the external environment, including economic, political and industry information.

On an annual basis, the Committee will carry out an assessment of the emerging and principal risks facing the Company has been undertaken (including those risks that would threaten its business model, future performance, solvency or liquidity and reputation) and provide advice on the management and mitigation of those risks.

**RISK FRAMEWORK**

The Committee will continuously review the effectiveness of the Company's overall risk management framework and processes and ensure corrective action is taken where necessary.

**INFORMATION SECURITY**

In 2022 the Board attended two 'deep dive' presentations with the Chief Information Officer and Group Information Security Officer updating them on the development and implementation of JTC's IS and cyber security strategy, policies and standards. The Committee will continuously review the effectiveness of the Company's overall IS

strategy, systems and processes and ensure corrective action is taken where necessary.

**INTERNAL AUDIT**

The Committee will continuously review the quality and effectiveness of the Group's internal audit processes. The Committee will work with the Chief Risk Officer and Head of Internal Audit to develop further and implement JTC's internal audit strategy, policies and standards.

**COMPLIANCE, WHISTLEBLOWING AND FRAUD**

The Committee will review the Company's whistleblowing procedures and escalation mechanisms.

**SUSTAINABILITY AND ESG**

An integral part of the work of the Committee is to oversee and advise the board on the Company's strategies, goals and commitments related to sustainability and ESG to promote the long-term sustainable success of the Company and Group, generating value for shareholders, our varied stakeholders and contributing to wider society.

The Sustainability Report (pages 32 to 45) provides an overview of our approach to incorporating non-financial ESG factors as part of the Committee's analysis process to identify material risks and growth opportunities. We believe that effective governance and risk management practices are essential for ensuring the long-term success of our business, and we remain committed to upholding the highest standards in these areas

**SHAREHOLDER ENGAGEMENT**

JTC is committed to having regular and constructive engagement directly with its shareholders to allow and encourage shareholders to express their views on governance matters directly to the Board of Directors outside of the annual meeting. The Board of Directors will annually communicate information about the Board of Directors and individual directors, the Company's corporate governance and executive compensation practices through the Directors' Remuneration Report.

The Board of Directors encourages shareholder participation at the Company's annual shareholder meetings as well as through informal meetings throughout the year as necessary. Each director will attend the annual meeting, absent a compelling reason. At each annual meeting, the chairs of each board committee will be available to respond to shareholder questions. The Board of Directors encourages shareholders to attend the Company's annual meeting as it provides a valuable opportunity to discuss the Company, its corporate governance and other important matters.

Our website also provides extensive information about the Board of Directors, its mandate, the board committees and their mandates, and our directors.

Finally, I would like to take the opportunity to express the Board's appreciation to management and all employees for their continued support of JTC's governance and risk practices. The Committee looks forward to building on the Group's proven track record of strong risk management and compliance and supporting the ongoing efforts to further strengthen JTC's governance and risk management practices in the years to come.

By order of the Board

**KATE BEAUCHAMP,**

Committee Chair

6 April 2023

## REMUNERATION REPORT



### MEMBERSHIP OF THE COMMITTEE

All Committee members are independent Non-Executive Directors, as defined under the Code, with the exception of the Group Chairman who was independent on his appointment. Full biographies of the Committee members can be found on pages 56 to 57. The Committee members have no personal financial interest, other than as shareholders, in the matters considered by the Committee.

There were no changes in the Committee during the year. JTC (Jersey) Limited, the corporate Company Secretary, acts as secretary to the Committee.

### COMMITTEE MEMBERS

**Michael Gray**  
Committee Chairman, Independent Non-Executive Director

**Mike Liston**  
Non-Executive Chairman

**Dermot Mathias**  
Audit Committee Chair, Senior Independent Non-Executive Director

**Erika Schraner**  
Nomination Committee Chair, Independent Non-Executive Director

**Kate Beauchamp**  
Governance and Risk Committee Chair, Independent Non-Executive Director

### COMMITTEE MEETINGS IN 2022

The Committee met formally 3 times during the year. Attendance by the Committee members at these meetings is shown below:

**Michael Gray (Chair)**



**Mike Liston**



**Dermot Mathias**



**Erika Schraner**



**Kate Beauchamp**



### KEY ACTIVITIES IN THE YEAR AHEAD

- Implement the Directors' Remuneration Policy in respect of incentives for 2023 (both annual bonus and PSP).
- Engage with shareholders on the draft 'Cosmos Era' Directors' Remuneration Policy for presentation and approval at the 2024 AGM.
- Monitor reward performance and ensure the incorporation of risk in the Company's incentive structure

### 2022 REMUNERATION COMMITTEE ACTIVITY

#### MARCH – COMMITTEE MEETING

- 2021 Outcomes
- 2022 Annual Bonus operation
- 2022 PSP measures
- Pension changes impact analysis

#### MAY – AGM

- Remuneration Policy approved by shareholders
- Directors' Report on Remuneration approved by Shareholders

#### SEPTEMBER – COMMITTEE MEETING

- 2023 incentive considerations (including Senior Manager workforce reward, shareholder alignment, CEO pay ratio and gender pay gap)
- Governance update
- Directors' Remuneration Policy planning

#### DECEMBER – COMMITTEE MEETING

- Update on Directors' and Senior Managers' Remuneration review
- Update on outstanding awards
- Risk and rewards consideration
- 2023 Remuneration Committee calendar
- Review of Committee's terms of reference

### DEAR SHAREHOLDER,

#### INTRODUCTION FROM THE COMMITTEE CHAIR

I am pleased to present the JTC PLC Remuneration Committee report for 2022.

Details of the Committee members' experience and expertise may be found on pages 56 and 57. Details concerning the Committee's role and the Board's governance framework are on page 66 and the results of the assessment of the Committee's performance as part of the annual Board evaluation may be found on page 65.

In line with the reporting requirements, the report is split into three sections:

1. This introduction;
2. A summary of the current Directors' Remuneration Policy (as approved by shareholders at the 2022 AGM); and
3. The Directors' Remuneration Report

#### REMUNERATION DECISIONS AND OUTCOMES IN 2022

#### PENSIONS

We reported in 2021 that the Committee had agreed and implemented a plan to ensure that the Executive Directors' pensions align with the average percentage contribution or entitlement available to staff in the relevant market by the end of 2022. In 2022 this was 5% (in Jersey and UK) with Executive Director pensions being fully aligned by the end of 2022 as planned. The Committee will periodically review the average workforce entitlement to ensure that Executive Directors continue to be aligned. Pension benefits for future Executive Directors will also be aligned with the average percentage contribution or entitlement available to staff in the relevant market.



## REMUNERATION REPORT CONTINUED

### VARIABLE INCENTIVES

2022 was arguably the best performing year in JTC's history and I am pleased that remuneration outcomes for 2022 reflect both the exemplary performance of the business and the significant contribution made by the Executive Directors' during the year.

Under the Remuneration Policy, each Executive Director is eligible for a maximum annual bonus opportunity of 100% of salary with performance assessed based on a balanced scorecard of financial and non-financial measures that support the Group strategy. For 2022, consistent with the desire to align Executive Directors' bonuses with the remuneration framework in place for the wider Group and the approach taken in recent years, the Executive Directors' elected to cap their maximum opportunities to 50% of salary. 2022 bonus outturns based on performance ranged between 25% and 40% of salary for the Executive Directors'.

Vesting of the 2020 PSP awards for the CEO and CFO depended on the achievement of stretching targets against two metrics: TSR and EPS. The COO had an additional metric of the Group business plan which was also weighted equally. JTC's TSR was at the 97th percentile against the FTSE Small Cap Index comparator group for this award; as a result the TSR element fully vested. JTC achieved an adjusted underlying EPS of 33.27p within the three year period, as a result of which 100% of this element vested. The Committee also determined that the Group business plan achieved 100% vesting (further details are provided later in this report). Consequently, the 2020 PSP award vested at 100% of maximum for all Executive Directors'.

### APPLICATION OF DISCRETION

During the year, the Committee did not apply any discretion to the 2022 annual bonus outturn or the vesting of the 2020 PSP award. The Committee agreed that the final pay-out of the annual bonus and vesting of the 2020 PSP award were reflective of the respective performance periods and that the Policy operated as intended.

Full details of the 2022 outcomes are provided in the 'at a glance table' on page 76.

### PAY ARRANGEMENTS FOR 2023

During the year the Committee received updates on the employee benefits review and all employee and Senior Managers' remuneration related policies in order to provide the context for, and to ensure alignment with, the policy on Executive Director remuneration.

### SALARY

When determining the executive salary increases for 2023, the Committee was mindful of the external environment, the wider workforce, the individual contributions of the Executive Director's, JTC's outstanding growth and shareholder returns since the IPO (23.1% CAGR) and significant remuneration compression across the business, including at the management and executive levels during the same period.

In response to the employment environment and the inflationary pressures faced by JTC's employees, the Company, with advice from management, has put in place measures to target remuneration spend for 2023, including average salary adjustments of approximately 11% for the wider workforce which is higher than recent years and an increased annual bonus pool to enable the Company to fairly recognise JTC's strongest contributors. The focus on rewarding JTC's employees competitively, fairly, and consistently has been especially important given the heightened competition for talent, with JTC staff being strongly in demand across all markets and disciplines.

This focus extended to the Committee's review of the executive salary increases for 2023. The Committee considered the Executive Directors' track record of performance since the IPO (and leading to the Company entering the prestigious FTSE250), the average salary increases for the wider workforce and reviewed updated benchmark data that reflected the current talent environment. The Committee is cognisant of the risks of an undue reliance on benchmark data and its approach has been to refer to benchmark data for Executive Directors sparingly. As a result, whilst the salary levels for the Executive Directors have generally been at or below wider workforce salary increases, they have not been meaningfully adjusted since the IPO in 2018. Since that time the performance and development of the Executive

Directors has been demonstrated through the success that JTC has achieved with the business having doubled in size within three years of an IPO and despite challenging economic conditions resulting from the Covid pandemic and the war in Ukraine, the Company remains on track to double in size again. Given the Executive Directors' track record of success, the Committee believes they have demonstrated skills and experience that are highly sought after in the market and it is appropriate to now reposition their salaries to ensure that they are appropriate compared to similar companies in the FTSE250 Index.

In this context, the Committee approved salary increases for 2023 of 10% for the CEO, 8.1% for the CFO, and 9.9% for the COO. These salary increases are below the workforce average salary increase of approximately 11%. This is the first significant salary adjustment for the Executive Directors' since the IPO in 2018. The Committee considers these increases to be critical to ensuring that remuneration is set at levels which are competitive externally and fair compared to other senior management roles within the Company.

The Committee will keep executive remuneration arrangements under review to ensure that they remain market competitive internally and externally and commensurate with the growth in scale and complexity of the business.

### VARIABLE INCENTIVES

JTC's unique 'shared ownership' culture is supported by a consistent variable incentive framework across the Group which includes an annual bonus that rewards annual delivery together with performance shares that are tied to the long-term performance of the Company to foster a strong ownership culture.

