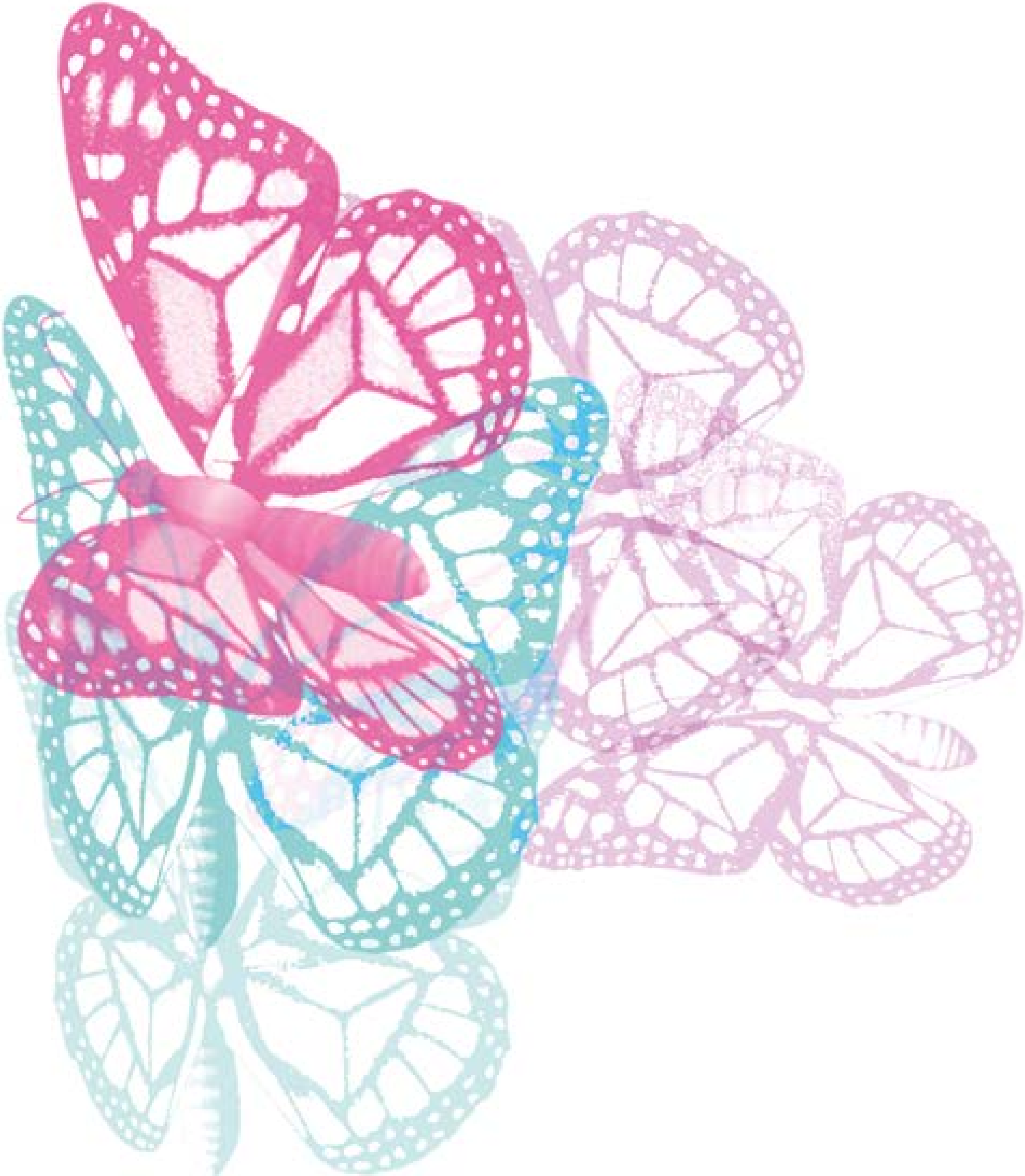

GROWING TOGETHER

ANNUAL REPORT 2022

JTC is a publicly listed, global professional services business with deep expertise in fund, corporate and private client services. Every JTC person is an owner of the business and this fundamental part of our culture aligns us with the best interests of all our stakeholders.

OUR PURPOSE

Is to help maximise the potential of every client, colleague and partner with whom we work.

NIGEL LE QUESNE
Chief Executive Officer

"2022 was arguably our best year ever in my 30 plus years at JTC. The JTC team has put us in touching distance, within three years of reaching our Galaxy goal of doubling the business from the end of 2020, a remarkable achievement."

FINANCIAL HIGHLIGHTS

Revenue ↑

35.6%

2021: 28.2%

2022: £200.0m
2021: £147.5m

Net organic revenue growth

12.0%

2021: 9.6%

2022: 12.0%
2021: 9.6%

Profit before tax ↑

29.3%

2021: 147.2%

2022: £35.9m
2021: £27.8m

Underlying EBITDA ↑

36.4%

2021: 25.0%

2022: £66.0m
2021: £48.4m

Basic earnings per share ↑

16.7%

2021: 127.2%

2022: 23.92p
2021: 20.49p

Adjusted underlying EPS ↑

30.2%

2021: 17.4%

2022: 33.27p
2021: 25.55p

OPERATIONAL HIGHLIGHTS

New business wins ↑

17.7%

2021: 16.8%

2022: £24.6m
2021: £20.9m

Lifetime Value Won ↑

18.4%

2021: 17.6%

2022: £237.7m
2021: £200.8m

Dividend per share ↑

30.1%

2021: 13.6%

2022: 9.98p
2021: 7.67p

READ MORE ON PAGE 9

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GOVERNANCE AT THE HEART
OF OUR BUSINESS

VISIT US AT JTC.COM

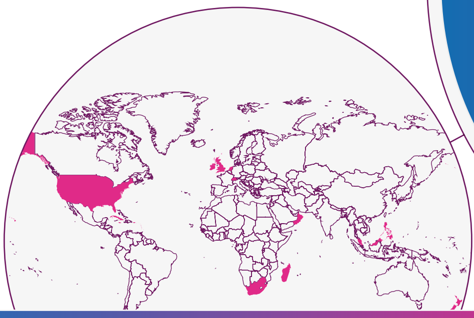
OUR BUSINESS AT A GLANCE

OUR VISION

Our vision is to be the very best independent provider of institutional and private client services across multiple jurisdictions. We have built on this vision to create a business that is different from the competition and provides all of our staff with the opportunity to benefit from its success.

OUR MISSION

Our mission is to build partnerships with our clients that enable them to focus on their core business, whilst we manage risk, protect assets and spot opportunities, efficiently and cost-effectively.



1,500+ employee-owners

10,000+ clients

100+ countries served

OUR BUSINESS AND WHO WE SERVE

INSTITUTIONAL CLIENT SERVICES (ICS) DIVISION

Provides fund, corporate and banking services to institutional clients, primarily fund managers, listed companies and multinationals.

FUND SERVICES

We are expert in a wide variety of fund types and services across a diverse range of asset classes and leading funds jurisdictions. We partner with our clients and provide support throughout the lifecycle of a fund, including complex and ongoing reporting and regulatory compliance.

+47.4%

ICS Division revenue growth

CORPORATE SERVICES

Working with private companies, public companies, family offices and individuals, we provide a sophisticated range of corporate services and employer solutions, including structure formation, company secretarial and compliance work.

PRIVATE CLIENT SERVICES (PCS) DIVISION

Provides trust, corporate and banking services for global wealth management firms, family and private offices and UHNW and HNW individuals.

PRIVATE CLIENT SERVICES

We specialise in a holistic approach to protecting assets across countries and generations, including through our dedicated JTC Private Office. Applying a deep understanding of our clients' needs, we support them for the long-term through family governance, global compliance, structure formation and maintenance.

+15.7%

PCS Division revenue growth

OUR HISTORY

1987	The business is established in Jersey.
1991	CEO, Nigel Le Quesne, joins as fifth employee
1998	Nigel creates JTC Shared Ownership, making every employee an owner.
2008	MBO results in the Group becoming independent as well as wholly employee-owned
2010	JTC makes its first acquisition and expands its operations in six jurisdictions
2012	CBPE take a minority stake and the Group embarks on its 'local to global' expansion strategy
2018	The Group lists on the LSE with an initial market capitalisation of £310m
2020	Galaxy Era goal to double the size of the business achieved, triggering £20m Shared Ownership awards to employees.
2022	Exceeds £200m of revenue for the first time and onboarded largest ever client mandate.

OUR PURPOSE, VALUES AND CULTURE ARE ALIGNED TO OUR STRATEGY

OUR PURPOSE...

"Our purpose is to help maximise the potential of every client, colleague and partner with whom we work."

...HELPS TO FORM OUR VALUES...

ACCESSIBILITY
Our clients are essential to the success of our business and we aim to exceed expectations with our professionalism and precision.

INTEGRITY
It is our personal commitment to demonstrate our values and promote trust with all of our stakeholders.

COMMERCIAL AWARENESS
We embrace and promote technical excellence and respond to change to ensure that we grow with evolving trends and new developments.

PERSONALITY
The business is driven by its personality and the energy and enthusiasm within.

ENGAGEMENT
We engage and motivate our employees to ensure we are all working to one common goal. This provides a highly skilled and motivated workforce with a keen focus on excellence.

INNOVATION
Our services are tailored to individual client needs. We are solutions-driven and our independence creates an entrepreneurial environment.

...WHICH SHAPES OUR CULTURE...

SHARED OWNERSHIP

100%
of permanent employees are owners of the business through JTC's Shared Ownership programmes

CULTURAL VALUES
MAXIMISE INDIVIDUAL POTENTIAL
MERITOCRACY
STAKEHOLDER MENTALITY
COMPANY BEFORE INDIVIDUAL

CLIENT-FACING BEHAVIOURS
ENTREPRENEURIAL OUTLOOK
'WANT TO WIN' MENTALITY
'CAN DO' ATTITUDE
'ABOVE AND BEYOND' SERVICE

Shared Ownership for every employee lies at the heart of our culture. It binds us together, creates a long-term perspective and makes us Stronger Together.

...THAT DRIVES OUR STRATEGY FORWARD

ORGANIC GROWTH

We expect around one third of our growth to be organic and aim to deliver 8% – 10% net organic revenue growth each year. As well as winning work from new and existing clients, we have created a sophisticated Commercial Office 'growth engine' that drives constant innovation and the development of new services. Collaboration and cross-selling between our Divisions is also a key driver of organic growth.

IN 2022
Net organic revenue growth
12.0%

IN 2022
Lifetime value of new work won*
£237.7m

INORGANIC GROWTH

We operate in a fragmented industry that is evolving as a result of increasing regulation, a growing propensity to outsource, globalisation and the opportunities presented by technology and sustainability. JTC has deep sector expertise and knowledge, allowing us to apply a sophisticated and disciplined approach to M&A that drives strong return on capital and long-term value creation. We have successfully completed 26 acquisitions since 2010.

IN 2022
Acquisitions integrated onto the JTC platform
7

IN 2022
New acquisitions (NYPTC in the US)
1

* Lifetime Value Won (LVW) based on industry average of 10 years. LVW is 10 times annualised value of work won minus value of attrition in past year.

OUR INVESTMENT CASE

1 – EXPERIENCED AND ENTREPRENEURIAL MANAGEMENT TEAM

We are a professional services business operating on a global scale in a highly regulated environment. The quality and experience of our management team is second to none.

125+
Years combined sector-specific experience of senior management team

2 – DESIGNED FOR GROWTH, ORGANIC AND INORGANIC

We aim to generate approximately one third of our growth organically and two thirds through acquisitions. Net organic revenue growth is targeted at 8% – 10% pa.

12.0%
Net organic revenue growth

23.6%
Inorganic revenue growth

OWNERSHIP FOR ALL CULTURE

> **We believe that JTC represents an exceptional long-term growth investment prospect. Our 35 year track record of consistent revenue and profit growth, including through periods of significant macroeconomic challenge, speaks for itself. We believe that eight key factors define and underpin the JTC investment case and apply both now and in the medium to long-term.**

3 – HIGHLY VISIBLE RECURRING REVENUE AND STRONG CASH CONVERSION

98.3% of non end of life revenue retained YoY and average client lifespan now stands at 14 years

91%
Underlying cash conversion

4 – WELL DIVERSIFIED ACROSS CLIENTS, SERVICES & GEOGRAPHIES

We are well balanced between our two Divisions and three core service lines, with the Commercial Office as a central catalyst for innovation and organic growth. Our geographic reach continues to expand.

10,000+
Clients in over 100 countries. Top 25 clients represent only 15.4% of revenues

5 – PROVEN TRACK RECORD OF M&A AND INTEGRATION

Our approach to M&A has been refined and proven for well over a decade. We follow a disciplined approach based on efficient capital allocation to ensure long-term value creation for all stakeholders

26
Acquisitions since 2010 with 14 since IPO in 2018

6 – WELL-INVESTED SCALABLE GLOBAL PLATFORM

Ongoing investment in the best people, technology and operational infrastructure creates a stable platform that can easily and quickly scale, both organically and through M&A. We take the long-term view.