As previously described, 2022 was an exceptional year and these results, achieved against a very challenging economic backdrop, demonstrating the resilience, robustness, and effectiveness of JTC's strategy and business model. Consistent with the overarching philosophy of rewarding for performance, the Committee felt it was important to provide the Executive Team with due recognition and incentive to build on this success in the next business plan cycle (the Cosmos Era). The Committee also wanted to ensure that management

is appropriately incentivised through the PSP over the same period, particularly in the context of the heightened competition for talent. The Remuneration Committee has therefore decided that an exceptional PSP award of 200% of salary should be granted in 2023 (normally 150% of salary) This is intended to increase the alignment of the Executives with the shareholder experience by ensuring that vesting, if any, is subject to very stretching levels of performance linked to JTC's TSR performance (which for this award will be relative to the FTSE 250 Index, excluding real estate and investment trusts) and adjusted underlying EPS performance from 2023 to 2025. This award will be granted within the exceptional limit of up to 250% of salary contained in JTC's Remuneration Policy, which Shareholders approved last year. The Committee believes that an award at 200% of salary is appropriate given the exceptional performance and growth and in the scale of the business, the stretching targets reflecting the goal of doubling again the size of the business, as well as the exceptional market dynamics and competition for our most valuable asset – our people.

For 2023, the annual bonus will continue to be measured against a balanced scorecard of financial and non-financial measures aligned to the Group's strategy, including ESG measures which the Committee has undertaken to monitor over the course of 2023.

Full details of the maximum 2023 opportunities are provided in the 'at a glance table' on page 76 and 2023 implementation details are further described from page 93.

### REMUNERATION POLICY REVIEW (FOR APPROVAL IN 2024)

The Committee recognises the role that remuneration plays in the global competition for professionals across our industry, and the retention and incentivisation of the leadership team to deliver a demanding business plan for sustained growth and value creation. As JTC perpetuates its growth, our executives who have proven their ability to continue to deliver against their challenging targets in an exceptional external environment, are in great demand. Whilst our existing remuneration policy was approved by shareholders at the 2022 AGM, the global competition for talent has intensified with increasing compensation

REMUNERATION REPORT CONTINUED

compression between the Executives and other senior leaders across the business.

Ensuring that JTC’s remuneration approach, practices, and outcomes fully support the company’s strategy is the Committee’s overarching priority for 2023 and beyond. Therefore, the Committee has undertaken to accelerate the review of the Remuneration Policy over the course of 2023. This will ensure that remuneration arrangements, including salaries and incentive opportunities, are competitive in a dynamic sector with a rapidly evolving talent landscape to support JTC’s growth and that it continues to be aligned with the interests of JTC and its shareholders and is consistent with the needs and priorities of the forthcoming business strategy cycle being the Cosmos Era.

While the overall structure of the remuneration arrangements will be retained, changes may be required to provide greater flexibility to ensure remuneration alignment within the industry in which we operate and for senior management across the organisation as a whole.

The Committee will engage with its principal shareholders and shareholder representative groups to consult on proposals to update the Directors’ Remuneration Policy in 2023. Any changes to the policy will be presented for shareholder approval at the 2024 AGM.

**MICHAEL GRAY,**  
Remuneration Committee Chair  
6 April 2023

WHO SUPPORTS THE COMMITTEE?

The Committee appointed Mercer in October 2020 as independent external remuneration advisers following a competitive process. Mercer is a founder member of the Remuneration Consultants Group and, as such, voluntarily operates under the Code of Conduct in relation to executive remuneration consulting in the UK ([www.remunerationconsultantsgroup.com](http://www.remunerationconsultantsgroup.com)). Neither Mercer (nor its parent, Mercer Limited) has any other remuneration or unrelated connection with the Group and is considered to be independent by the Committee. Fees paid to Mercer totalled £50,370 (excluding expenses and VAT) for the 2022 financial year in their capacity as advisers to the Committee.

AGM SHAREHOLDER VOTING

RESOLUTION	VOTES FOR	VOTES AGAINST	VOTES WITHHELD
Approve Directors’ Remuneration Report (2022 AGM)	122,812,080 95.81%	5,366,206 4.19%	4,171
Approve Remuneration Policy (2022 AGM)	122,812,080 95.81%	5,366,206 4.19%	4,171



2022 was an exceptional year for JTC, with the successful integration of the 7 acquisitions from 2021 and the further development of the Commercial Office providing material benefits to the Group, including the growth our banking platform and global tax compliance team, both adding additional revenues from the existing client base and as service lines in their own right.



## REMUNERATION REPORT CONTINUED

## OUR REMUNERATION AT A GLANCE

This section provides a summary of the remuneration policy approved in 2022 and our approach to implementing this for our Executive Directors in 2023.

PAY ELEMENT	POLICY	2023 IMPLEMENTATION	LINK TO JTC'S STRATEGY
BASE SALARY	<p>Reviewed annually with increases effective 1 January; reflects the individual's role and contribution.</p> <p>Increases take account of those applied across the wider workforce; the Committee retains discretion to award higher increases where appropriate to take into account market conditions, performance and/or development of the individual, a change in the responsibility and/or complexity of the role, new challenges or a new strategic direction for the Company.</p>	<p>CEO: £492,377 (10.0% increase) CFO: £352,531 (8.1% increase) COO: £273,106 (9.9% increase)</p>	<p>Creating long-term value for our</p> <ul style="list-style-type: none"> <li>shareholders</li> <li>employees</li> </ul> <p>Being a responsible business</p>
BENEFITS	Executives are entitled to receive life assurance, pension contributions, private medical insurance and other de minimis benefits in kind.	Unchanged from Policy.	
PENSION	<p>Pension benefits for the incumbent Executive Directors will be aligned with the average percentage contribution or entitlement available to staff in the relevant market (5% in Jersey and UK) by the end of 2022. Prevailing contribution rates shall apply from the effective date of this policy through to the end of 2022.</p> <p>Pension benefits for future Executive Directors will be aligned with the average percentage contribution or entitlement available to staff in the relevant market.</p>	<p>JTC conducted a global pension review in late 2022 following which certain adjustments were made to increase contributions for the wider workforce. JTC has undertaken to continue this review over the course of 2023 to ensure that the pension contributions for incumbent Executive Directors continue to be aligned with the average of the wider workforce.</p>	Employer of choice
ANNUAL BONUS	<p>Maximum opportunity: 100% of salary.</p> <p>Performance measures, targets and weightings are set at the start of the year. Performance is measured on financial, operational and individual goals.</p> <p>Malus and clawback provisions apply.</p>	<p>Unchanged from Policy.</p> <p>Performance will be measured based on tailored scorecards comprised of shared financial goals and strategic goals linked to the successful execution of JTC's business plan.</p>	<p>Creating long-term value for our</p> <ul style="list-style-type: none"> <li>shareholders</li> <li>employees</li> <li>clients</li> <li>intermediary partners</li> <li>communities</li> </ul> <p>Being a responsible business</p>
DEFERRED BONUS SHARE PLAN ("DBSP")	<p>All employees are eligible to participate; it is intended that Executive Directors, Senior Managers and certain managers below Senior Manager will participate.</p> <p>For Executive Directors, any bonus earned over 50% of salary is deferred into shares for 3 years.</p> <p>The Committee may include further financial and non-financial performance.</p>	Unchanged from Policy.	A unique culture based on Shared Ownership

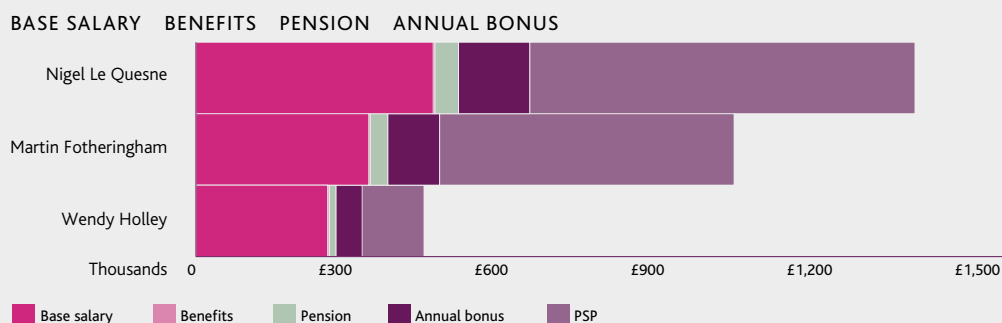
## REMUNERATION REPORT CONTINUED

PAY ELEMENT	POLICY	2023 IMPLEMENTATION	LINK TO JTC'S STRATEGY
PERFORMANCE SHARE PLAN ("PSP")	<p>Normal maximum opportunity: 150% of salary (exceptional maximum of 250%).</p> <p>Performance is measured over TSR and adjusted underlying EPS.</p> <p>An additional 2-year holding period applies post-vesting.</p> <p>Malus and clawback provisions apply.</p>	<p>Award of 200% of salary for all Executive Directors.</p> <p>Whilst this is above the normal maximum opportunity of 150% of salary it remains within the limits approved by shareholders within the past 12 months.</p> <p>Performance will be measured by TSR and EPS over a period of 3 years.</p>	<p>Creating long-term value for our</p> <ul style="list-style-type: none"> <li>• shareholders</li> <li>• employees</li> <li>• clients</li> <li>• intermediary partners</li> <li>• communities</li> </ul> <p>Efficient capital deployment Being a responsible business A unique culture based on Shared Ownership</p>
EMPLOYEES INCENTIVE PLAN ("EIP")	<p>All employees are eligible to be granted an award except for Executive Directors</p> <p>It is designed to incentivise high performance and may include performance measures – these will be reviewed by the Committee each year.</p>	<p>Executive Directors are not eligible to participate.</p>	<p>A unique culture based on Shared Ownership</p>
SHAREHOLDING GUIDELINES	<p>Executive Directors are required to build or maintain a shareholding requirement equivalent to 150% of their base salary.</p> <p>Post-cessation, Executives are required to hold on to the lower of (1) their share ownership at departure or (2) their in-post share ownership guideline (i.e. 150% of annual base salary) for a period of 2 years.</p>	<p>In-post guidelines unchanged from Policy, post-cessation guidelines introduced.</p>	<p>A unique culture based on Shared Ownership Being a responsible business</p>
MALUS AND CLAWBACK PROVISIONS	<p>Recovery provisions may be applied to the annual bonus, DBSP and PSP in certain circumstances including:</p> <ul style="list-style-type: none"> <li>• materially inaccurate information</li> <li>• material breach of employment contract which would include, without limitation, any event or omission by the Executive that contributes to a material loss or reputational damage to the Company</li> <li>• material breach of any compromise agreement</li> <li>• material breach of fiduciary duties</li> </ul> <p>Cash bonuses will be subject to clawback, with deferred shares being subject to malus, over the deferral period. PSP awards will be subject to malus over the vesting period and clawback from the vesting date to the third anniversary of the relevant vesting date.</p>	<p>Unchanged from Policy.</p>	<p>Being a responsible business</p>

## REMUNERATION REPORT CONTINUED

## 2022 PERFORMANCE AT A GLANCE &amp; REMUNERATION OUTCOMES

## 2022 SINGLE FIGURE REMUNERATION

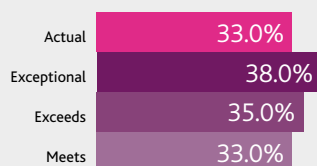


2022 Annual bonus award (further details on pages 80 to 82)

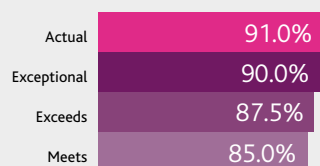
## FINANCIAL METRICS:

The above charts are based on the following assumptions:

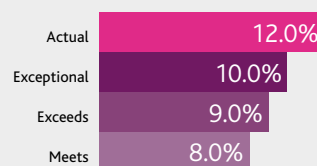
## EBITDA margin



## Cash Conversion



## Group Net Organic Growth



## NON-FINANCIAL METRICS:

The Non-Financial metrics includes Strategic Execution and Growth, Investor Relations, Risk and Compliance and ESG, People and Culture targets. The Committee reviewed these targets holistically; a description of the performance achieved against this metric is detailed on page 82.

The above charts are based on the following assumptions:

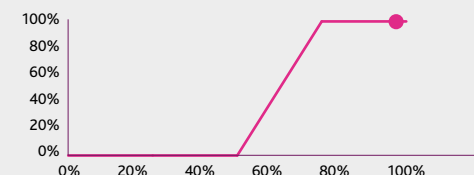
	Max. opportunity % of salary	Capped max. opportunity % of salary	Outturn £	Outturn (% of salary) <sup>1</sup>
Nigel Le Quesne	100%	50%	£179,046	40%
Martin Fotheringham	100%	50%	£107,618	33%
Wendy Holley	100%	50%	£62,126	25%

<sup>1</sup> The Executive Directors elected to cap their 2022 annual bonus opportunity to 50% of salary to promote alignment with the wider workforce in regards to annual bonus payouts and the balance between short- and long-term incentives as part of the overall pay mix.

PSP (further details on page 86)

The 2020 PSP award was subject to performance conditions for a period ending on 31 December 2022. Final vesting of the TSR, EPS and Group Plan objectives are shown below:

## TSR



TSR threshold performance begins at median ranking against the FTSE Small Cap with 25% of the element vesting rising to full vesting for upper quartile performance.

JTC at 31 December 2022 ranked 97th percentile and therefore the TSR element has fully vested.

## EPS



EPS threshold performance begins at 23.8p with 25% of the element vesting rising to full vesting for 29.75p.

JTC at 31 December 2022 achieved an adjusted underlying EPS of 33.27p and therefore 100% of the EPS element of the award vests.

## WENDY HOLLEY: GROUP BUSINESS PLAN

The Group Business Plan incorporates Group, Divisional (ICS and PCS), Development, Finance and Operational targets. The Committee reviewed all targets holistically and determined that this element would vest at 100% of maximum. A description of the performance achieved against this metric is detailed on page 83.



## REMUNERATION REPORT CONTINUED

## ANNUAL REPORT ON REMUNERATION

The Annual Report on Remuneration and the Annual Statement will be put to a Shareholder vote at the AGM on 23 May 2023. Sections of the report are subject to audit and these have been flagged where applicable.

## SINGLE TOTAL FIGURE OF REMUNERATION FOR EXECUTIVE DIRECTORS (UNAUDITED)

The table below sets out the total remuneration payable to each Executive Director for the years ended 31 December 2022 and 31 December 2021.

Single Total Figure of Remuneration		Base Salary <sup>1</sup>	Benefits <sup>2</sup>	Pension <sup>3</sup>	Annual Bonus <sup>4</sup>	PSP <sup>5</sup>	Other <sup>6</sup>	Total	Total Fixed	Total Variable
Nigel Le Quesne	2022	£447,615	£2,913	£44,762	£179,046	£744,255	N/A	£1,418,560	£495,290	£923,271
	2021	£435,000	£2,913	£43,500	£130,500	£713,273	N/A	£1,325,186	£481,413	£843,773
Martin Fotheringham	2022	£326,116	£2,913	£32,612	£107,618	£542,223	N/A	£1,011,481	£361,641	£649,841
	2021	£316,925	£2,976	£31,693	£95,078	£545,316	N/A	£991,988	£351,594	£640,394
Wendy Holley	2022	£248,504	£2,973	£12,425	£62,126	£101,889	N/A	£427,917	£263,902	£164,015
	2021	£241,500	£2,954	£12,075	£48,300	£114,510	£59,740	£479,079	£256,529	£222,550

1 Base Salaries were increased effective 1 January 2022; the figures above represent the increased salaries for the year as disclosed in the prior year remuneration report.

2 Benefits provided to Executive Directors include healthcare and annual membership provisions.

3 Executives receive contributions to the Group Occupational Retirement Plan which is a defined contribution plan. Contributions reflected in the table are actual pension contributions in 2022. Executive pensions were aligned to the workforce average at a rate of 5% of salary at the end of 2022.

4 In 2022, the Executive Directors elected to cap their 2022 annual bonus opportunity to 50% of salary to promote alignment with the wider workforce and to provide additional funding for the bonus pool to the rest of employees. In 2021, the Executive Directors elected to cap their 2021 annual bonus opportunity to 40% of salary to promote alignment with the wider workforce in regards to annual bonus payouts and to support a desired balance between short and long-term incentives as part of the overall pay mix.

5 Estimated value of 2020 PSP award at 746 pence per share being the average of the closing mid-market share price in the 3 day period ending 31/12/2022. 2019 PSP values have been restated to reflect actual vesting of awards based on a share price of 843p on the date of vesting. The share price on the date of grant was 425p, therefore £353,675, £270,394 and £56,779 of the CEO, CFO and COO's 2019 awards were due to share price appreciation. PSP participants are not entitled to any dividends (or any other distribution) and do not have the right to vote in respect of Shares subject to an Award until the Award vests.

6 In 2021, the COO received a distribution from the Employee Incentive Plan for her contributions to JTC as an employee prior to her appointment as an Executive Director and appointment to the Board.

## 2022 ANNUAL BONUS (UNAUDITED)

The table below summarises our annual bonus framework for 2022 and includes measures that the Committee believes provide a fair balance of reward for financial and non-financial performance. Each Executive has a personal scorecard with shared financial and non-financial objectives.

## ANNUAL BONUS SCORECARD

Performance is assessed against performance ranges that are defined at the beginning of each performance year, in line with the business plan and investor guidance, as applicable.

FINANCIAL MEASURES	STRATEGIC MEASURES	ADJUSTED UNDERLYING EPS	STRATEGIC EXECUTION AND GROWTH
GROUP NET ORGANIC GROWTH	INVESTOR RELATIONS	EBITDA MARGIN	RISK AND COMPLIANCE
CASH CONVERSION	ESG, PEOPLE AND CULTURE	EFFICIENT CAPITAL ALLOCATION	COMMERCIAL & OPERATIONAL EFFICIENCY IMPROVEMENTS

The detail of the measures, targets and weightings may be varied by the Committee year-on-year based on the Company's strategic priorities. The achievement of the objectives is measured on a point's basis against determination of whether goals were met and where performance exceeded expectations or was deemed exceptional.

## REMUNERATION REPORT CONTINUED

## BONUS SCORECARD – FINANCIAL MEASURES

The table below sets out performance against the financial targets under the annual bonus scorecard which comprise a weighting of 50% for the COO and 60% for the CEO and CFO on a combination of the following measures, with performance ranges set based on a sliding scale of challenging targets.

GROUP FINANCIAL METRICS	THRESHOLD	TARGET	MAXIMUM	2022 PERFORMANCE
UNDERLYING ADJUSTED EPS PERFORMANCE VERSUS FINANCIAL CONSENSUS	Lower quartile of average consensus range	Median of average consensus range	Upper quartile of average consensus range	Adjusted underlying EPS of 33.27p.
NET ORGANIC REVENUE GROWTH	8%	9%	10%	Achieved net organic revenue growth of 12%, above exceeding maximum performance expectations
EBITDA MARGIN	33%	35%	38%	Achieved overall EBITDA margin of 33.0%, at the bottom of the threshold
CASH CONVERSION (IN LINE WITH GUIDANCE)	85%	87.5%	90%	91% cash conversion, above maximum target
EFFICIENT CAPITAL ALLOCATION	ROIC / WACC < 1.25	ROIC / WACC ≥ 1.25	ROIC / WACC 1.5	ROIC / WACC of 1.58, exceeding maximum performance
COMMERCIAL & OPERATIONAL EFFICIENCY IMPROVEMENTS	Demonstrate sound strategic and commercial judgement in the acquisition selection process and effect swift integration strategies with demonstrable attention to individual workstream delivery and minimal impact to Business as Usual			Following the seven acquisitions that were successfully completed in 2021 (i.e. SALI, Segue Partners, EFS, Ballybunion, Indos, perFORM) and integrated into the JTC Group in 2022, incremental revenue totalling £31.8m was recorded in 2022.
				In line with JTC's commitment towards disciplined capital allocation, considered in excess of 40 acquisition and other transaction opportunities to ensure they pass JTC's investment criteria and deliver value to our shareholders
	Demonstrate revenue uplifts / cross sales which supports organic growth			Achieved a record level of new business wins in 2022 amounting to over £24m, a testament to JTC's market-leading delivery capabilities and strong reputation in the market
				Continued to create opportunities for new revenue streams, including over £10m generated from taxation, banking and treasury revenues (up from £3m in 2021), which now accounts for more than 5% of Group revenues
				For the second consecutive year, cross sales in line with JTC's strategy has more than doubled year-over-year to c.£5m (2021: £2.5m). This was achieved through the deployment and focus on "Alchemy" as a priority of JTC's Galaxy business plan.
	Demonstrate technology enabled solutions effecting commercial improvements			Continued to drive delivery innovation and efficiency through technology enabled solutions.
				In 2022, JTC won a transformational mandate with Amaro, a US-based global bank, worth \$4.0m which is the largest ever new mandate win. This strategic deal provides delivery of an innovative outsourcing and technology solution that is highly automated, digitally centric, and work-flow driven to deliver services to 2,500+ new entities on JTC's platform.
				JTC also continued to advance the implementation of Blueprint to drive operating efficiencies (c. 75%) in core processes of the Fund Administration and Fund Accounting teams.
				In 2022, JTC also created an innovative cash management work-flow prototype that was implemented in the Cayman office and subsequently integrated into the wider Alteryx data integration platform that is forecasted to generate significant new revenues in 2023.

## REMUNERATION REPORT CONTINUED

### BONUS SCORECARD – NON-FINANCIAL MEASURES

The table below sets out performance against the non-financial targets under the annual bonus scorecard, which comprise a weighting of 40% for the CEO and CFO and 50% for the COO. Non-financial performance categories reflect short-term operational and strategic priorities of the business that are critical to our continued success and are assessed based on key milestones or performance in line with our business plan on a combination of the following measures.