32
Global offices

7 – STRONG COMPLIANCE AND RISK MANAGEMENT

Governance sits at the heart of our business and we are proud of our exemplary track record. R&C is also a key growth driver for the business.

1
Minor paid claim, settled >10 years ago, on our Professional Indemnity Insurance in 35 years

8 – DEMAND CREATED BY LONG-TERM MARKET TRENDS

Regulation, growing propensity to outsource, technology, sector consolidation, globalisation and sustainability all act as sector tailwinds.

25.2%
Revenue CAGR over last 10 years

HOW WE ARE **GROWING TOGETHER**

COMMITTED TO 100% SHARED OWNERSHIP FOR OUR PEOPLE

HOW JTC SHARED OWNERSHIP WORKS

All permanent employees are automatically part of the Shared Ownership programme. Scores are calculated annually for each person based on their length of service; seniority and appraisal score. Appraisal scores are based 50:50 on achievement of goals and behaviours.

When a multi-year business plan, or era, is completed and if the Company has achieved or exceeded its goals, the Shared Ownership programme will consider making an award from the Employee Incentive Plan (EIP) to all eligible employees.

In addition – and in line with JTC's meritocratic approach to progression – a Deferred Bonus Share Plan (DBSP) and Performance Share Plan (PSP) provide added incentive for those who have taken on leadership roles.

1998

5% initial holding

A NEW WAY
Nigel Le Quesne creates JTC Shared Ownership and establishes it with half of his own equity.

2012

£12m shared

LOCAL TO GLOBAL
1st Shared Ownership award made when a minority stake is sold to PE firm CBPE. JTC begins its Malbec era business plan.

2018

£14m shared

GOING PUBLIC
2nd Shared Ownership award made when the Group lists on the LSE. JTC begins its Odyssey era business plan.

2021

£20m shared

SHARED OWNERSHIP AS A PUBLIC COMPANY
3rd Shared Ownership award made when the business doubles in size since IPO. JTC begins its Galaxy era business plan.

In the Galaxy era, we aim to double the size of the business from 2020 results. This means revenue of £230m+ and underlying EBITDA of £78m+.

TOTAL VALUE £350m+

Including direct ownership and Shared Ownership awards, JTC has generated £350m+ of total value for employee-owners since 1998

Harvard Business School

In 2019, JTC's Shared Ownership programme became the subject of a Harvard Business School MBA case study

100% OWNERSHIP

100% of permanent employees are owners of the business through JTC's Shared Ownership programmes

"With all our people as owners of the business, the interests of all our stakeholders are aligned."

NIGEL LE QUESNE

OUR MARKET DRIVERS

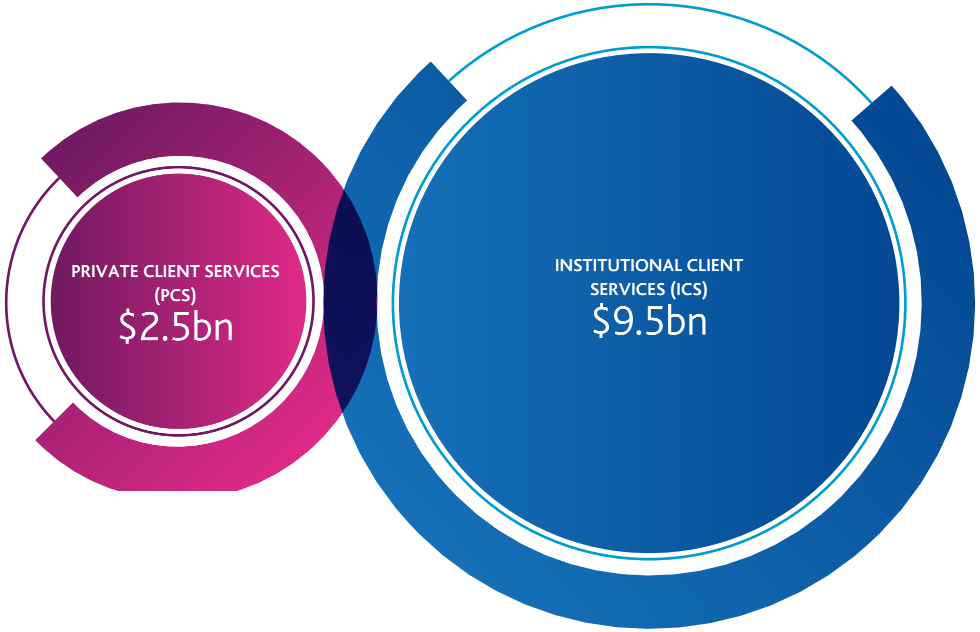
KEY
▲ High
▬ Medium
▼ Low

LONG-TERM TRENDS SUPPORT OUR GROWTH

We serve a variety of markets that are experiencing a number of shared long-term trends. These trends offer significant growth opportunities for JTC in a fragmented global sector. We estimate our global addressable market to be worth at least $12bn in annual revenue (ICS $9.5bn and PCS $2.5bn).

Addressable market ↑

$12BN



INCREASED REGULATION

Pace of change	Near-term impact	Long-term impact
▲	▲	▬

For our clients, the growing complexity and scope of regulation and compliance makes the risk of errors or omissions greater every year. The potential for misunderstanding, or simply lack of awareness, means taking expert advice is vital. Outsourcing is therefore increasingly attractive, through specialists who are constantly on top of the latest regulatory changes, and who can both navigate them and find opportunities within them.

WHAT THIS MEANS FOR JTC

As a large global operator, we have the capacity and expertise to help clients comply with the higher standards demanded by growing regulatory scrutiny. This also creates barriers to entry for competitors. We are able to maintain our knowledge of ever-evolving regulations, and expand and modify the services we provide, bringing multiple revenue opportunities.

Key Fact:

25

Regulatory licences held by JTC

GROWING PROPENSITY TO OUTSOURCE

Pace of change	Near-term impact	Long-term impact
▲	▬	▲

As complexity increases, the long-term benefits of outsourcing increasingly outweigh having to recruit, train and build an in-house team. For smaller clients, outsourcing offers instant access to expertise, and for larger clients, a leaner operating model. This model increases in relevance as regulatory and tax environments becomes more complicated, and a client's core competency can readily be separated from the associated administration.

WHAT THIS MEANS FOR JTC

We have the scale and capabilities to offer a comprehensive, expert service, with highly qualified, experienced staff and appropriate technology. As such, we are in a position to help large, complex organisations transform strategically to a lighter operating model. In this critical role, we can offer certainty on costs alongside increased accuracy, and allow the client to focus on its core activities. Opportunities in the US continue to grow, as institutional and private clients become more inclined to outsource.

Key Fact:

c.$4m+ pa

The Group's largest single outsourcing mandate

OUR MARKET DRIVERS

KEY

▲ High
■ Medium
▼ Low

OPPORTUNITIES THROUGH TECHNOLOGY

■ Pace of change | ▼ Near-term impact | ■ Long-term impact

Each year, advances in technology improve speed and efficiency, mitigate risks of human error and automate mundane tasks. This all leads to a better client experience, and increases the focus on human expertise. It allows skilled and knowledgeable advisers, with an understanding of the nuances of legislation and regulations, more time to provide a more valuable service to clients.

WHAT THIS MEANS FOR JTC

Quite simply, we combine the best people with the best technology to get the best results. We continue to build best-in-class technology to improve and expand our services, training our people to maximise the benefits of our systems. In addition, we can grow the in-depth expertise and human insight our clients need, and focus on our client relationships.

Key Fact:

+31.6%

Year-on-year increase on technology spend

CONTINUED MARKET CONSOLIDATION

▲ Pace of change | ■ Near-term impact | ▲ Long-term impact

Consolidation throughout our sector enables service providers to offer multi-sector and multi-jurisdiction capabilities and solutions. Increasing regulatory complexity is driving client demand for this greater scale and breadth. While this consolidation slowed recently for macro-economic reasons, it is likely to re-accelerate when markets recover. With an estimated 2,000+ providers in the UK and Europe and 1,000+ in the US, this will continue.

WHAT THIS MEANS FOR JTC

We maintain a strong pipeline of M&A opportunities, to be able to access the right deals at the right time. These span both Divisions and all types and sizes, from bolt-ons to complex bank carve outs and transformational deals. Having acquired 26 businesses since 2010, we have a proven process for integrating companies efficiently onto our global platform. Our Shared Ownership culture and reputation for being straightforward to deal with makes us a popular acquirer.

Key Fact:

26

Businesses acquired since 2010

SUSTAINABILITY, IMPACT AND ESG

▲ Pace of change | ▲ Near-term impact | ▲ Long-term impact

Sustainable, impact and ESG related funds have been steadily increasing in scale and popularity for the past decade However, standards evolve rapidly and are a growing element of mainstream disclosures. This presents huge administrative challenges for companies and funds in particular, creating demand for credible and expert third-party providers who can provide appropriate support.

WHAT THIS MEANS FOR JTC

We offer our technology-enabled advisory and administration services to a wide range of clients, providing expertise on the complex ESG regulatory and reporting frameworks. As a business with Shared Ownership at the heart of its culture, our approach to sustainability is also based on compelling principles and a strong corporate purpose.

100%

Employee ownership at JTC

GLOBALISATION AND RISING GLOBAL WEALTH

▲ Pace of change | ▲ Near-term impact | ■ Long-term impact

Communication, co-operation and flow of capital is now far easier across international borders. Corporates and Family Offices operate and invest globally, and fund managers seek access to international capital and both private and institutional investors increasingly want to pursue strategies that mean operating internationally. In addition, GDP and personal wealth continue to grow. This all leads to increased demand for providers of professional services that can advise and work across borders.

WHAT THIS MEANS FOR JTC

We have a scalable global platform with an established presence in all key jurisdictions and develop new services organically, as well as acquiring strategically. We are able to offer both institutional and private clients seamless services as they operate and expand across multiple jurisdictions. We have built our organic business through long-term relationships that now average 14+ years, enabling us to grow alongside our clients and their increasing scale or wealth.

+28.3%

Forecast growth in UHNWI by 2026*

* Source: 2022 Knight Frank Wealth Report.

BUSINESS MODEL

Our business model is built on our Shared Ownership culture and driven by our Purpose; to help maximise the potential of every client, colleague and partner with whom we work.

We create value by aligning with the interests of our stakeholders and committing to long-term relationships.

We grow through a compounding strategy that combines consistent organic growth, disciplined acquisitions and the continuous pursuit of operational excellence.

OUR KEY INPUTS

CLIENTS
We partner with our clients to help them achieve their goals and meet their expectations of the highest levels of service delivered with integrity, energy and dedication

OUR PEOPLE
We make every employee an owner, creating an environment where people can maximise their potential and be part of creating something meaningful and long lasting

INTERMEDIARIES
We work symbiotically with intermediaries on common clients, becoming a trusted extension of their offering and they of ours

M&A OPPORTUNITIES
We provide a home and a platform for growth that is compelling across the full range of M&A opportunities

OUR STRATEGIC STRENGTHS

We grow organically by offering service excellence and a suite of solutions with long-term relationships

With all our people as owners the interests of all our stakeholders are aligned

We maintain a well-invested and scalable global platform that supports consistent long-term growth

We make strategic acquisitions and integrate them seamlessly so that in our world 2+2=5

WHAT WE DO AND HOW WE GENERATE VALUE

PRIVATE CLIENT SERVICES

Provides trust, corporate and banking services for global wealth management firms, family and private offices and UHNW and HNW individuals.

PRIVATE CLIENT SERVICES
We specialise in a holistic approach to protecting assets across countries and generations, including through our dedicated JTC Private Office. Applying a deep understanding of our clients' needs, we support them for the long-term through family governance, global compliance, structure formation and maintenance.

CORPORATE SERVICES
Working with private companies, public companies, family offices and individuals, we provide a sophisticated range of corporate services and employer solutions, including structure formation, company secretarial and compliance work.

FUND SERVICES
We are expert in a wide variety of fund types and services across a diverse range of asset classes and leading funds jurisdictions.
We partner with our clients and provide support throughout the lifecycle of a fund, including complex and ongoing reporting and regulatory compliance.

INSTITUTIONAL CLIENT SERVICES

Provides fund, corporate and banking services to institutional clients, primarily fund managers, listed companies and multinationals.