NON-FINANCIAL METRICS	2022 GROUP OBJECTIVES
STRATEGIC EXECUTION AND GROWTH	<ul style="list-style-type: none"> <li>✓ In accordance with our Jurisdictional Strength Index (JSI), a proprietary system that grades both the current JTC internal strength and overall market attractiveness of a given jurisdiction, we achieved overall improvements of 7% and 3% for the ICS and PCS divisions, respectively, across all jurisdictions. This resulted in an overall improvement of 4.3% across both divisions.</li> <li>✓ Successfully completed acquisition of New York Private Trust Company (NYPTC), a Delaware-chartered non-deposit trust company, in line with JTC's strategy to continue its growth in the US market and in particular, to develop its US domestic trust services offering in what is a large and growing market. Significant commercial opportunities have been identified to provide a wider range of discretionary trust services.</li> <li>✓ Successful integration of Segue Partners and Ballybunion Capital in the year, with both businesses trading above expectations and delivering incremental revenue growth through being part of the broader JTC Group.</li> </ul>
INVESTOR RELATIONS	<ul style="list-style-type: none"> <li>✓ JTC continued to establish deep relationships with institutional investors and other relevant capital markets participants, completing Investor Roadshows in April and September, with over 120 meetings conducted, to reinforce JTC's strategic vision and long-term investment case, as well as to promote an active and constructive dialogue about the business.</li> <li>✓ During 2022, JTC retained their shareholders (majority of top 20 shareholders are long-term owners) and expanded the geographic diversity of their register most notably with new significant investors from Europe and the U.S., which is a reflection of JTC's success and growth across these regions. New analyst coverage was initiated in 2022, which is a further positive reflection of JTC's reputation and the strong relationships established with the investment community.</li> <li>✓ JTC continued to strengthen the quality of its financial reporting and communications and enhanced accessibility whilst reducing the carbon footprint of such reporting by making disclosures digitally accessible.</li> </ul>
RISK AND COMPLIANCE	<ul style="list-style-type: none"> <li>✓ There were no material risk events or losses during 2022 despite a marked increase in the external risk environment predominantly related to geopolitical conflict and increased volumes of cybercrime. This is reflective of the robust risk management protocols that are in place to mitigate material adverse risks (including commercial, regulatory, legal, reputation, and operational) so that they are appropriately identified and managed.</li> <li>✓ The Group Risk Register has continued to evolve with the introduction of a revised Risk Escalation Policy and Procedure in 2022 that has been embedded across the organisation including through training for employees and for newly acquired businesses.</li> <li>✓ JTC further evolved its enterprise risk management framework across the organisation. In 2022, risk ownership priorities were embedded as performance goals in divisional balanced scorecards for the wider workforce to establish clearer risk ownership accountabilities. There was focused effort on vulnerability management and on improving, enhancing, and configuring JTC's information security and governance controls. Furthermore, JTC has continued to enhance the employee security awareness training and provide tools and communications to ensure its workforce is aligned to the Information Security strategy. This provides a good foundation for the evolution of a target operating model for the Group's approach to regulatory compliance, enterprise risk management, and internal audit.</li> <li>✓ JTC has continued to build upon strong regulatory relationships in all jurisdictions and received good outcomes from routine regulatory inspections – a strong foundation and performance in light of the increased regulatory scrutiny across the industry during 2022. Additionally, proactive relationship management ensured more measured regulatory amendments in key markets.</li> </ul>

## REMUNERATION REPORT CONTINUED

## BONUS SCORECARD – NON-FINANCIAL MEASURES (CONTINUED)

NON-FINANCIAL METRICS	2022 GROUP OBJECTIVES
ESG, PEOPLE AND CULTURE	✓ During the year and under the leadership of the Chief Sustainability Officer, JTC continued to embed its ESG framework across the business, including the creation of an ESG Committee at the Board and the formation of an ESG Forum which is a senior management team that oversees and drives all aspects of JTC's corporate ESG roadmap and delivery programme.
	✓ In Q2 2022 and in line with JTC's commitment to ESG leadership, JTC launched an innovative virtual Chief Sustainability Officer (vCSO) service to provide clients with off-the-shelf support on ESG risk assessments, reporting and compliance.
	✓ JTC also continued to demonstrate its commitment to transparent ESG reporting by aligning ESG-related disclosures with the SASB standard and, for the first time in 2022, with TCFD.
	✓ JTC maintained its Carbon Neutral+ status, became a UN PRI member, and made a voluntary submission to participate in the Carbon Disclosure Project to further demonstrate its commitment to ESG leadership.
	✓ Completed the second phase of a comprehensive talent and succession planning exercise across the organisation to enable better and more targeted ways to address talent risks in response to a hyper competitive talent market.
	✓ JTC conducted an inaugural global employee survey to collect feedback on JTC's shared ownership culture, workplace, strategy, and culture of recognition. The overall global average score was 54.4 out of a possible 70.
	✓ Employee turnover (for regretted leavers) was below the self-imposed benchmark of 10%, demonstrating JTC's strong employee retention across all jurisdictions.
	✓ Continued to reinforce distinctive 'Ownership for All' culture. All measures in relation to JTC's shared ownership culture were met, including achieving 100% employee share ownership.
	✓ Continued to enhance core management and leadership programmes to develop employees and embedded the Divisional Balanced Scorecard across the organisation to drive focus on continuous improvement and high performance.

## 2022 ANNUAL BONUS OUTCOMES FOR EXECUTIVE DIRECTORS

The Committee conducted a comprehensive analysis in respect of the progress achieved against the financial and non-financial measures. Overall, it was concluded that 2022 was a successful year, marked by strong performance financially and execution against four strategic areas. During a period of increased economic volatility and macroeconomic pressure, the strength of the business and continued resilience has been particularly admirable.

The Committee assesses the performance delivered for each financial and non-financial metric against pre-established targets to derive an overall holistic performance grade for the total scorecard, in line with JTC's 10-point range which is used throughout the organisation which incorporates expected behaviours. The Committee awarded a score of 9.0 out of 10 for the CEO, 8.5 out of 10 for the CFO and 8.0 out of 10 for the COO.

Each Executive Director is eligible for a maximum annual bonus opportunity of 100% of salary. For 2022, consistent with the 'stakeholder mentality' and a desire to promote a shared alignment with the remuneration framework in place for the wider Group, the Executive Directors elected to cap their maximum opportunities to 50% of salary. The table below sets out the basis on which the potential 2022 annual bonus award is calculated as a % of maximum opportunity and also the outturns with the self-nominated cap of 50% of salary.

## REMUNERATION REPORT CONTINUED

Bonus % Award	Total scorecard performance grade				
	6	7	8	9	10
All Executives based on Policy Maximum	30%	50%	67%	83%	100 %
Self-elected cap at 50% for 2022	10%	20%	25%	40%	50%

The following table sets out the outcome of the 2022 annual bonus, based on the total scorecard performance grade and reflecting the elected 50% of salary cap for each Executive Director:

	Max Opportunity (% of Salary)	2022 Capped Opportunity (% of Salary)	Outturn (% of Salary)	Outturn £
Nigel Le Quesne	100%	50%	40%	£179,046
Martin Fotheringham	100%	50%	33%	£107,618
Wendy Holley	100%	50%	25%	£62,126

The Remuneration Policy states that any bonus earned in excess of 50% of salary should be deferred into shares on a net of tax basis for 3 years. As such, this will not apply for the 2022 bonus outturn.

## PSP AWARDS VESTING IN 2022 (UNAUDITED)

The 2020 PSP award is subject to financial and business plan performance conditions, as applicable, ending on 31 December 2022. We have set out the final vesting details and related performance assessment considerations of the award below.

All Executive Directors are subject to the financial vesting conditions, including relative TSR and adjusted underlying EPS performance. For the Chief Executive Officer and the Chief Financial Officer, 100% of vesting is subject to relative TSR and adjusted underlying EPS performance. For the Chief Operating Officer, 67% of vesting is relative to TSR and adjusted underlying EPS performance and the balance is linked to a Group business plan condition. Please see the section below for further details.

- The relative TSR performance condition underscores our commitment to share price out performance. Median TSR performance versus the FTSE Small Cap Index results for threshold vesting (i.e. 25% of maximum), rising to full vesting for upper quartile performance versus the FTSE Small Cap Index. This relative TSR benchmark was the relevant FTSE Index at the time the PSP awards were granted in 2020, which was prior to JTC's ascent to the FTSE 250 Index. JTC's TSR performance to 31 December 2022 was positioned at 97th percentile against the FTSE Small Cap Index. As such, there is full vesting of the relative TSR element.
- The adjusted underlying EPS performance condition was originally set with reference to available analyst forecasts. Adjusted underlying EPS of 23.8p results in threshold vesting (i.e. 25% of maximum) and adjusted underlying EPS of 29.75p qualifies for full vesting. For the year ended 31 December 2022, JTC's adjusted underlying EPS was 33.09p and as such this element of the award qualified for 100% vesting.

For the Chief Operating Officer, 33% of vesting is tied to the Group business plan performance condition, further described below.

The Group business plan performance condition was assessed against JTC's delivery against its current Galaxy Era business plan which commenced in 2021 and growth delivered since the completion of the Odyssey Era plan in 2020. The Group business plan performance condition includes five business plan pillars (Financial, Risk, Management, Organic Growth and Inorganic Growth) and 12 business plan elements; each element was assigned a potential value of 10 as part of the performance assessment. The details of the Galaxy Era business plan are not disclosed in full as they are considered to be commercially sensitive; however, the salient highlights are described below.

The Committee reviewed JTC's performance against the business plan over the past three years and was satisfied that vesting of 100% was warranted on account of the early progress and delivery against the Galaxy Era business plan, as well as shareholder value of 94.7% created over the three-year period.



## REMUNERATION REPORT CONTINUED

## PILLARS

**FINANCIAL**

Becoming a \$1bn+ business (by market capitalization) to achieve the scale required to enable capital raising and additional growth funding; delivering a margin of at least 33%, organic growth of c. 8 – 10% per annum at a Group level, and a long-term cash conversion rate of c. 85 – 90%

**Organic growth:** Capturing market share, expanding JTC's core service and product offerings, and expanding JTC's global network and platform

**Inorganic growth:** Successfully completing and integrating acquisitions; increasing the scale in existing markets through external growth opportunities; and entry into new markets

**RISK**

Maturing JTC's cyber security framework to ensure that the Company meets the regulatory and compliance requirements applicable to JTC and the expectations of its clients and investors

## HIGHLIGHTS OVER THE 3-YEAR PERFORMANCE PERIOD

3-year average performance:

- Underlying EBITDA margin: 33.1%, within the medium term guidance range of 33 – 38%
- Organic growth: 9.8% which is at the top end of the medium-term guidance range of 8 – 10%. Organic growth was driven by record new business wins of £24.6m in 2022, a c. 17.7% increase over the £20.9m recorded in 2021
- Cash conversion: 90%, in excess of the top of the guidance range of 85 – 90%
- As at 31 December 2022, JTC's market capitalization was c.\$1.3bn, which has exceeded the Galaxy Era business plan goal of becoming a \$1bn+ business ahead of expectations
- Continued long-term investments in technology to support the evolution of JTC's Future of Banking Strategy which aims to simplify the processing of legacy banking platforms to remove inefficiencies, reduce operating costs, and reduce risk through automation while also capitalising on new opportunities such as the provision of foreign exchange services

Organic growth highlights include:

- Record new business wins of £24.6m in 2022 and double digit growth in new business wins delivered in each of the 3 years, exceeding business plan expectations
- JTC has been consistently recognised as a trusted leader in trust and fund administration in Jersey, the UK, and MENA over the past 3 years, including recognition as a 'Tier 1' trust company for the fifth consecutive year by ePrivateClient and 'ESG Fund Administrator' of the year by Drawdown Awards
- Material product and service offering expansion, including registrars services, depositary and operational due diligence services in the UK, new employee retirement and reward services, new corporate services in Ireland, new Manco services in Luxembourg, and specialised fund administration, IDF structuring, and domestic trust services in the U.S. market

Inorganic growth highlights include:

- Completed 11 deals over the 3-year performance period in line with JTC's commercial investment criteria: Anson Gsy, Sanne PCS, NESF, RBC cees, Indos, Segue, Ballybunion, perFORM, SALI, EFS, and NYPTC; integration is ongoing for acquisitions that were completed or announced in 2022
- Successfully increased scale in strategically important markets, including developing JTC's footprint in the U.S., UK, and Ireland. Added new capabilities and new service markets, including administration of insurance dedicated funds in the U.S., as well as depositary, operational due diligence, and insurance dedicated funds
- Continued to evolve JTC's cyber strategy, including the adoption of the National Standards & Technology (NIST) Cyber Security Framework; the alignment of JTC's Policies, Standards, and Procedures to ISO 27001 Standards; and the achievement of advanced industry certifications and qualifications related to cyber security and risk management.
- Significant efforts in 2022 to enhance risk ownership and definition; driving employee security awareness; focusing on vulnerability management; and increasing due diligence for third parties and the vendor supply chain
- No major findings from JTC's 2nd NIST external assessment reflecting the robustness and continued evolution of JTC's risk management framework

## REMUNERATION REPORT CONTINUED

## PILLARS

## MANAGEMENT

Becoming an employer of choice and achieving carbon neutral status by 2022

## HIGHLIGHTS OVER THE 3-YEAR PERFORMANCE PERIOD

- 3-year average labour turnover for regretted employees remains well below the self-imposed benchmark of 10%, demonstrating a culture of high engagement at JTC
- Continued evolution of the JTC Academy over the past 3 years, including investment in key initiatives such as leadership and management development programmes ("Step-Up to Management" and "Managing the JTC Way"); induction and skills development; Group-wide talent development activities; and sponsorship of professional education opportunities to support the lifelong learning and growth of employees around the world
- Comprehensive succession and talent management tools developed for all Regional Heads and their leadership teams, and progress underway for all other employees
- JTC was also recognised by ProShare for its distinctive shared ownership culture in 2021
- Through engagement and enhancements to shared ownership, all new joiners now receive a contingent share award upon successful completion of probation in order to enable all permanent employees to have a direct shareholding
- Successfully maintained Carbon Neutral+ accreditation which certifies that JTC has offset more than its calculated carbon emissions each year
- Building out the ESG Forum to focus on key pillars which incorporates DEI review and delivery of global benefit roll out; revisions and introductions to family friendly policies and to introduce and act on the output of the first global employee opinion survey
- Demonstrated tech-enabled solutions for transformational deal providing delivery of innovative outsourcing solutions and creating cost and time efficiencies for cash management and within the ICS operating platform
- New and innovative solutions delivered to drive M&A integration, operational efficiencies, and margin improvement, including the establishment of a new Operations Committee (OpsCo), a management team that was set up to ensure efficiencies and projects are integrated in line with JTC's operations governance framework and that operational changes are evaluated against the project criteria so that change management plans are fit for purpose and are delivered on time/budget

The table below summarises the vesting outcomes based on performance assessed for each measure over the performance period ended 31 December 2022.

	Performance Measures		Indicative Vesting (% of Element)	Total Indicative Vesting (% of Maximum)	Total Indicative Vesting (No. Shares)
	Measure	Weighting			
Nigel Le Quesne	TSR	50%	100%	100%	99,762
	EPS <sup>1</sup>	50%	100%		
Martin Fotheringham	TSR	50%	100%	100%	72,684
	EPS <sup>1</sup>	50%	100%		
Wendy Holley	TSR	33%	100%	100%	13,658
	EPS <sup>1</sup>	33%	100%		
Group Business Plan		33%	100%		

<sup>1</sup> Adjusted underlying EPS.

## REMUNERATION REPORT CONTINUED

## 2022 PSP AWARDS (UNAUDITED)

During the year ended 31 December 2022, Executive Directors received a conditional award of shares which may vest after a three year performance period ending on 31 December 2024, based on the achievement of stretching performance conditions. The maximum levels achievable under these awards are set out in the table below:

	Max. Award (% of salary)	Max. Award <sup>1</sup> (£)	No. Shares	Performance Measures		Vesting date	Holding period <sup>2</sup>
				Measure	Weighting		
<b>Nigel Le Quesne</b>	150%	£671,423	83,062	TSR	50%	01.01.2025	2 Years
				EPS <sup>3</sup>	50%		
<b>Martin Fotheringham</b>	150%	£489,174	60,516	TSR	50%	01.01.2025	2 Years
				EPS <sup>3</sup>	50%		
<b>Wendy Holley</b>	150%	£372,756	46,114	TSR	50%	01.01.2025	2 Years
				EPS <sup>3</sup>	50%		

1 Face value of award based on the 3-day average share price to 19 April 2022 being £8.08.

2 Executive Directors are required to hold vested awards for a period of two years following vesting so as to further strengthen the long-term alignment of Executives' remuneration packages with shareholders' interests and, if required, to facilitate the implementation of provisions related to clawback.

3 Adjusted underlying EPS.

The targets for the 2022 PSP award are outlined below. Adjusted underlying EPS targets are set with reference to available analyst forecasts and projected in line with expected organic growth.

	Performance over the period		% of element vesting		Performance over the period		% of element vesting	
	Below median	Equal to median			Below 31p per share	31p per share		
TSR vs. FTSE 250 index (excluding real estate and investment trusts))	Below median	Equal to median	0%	Straight-line vesting occurs between points	Below 31p per share	31p per share	0%	Straight-line vesting occurs between points
	Equal to median	Equal or exceeds upper quartile	25%		equal to exceeds 38.7p per share		25%	
	Equal or exceeds upper quartile		100%				100%	

## REMUNERATION REPORT CONTINUED

## STATEMENT OF DIRECTORS' SHAREHOLDINGS AND INTERESTS IN SHARES (UNAUDITED)

As at 31 December 2022, the Directors have significant shareholdings in the Company, as follows:

	Unvested shares			Shareholding			
	Shares legally owned as at 31 December 2022 <sup>4</sup>	With performance conditions PSP awards	Without performance conditions DBSP awards	% Interest in voting rights	Requirement (% of salary)	Share-holding as at 31 December 2022 (% of salary) <sup>5</sup>	Requirement met?
<b>Executive Directors</b>							
Nigel Le Quesne <sup>1</sup>	10,691,983	182,528	—	7.17%	150%	17,867.15%	Yes
Martin Fotheringham <sup>2</sup>	766,247	132,983	—	0.51%	150%	1,757.51%	Yes
Wendy Holley <sup>3</sup>	393,779	101,335	—	0.26%	150%	1,185.28%	Yes
<b>Non-Executive Directors</b>							
Mike Liston	45,452	n/a	n/a	0.03%	n/a	n/a	n/a
Dermot Mathias	25,863	n/a	n/a	0.01%	n/a	n/a	n/a
Michael Gray	17,242	n/a	n/a	0.01%	n/a	n/a	n/a
Erika Schraner	16,129	n/a	n/a	0.01%	n/a	n/a	n/a
Kate Beauchamp	0	n/a	n/a	0.00%	n/a	n/a	n/a

<sup>1</sup> Includes Ordinary Shares held by Ocean Drive Holdings Limited, a company in which Nigel Le Quesne is beneficially interested. On 20 April 2022, he received 84,611 shares which vested under the PSP. On 13 June he purchased 30,062 shares on the open market.

<sup>2</sup> On 20 April 2022 Martin Fotheringham received 64,687 shares which vested under the PSP. On 13 June 2022, he purchased 11,651 shares on the open market. On 8 July 2022 he purchased 12,437 shares on the open market.

<sup>3</sup> On 19 April 2022 that Wendy Holley purchased 13,088 shares on the open market. On 20 April 2022 she received 13,584 shares which vested under the PSP.

<sup>4</sup> In accordance with LR 9.8.6, there have been no further changes in the interests of each director during the period, nor in the period from 1 January 2022 to the date of this Report.

<sup>5</sup> Share price as of 31 December 2022 was £7.48.

<sup>6</sup> On 6 April 2023 the vesting of awards of granted to Directors under the PSP in April 2020 was confirmed as follows: Nigel Le Quesne 99,762, Martin Fotheringham 72,684 and Wendy Holley 13,658. The vested shares remains subject to a 2 year holding period from vesting.

## REMUNERATION REPORT CONTINUED

### TOTAL SHARE AWARDS GRANTED (UNAUDITED)

The table below sets out details of the Executive Directors' outstanding share awards as at 31 December 2022.

	Award	No. shares <sup>1,2</sup>	Max. award as % of salary	Value at date of grant	% Vesting at threshold performance	Vest date <sup>3</sup>	Hold <sup>4</sup>
<b>Nigel Le Quesne</b>	PSP 2020	99,762	100%	£420,000	25%	31.03.2023	2 Years
	PSP 2021	99,466	150%	£652,500	25%	01.01.2024	2 Years
	PSP 2022	83,062	150%	£671,423	25%	01.01.2025	2 Years
	<b>Total</b>	<b>282,290</b>					
<b>Martin Fotheringham</b>	PSP 2020	72,684	100%	£306,000	25%	31.03.2023	2 Years
	PSP 2021	72,467	150%	£475,388	25%	01.01.2024	2 Years
	PSP 2022	60,516	150%	£489,174	25%	01.01.2025	2 Years
	<b>Total</b>	<b>205,667</b>					
<b>Wendy Holley</b>	PSP 2020	13,658	25%	£57,500	25%	31.03.2023	2 Years
	PSP 2021	55,221	150%	£362,250	25%	01.01.2024	2 Years
	PSP 2022	46,114	150%	£372,756	25%	01.01.2025	2 Years
	<b>Total</b>	<b>114,993</b>					
	<b>Total</b>	<b>602,950</b>					

1 PSP Share awards are nil cost (in the case of existing shares) or the nominal value of the Shares if newly issued. All PSP awards made to date are nil cost.

2 Number of shares awarded calculated based on the average of the middle market quotations in the 3 immediately preceding days prior to the date of Grant (2020: £4.21, 2021: £6.56, 2022: £8.08).

3 The end of the performance period for all PSP awards is on the third anniversary of the date of Grant. Awards granted from 2021 will vest the day after the performance period ends; i.e. the date on which the Committee determines the extent to which the performance conditions have been satisfied.

4 Executive Directors are required to hold vested awards for a period of two years following vesting so as to further strengthen the long-term alignment of Executives' remuneration packages with shareholders' interests and, if required, to facilitate the implementation of provisions related to clawback.

### LOSS OF OFFICE PAYMENTS (UNAUDITED)

No loss of office payments were made during the year.

### PAYMENTS TO PAST DIRECTORS (UNAUDITED)

No payments to past Directors were made during the year.

### FEES RETAINED FOR EXTERNAL NON-EXECUTIVE DIRECTORSHIPS

Executive Directors may hold positions in other companies as Non-Executive Directors subject to the prior approval of the Chairman. Executive Directors are also permitted to retain fees for these appointments subject to Board approval. None of the Executive Directors currently hold positions in other companies.

## REMUNERATION REPORT CONTINUED

### RELATIVE SPEND ON PAY

The table below shows the relative 2022 expenditure of dividends against employee costs compared to 2021. These figures are underpinned by amounts from the Notes to the Financial Statements.

	2022 <sup>1</sup>	2021	Annual Increase %
Year-on-year increases			
Dividends Paid In Financial Year	£11.8m	£9.1m	30%
Total Employee Costs	£105.8m	£89.5m	18%

<sup>1</sup> Total employee costs for the financial year include £4.8m (2021: £13.9m) in relation to the EIP award granted by the Board in July 2021. Excluding this accounting-related expense, the annual increase in employee costs of 34% would be in line with the increase in dividends.

### ALIGNMENT BETWEEN PAY AND PERFORMANCE

#### TOTAL SHAREHOLDER RETURN ("TSR") PERFORMANCE

The following graph shows, for the financial year period ended 31 December 2022 and for each of the financial year ends since JTC Group's IPO, the TSR on a holding of JTC's ordinary shares of the same kind and number as those by reference to which the FTSE 250 is calculated. The Committee feels that the FTSE 250 is the appropriate comparator index given JTC's ascent to the FTSE 250 on 16 November 2020. However, we note that our 2020 PSP award measures performance over the FTSE Small Cap in line with our prior position within that index.

The TSR graph represents the daily value of £100 invested in JTC Group on 14 March 2018, compared with the value of £100 invested in the FTSE 250 Index over the same period. JTC's TSR since IPO has grown by 171% which is significantly more than both the FTSE 250 (6% growth) and FTSE Small Cap (24% growth). This strong growth continues to reinforce JTC's solid investment case since JTC's admission to the FTSE 250 Index in November 2020.