VALUE WE CREATE FOR STAKEHOLDERS

CLIENTS
$200bn client assets we are trusted to administer

14+ years average JTC client relationship

£237.7m lifetime value of work awarded to JTC by clients in 2022

EMPLOYEES
£350m Shared Ownership value created since 1998

92% retention rate in 2022

100% of permanent employees are owners of the business

SHAREHOLDERS
30% of adjusted underlying EPS dividend

33.27p adjusted underlying EPS in 2022

Acquisitions generating ROIC > internal WACC within 36 months

CHARITIES AND COMMUNITIES
£225k+ donated to good causes in 2022

Carbon Neutral+ status maintained in 2022

WATCH THE INTERVIEW

CHIEF EXECUTIVE OFFICER'S REVIEW

Growing Together

"2022 was arguably the best ever year in the history of our business. We accelerated again towards achieving our Galaxy era goal, up to two years earlier than anticipated, with record organic growth and new business wins. We are now firmly on track to deliver Galaxy well ahead of the anticipated timeframe and by the end of 2023."

AN EXCEPTIONAL YEAR

I am delighted to be able to start the review of 2022 by stating that it has been arguably the best ever in my 30 years at JTC.

AHEAD OF PLAN TO DELIVER OUR GALAXY ERA GOAL

As a business with a track record of 35 consecutive years of revenue and profit growth, we are proud of our ability to deliver against stretching multi-year business plans, which we call eras. After listing in March 2018, we embarked on our 'Odyssey era' business plan and doubled the size of the Group (as measured by revenue and underlying EBITDA) by the end of 2020. We then set ourselves the challenge of doubling again and named this latest era 'Galaxy', anticipating a four to five year timeframe. 2021 saw us deliver a record seven acquisitions as well as

CHIEF EXECUTIVE OFFICER'S REVIEW

> "When the macro environment is buoyant, we typically benefit from greater flows of new business, especially from new clients, as institutions and individuals seek to establish and launch new structures. When market conditions are less favourable, we often observe a modest reduction in 'new work from new clients' business volumes, but this is countered by an increase in activity from existing clients as they respond to threats and opportunities in relation to their current structures."

Revenue
£200.0m

net organic revenue growth of 9.6% (17.5% gross). This excellent start to the Galaxy era continued in 2022 when we delivered a record 12.0% net organic revenue growth (18.4% gross) and acquired NYPTC in Q4, alongside successfully integrating the seven acquisitions from 2021. This exceptional performance against our strategy means that we are ahead of plan and well on way to delivering Galaxy by the end of 2023.

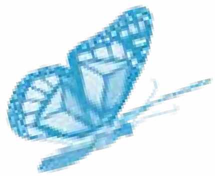
FINANCIAL PERFORMANCE

Revenue grew 35.6% to reach £200.0m for the first time (2021: £147.5m) another significant milestone and underlying EBITDA increased 36.4% to £66.0m (2021: £48.4m). Net organic revenue growth was a record 12.0% (2021: 9.6%) driven by another record in new business wins of £24.6m (2021: £20.9m). Despite the excellent organic growth performance and associated costs of on-boarding new business, underlying EBITDA margin also increased by 0.2pp to 33.0% (2021: 32.8%). Cash conversion was once again robust and above guidance at 91% (2021: 87%) and even with the acquisition of NYPTC in Q4, which was funded from cash, leverage stood at 1.59x underlying EBITDA at period end, which is towards the lower end of our guidance range of 1.5x to 2.0x.

GROWING, WHATEVER THE WEATHER

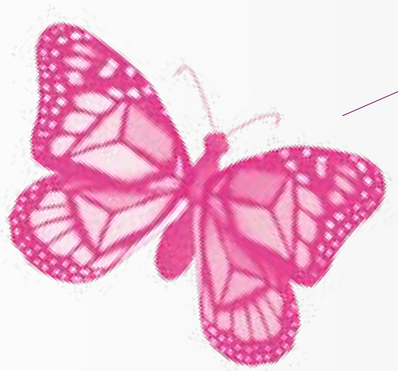
Our ability to grow consistently even through periods of macro volatility is something I am often asked to explain and it is always an opportunity to highlight the strengths of our business model and global platform. In simple terms, we like to think of it as in-built load balancing capabilities, but to a large degree it stems from a culture of constant improvement and an expectation of improved financial performance year on year, with every team member knowing that we never settle for less. When the macro environment is buoyant, we typically benefit from greater flows of new business, especially from new clients, as institutions and individuals seek to establish and launch new structures. When market conditions are less favourable, we often observe a modest reduction in 'new work from new clients' business volumes, but this is countered by an increase in activity from existing clients as they respond to threats and opportunities in relation to their current structures. As a professional services business with client contracts that now typically span 14 years or more, the increased activity within the existing client base generates meaningful growth. In addition, we are constantly innovating and expanding our range of services – both through M&A activity and internal commercial development – to grow the scope of engagement with existing clients and to win new ones. The

CHIEF EXECUTIVE OFFICER'S REVIEW CONTINUED



Underlying EBITDA

£66.0m



Underlying EBITDA margin

33.0%

most recent examples of service line expansion include a banking platform (incorporating foreign exchange, treasury and custody), tax compliance regulatory reporting and strategic transformation solutions. This constant desire to innovate and support our clients, extend our relationships and services, supplemented by new acquisitions, ensures JTC grows consistently year on year irrespective of the prevailing external factors.

INSTITUTIONAL CLIENT SERVICES DIVISION

Revenue increased 47.4% to £136.7m (2021: £92.7m) with a 53.5% increase in underlying EBITDA to £43.0m (2021: £28.0m). Pleasingly, and in keeping with the consistent progress seen over the past two years, the underlying EBITDA margin increased by 1.3pp to 31.5% (2021: 30.2%) and has increased 3.6pp since 2020. Net organic growth was strong and increased by 3.1pp to 14.6% (2021: 11.5%) with the annualised value of new business wins increasing by 31% to a record £17.2m (2021: £13.1m).

In 2021 we completed a record seven acquisitions within the Division, creating a natural focus in 2022 around integration, organisation and value capture. The INDOS and Ballybunion businesses contributed to our growing platform in Ireland, which also saw us move to a new environmentally friendly office in Dublin and secure a fund services licence, giving us the complete set of fund administration, Alternative Investment Fund Manager (AIFM), depositary and corporate services in the jurisdiction. The RBC cees business, re-branded to JTC Employer Solutions, remains one of our most successful acquisitions and continued to go from strength to strength in terms of growth and margin. We also added the innovative perfORM Operational Due Diligence (ODD) business, which is an excellent example of how we expand our range of services through M&A in a way that complements our organic growth ambitions. Crucially, we assembled the pieces that will form the next phase of our push into the large, high-growth US market. The SALI Fund Services, Segue Partners and EFS acquisitions have been brought together with our original market-entry deal (NESF, which was acquired in 2020) to create a substantial US ICS platform of scale. Our US business now has over 130 employees across seven offices, serving over 410 clients, including some of the biggest global names in asset management and insurance.

Outside of those regions bolstered by recent M&A activity, we also saw good growth in our UK and Luxembourg offices with stable performance from the Netherlands, Channel Islands and South Africa. At the end of the year, the Division stood at some 900 people serving clients from 16 offices and generating 68.3% of Group revenues. This scale and reach, combined with our focus on providing client service excellence enabled by best-in-class technology, stands us in good stead to succeed in a competitive market.

New business wins

£24.6m

In the second half of the year, the Group Head of ICS, Jon Jennings, left the business for a new challenge after four successful years with the Group. Jon was replaced by Dean Blackburn, who had been appointed the Group Chief Commercial Officer in 2020 and after a successful tenure working with the ICS team he was promoted to Group Head of ICS post period end, in January 2023.

Overall, the ICS Division made exceptional progress in 2022 and has been a major component of the Group's accelerated progress through the Galaxy era. As the Division continues to scale, particularly in the US, we anticipate further strong organic growth, additional opportunities for M&A and more service line innovation. I know that Dean is ambitious for long-term success for the Division and he is supported by a world-class, global team.

PRIVATE CLIENT SERVICES DIVISION

Revenue increased 15.7% to £63.4m (2021: £54.8m) with an increase of 12.9% in underlying EBITDA to £23.0m (2021: £20.4m). The underlying EBITDA margin decreased slightly, as anticipated, by 0.9pp to 36.3% (2021: 37.2%) but remains squarely within our guidance range of 33% – 38% and is as a result of continued investment in the PCS platform. Reflecting this investment, net organic growth increased 1.6pp to 8.7% (2021: 7.1%) with the annualised value of new business wins being £7.4m, which was a strong result against a tough 2021 comparator of £7.8m that included the Group's largest ever single win for 'Project Amaro', the provision of 'white label' services to a US-based global bank and its clients. Project Amaro is a prime example of our ability to deliver strategic transformation services to large clients in a range of financial services sub-sectors, including banking, investment management, legal and trust services. Importantly, strategic transformation spans both our Divisions and will be actively promoted as a JTC capability in 2023, alongside a direct to market programme that will target specific prospective clients.

In the final quarter of the year we acquired New York Private Trust Company (NYPTC), a high quality private client business headquartered in Delaware.

CHIEF EXECUTIVE OFFICER'S REVIEW CONTINUED

This deal enabled us to become the first non-US, non-bank firm to be licensed to provide trust company services from Delaware, an important competitive advantage that we will leverage as we use the acquisition to help build out our domestic trust offering in the US. Post period end, we also secured a licence to operate in the Bahamas to support Project Amaro, further expanding the footprint of the PCS business and providing greater optionality for clients.

More broadly, the Division's global network continued to deliver growth across a number of key regions, including its original nexus in the Channel Islands.

Under Iain's consistent leadership and drive for growth and innovation, the PCS Division continues to be regarded as the pre-eminent trust company business and a leader in its markets. It is now evolving to become more than just a trust company and this is evidenced by growth in revenues from sophisticated and enhanced services, such as JTC Private Office, and Group wide services including strategic transformation, treasury, custody, tax compliance and regulatory reporting. We are successfully redefining the parameters of a world-class PCS offering, which in turn enlarges our addressable market. This innovative and growth-orientated approach, coupled with our geographic expansion, particularly in the US, and well-established reputation for client service excellence, sets the PCS Division on an exciting course for 2023 and beyond.

RISK

JTC continues to have an excellent record in managing the risks associated with being a leading regulated professional services business. In 2022 the senior risk team once again focused a large amount of their time and effort on developing and enhancing our Risk & Compliance function globally to meet the ever evolving and increasing burden of international regulation. While this brings a number of complex challenges, it also provides huge opportunities for growth and we are embracing these as clients of all sizes, but especially larger and more complex organisations, look to us for support and recognise the value we offer in this area. Emerging service lines such as strategic transformation, tax compliance and regulatory reporting are all driven, in part or in whole, by the expanding regulatory landscape.

12.0%
Net organic revenue growth

23.6%
Inorganic revenue growth

We continue to see long-term emerging risks come into greater focus, and in particular, transition risks associated with the world moving to a low carbon future. In 2022, we created an ESG Forum within the Executive arm of the business to manage and deliver our internal sustainability roadmap and oversee target setting and disclosures. At Board level, the former Audit & Risk Committee was separated into an Audit Committee and a new Risk & Governance Committee, with the latter taking responsibility for oversight of risk at a Group level, as well as providing guidance on our ongoing sustainability journey and the commercial opportunities the Group might capture through the provision of ESG services to clients. We were once again a Carbon Neutral+ organisation in 2022 and post period end, have set ourselves the goal to achieve net zero by 2030 at the latest. More detail, including our latest TCFD disclosures, can be read in the Sustainability section starting on page 32.

At the time of writing, the conflict in Ukraine is entering its second year and it remains unclear how or when it will come to an end. As reported last year, as a Group, we have virtually no exposure to Russia, Ukraine or Belarus with no operations there and limited exposure amongst a small number of clients to those countries. However, we remain acutely aware of our responsibilities in relation to sanctions compliance and enforce all such measures rigorously. The knock-on effects relating to energy prices, inflation and interest rates have been monitored closely at all times and successfully navigated to date.

OUTLOOK

2022 was an exceptional year for JTC and I am delighted with the accelerated progress made towards the Galaxy era goal of once again doubling the size of the Group. Our ability to grow consistently through periods of volatility is a fundamental feature of the business that has been refined over 35 years of operations. The natural rhythm we observe between growth contributions from new and existing clients is supplemented by our ability to source and secure the right acquisitions in a consolidating market and to shape our own future through sophisticated innovation and service expansion.

None of this would be possible without our people and I am more convinced than ever that our shared ownership culture is the unique and vital glue that bonds us together and allows us to execute our strategies with passion, energy and commitment. This culture infuses every aspect of our approach to growth, including our proven ability to integrate acquisitions fully onto the JTC platform.

Our two Divisions continue to provide balance and diversification to the Group with the added catalyst of the Commercial Office and are generating more cross-pollination opportunities than ever before, particularly in the exciting area of strategic transformation.

Looking ahead, we have carried good momentum into 2023 and anticipate continued strong organic growth. We are energised by the Galaxy era progress already made as well as the prospect of what is possible in the future. We will continue to ensure that our platform remains well-invested at all times and that our talented global team are ready and equipped to grow with the business, maximise their individual potential and exceed the expectations of our clients. In a sector that remains primed for consolidation, we have a healthy pipeline of opportunities and will maintain our disciplined approach to M&A. JTC will continue to innovate and shape the markets we serve in a way that supports long-term value creation for the Group and its stakeholders.