The Committee believes that the Policy and the supporting reward structure provide a clear alignment with the strategic objectives and performance of the Company. The table below shows the CEO's total remuneration since IPO and the achieved annual variable and long-term incentive pay awards as a percentage of the plan maxima.

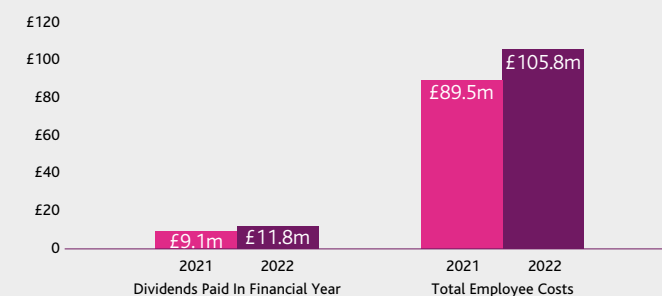
	2022	2021	2020	2019	2018
Single total figure of remuneration	£1,418,560	£1,325,186	£1,018,684	£630,697	£538,239
Annual bonus award against maximum %	40% <sup>1</sup>	30% <sup>1</sup>	42% <sup>2</sup>	67% <sup>2</sup>	80%
PSP vesting rates against maximum opportunity %	100% <sup>3</sup>	86% <sup>3</sup>	100% <sup>3</sup>	n/a	n/a

<sup>1</sup> The Executive Directors elected to cap their 2022 and 2021 annual bonus opportunity to 50% and 40% of salary, respectively. The bonus outturn for the CEO in 2022 was 40% of salary and in 2021 was 30% of salary; the maximum shown here reflects the outturn against the policy maximum of up to 100%.

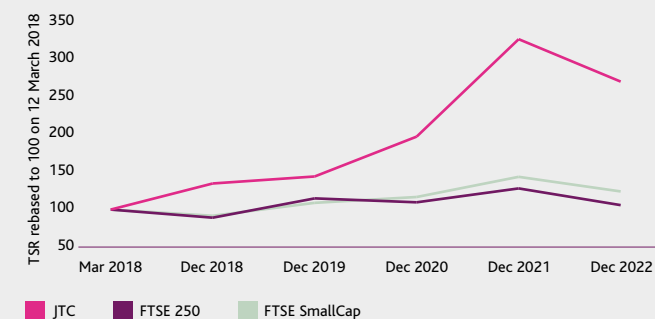
<sup>2</sup> Represents the value of the annual bonus following the voluntary reduction by the CEO. In 2020 and 2019, the CEO waived part of his bonus (representing c.38% and 15% of salary in each of the respective years) in order to better align with the remuneration outcomes for the wider workforce; the funds waived were reinvested in the wider bonus pot for employees.

<sup>3</sup> Reflects the final PSP vesting of the 2018, 2019 and 2020 PSP awards.

#### Relative importance of spend on pay



#### JTC's TSR vs. FTSE Small Cap and FTSE 250





## REMUNERATION REPORT CONTINUED

### PERCENTAGE CHANGE IN DIRECTOR REMUNERATION

The table below shows the percentage year-on-year change in salary, benefits and annual bonus for all Directors compared to the average of all employees in the UK, which JTC believes is the most appropriate peer group as it provides consistency with the CEO pay ratio methodology.

The number of JTC employees in the UK has more than quadrupled since 2020. As such, the data set of UK employees is sensitive to year-over-year changes given that historically the number of employees in the UK has been relatively small.

Increases in benefits costs reflects this volatile sample set and the year on year change in the running costs of providing these benefits. Annual bonuses for the workforce have increased year-on-year as have salary increases which reflected cost of living, inflation, and other critical adjustments made throughout the year to aid talent attraction and retention in response to a competitive labour market.

The Executive Directors received salary increases within the year, changes in benefits were minimal and reflect the year-on-year changes in the cost for the same benefits. The Executives' elected to cap their 2022 annual bonus opportunity to 50% of salary to promote alignment with the wider workforce which was higher compared to 2021 where it was capped at 40%, with year-on-year performance also reflected in the higher bonus outturn.

	2022		
	Salary %	Benefits %	Annual Bonus %
<b>Executive Directors</b>			
Nigel Le Quesne	2.9%	0.0%	37.2%
Martin Fotheringham	2.9%	-2.1%	13.2%
Wendy Holley	2.9%	0.6%	28.6%
<b>Non-Executive Directors</b>			
Mike Liston	20%	N/A	N/A
Dermot Mathias	7%	N/A	N/A
Michael Gray	0%	N/A	N/A
Erika Schraner	8%	N/A	N/A
Kate Beauchamp <sup>1</sup>	N/A	N/A	N/A
Average pay for UK employees	7.2%	3.4%	10.6%

<sup>1</sup> Kate Beauchamp joined the Board as a Non-Executive Director on 24 March 2022; as such no comparative year on year data is available.

### CEO PAY RATIO

As a non-UK incorporated company with fewer than 250 UK employees, JTC is not required to adhere to the CEO pay reporting regulations. The Committee is keen; however, to ensure that disclosure in relation to executive pay is transparent and has chosen to make a voluntary disclosure of CEO pay ratios.

JTC has adopted 'Option A' as its methodology to calculate the pay ratio as it believes it is the most comparable and relevant methodology:

- Determine the total FTE remuneration for all the Company's UK employees for the relevant financial year
- Rank those employees from low to high, based on their total FTE remuneration
- Identify the employees whose remuneration places them at the 25th, 50th (median) and 75th percentile points. These employees were identified as of 31 December 2022.

Year	Method	25th percentile pay ratio	Median pay ratio	75th percentile pay ratio
<b>2022</b>	<b>Total FTE remuneration for all UK employees</b>	<b>40</b>	<b>29</b>	<b>16</b>
2021 <sup>1</sup>	Total FTE remuneration for all UK employees	42	29	17

<sup>1</sup> Figures have been restated to account for changes to the single figure in 2020 in relation to the calculation of benefits and PSP.

## REMUNERATION REPORT CONTINUED

Due to the small subset of employees included within the analysis for calculating the pay ratios, the Committee is aware of the data sensitivity in publishing the salary and bonuses of the employees at each quartile. As such, the Committee has decided not to disclose this data publicly but will review this in future as the number of JTC working in the UK grows.

This analysis shows that the CEO's pay is 29x greater than the median average of JTC's UK employees, which is consistent with the median pay ratio assessed for 2021. The small subset of employees in the UK which make up the pay quartiles are sensitive to changes in incumbents and potential future volatility in the ratios due to changes in JTC's financial and share price performance.

### SINGLE TOTAL FIGURE OF REMUNERATION FOR NON-EXECUTIVE DIRECTORS (UNAUDITED)

The table below sets out the total remuneration payable to each Non-Executive Director for the year ended 31 December 2022.

Single Total Figure of Remuneration		Chairman	Base	SID	Audit & Risk Committee Chair	Remuneration Committee Chair	Nomination Committee Chair	Governance & Risk Committee Chair	Total
Mike Liston	2022	£120,000	N/A	N/A	N/A	N/A	N/A	N/A	£120,000
	2021	£100,000	N/A	N/A	N/A	N/A	N/A	N/A	£100,000
Dermot Mathias	2022	N/A	£60,000	£10,000	£10,000	N/A	N/A	N/A	£80,000
	2021	N/A	£60,000	£10,000	£5,000	N/A	N/A	N/A	£75,000
Michael Gray	2022	N/A	£60,000	N/A	N/A	£10,000	N/A	N/A	£70,000
	2021	N/A	£60,000	N/A	N/A	£10,000	N/A	N/A	£70,000
Erika Schraner	2022	N/A	£60,000	N/A	N/A	N/A	£5,000	N/A	£65,000
	2021	N/A	£60,000	N/A	N/A	N/A	N/A	N/A	£60,000
Kate Beauchamp <sup>1</sup>	2022	N/A	£46,521	N/A	N/A	N/A	N/A	£329	£46,850
	2021	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

1. Kate Beauchamp was appointed as Non-Executive Director on 24 March 2022 and fees have been prorated accordingly. The Governance and Risk Committee was established on 9 December 2022 and Kate Beauchamp's fees as the Chair of the Governance and Risk Committee have been prorated accordingly. Kate's total fees will be £65,000 for the full year in 2023.

## REMUNERATION REPORT CONTINUED

## IMPLEMENTATION OF THE REMUNERATION POLICY DURING 2023

This section provides details of how the Remuneration Policy will be implemented for 2023.

The Committee recognises the role that remuneration plays in the global competition for talent, and the retention and incentivisation of the leadership team to deliver a demanding business plan for continued growth and value creation. As JTC continues to expand its business our Executives' who have proven their ability to continue to deliver the transformation needed against an exceptional external environment' are in great demand. Whilst our existing remuneration policy was approved by shareholders at the 2022 AGM, the global competition for talent has intensified with increasing compensation compression between the Executives and other senior leaders within our business.

The Committee has undertaken to accelerate the review of the Remuneration Policy over the course of 2023 to ensure that remuneration arrangements are globally competitive in a rapidly evolving talent landscape to support JTC's continued growth and continue to be aligned with the interests of JTC and its shareholders.

The decision to accelerate the Remuneration Policy review is also intended to ensure better alignment of JTC's remuneration strategy with the needs and priorities of the business. While we intend to maintain the overall structure of our remuneration arrangements, changes may be required to provide greater flexibility to ensure alignment on remuneration with industry, senior management and across the organisation as a whole.

The Committee will engage with its principal shareholders and shareholder representative groups to consult on proposals to update the Directors' Remuneration Policy in 2023. Any changes to the policy to take effect for 2024 will be presented for shareholder approval at the 2024 AGM.

## BASE SALARY

When determining the executive salary increases for 2023, the Committee was mindful of the external environment, the wider workforce, the individual contributions of the Executive Director's, JTC's outstanding growth and shareholder returns since the IPO (23.1% CAGR) and significant remuneration compression across the business, including at the management and executive levels.

In response to the talent environment and the inflationary pressures faced by JTC's employees, the Company, with advice from management, has put in place measures to target remuneration spend for 2023, including average salary adjustments of approximately 11% for the wider workforce which is higher than recent years and an increased annual bonus pool to enable the Company to fairly recognise JTC's strongest contributors. The focus on rewarding JTC's employees competitively, fairly and consistently has been particularly important given the heightened competition for talent, with JTC staff being particularly in demand.

This focus extended to the Committee's review of the executive salary increases for 2023. The Committee considered the Executive Directors' track record of performance since the IPO, the average salary increases for the wider workforce and reviewed updated benchmark data that reflected the current talent environment. The Committee is cognisant of the risks of an undue reliance on benchmark data and its approach has been to refer to benchmark data for Executive Directors sparingly. As a result, whilst the salary levels for the Executive Directors have generally been at or below wider workforce salary increases, they have not been meaningfully adjusted since the IPO in 2018. Since that time the performance and development of the Executive Directors has been demonstrated through the success that JTC has achieved with JTC having doubled in size within 3 years of an IPO and despite challenging economic conditions resulting from the Covid pandemic and the war in Ukraine, the Company being on track to double in size again. Given the Executive Directors' track record of success, the Committee believes they have demonstrated skills and experience that are highly sought after in the market and it is appropriate to now reposition their salaries to ensure that they are appropriate compared to similar companies in the FTSE250 Index.