In concluding, I once again extend my thanks to every member of the growing, talented and market leading JTC team for their efforts in 2022. We are both stronger together and growing together.

NIGEL LE QUESNE
Chief Executive Officer

CHIEF EXECUTIVE OFFICER'S REVIEW CONTINUED

Q&A WITH NIGEL LE QUESNE

Q The theme of this year's report is 'Growing Together', what have been the growth highlights from your perspective?

I think the real highlight has been the ability of the business to accelerate through the second year of our Galaxy era business plan following such a strong start in 2021 in the face of ongoing market turbulence. Having been in the business for over 30 years, I'm in the privileged position of being able to understand and guide the business to ensure that JTC is able to grow so consistently year after year, including through several periods of exceptional volatility. An enormous part is due to our unique culture and our people, but another key highlight from 2022 has been seeing the hard work put into the Group Commercial Office start to bear fruit as a growth catalyst alongside and between the two Divisions. What we're spinning up to speed now is powerful and we're very excited about it.

Q Organic growth is clearly part of the firm's DNA, what makes the JTC approach special?

Put simply, we expect to make the business better every single day and those 'inches' that we gain each day compound over time to drive predictable and reliable growth. Our culture makes everyone a direct owner and we empower our people accordingly. This means that everyone at JTC, whatever their job title, knows it's part of their role to help clients grow, look for new opportunities, innovate and build the business carefully and thoughtfully so that it is always stable and robust as we scale. We are fortunate to enjoy long relationships with our clients – the average lifetime across the Group is now over 14 years – and that means we can really get to know and understand our clients and partner with them to grow together. Innovation and entrepreneurial flair are further key ingredients and we've always taken pride in our ability to find a solution. As the business has grown, including through acquisitions, we've been able to industrialise these capabilities and our growth engine is now starting to shape markets rather than merely follow them. In the 5 years since our IPO we've launched our Private Office and Edge client portal, established a Group banking platform, created a global tax compliance practice, a governance practice, sustainability services and most recently, strategic transformation services supporting some of the biggest institutions in the world. All of this work, combined with a sophisticated go to market approach and consistent service delivery excellence, is what drives our organic performance.

Q What about inorganic growth? What have been your observations from 2022 and how does the near-term future look?

There's no doubt that 2022 was a tougher year for M&A, both in terms of market sentiment and deal flow. Of course for JTC, having completed a record seven acquisitions in 2021, it was relatively natural for us to enter a period of consolidation and spend the appropriate time integrating those businesses. We observe other players taking a far more aggressive approach to building scale, but as alluded to above when talking about organic growth, businesses like JTC are sophisticated, global and challenging to run well year after year. We believe we know how to build the Group responsibly over time and our discipline manifests itself not only in selecting the right targets and negotiating the best price, but also in the manner and pace with which we add to our platform. We say no to a lot more deals than we say yes to! Looking ahead, and again thanks to our deep expertise and experience in the sector, we have good visibility on most opportunities and are still able to find attractive deals, many of them off market, that meet our '2+2=5' criteria to create long-term value. The NYPTC deal in Q4 was a fantastic example of this and we have a good pipeline going into 2023 that covers both Divisions and our chosen target markets.

Q With JTC rapidly closing in on delivering its Galaxy Era goal of once again doubling the size of the Group, what comes next?

Before answering that question, I think it's worth pausing to reflect on the phenomenal success our people and the business have delivered. When we listed in 2018 we started the Odyssey era business plan and aimed to double the size of the Group (in terms of revenue and underlying EBITDA) from where we'd been prior to going public. That was achieved by the end of 2020, despite the early impact of the pandemic, and led to Shared Ownership awards of £20m in JTC stock for our global team. We then set the goal of doubling again in the Galaxy era and estimated a four to five year timeframe due to our increased scale. To be sitting here today, confident that we will deliver Galaxy by the end of 2023, two years ahead of expectation and through a period of continued volatility is, in my view, outstanding. Looking ahead, we already have strategic planning sessions for our next era, Cosmos, booked for summer 2023. We believe that our market drivers remain compelling and provide tailwinds to our plans. Success to date has come from a process of 'evolution, not revolution' and I see no reason to deviate from that successful formula. We remain hugely ambitious for JTC and expect not only continued opportunities for organic growth based on the high quality businesses that we have built and integrated successfully over the years, but also inorganic growth potential with many further global consolidation opportunities ahead."

"We believe that our market drivers remain compelling and provide tailwinds to our plans. Success to date has come from a process of 'evolution, not revolution' and I see no reason to deviate from that successful formula."

STRATEGY, ORGANIC GROWTH

Our well-established guidance is to deliver 8% to 10% net organic revenue growth each year and in 2022 we were delighted to exceed this with 12.0%, giving a rolling three year average of 9.8% and both Divisions on an upward trend. This growth is supported long-term drivers that act as tailwinds within an addressable market of some £12bn per annum globally. In addition, the clear and robust components of our investment case have helped us deliver 35 years of growth and profitability, including through global crises. The growth of the Group throughout its history has come from an ambitious and progressive mindset and a strong emphasis on insight and innovation, all underpinned by our all-important Shared Ownership culture.

KEY MARKET DRIVERS

INCREASING REGULATION

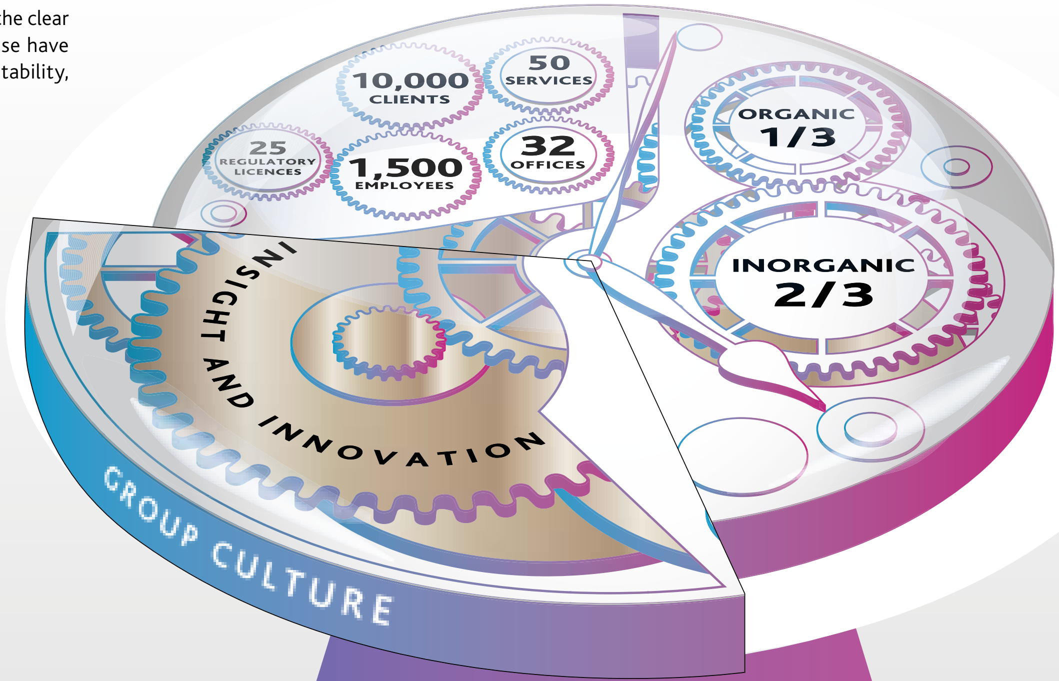
GROWING PROPENSITY TO OUTSOURCE

CONTINUED MARKET CONSOLIDATION

GLOBALISATION AND RISING GLOBAL WEALTH

OPPORTUNITIES THROUGH TECHNOLOGY

SUSTAINABILITY, IMPACT AND ESG



JTC INVESTMENT CASE

EXPERIENCED AND ENTREPRENEURIAL MANAGEMENT TEAM

DESIGNED FOR GROWTH, ORGANIC AND INORGANIC

HIGHLY VISIBLE RECURRING REVENUE AND STRONG CASH CONVERSION

WELL DIVERSIFIED ACROSS CLIENTS, SERVICES AND GEOGRAPHIES

PROVEN TRACK RECORD OF M&A AND INTEGRATION

WELL-INVESTED SCALABLE GLOBAL PLATFORM

GLOBAL ADDRESSABLE MARKET
$12bn

35
YEARS OF GROWTH

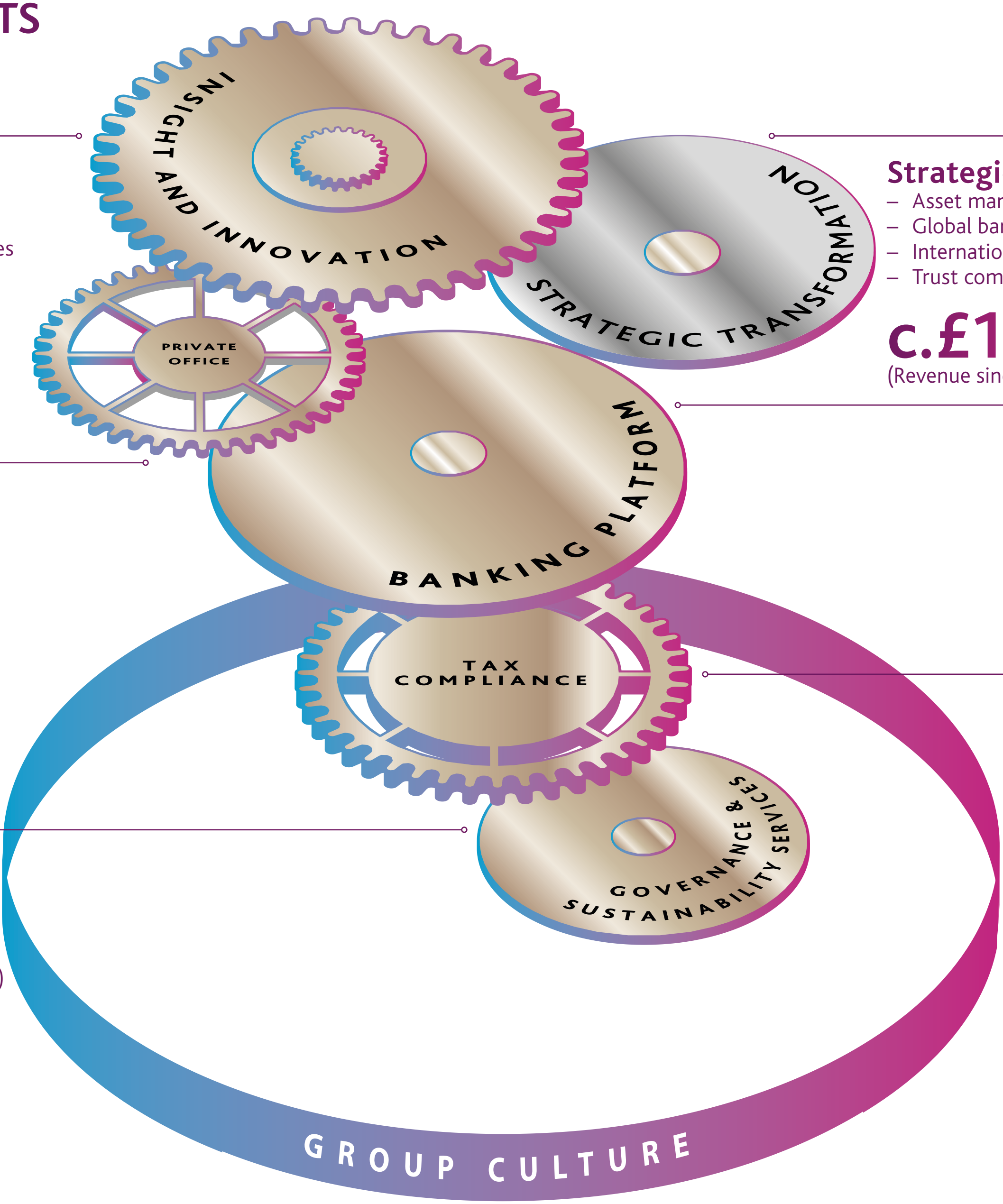
BLACK MONDAY
1987

GLOBAL FINANCIAL CRISIS
2007

COVID PANDEMIC
2020

FOUNDED
1987

SHAPING MARKETS



Growth Office
- Industry experience
- Market direction
- Delivery of products and services
- Shape the future

Strategic Transformation (formal launch 2023)
- Asset managers
- Global banks
- International law firms
- Trust companies

c.£10m
(Revenue since 2019)

Private Office (2019)
- UHNW individuals & families
- Proprietary Edge client portal

c.£9m
(2022 revenue)

Banking Platform (2020)
- Treasury
- FX
- Custody
- Account opening

c.£11m
(2022 revenue)

Tax Compliance (2020)
- FATCA
- CRS
- Substance
- VAT

c.£9m
(2022 revenue)

Governance and Sustainability Services

Governance Services (2021)
- Governance Healthchecks
- Operational Due Diligence (ODD)

Sustainability Services (2022)
- Consultancy / vCSO
- Reporting
- ESG Investment expertise
- Assurance

Early Stage

As a result of our decades of experience, we are able to understand the direction of travel within the industry and innovate to create services that meet emerging client demands.