In this context, the Committee approved salary increases for 2023 of 10% for the CEO, 8.1% for the CFO, and 9.9% for the COO. These salary increases are below the workforce average salary increase of approximately 11%. This is the first significant salary adjustment for the Executive Directors since JTC's IPO in 2018. The Committee considers these increases to be critical to ensuring that remuneration is set at levels which are competitive externally and fair compared to other senior management roles within the Company taking account of internal relativities.

The Committee will keep executive remuneration arrangements under review to ensure that they remain market competitive internally and externally and commensurate with the growth in scale and complexity of the business.

Executive Director	Base salary	Effective date	Increase	Reason
Nigel Le Quesne	£492,377	1 January 2023	10.0%	Below that of the wider workforce
Martin Fotheringham	£352,531	1 January 2023	8.1%	Below that of the wider workforce
Wendy Holley	£273,106	1 January 2023	9.9%	Below that of the wider workforce

## REMUNERATION REPORT CONTINUED

### BENEFITS AND PENSION

In line with the Policy, Executive Directors' will continue to receive life assurance, pension contributions, private medical insurance and other de minimis benefits in kind. The average employer contribution rate in the UK and Jersey for employees was 5% at the end of 2022 and Group-wide pension arrangements, including those for the Executive Directors, are being reviewed following the outcomes of JTC's global pension review which was undertaken in the last quarter of 2022. JTC remains committed to ensuring alignment of pension contributions for incumbent Executives, future Executive Directors, and the wider workforce.

### ANNUAL BONUS

As noted Executive Directors will have a maximum annual bonus opportunity for 2023 of up to 100% of salary as per the Policy. The maximum annual bonus opportunity, which, in all cases will be no more than the maximum permitted by the Policy, will be agreed annually with input from the Executive Directors taking into consideration factors such as, but not limited to, the alignment of payout outcomes and pay mix with the wider workforce.

A combination of financial and non-financial weightings will be retained for Executive Directors', with financial measures comprising at least 50% of the total weighting. Annual bonus performance measures will be aligned with JTC's Group business plan to incentivise the achievement of annual delivery targets. All Executive Directors' have shared financial measures to reinforce a common focus on creating shareholder value and to align with best practice. To reinforce its ESG commitment, JTC will also keep ESG-related measures under review to ensure that they remain strategically relevant for the business. The Executive Directors' specific objectives under each theme are considered commercially sensitive and as such will be reported in the following financial period.

Group Financial Metrics	Nigel Le Quesne	Martin Fotheringham	Wendy Holley
Financial Metrics	60%	60%	50%
Adjusted underlying EPS	✓	✓	✓
Group Net Organic Growth	✓	✓	✓
EBITDA Margin	✓	✓	
Cash Conversion	✓	✓	✓
Efficient Capital Allocation	✓	✓	
Deliver Commercial and Operational Efficiency Improvements	✓	✓	✓
Non-Financial Metrics	40%	40%	50%
Strategic Execution and Growth	✓	✓	✓
Investor Relations	✓	✓	
Risk and Compliance	✓	✓	✓
ESG, People and Culture	✓	✓	✓

### PERFORMANCE SHARE PLAN

As previously described, 2022 was an exceptional year and these results, achieved against a very challenging economic backdrop, demonstrate the resilience, robustness and effectiveness of JTC's strategy and business model. Consistent with the overarching philosophy of rewarding for performance, the Committee felt it was important to provide the Executive Directors with due recognition and incentive to build on this success in the Cosmos Era. The Committee also wanted to ensure that management is appropriately incentivised through the PSP over the same period, particularly in the context of the heightened competition for talent. The Remuneration Committee has therefore decided that an exceptional PSP award of 200% of salary should be granted in 2023. This is intended to increase the alignment of the Executives with the shareholder experience by ensuring that vesting, if any, is subject to very stretching levels of performance linked to JTC's TSR performance (which for this award will be relative to the FTSE 250 Index, excluding real estate and investment trusts) and adjusted underlying EPS performance from 2023 to 2025. This award will be granted using the exceptional limit of up to 250% of salary contained in JTC's Remuneration Policy. The Committee believes that an award at 200% of salary is appropriate given the exceptional performance and growth in the scale of the business, the stretching target of doubling again the size of the business, as well as the exceptional market dynamics and competition of talent.

Under the PSP, performance share awards will be made in April 2023, in line with our shareholder approved policy. The number of shares over which awards will be made is determined by the 3-day average share price prior to date of award. The Committee intends to make PSP grants to each of the Executive Directors as set out below, subject to shareholder approval, with values based on salaries effective 1 January 2023 as set out below. Actual award values and shares granted will be disclosed in next year's Annual Report.

## REMUNERATION REPORT CONTINUED

Group Financial Metrics	% of Salary	PSP Value £	TSR	EPS
Nigel Le Quesne	200%	£984,753	50%	50%
Martin Fotheringham	200%	£705,063	50%	50%
Wendy Holley	200%	£546,212	50%	50%

These performance share awards will be subject to three-year targets for the following measures: relative TSR and adjusted underlying EPS. The targets for the 2023 PSP award are outlined below:

	Performance over the period	% of element vesting		Performance over the period	% of element vesting
TSR vs. FTSE 250 Index (excluding real estate and investment trusts)		Straight-line vesting occurs between points	adjusted underlying EPS		Straight-line vesting occurs between points
	Below Median	0%		Below 34.7p per share	0%
	Equal to Median	25%		34.7p per share	25%
	Equal or Exceeds Upper Quartile	100%		Equal to or exceeds 43.4p per share	100%

## SHAREHOLDING REQUIREMENTS

Executive Directors are required to build or maintain a shareholding requirement equivalent to 150% of their base salary. All the Executive Directors comply with this requirement. To align with the requirements of the UK Corporate Governance Code and emerging best practices, the Committee has adopted post-employment guidelines whereby Executives are required to hold the lower of the in-post shareholding requirement and the incumbent's level of holding on exiting the business for a period of 2 years. These guidelines are compliant with the IA's guidelines and echo our ethos of shared ownership and wealth creation for all employees.

## NON-EXECUTIVE DIRECTORS' FEES FOR 2023

The Committee were last reviewed Non-Executive Director fees in 2021. The table below summarises fees for 2023 which are unchanged from 2022:

Fees	With Effect From 1 January 2023
Chairman	£120,000
Base	£60,000
SID	£10,000
Audit Committee Chair	£10,000
Remuneration Committee Chair	£10,000
Nomination Committee Chair	£10,000
Governance and Risk Committee Chair	£5,000

## SERVICE CONTRACTS

In accordance with general market practice, Executive Directors have a rolling service contract. The Executives have service contracts with JTC (copies of which are available to view at the Company's registered office) that are terminable on 6 months' notice from the Group and 6 months' notice from the Executive Director. This practice will also apply for any new Executive Directors. The Non-Executive Directors' letters of appointment do not contain provision for notice periods or for compensation if their appointments are terminated.

The Directors' Remuneration Report has been approved by the Board and signed on its behalf by:

**MICHAEL GRAY**

Remuneration Committee Chairman

6 April 2023

## DIRECTORS' REPORT

The directors present their report and the audited financial statements for the year ended 31 December 2022. The report has been prepared in line with the UK Companies Act 2006, and the Corporate governance report and the Shareholder and corporate information section form part of this Directors' report. The Strategic report contains certain information equivalent to that required in a report of the directors.

### COMPANY STATUS

JTC PLC is public company incorporated in Jersey. It is listed on the London Stock Exchange main market with a premium listing.

### COMPLIANCE WITH THE UK CORPORATE GOVERNANCE CODE

It is a requirement of Listing Rule 9.8.7R that as an overseas company with a premium listing the Company must comply with the Code or explain in its Annual Report and accounts any areas of non-compliance and the Company's reasons for this. As at the date of this Report, the Company complies with the UK Corporate Governance Code published by the Financial Reporting Council.

### SUBSIDIARY COMPANIES

JTC operates through a number of subsidiaries in various different countries. The list of subsidiaries is available at note 33 to the Consolidated financial statements.

### FORWARD-LOOKING STATEMENTS

Where this Annual Report contains forward-looking statements, these are based on current expectations and assumptions, and speak only as of the date they are made. These statements should be treated with caution due to the inherent risks, uncertainties and assumptions underlying any such forward-looking information.

The Company cautions investors that a number of factors, including matters referred to in this document, could cause actual results to differ materially from those expressed or implied in any forward-looking statement. Such factors

include, but are not limited to, those discussed under principal risks and uncertainties on pages 50 to 53.

Forward-looking statements can be identified by the use of relevant terminology including the words: 'may', 'will', 'seek', 'aim', 'anticipate', 'target', 'projected', 'expect', 'estimate', 'intend', 'plan', 'goal', 'believe' or other words of similar meaning and include all matters that are not historical facts. They appear in a number of places throughout this Annual Report and include statements regarding the intentions, beliefs or current expectations of our officers, Directors and employees concerning, among other things, the Group's results of operations, financial condition, liquidity, prospects, growth, strategies and the business.

Neither the Group, nor any of its officers, Directors or employees, provides any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this Annual Report will actually occur. Undue reliance should not be placed on these forward looking statements. Other than in accordance with our legal and regulatory obligations, the Group undertakes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

### FINANCIAL AND OPERATIONAL INFORMATION RESULTS AND DIVIDENDS

The Group income statement shows a profit for the year ended 31 December 2022 of 200m (2021: 147.5m). The directors have announced the payment of a final dividend, of 6.88 pence per ordinary share (2021: 5.07 pence) to be paid on 1 July 2023 to shareholders on the register of members on 2 June 2023. An interim dividend of 3.1 pence per ordinary share was paid on 21 October 2022, giving a total dividend for the year of 9.98 pence per ordinary share (2021: 7.67p).

### INNOVATION

Innovation, supported by our talented people, and by research and development, plays a key role in supporting JTC's business performance. Details of such activities are given in the Strategic report.

### ACQUISITIONS AND DISPOSALS

Information on acquisitions made during the year is contained in note 31 to the Group financial statements.

### POST BALANCE SHEET EVENTS

Details of events occurring after the end of the reporting period are contained in note 41 to the Group financial statements.

### SHARE CAPITAL

Details of the Company's share capital and changes during the year ended 31 March 2022 are set out in note 26 to the Company financial statements.

### FINANCIAL RISK MANAGEMENT, OBJECTIVES AND POLICIES

Descriptions of the use of financial instruments and JTC's treasury and risk management objectives and policies are set out in the Financial review within the Strategic report, and also in note 29 to the Group financial statements.

### POLITICAL DONATIONS

JTC did not make any political donations during the year ended 31 December 2022.

### GOING CONCERN

Details of the adoption of the going concern basis in preparing the Group financial statements are set out in note 2 to the Group financial statements, and are incorporated into this report by reference. For details of the adoption of the going concern basis in preparing the Company financial statements, see also the Viability Statement at page 54.

### DIRECTORS INFORMATION ON DIRECTORS HOLDING OFFICE IN THE YEAR

The directors' names, biographical details, and skills and experience are shown in the Board of directors section (pages 56 and 57).

Particulars of directors' remuneration, service contracts and interests in the Company's ordinary shares are shown

in the Report on directors' remuneration (pages 73 to 94). There were no changes in the directors' interests (as at 31 December 2022) in the ordinary shares between the end of the financial year and 5 April 2023.

In line with the UK Corporate Governance Code, as at the date of this report, all directors, being eligible, will offer themselves for re-election at the 2023 AGM. An evaluation of the performance of the Board, its committees and individual directors was carried out during the financial year. The Board is satisfied that all directors seeking re-election contribute effectively and demonstrate commitment to their roles. The Corporate governance report contains further details of the evaluation process.

### INSURANCE AND THIRD-PARTY INDEMNIFICATION

During the year and up to the date of approval of this Annual Report, the Company maintained liability insurance and third-party indemnification provisions for its directors and officers.

### APPOINTMENT AND REMOVAL OF DIRECTORS

Both the Company, by ordinary resolution, and the directors, may elect any person to be a director. The number of directors shall not exceed the maximum number fixed by the Company's articles of association. Any person appointed by the directors shall hold office only until the next AGM and shall then be eligible for election. The office of a director shall be vacated on the occurrence of any of the events listed in article 141 of the Company's articles of association. The Company may, in accordance with its articles of association, remove any director from office and elect another person in their place.

### ANNUAL GENERAL MEETING

The Company's 2023 AGM will be held at the Registered Office: JTC House, 28 Esplanade, St. Helier, Jersey, JE2 3QA at 9.30am on Tuesday 23 May 2023. Shareholders who are unable to attend may submit questions beforehand via email to [agm@jtcgroup.com](mailto:agm@jtcgroup.com). The questions will be addressed at the meeting, via the Company's website at [www.jtcgroup.com](http://www.jtcgroup.com) or individually as appropriate. The notice of meeting will be circulated or made available to shareholders and will also be viewed on the Company's website.



## DIRECTORS' REPORT CONTINUED

### SHARE CAPITAL INFORMATION RIGHTS AND OBLIGATIONS

The rights and obligations attaching to the ordinary shares are set out in note 26 to the Company financial statements and in the Company's articles of association. Copies of the Articles of Association are available upon request from the Group Company Secretary, and at JTC's AGM.

### SUBSTANTIAL SHAREHOLDINGS

The Company's articles of association oblige shareholders to comply with the notification obligations contained in the UK Disclosure Guidance and Transparency Rules sourcebook. As at 5 April 2023, the Company had not been notified of any interests in its issued ordinary share capital or voting rights in respect of the year. of the following interests in its total voting rights of 5% or more

Shareholder	% Interest in voting rights
Liontrust Asset Management	9.37
abrdn	8.29
Nigel Le Quesne	7.17
Invesco	5.93
Aegon NV	5.05

### RESTRICTIONS ON TRANSFERS OF SHARES AND/OR VOTING RIGHTS

The Company is not aware of any agreements between shareholders that may result in restrictions on the transfer of securities and/or voting rights and, apart from the matters described below, there are no restrictions on the transfer of the Company's ordinary shares and/or voting rights:

- Certain restrictions on transfers of shares may from time to time be imposed by, for example, share dealing regulations. In certain situations, directors and certain employees must seek the Company's approval to deal in its shares.
- As described in the Report on directors' remuneration, non-executive directors must hold a proportion of their fees in shares, equal to their annual fee. These shares may not normally be transferred during their period of office.

- Certain nominee companies representing our Employee Benefit Trust hold shares in the Company in connection with the operation and vesting of awards granted under of the Company's share plans.
- Shares held by the Trustees of the Employee Benefit Trust rank pari passu with the shares in issue and have no special rights. Voting rights and rights of acceptance of any offer relating to the shares held in the EBT rests with the Trustees, who may take account of any recommendation from the Company. The Trustees of the EBT may vote in respect of shares held by them as nominees for participants, but only as instructed by participants in respect of their fully vested share awards. The Trustees will not otherwise vote in respect of shares held in the EBT.
- Shares carry no voting rights while they are held in treasury.
- Unless the directors determine otherwise, members are not entitled to vote personally or by proxy at a shareholders' meeting, or to exercise any other member's right in relation to shareholders' meetings, in respect of any share for which any call or other sum payable to the Company remains unpaid.
- Unless the directors determine otherwise, members are not entitled to vote personally or by proxy at a shareholders' meeting, or to exercise any other member's right in relation to shareholders' meetings, if the member fails to provide the Company with the required information concerning interests in those shares, within the prescribed period after being served with a notice under the Company's articles of association.

Details of deadlines for voting at the 2023 AGM are contained in the notice of meeting that will be circulated or made available to shareholders, and which will also be viewed at the Company's website.

### PURCHASE, CANCELLATION AND HOLDINGS OF OWN SHARES

The Company was authorised by shareholders at the 31 May 2022 AGM to replace the existing authority (as granted by Shareholders at the 2021 AGM) to purchase its own shares in the market up to a maximum of approximately 10% of its issued share capital. No shares were purchased under that authority during the financial year. As at the date of

approval of this Annual Report, the Company does not hold any of its own shares as treasury shares.

The Company is seeking to renew the authority at the forthcoming AGM, within the limits set out in the notice of that meeting and in line with the recommendations of the Pre-emption Group. This power will only be exercised if the Directors are satisfied that any purchase will increase the Earning Per Share of the Ordinary Share capital in issue after the purchase and accordingly, that the purchase is in the interest of Shareholders

The Shareholders approved the further authority to allot Equity Securities for cash without application of the pre-emption rights contained in Article 10 of the Articles equivalent to approximately 10% of the issued Ordinary Share capital of the Company until the conclusion of the AGM to be held this year. The Directors will seek to renew this extra authority consistent with the provisions of the Pre-emption Group's updated Statement of Principles to: (i) disapply pre-emption rights on up to 10 per cent of the issued share capital; and (ii) disapply pre-emption rights for an additional 10 per cent for transactions which the board determines to be either an acquisition or a specified capital investment as defined by the Statement of Principles.

Details of the new authorities being requested at the 2023 AGM are contained in the circular to shareholders, which either accompanies this Annual Report or is available on the Company's website [www.jtcgroup.com](http://www.jtcgroup.com).

### SIGNIFICANT AGREEMENTS – CHANGE OF CONTROL

The Group is party to a number of agreements that take effect, alter, terminate, or have the potential to do so, upon a change of control of the Company following a takeover bid. These agreements are as follows:

- The Group's banking facilities contain provisions which, in the event of a change of control, could result in their renegotiation or withdrawal.
- All of JTC's share-based employee incentive plans contain provisions relating to a change of control. Outstanding awards and options would normally vest and become exercisable, subject to satisfaction of any performance conditions at that time.

- The Company does not have agreements with any Director or officer that would provide compensation for loss of office or employment resulting from a takeover, except that provisions of the Company's share plans may cause options and awards granted under such plans to vest on a takeover.
- The Group is party to a limited number of
- Operational arrangements that can be terminated or altered upon a change of control of the Company, but these are not considered to be individually significant to the Group's business as a whole. In certain cases, it is considered that their disclosure could be prejudicial to the Company

### EMPLOYMENT INFORMATION EMPLOYMENT OF PEOPLE WITH DISABILITIES

People with disabilities have equal opportunities when applying for vacancies. In addition to complying with legislative requirements, the Group has procedures to ensure it treats disabled employees fairly and manages their training and career development needs carefully. The policies are considered to operate effectively. The Group supports employees who become disabled during the course of their employment, by offering re-training or re-deployment, to enable them to remain with the Group whenever possible.

### EMPLOYEE INVOLVEMENT

JTC is committed to employee involvement throughout the business. The Group is intent on motivating staff, keeping them informed on matters that concern them in the context of their employment, and involving them through consultative procedures.

Employees are kept well informed on matters of interest and the financial and economic factors affecting the Group's performance. This is done through management channels, meetings, publications and intranet sites. More detail on employee engagement, together with information on corporate responsibility, diversity, succession planning and talent development, can be found in the Sustainability section of the Strategic report.

JTC supports employee share ownership by providing, whenever possible, employee share plan arrangements that are intended to align employees' interests with those of shareholders.

## DIRECTORS' REPORT CONTINUED

### MODERN SLAVERY ACT

As per Section 54(1) of the Modern Slavery Act 2015, our Modern Slavery Statement is reviewed and approved by the Board on an annual basis and published on our Group website. The statement covers the activities of the Company and its subsidiaries and details policies, processes and actions we have taken to ensure that slavery and human trafficking are not taking place in our supply chains or any part of our business. More information on our statement can be found on our website.

### ANTI-BRIBERY MATTERS

We have a zero-tolerance approach to bribery. Our anti-bribery programme operates around the Group. The programme is built around a clear understanding of how and where bribery risks affect our business and comprises key controls such as: policies (anti-bribery, gifts and entertainment, conflicts of interest, charitable donations); procedures such as conducting due diligence on suppliers (in particular those who will engage public officials on our behalf); training colleagues on bribery risks every year; and ongoing assurance programmes to test that the controls are functioning effectively. Bribery risk management is discussed at senior leadership groups in each business unit, including at the Group level, and also once a year with the Group Risk Committee.

### AUDITOR INFORMATION RELEVANT AUDIT INFORMATION

As at 6 April 2023, so far as each director is aware, there is no relevant information needed by the auditor in connection with preparing the audit report, of which the auditor is unaware, and all directors have taken all steps they ought to have taken as directors to make themselves aware of any relevant audit information and to establish that the auditor is aware of it.

### INDEPENDENT AUDITOR

The auditor, PricewaterhouseCoopers CI LLP, has indicated its willingness to continue in office and a resolution that it be re-appointed as the Company's auditor will be proposed at the AGM.

**MIRANDA LANSDOWNE**  
Joint Company Secretary,  
JTC (Jersey) Limited, Company Secretary  
6 April 2023

### STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are responsible for preparing the Annual Report and the Group financial statements in accordance with applicable laws and regulations.

Company law requires the Directors to prepare Group financial statements for each financial year. Under that law they are required to prepare the financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and applicable law.

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and of their profit or loss for that period.

The Directors are responsible for:

- Preparing the Annual Report, the Group and Company financial statements in accordance with applicable law and regulations.
- Preparing financial statements which give a true and fair view of the state of affairs at the balance sheet date, and the profit or loss for the period then ended of (a) the Group.
- Keeping sufficient accounting records that disclose, with reasonable accuracy, at any time, the financial position of the Group and the Company and enable them to ensure the Group financial statements comply with applicable laws.
- Maintaining such internal control as they determine is necessary to enable the preparation of financial statements free from material misstatement, whether due to fraud or error, and have general responsibility for taking the steps reasonably open to them to safeguard the assets of the Group and the Company and to prevent and detect fraud and other irregularities.
- The maintenance and integrity of the statutory and audited information on the Company's website. Jersey legislation and UK regulations governing the preparation and dissemination of financial statements may differ from requirements in other jurisdictions.

In addition, the directors consider that, in preparing the financial statements:

- suitable accounting policies have been selected and applied consistently;
- judgments and estimates made have been reasonable, relevant and reliable;
- the Group financial statements comply with IFRS as adopted by the European Union;
- the Group's and Company's ability to continue as a going concern has been assessed and, as applicable, matters related to going concern have been disclosed; and
- it is appropriate that the Group and Company financial statements have been prepared on the going concern basis, unless it is intended to liquidate the Company or any Group company, or to cease operations or there is no realistic alternative to do so.

The directors also confirm that, to the best of their knowledge, the financial statements are prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position and profit of the Company and the undertakings included in the consolidation taken as a whole; and the Strategic report contains a fair review of the development and performance of the business and the position of the Company and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties they face.

In addition, each of the directors considers that the Annual Report and financial statements, taken as a whole, is fair, balanced and understandable, and provides the information necessary for shareholders to assess the Group's position and performance, business model and strategy.

By order of the Board

Approved by the Board on 6 April 2023 and signed on its behalf by:

**MIRANDA LANSDOWNE**  
Joint Company Secretary,  
JTC (Jersey) Limited, Company Secretary