Using our ability to horizon scan and develop capabilities that are likely future requirements of our markets, we can shape both our future and that of the wider sector.

This work, which is Group-wide, is catalysed by our central Commercial Growth Office, collaborating directly with the two Divisions and our Group Operations teams to bring the services to market.

STRATEGY, INORGANIC GROWTH

A YEAR OF CONSOLIDATION

Our Galaxy era plan calls for approximately two-thirds of our growth to be inorganic. With a record seven acquisitions in 2021, it was natural for a large part of our focus in 2022 to be on the thorough integration of those businesses onto the JTC global platform.

JTC's sophisticated and disciplined approach to M&A has been refined over more than a decade. Since our fist deal in 2010, we have completed 26 acquisitions, including 14 since our IPO and the latest of which was NYPTC in Q4.

Our process has five interrelated components, from origination, execution and integration through to operational enhancement and long-term value creation. Fundamentally we look to do deals that make JTC a better business for our clients and which support high quality growth through the addition of new service lines, deepening our presence in key markets and creating cross-selling opportunities within the Group.

JTC's ability to capture the commercial opportunities we see in the businesses that we acquire has been a particular focus over the past two years since the creation of our Group Commercial Office, working closely with both Divisions and the Group Operations teams.

> With a record seven acquisitions in 2021, it was natural for a large part of our focus in 2022 to be on the thorough integration of those businesses onto the JTC global platform.

COMPANY	KEY FEATURES	2022 PROGRESS
RBC Corporate Employee & Executive Services	– Market leading in the Employer Solutions sector – 30+ year client relationships – Highly qualified and experienced team – Blue chip client base	One of our best ever deals, the business has been fully integrated and re-branded JTC Employer Solutions. Strong margin enhancement and organic growth, including cross-sales, achieved as expected. Planned technology investments will help to further differentiate and grow this market leading practice.
INDOS FINANCIAL	– Leading provider of depositary, AML and ESG services – Highly expert and experienced team – Organic growth driver through increasing range and quality of ICS services	Fully integrated with the INDOS brand retained for the depositary and AML business, while ESG Services have been re-branded JTC. Now an important part of our UK and Ireland businesses.
SEGUE PARTNERS	– Scalable US fund services business – Expert team – High quality client book spanning a range of alternative asset classes	Integrated to form part of a consolidated US ICS business that will be leveraged for enhanced client service and future growth.
perfORM	– Leading provider of operational due diligence (ODD) services – Offering spans key segments of ICS and PCS client base – UK, Europe and US reach	Excellent organic growth in the UK, Europe and the US and a developing reputation as a thought leader. Strong cross-selling potential across both Divisions.
Ballybunion Capital	– Irish ManCo and fund services business – Expert and experienced team – High quality client book with strong margins – Ties to the US market	A key component of our 'full service' ICS business in Ireland and now part of our Global AIFM Solutions offering. Will re-brand to JTC in Q2 2023 and has strong growth potential from Europe and the US.
SALI	– US fund services business of scale – Market leader for Insurance Dedicated Funds (IDFs) – 40+ year client relationships – Significant cross-selling opportunities – Medium to long-term growth via IDF ecosystem participants (blue chip insurers, asset managers, brokers and UHNWI)	Smooth integration into the Group with particularly strong cultural alignment. Strong margins and very good organic growth, including the successful cross-selling of JTC Fund Accounting solutions to SALI clients. A leading component of the ICS US business.
Essential FUND SERVICES LLC	– US fund services business – Boutique with high degree of expertise in IDFs – Strong legacy relationship as preferred partner to SALI	Rapid and seamless integration onto the JTC platform, aided by relatively small size and strong existing relationships with the SALI business.

7
acquisitions integrated

275+
new colleagues

$75bn+
added to Group AuA

1,050+
additional clients

6
locations added to JTC network

STRATEGY, INORGANIC GROWTH CONTINUED

WENDY HOLLEY
GROUP CHIEF OPERATING OFFICER

The Group Operations teams form the backbone of our expert integration capabilities, bringing decades of sector and operational experience, as well as the latest best practice in programme and project management, including the use of relevant technology. We believe that our approach to integration is a core competence of the Group and as well as technical expertise, we place a particular emphasis on welcoming all who join JTC to our unique culture.

DAVID VIEIRA
CHIEF COMMUNICATIONS OFFICER

ADAM JEFFRIES
CHIEF INFORMATION OFFICER

BECKY HENWOOD-DARTS
GROUP DIRECTOR – FINANCE

RICHARD INGLE
CHIEF RISK OFFICER

WILLIAM BYRNE
CHIEF GROUP COUNSEL

KENNY RAE
COO – ICS DIVISION

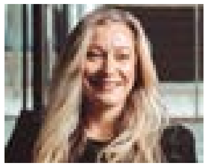
TRACEY MCFARLANE
COO – PCS DIVISION

MIRANDA LANSDOWNE
GROUP COMPANY SECRETARY

CAROL GRAHAM
GROUP DIRECTOR – GROUP HUMAN RESOURCES

SARAH KITTLESON
GROUP DIRECTOR – RISK & COMPLIANCE

ZACH MUELLER
GROUP DIRECTOR – HEAD OF M&A



LESLEY BASSFORD
SENIOR DIRECTOR, GROUP FINANCE

NYPTC OPENS US DOMESTIC TRUST MARKET

In August, we were delighted to announce the proposed acquisition of NYPTC, based in Wilmington, Delaware, and to complete the deal, including formal regulatory approval, in November.

With over 1.6m entities and 50% of US listed companies registered there, Delware is a key location for corporate services in the US market. This acquisition, which was paid for using cash held in the business and completed at an attractive multiple, has resulted in JTC becoming one of the first non-US, non-Bank firms to hold a trust licence in Delaware. This is an important strategic and competitive advantage that we will leverage as we work to build out our US domestic trust offering as part of the global PCS Division.

Over time, we expect the NYPTC deal to help move us into a position where we become recognised among the top independent trust company groups in the US. When combined with our well-established presence in South Dakota, the other leading centre for trustee and corporate services in the US, this leaves us well positioned to serve both the US domestic and international private client markets.

Integration of the business, post period end, is progressing smoothly and we are pleased to welcome new colleagues and clients to the Group.

PIPELINE

As noted in the Q&A with CEO, Nigel Le Quesne, 2022 was a year of consolidation for M&A activity in terms of both market sentiment and volume of deals completed.

However, thanks to our deep sector experience and reputation as fair to deal with and a good home for the businesses we acquire, we have good visibility of most deals in the market and maintain a healthy pipeline of active opportunities spanning both Divisions and all our key target markets.

OUTLOOK

Given the long-term drivers that act as tailwinds for our sector, including increasing regulation, the growing propensity to outsource, globalisation and increasing global wealth and the opportunities presented by technology and the sustainability agenda, we believe that consolidation in our industry has a long way to go and that M&A activity levels will accelerate again when market conditions stabilise and are more supportive. For our part, we have both the capacity and appetite to pursue further acquisitions at our historic run rate, as well as to consider larger deals as we ourselves continue to scale. We will maintain our disciplined approach and use our experience and expertise to find those businesses that align with our culture and support long-term value creation for all our stakeholders.

"We believe that consolidation in our industry has a long way to go and that M&A activity will accelerate again when market conditions stabilise and are more supportive."

KEY PERFORMANCE INDICATORS

The JTC Board uses the following KPIs to measure the performance of the Group

FINANCIAL	REVENUE	UNDERLYING EBITDA MARGIN	UNDERLYING CASH CONVERSION	LEVERAGE
DEFINITION	Revenue is defined as income arising in the course of an entity's ordinary activities.	EBITDA margin of the business excluding non-underlying items.	Underlying cash generated from operating activities divided by underlying EBITDA.	Third party debt less cash, divided by underlying EBITDA.
WHY IT'S IMPORTANT	Revenue is a reflection of the work we do for clients. We seek to deliver a high quality service, do more work for existing clients and attract new clients.	Underlying EBITDA margin is our key measure of how well our business is performing, including relative to the wider industry.	Collecting cash from the profits we generate allows us to service our debts and invest in the business (both organically and through acquisitions) and to pay dividends to shareholders.	We need to manage the business without holding excessive levels of debt and with sufficient headroom in our banking covenants.
2022 PERFORMANCE	Revenue growth of 35.6% which comprised 12.0% net organic revenue growth and inorganic revenue growth of 23.6%.	Increase of 0.2pp to 33.0%.	91% underlying cash conversion (2021: 87%).	1.59x underlying EBITDA (2021: 2.34x).
COMMENTARY	The PCS Division achieved 15.7% growth and net organic revenue growth of 8.7%. The ICS Division achieved 47.4% growth and net organic revenue growth of 14.6%.	The ICS Division achieved 31.5% (+1.3pp) continuing the positive trend seen in recent years. The PCS Division achieved 36.3% (-0.9pp) remaining at the top end of our guidance range and reflecting investment for future growth.	Underlying performance ahead of guidance and this reflects on the continuing strong focus on working capital management.	We anticipated that this would reduce during the year given our cash collection expectations.
TARGET	We aim to achieve net organic revenue growth of 8% – 10% every year.	We aim to deliver an underlying EBITDA margin in the range of 33% – 38%.	We aim to achieve 85% – 90% cash conversion each year.	We aim to stay within 1.5 – 2.0x leverage. We will exceptionally increase this to 2.5x when supported by clear visibility of incoming cash flow and rapid reduction to below our target.
TARGET	2022 12.0% 2021 9.6% 2020 7.9% TARGET 8% – 10%	2022 33.0% 2021 32.8% 2020 33.6% TARGET 33% – 38%	2022 91% 2021 87% 2020 91% TARGET 85% – 90%	2022 1.59x 2021 2.34x 2020 1.96x TARGET 1.5x – 2.0x

KEY PERFORMANCE INDICATORS CONTINUED

FINANCIAL	NEW BUSINESS WINS	CLIENT ATTRITION	STAFF TURNOVER	SHARED OWNERSHIP
DEFINITION	Annualised value of new work won from clients where we have a signed contract.	Work lost that was not end of life.	Number of staff who leave in the year that we did not want to leave divided by average number of staff in the year.	The proportion of permanent employees who are direct owners of the business through our Shared Ownership programmes.
WHY IT'S IMPORTANT	Our industry has good growth fundamentals. Winning new business is an important component in the delivery of our organic growth targets.	We have a high proportion of annuity business. Minimising the number of clients that leave JTC is a key indicator of customer satisfaction.	We deliver a high touch service to clients. Maintaining continuity of staff ensures that we are best able to meet client needs.	Shared Ownership is our key differentiator. It is important that staff have a direct stake in our business to promote a stakeholder mentality and ensure that their interests are aligned with external shareholders.
2022 PERFORMANCE	Another record year for new business wins with an increase by value of 17.7% to £24.6m.	Total client attrition was 6.4% (2021: 7.9%) with regretted attrition (not end of life) of 1.7% (2021: 2.6%).	Turnover of 8.0% at Group level (2021: 9.3%).	100% of permanent employees are owners of the business with staff holding c. 15% of issued share capital.
COMMENTARY	The ICS Division won new business with a total annualised value of £17.2m and the PCS Division won new business with an annualised value of £7.4m.	98.3% (2021: 97.4%) of revenues that were not end of life were retained in the period. Our attrition rate fell in 2022.	Our people are highly regarded in the industry and therefore this is a very good performance.	All new staff awarded shares at the end of probation as well as being enrolled in EBT.
TARGET	We aim to achieve at least a 10% increase in the annualised value of new business wins year on year.	We aim to keep regretted client attrition at less than 2.5% p.a.	We aim to keep annual staff turnover, as defined, at less than 10%.	100% of permanent employees to be owners of the business.
TARGET	2022 17.7% 2021 16.8% 2020 20.1% TARGET >10%	2022 1.7% 2021 2.6% 2020 3.4% TARGET <2.5%	2022 8.0% 2021 9.3% 2020 5.7% TARGET <10%	2022 100% 2021 100% 2020 100% TARGET 100%

MARTIN FOTHERINGHAM
Chief Financial Officer

CHIEF FINANCIAL OFFICER'S REVIEW

Record revenue growth and profits

"We are delighted to report that in keeping with the past 35 years, JTC has continued to invest in the business whilst delivering growth in revenues and profits."

£200.0m
2022 Revenue

30.2%
Adjusted underlying EPS increase

CHIEF FINANCIAL OFFICER'S REVIEW CONTINUED

FINANCIAL HIGHLIGHTS

	As reported			Underlying*		
	2022	2021	Change	**2022**	2021	Change
Revenue (£m)	**200.0**	147.5	+35.6%	**200.0**	147.5	+35.6%
EBITDA (£m)	**56.1**	26.6	+110.9%	**66.0**	48.4	+36.4%
EBITDA margin	**28.0%**	18.0%	+10.0pp	**33.0%**	32.8%	+0.2pp
Operating profit/EBIT (£m)	**33.8**	9.0	+275.9%	**43.8**	30.8	+42.1%
Profit before tax (£m)	**35.9**	27.8	+29.3%	**34.1**	24.9	+36.7%
Earnings per share (p)**	**23.92**	20.49	+16.7%	**33.27**	25.55	+30.2%
Cash conversion	**91%**	79%	+12pp	**91%**	87%	+4pp
Net debt (£m)	**120.4**	117.2	+3.2	**104.8**	113.3	-8.5
Dividend per share (p)	**9.98**	7.67	+30.1%	**9.98**	7.67	+30.1%

* For further information on our alternative performance measures (APM) see the appendix to the CFO Review.

** Average number of shares (thousands) for 2022: 145,137 (2021: 130,044)

REVENUE

In 2022, revenue was £200.0m, an increase of £52.5m (+35.6%) from 2021. Revenue growth on a constant currency basis was +32.0% (2021: +30.9%).

Net organic growth was a record high 12.0% and above our medium-term guidance range of 8% - 10%. The three year average stands at 9.8% and the outstanding performance across both these metrics provides continued evidence and assurance of our ability to deliver tangible revenue growth from our capital allocation choices.

Gross new revenue for the year was 18.4% (2021: 17.5%), driven by new business wins of £24.6m (2021: £20.9m), with £14.4m recognised in the year (2021: £9.8m). Additional revenue contributed from acquisitions in 2022 was £32.8m (2021: £24.7m). This was offset by attrition of 6.4% (2021: 7.9%), with the three year average now 7.7% (2021: 7.9%). We have seen the longevity of our client relationships increase and this is driving the reduction in attrition rates.

The retention of revenues that were not end of life increased to 98.3% (2021: 97.4%). The rolling three year average improved to 97.4%.

We have seen strong growth in the UK & Channel Islands, and particularly strong growth in the US where we continue to expand our capabilities whilst integrating numerous acquisitions.

As our business has grown, our revenues have become less concentrated by region. The table below illustrates clearly that the US is an increasingly large component of our business. Given the organic and inorganic growth opportunities in that region, we anticipate that we will see a continuance of that trend.

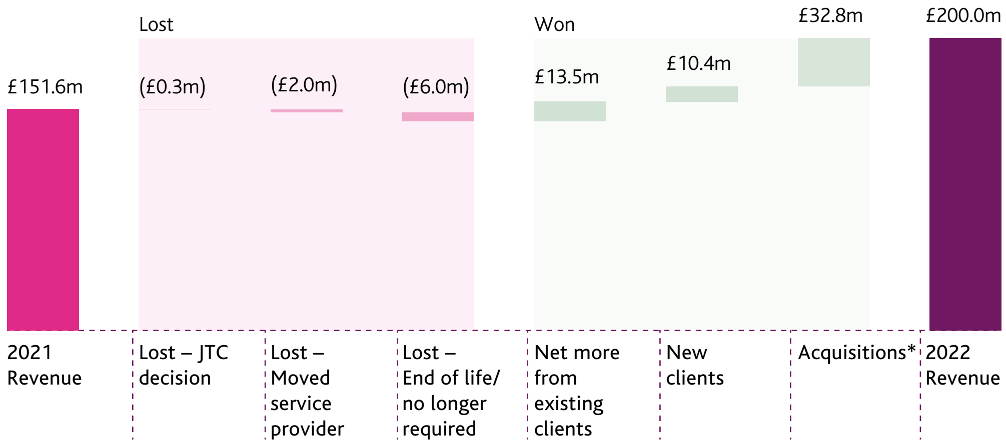
Geographical growth is summarised as follows:

	2022 Revenue	2021 Revenue	£ +/-	% +/-
UK & Channel Islands	**£107.8m**	£87.0m	+£20.8m	+23.8%
US	**£38.0m**	£15.7m	+£22.3m	+142.9%
Rest of Europe	**£34.3m**	£29.9m	+£4.4m	+14.9%
Rest of the World	**£19.9m**	£14.9m	+£5.0m	+33.2%
Total	**£200.0m**	£147.5m	+£52.5m	+35.6%

Off the back of a strong year for new business, we continue to report a healthy pipeline of £45.8m at 31 December 2022 (2021: £47.9m).

Revenue growth, on a constant currency basis, is summarised as follows:

REVENUE GROWTH



* When JTC acquires a business, the acquired book of clients are defined as inorganic for the first two years of JTC ownership. Acquired clients contributed an additional £32.8m in 2022 and is broken down as follows: NYPTC £1.0m, EFS £1.5m, SALI £13.3m, Ballybunion £1.7m, perfORM £0.2m, Segue £1.3m, INDOS £1.5m, and RBC cees £12.3m.

Management re-iterates its medium-term guidance range of 8% - 10% net organic growth, albeit with the expectation that short-term growth will be in excess of this guidance range.

UNDERLYING EBITDA AND MARGIN PERFORMANCE

Underlying EBITDA in 2022 was £66.0m, an increase of £17.6m (36.4%) from 2021.

The underlying EBITDA margin improved to 33.0% (2021: 32.8%) and now sits at the beginning of our medium-term guidance range. Despite a challenging global economic and political backdrop, the business delivered on the anticipated margin improvement alongside record revenue growth and the continued integration of acquisitions.

Whilst we have been pleased with achieving an underlying EBITDA margin within our guidance range, we have noted that this margin has been impacted by inflationary cost increases and the continued upfront investment in human capital that is required to deliver record levels of growth.

This investment can inherently slow margin progression. Experience tells us that it can take time and upfront costs before we are delivering optimal margins on the new business that we win. However, we believe that this initial investment is key to ensuring the continuing longevity of our client relationships.

Management re-iterates its medium-term guidance range of 33% - 38%.

CHIEF FINANCIAL OFFICER'S REVIEW CONTINUED

INSTITUTIONAL CLIENT SERVICES

Revenue increased by 47.4% when compared with 2021.

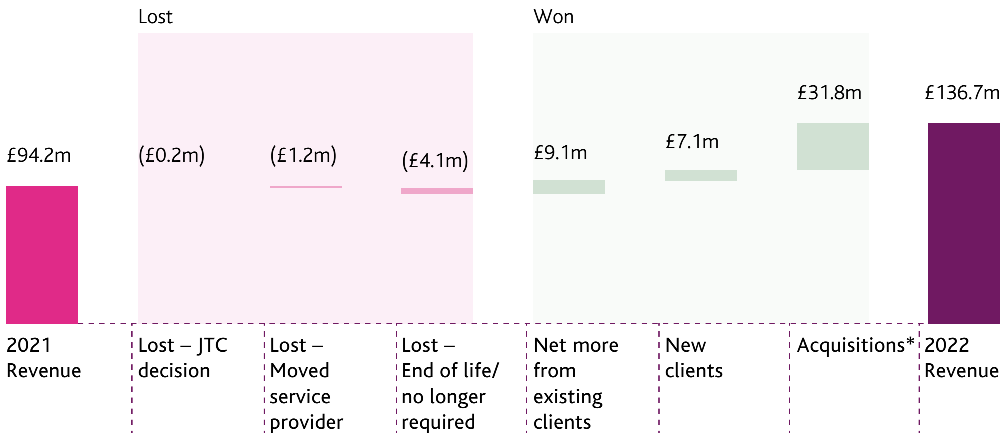
Net organic growth improved significantly to 14.6% (2021: 11.5%), with a rolling three year average of 11.0% and strong growth in the US, UK and Luxembourg. Attrition for the Division was lower at 7.5% (2021: 8.7%), 5.6% of which were end of life losses.

Revenue growth, on a constant currency basis, is summarised below.

The Division's underlying EBITDA margin increased from 30.2% in 2021 to 31.5% in 2022. This continued improvement is the result of delivering the revised operating model alongside the ongoing, and successful, integration of the businesses acquired in 2021.

The volume of acquisitions (11) in the last three years has meant that the Division has required continuous investment and we are pleased that margins have improved.

REVENUE GROWTH ICS



* Acquired clients contributed an additional £31.8m in 2022 and is broken down as follows: EFS £1.5m, SALI £13.3m, Ballybunion £1.7m, perfORM £0.2m, Segue £1.3m, INDOS £1.5m, and RBC cees £12.3m.

PRIVATE CLIENT SERVICES

Revenue increased by 15.7% from 2021.

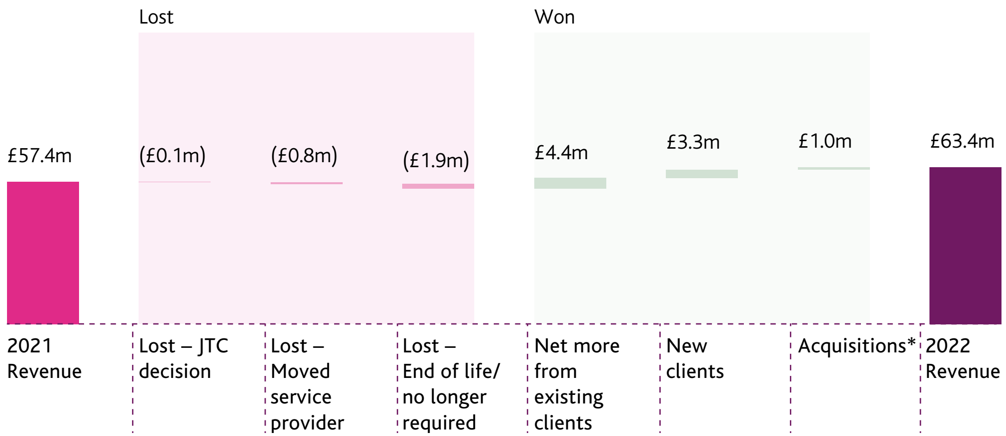
Net organic growth was 8.7% (2021: 7.1%) with a rolling three year average of 8.3% (2021: 7.8%). Attrition for the Division was also lower at 4.8% (2021: 6.9%), 3.3% of which was for end of life losses.

Organic growth for the Division had been lower than normal whilst we onboarded the Amaro mandate. This was a complex mandate to fulfil and the solution required 15 months of investment with the client before we could recognise any revenue. The solution was delivered on time and we started recognising revenues from 1 October 2022. This mandate will generate a minimum of $4m of annual revenues.

Revenue growth, on a constant currency basis, is summarised below.

The Division's underlying EBITDA margin decreased from 37.2% in 2021 to 36.3% in 2022. The Division continues to perform very well and is comfortably within our medium-term guidance range. This reduction in margin is explained in large part by the above upfront investment required to deliver the Amaro solution.

REVENUE GROWTH PCS



* Acquired clients contributed an additional £1.0m in 2022 and is broken down as follows: NYPTC £1.0m.

CHIEF FINANCIAL OFFICER'S REVIEW CONTINUED

PROFIT BEFORE TAX

The reported profit before tax was £35.9m (2021: £27.8m).

The depreciation and amortisation charge increased to £22.3m in 2022 from £17.6m in 2021. £3.5m of this increase was as a result of acquired intangible assets, £0.7m as a result of an increased charge for right-of-use assets reflecting the increased global footprint of the business, and £0.4m for the increased use of software reflecting the increased importance of technology in the business.

The increase in amortisation for acquired intangible assets (£3.5m) is significant but the direct result of the acquisitions we made in 2021.

Adjusting for non-underlying items, the underlying profit before tax for 2022 was £34.1m (2021: £24.9m).

NON-UNDERLYING ITEMS

Non-underlying items incurred in the period totalled a £1.9m credit (2021: £2.9m credit) and comprised the following:

	2022 £m	2021 £m
EBITDA		
Employee Incentive Plan (EIP)	**5.2**	14.5
Acquisition and integration costs	**3.4**	6.6
Revision of ICS operating model	**0.4**	0.4
Office start-up costs	**0.8**	–
Other costs	**0.2**	0.3
Total non-underlying items within EBITDA	**10.0**	21.8
Profit before tax		
Items impacting EBITDA	**10.0**	21.8
Loss/(gain) on revaluation of contingent consideration	**0.1**	(20.9)
Loss on settlement of contingent consideration	**–**	0.7
(Gain) on bargain purchase of RBC cees	**–**	(5.4)
Foreign exchange (gains)/losses	**(11.9)**	0.9
Total non-underlying items within profit before tax	**(1.9)**	(2.9)

We announced the distribution of the EIP awards in 2021 and the £5.2m charge in the current period relates to the second tranche of the awards that vested in July 2022.

Acquisition and integration costs were significantly lower (£3.4m) than the prior period and this reflects the fact that there were seven acquisitions in 2021 compared with one in 2022.

The business incurred £0.8m of non-underlying office start-up costs in relation to pre-trading expenses incurred in order to establish an additional fund administration offering in Ireland. This included significant up-front investment in personnel in order to meet regulatory requirements in advance of obtaining the licence to trade and generate revenues.

The foreign exchange gain of £11.9m relates to the year end revaluation of intercompany loans. Management considers these foreign exchange movements to be non-underlying items and not reflective of the underlying performance of the business.

TAX

The net tax charge in the year was £1.2m (2021: £1.1m). The cash tax charge was £2.8m (2021: £2.6m), but this is reduced by significant deferred tax credits of £1.5m (2021: £1.4m) as a result of movements in relation to the value of acquired intangible assets held on the balance sheet. Our effective tax rate decreased from 9.4% to 7.8% in 2022. The decrease is the result of the utilisation of US tax credits.

The Group regularly reviews its transfer pricing policy and is fully committed to responsible tax practices. Given the evolving nature and increasing complexity of the business, JTC performed a detailed review in 2022 and our policy continues to be fully compliant with OECD guidelines.

EARNINGS PER SHARE

Basic EPS increased by 16.7% to 23.92p. Adjusted underlying EPS increased by 30.2% and was 33.27p (2021: 25.55p).

Adjusted underlying basic EPS reflects the profit for the year adjusted to remove the impact of non-underlying items, amortisation of acquired intangible assets and associated deferred tax, amortisation of loan arrangement fees and unwinding of net present value discounts in relation to contingent consideration.

Every year we issue 1% of our share capital to the JTC EBT. This is equity that is allocated amongst all JTC staff and we believe this promotes better client service, a higher staff retention rate and cultivates our unique culture. Whilst this issuance dilutes EPS, we firmly believe that the benefits greatly outweigh the cost.

CASH FLOW AND DEBT

Underlying cash generated from operations was £60.3m (2021: £38.4m) and the underlying cash conversion was 91% (2021: 87%). It is extremely pleasing to deliver cash conversion better than our medium-term guidance during a period of record high organic growth. High levels of growth can come with short-term impacts to cash collection, but the business continues to effectively manage its working capital needs and management re-iterates its medium-term guidance range of 85% - 90%. We were pleased to reduce our pro-forma net investment days to 110 days at the end of the year (2021: 115 days).

Underlying net debt at the period end was £104.8m compared with £113.3m at 31 December 2021. We financed the acquisition of NYPTC in November without recourse to our debt facilities and by using cash we generated during the year. Leverage at the year end was 1.59x underlying EBITDA, a decrease of 0.75x from the level on 31 December 2021 (2.34x). Including the pro-forma EBITDA impact of the NYPTC acquisition, net leverage is 1.55x.

With no additional drawdowns in 2022, there continues to be undrawn funds of £69.3m available out of the £225m banking facilities secured in 2021.

DIVIDEND PER SHARE

We are pleased to propose a final dividend of 6.88p, resulting in a 2022 dividend per share of 9.98p (2021: 7.67p) which was a 30.1% increase on prior year. This is consistent with our dividend policy to declare at 30% of adjusted underlying EPS.

MARTIN FOTHERINGHAM
CHIEF FINANCIAL OFFICER

CHIEF FINANCIAL OFFICER'S REVIEW CONTINUED

APPENDIX: RECONCILIATION OF REPORTED RESULTS TO ALTERNATIVE PERFORMANCE MEASURES (APMs)

In order to assist the reader's understanding of the financial performance of the Group, APMs have been included to better reflect the underlying activities of the Group excluding specific items as set out in note 7 in the financial statements. The Group appreciates that APMs are not considered to be a substitute for, or superior to, IFRS measures but believes that the selected use of these may provide stakeholders with additional information which will assist in the understanding of the business.

An explanation of our key APMs and link to equivalent statutory measure has been detailed below.

ALTERNATIVE PERFORMANCE MEASURE	CLOSEST EQUIVALENT STATUTORY MEASURE	APM DEFINITION
NET ORGANIC REVENUE GROWTH %	Revenue	**Definition:** Revenue growth from clients not acquired through business combinations and reported on a constant currency basis where the prior year results are restated using current year consolidated income statement exchange rates. Acquired clients are defined as inorganic for the first two years of JTC ownership. **Purpose and strategic link:** Enables the business to monitor growth excluding acquisitions and the impact of external exchange rate factors. The current strategy is to double the size of the business by a mix of organic and acquisition growth and the ability to monitor and set clear expectations on organic growth is vital to the successful execution of its business strategy. Management's medium-term guidance range is 8% – 10%.
UNDERLYING EBITDA %	Profit/(loss)	**Definition:** Earnings before interest, tax, depreciation and amortisation excluding non-underlying items (see note 7 of the financial statements). **Purpose and strategic link:** An industry-recognised alternative measure of performance which has been at the heart of the business since its incorporation and therefore fundamental to the performance management of all business units. The measure enables the business to measure the relative profitability of servicing clients. Management's medium-term guidance range is 33% – 38%.
UNDERLYING CASH CONVERSION %	Net cash from operating activities	**Definition:** The conversion of underlying EBITDA into cash excluding non-underlying items. **Purpose and strategic link:** Measures how effectively the business is managing its operating cash flows. It differs to net cash from operating profits as it excludes non-underlying items and tax, the latter in order to better compare operating profitability to cash from operating activities. Management's medium-term guidance range is 85% – 90%.
UNDERLYING LEVERAGE	Cash and cash equivalents	**Definition:** Leverage ratio showing the relative amount of third party debt that we have in the business in comparison to underlying EBITDA. **Purpose and strategic link:** Ensures Management can measure and control exposure to reliance on third party debt in support of its inorganic growth. Management's medium-term guidance range is 1.5x – 2.0x.
ADJUSTED UNDERLYING EPS (P)	Basic Earnings Per Share	**Definition:** Reflects the profit for the year adjusted to remove the impact of non-underlying items. Additionally, a number of other items relating to the Group's acquisition activities, including amortisation of acquired intangible assets and associated deferred tax, amortisation of loan arrangement fees and unwinding of NPV discounts in relation to contingent consideration, are removed. **Purpose and strategic link:** Presents an adjusted underlying EPS which is used more widely by external investors and analysts, and is in addition the basis upon which the dividend is calculated.

CHIEF FINANCIAL OFFICER'S REVIEW CONTINUED

A reconciliation of our APMs to their closest equivalent statutory measure has been provided below.

1. ORGANIC GROWTH

	2022 £m	2021 £m
Reported prior year revenue	**147.5**	115.1
Impact of exchange rate restatement	**4.1**	(2.4)
Acquisition revenues	**(21.2)**	(7.2)
a. Prior year organic growth	**130.4**	105.5
Reported revenue	**200.0**	147.5
Less: acquisition revenues	**(54.0)**	(32.0)
b. Current year organic growth	**146.0**	115.5
Net organic growth % (b / a) -1	**12.0%**	9.6%

2. UNDERLYING EBITDA

	2022 £m	2021 £m
Reported profit	**34.7**	26.6
Less:		
Income tax	**1.2**	1.1
Finance cost	**12.3**	6.0
Finance income	**(0.2)**	(0.1)
Other (gains)	**(14.2)**	(24.7)
Depreciation and amortisation	**22.3**	17.6
Non-underlying items within EBITDA*	**10.0**	21.8
Underlying EBITDA	**66.0**	48.4
Underlying EBITDA %	**33.0%**	32.8%

* As set out in note 7 in the financial statements

3. UNDERLYING CASH CONVERSION

	2022 £m	2021 £m
Net cash generated from operating activities	**53.3**	28.9
Less:		
Non-underlying cash items*	**4.9**	7.7
Income taxes paid	**2.1**	1.8
Acquisition normalisation**	**–**	3.6
a. Underlying cash generated from operations	**60.3**	42.0
b. Underlying EBITDA	**66.0**	48.4
Underlying cash conversion (a / b)	**91%**	87%

* As set out in note 35.2 in the financial statements

** Acquisition normalisation refers to the following: In 2021, £3.6m of RBC cees revenues were billed in advance and collected by the previous owners in advance of JTC ownership.

4. UNDERLYING LEVERAGE

	2022 £m	2021 £m
Cash and cash equivalents	**48.9**	39.3
Bank debt	**(153.6)**	(152.6)
Other debt	**–**	–
a. Net debt – underlying	**(104.8)**	(113.3)
b. Underlying EBITDA (see 2. for reconciliation to reported profit)	**66.0**	48.4
Leverage (a / b)	**1.59**	2.34

5. ADJUSTED UNDERLYING EPS

	2022 £m	2021 £m
Profit for the year as per basic EPS	**34.7**	26.7
Less:		
Non-underlying items*	**(1.9)**	(2.9)
Amortisation of customer relationships, acquired software and brands	**12.4**	8.8
Amortisation of loan arrangement fees	**1.1**	1.5
Unwinding of NPV discounts for contingent consideration	**3.5**	0.6
Temporary tax differences arising on amortisation of customer relationships, acquired software and brands	**(1.5)**	(1.4)
a. Adjusted underlying profit for the year	**48.3**	33.2
b. Weighted average number of shares	**145.1**	130.0
Adjusted underlying EPS (a / b)	**33.27**	25.55

* As set out in note 7 in the financial statements

CFO SPOTLIGHT – JTC TAX STRATEGY

We are a business that is committed to sustainable and responsible tax practices. A core component of this is full compliance with tax legislation in every jurisdiction in which we operate.

OVERVIEW OF OUR BUSINESS

JTC's headquarters are in Jersey where senior decision makers are also located. Our global business and its growing geographical footprint follow a model of providing services to clients within the jurisdiction of client engagement.

Local operating companies deliver services to clients in the jurisdictions where they are based. These companies are staffed and managed locally, albeit we do on occasion outsource work to other JTC offices. Where appropriate, expertise can be provided from other jurisdictions and supported by Group functions at head office.

Our current strategy is to double the size of the business through a mix of organic growth and acquisition.

AIMS

This Tax Strategy aims to support:

- JTC's global business operations
- Compliance with the applicable tax legislation in the countries in which we operate

> "JTC is committed to maintaining a good working relationship with tax authorities."

SCOPE

This strategy applies to all:

- Taxes (both direct and indirect) in the countries in which we operate
- Directors, employees and third parties (including service providers and external advisers) to the extent their actions affect JTC's tax affairs

APPROACH TO WORKING WITH TAX AUTHORITIES

JTC is committed to maintaining a good working relationship with tax authorities based upon compliance, transparency, co-operation and proactive engagement to minimise tax risk. Specific aspects of our approach to tax authorities in relation to tax compliance and planning are set out in greater detail below.

TAX COMPLIANCE

JTC is committed to complying with the tax legislation in the countries in which we operate ensuring tax liabilities are settled on a timely basis.

TAX PLANNING

JTC will focus on ensuring that commercial transactions (eg. acquisitions) which arise as part of our business strategy are done so in a tax efficient manner. Specifically, we will not engage in tax-motivated transactions or put in place arrangements that are artificial or contrived.

We will discuss tax planning with external advisers to the extent that such planning is aligned with our strategy. However, the primary reason that we will seek external advice is to support our commercial decision making process where the tax position may be unclear or we do not have the in-house expert knowledge to be able to fully assess the tax consequences. Our business model and market is such that we may acquire businesses in countries with low tax rates.

When making acquisitions (or disposals) consideration of the tax consequences is a key component of our evaluation process, alongside the appropriate legal and financing structuring.

JTC's business model, comprising locally managed operating companies supported by a group infrastructure and limited outsourcing supports our transfer pricing policy.

"We operate on a low tax risk basis and do not engage in transactions that are considered to be high risk."

RISK MANAGEMENT

JTC's tax risks occur in the following areas:

- Transactional – the application of tax laws to specific transactions
- Compliance – our tax accounting arrangements (including the recording of transactions) and processes for making tax payments, filing tax returns and responding to questions from tax authorities
- Operational – arising from routine, business as usual operations
- Financial accounting – the process whereby we compute the tax balances included in our Annual Report and Accounts

We do not define acceptable levels of tax risk, preferring to operate on a low tax risk basis and not engaging in transactions that are considered to be high risk. When considering tax risk we take into account our corporate and social responsibilities as well as the impact on our relationships with tax authorities and our reputation.

Group wide risks are managed centrally. Our operating structure is such that operational tax risks are managed by our local operating companies supported by the Jersey Head Office.

We hold regular meetings with our tax advisers to ensure that we are aware of legislative changes. Advisers will also be consulted in relation to non-routine transactions where we do not have the knowledge or expertise in-house.

JTC has a zero tolerance policy on tax evasion and any conduct or activities that facilitate such evasion.

GOVERNANCE

JTC's Chief Financial Officer is ultimately responsible for this strategy. The strategy is overseen by the JTC plc Board which receives regular updates, either directly or through the Audit Committee from the Chief Financial Officer.

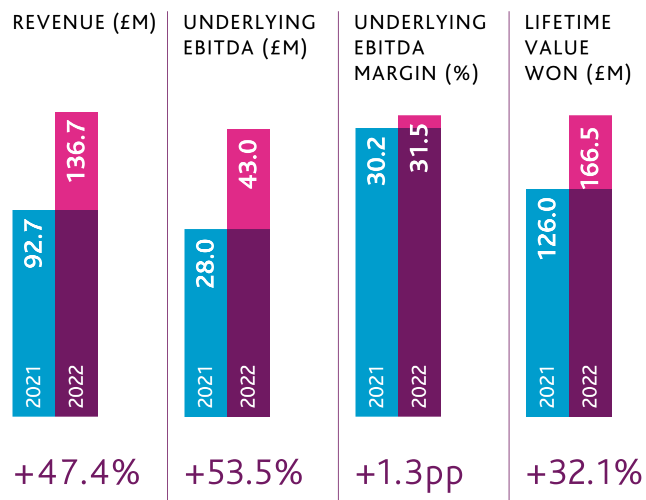
Day to day delivery of the strategy rests with the Group Finance Team, which supports our global business operations in their tax matters and works closely with external advisers.

This strategy was approved by the Board of JTC on 5 April 2023 to come into immediate effect. The Board will be required to approve any subsequent changes.

BUSINESS REVIEW

INSTITUTIONAL CLIENT SERVICES

DEAN BLACKBURN
Group Head of Institutional Client Services



HIGHLIGHTS

- Material revenue growth, underlying EBITDA margin improvement to 31.5% and record new business wins of £17.2m
- Successful operational and commercial integration of the seven businesses acquired during 2021 helping to deliver record levels of intra-group/cross sales
- Further strategic transformation new mandate win with an international legal firm demonstrating the Group's ability to provide and implement innovative solutions to large clients with complex requirements
- Established our full service Irish funds proposition with Fund Administration licence approval by the Central Bank of Ireland
- Continuation of operational improvements (Project Blueprint) and technology investment with build out of a dedicated ICS Operations team focused on driving further efficiencies and client service enhancements

NEW LEADERSHIP FROM WITHIN JTC

I am pleased to make my first Annual Report contribution since taking over as Interim Group Head of ICS from Jon Jennings in the second half of the year and assuming the permanent role post period end in January 2023.

Having been closely involved in the evolution of the ICS business for many years in my previous role as Group Chief Commercial Officer, the ICS Division is not new to me. It has been the fastest growing part of JTC in recent years as a result of strong levels of organic growth combined with the 12 acquisitions in the Division since our IPO in 2018. With such activity, we are becoming an increasingly diverse leadership team, leading an ever broader set of capabilities and client-centric solutions across 20 offices in 10 jurisdictions. Notwithstanding this rapid growth, with the focus on integration last year, it is pleasing to see that we have not only seen our more established jurisdictions perform well, but also our evolving platforms, which have combined to make for the particularly positive results for the year.

A YEAR OF UNPRECEDENTED GROWTH

2022 was an especially strong year for the ICS Division, with growth in revenues to £136.7m (2021: £92.7m), and EBITDA of £43.0m (2021: £28.0m) at an EBITDA margin of 31.5% (2021: 30.2%). The acceleration of previous growth levels, combined with improved EBITDA margins represents another important step towards completing our Galaxy era objectives ahead of the original timelines, as well as achieving our goal of establishing JTC as the first choice for partner-led, technology-enabled solutions for fund and corporate services. The new operating model described last year has now settled down well and we have since invested in the establishment of an ICS Operations office. This was to ensure continued momentum in driving through improvements in our platform and technology investments to create greater efficiencies and consistent service excellence across all our global offices, which has underpinned our success this year.

OUR '2+2=5' APPROACH TO M&A

If 2021 was a year of acquisitions for ICS, with a record seven deals completed, 2022 was a year of consolidation – with each of the businesses integrating onto the JTC platform, both operationally and commercially. We reported last year our excitement around each acquisition and every one of the 330 people joining JTC given their quality, expertise and capabilities and the solutions they brought into the Group. I can safely say that we weren't disappointed with these new additions to the JTC family having helped us deliver record levels of cross Divisional sales and organic growth for the year.

All recent acquisitions have contributed to our growth, but the combination of our enlarged US platform and the continuing success of the Employer Solutions service offering (formerly RBC cees) were particular highlights. The increased scale and capabilities in each case, combined with the existing JTC expertise and culture of collaboration and client focus, created a particularly compelling story given the respective markets they serve and their opportunity for further long-term growth.

The Employer Solutions team worked closely with our funds and corporate teams as well as the PCS Division to identify synergies in terms of operational efficiencies and business development opportunities. This, together with an enhanced marketing program, contributed to a greater rate of new business wins.

To evolve the client experience and to accelerate and drive organic growth in the Employer Solutions business, we are investing in a three year platform enhancement programme. The central objectives being to re-imagine the online experience for our plan members, and drive greater efficiency by automating previously manual processes.

BUSINESS REVIEW: INSTITUTIONAL CLIENT SERVICES

Although 2022 focused on laying the groundwork for implementation (during 2023/2024), we delivered a number of early changes, one of which was to broaden the financial education available on our platform, helping members rationalise the need for long-term retirement savings against the day-to-day financial pressures they might experience.

The programme is due to complete in 2024 once all the main deliverables launch and the business is committed to rolling technology enhancements on an ongoing basis.

Our Irish service offering of AIFM, Depositary and Corporate Services was complemented by our Fund Administration licence being granted by the Central Bank of Ireland, which added a strategically important jurisdiction to our funds offering. I am pleased to report that the full service Irish offering saw new clients on-boarded as well as efficiencies and capabilities between Ireland, the UK and Luxembourg starting to be realised. Our Irish solutions are particularly interesting to our US colleagues where they are creating important opportunities within the US market for clients needing a European structure, and who feel closely connected to Ireland historically and culturally. The teams operate from Enniscorthy as well as the newly established Dublin office, which was opened in the summer.

2022 was also a year of reflection, evaluating the growth in the breadth and depth of our new capabilities and service offerings from both M&A activity and more recent internal innovation, and what it means for our business. We experienced an increase in – and understanding of the power of – cross-selling and collaboration across the ICS Division itself, and the wider JTC Group, helping serve more of our clients' global needs at the same time as supporting our growth ambitions. Looking back at the larger mandates that we have won in ICS in recent years, there has also been a realisation that our success in winning these more complex opportunities lies in the fact that we have gone beyond the role of a traditional service provider. We have transitioned, from an external perspective, to a trusted adviser role and can play an important role in realising strategic transformation for our clients.

EXCEPTIONAL NEW BUSINESS WINS

Even with ongoing adverse market conditions, new business development was particularly strong, with an annualised value of £17.2m business won. This was up 31% on 2021. Our win rate also hit an all-time high of 52%, with for the first time in our history, the team now winning one in every two mandates we engaged in for new clients. Despite such a successful year for new business wins, our pipeline remains strong and we continued to make further investments in our business development and marketing capabilities and capacity to support further growth in this area.

It was also the first year since the Covid pandemic where our business development teams were able to fully engage again in external, in person activity, including travel to other jurisdictions to participate in joint client presentations and events, which had a significant impact on our profile building of the ICS business. SALI was able to host its annual IDF conference for the first time since 2019, which firmly cemented their position once again as the market-leader in the IDF space. Our technical experts were in demand, with over 30 insights pieces published in leading journals in the jurisdictions in which we operate. This, with the enhanced collaboration between the business development teams across the Group, contributed significantly to our success in 2022 and has firmly set the tone for the year ahead.

CONTINUED FOCUS ON OPERATIONAL EFFICIENCY

Our operational framework continued to be enhanced with additional focussed resources being deployed in several key strategic regions in order to support future growth. A centralised client on-boarding team was established and is following a phased roll-out across the Division to deliver a more streamlined process as well as improved client experience.

A number of technology focussed initiatives were delivered in order to ensure the Division maximises the benefits arising from use of its specialist systems. Our core funds platform underwent an upgrade and training programme to provide further automation and enhanced capability, including further enhancements to the client online portal.

In addition, a programme of automation focussed on our open-ended funds clients continued to deliver time savings in relation to core processes such as NAV production. These developments brought efficiencies and also the ability to build further scale and deliver against a growing trend of larger and more complex client mandates.

Further governance improvements were delivered in order to ensure appropriate structure and discipline in relation to the management of our core business platforms – ensuring that the benefits arising from the initiatives mentioned above remain, and continue to be fit for purpose.

OUR PEOPLE

We are blessed to have some of the most talented, collaborative and client-centric people in our industry who take pride in being a part of JTC and our ICS business. However, we realised that was not enough if we were to meet future and ongoing growth objectives. This year we put specific emphasis on talent management and development, facilitated through the JTC Academy, and international mobility, delivered via JTC Gateway programmes. These initiatives help us to identify and boost future talent growth and facilitate moves around our global offices to support personal development plans as well as meet business needs. We were pleased to see our team grow organically from such programmes being implemented with some of our most senior people participating, as well as the recruitment of further top talent into roles across ICS. Together, this helped to keep our employee retention levels well below industry norms, and we believe will continue to do so in the future.

LOOKING AHEAD

As a people business, and with ICS having now grown to over 900 professionals servicing our extensive client base, our focus in 2023 will be on further supporting our teams' personal growth so that they can serve our clients even better through selective investment in our employees, technology and infrastructure. We will continue to build out and develop our US platform, both organically and inorganically, while also selectively investing in Europe and the UK where suitable opportunities arise. Operationally, we will continue to use technology and process improvements to make the business more efficient and support consistently high levels of client experience as we grow further and close out our Galaxy era.

BUSINESS REVIEW CONTINUED

IAIN JOHNS
Group Head of Private Client Services & Group Managing Director

PRIVATE CLIENT SERVICES

"We are proud of our reputation in the market and aim to set the benchmark for excellence. Another year of growth and innovation has created strong momentum going into 2023."

HIGHLIGHTS

- 8.7% net organic growth and margin of 36.3%
- Onboarding of Project Amaro – JTC's biggest ever client win
- Continuing our journey to become more than just a trust company – revenue growth from progressive services, including strategic transformation solutions, JTC Private Office, treasury, custody and tax compliance/regulatory reporting
- Acquisition of NYPTC based in Delaware and integration is proceeding well – opening the door to the domestic US trust market
- Continued investment in talent and infrastructure to drive future growth

A SOLID YEAR'S PERFORMANCE

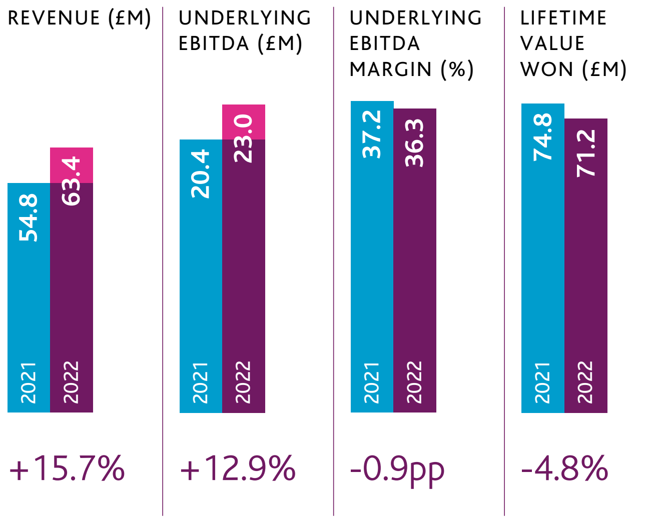
The Division had a strong year, with growth in revenues to £63.4m (2021: £54.8m) and delivering EBITDA of £23.0m (2021: £20.4m) with an underlying EBITDA margin of 36.3% (2021: 37.2%). The slight reduction in margin came from scaling up resource whilst on-boarding Project Amaro.

Importantly, we delivered 8.7% net organic revenue growth (2021: 7.1%). New business wins were a solid £7.4m, exceeding our internal targets. This performance remains ahead of peers and general sector expectation, and it demonstrates the stability of the business, even during times of general economic downturn.

Our regional approach to business development continues to bring strong growth, as we are expanding our innovative range of client solutions as well as growing our traditional services, creating a springboard into 2023.

EXPANDING OUR SERVICE OFFERING – BECOMING MORE THAN JUST A TRUST COMPANY

JTC's ability to outperform the market consistently is driven by its service excellence, significant in-house



BUSINESS REVIEW: PRIVATE CLIENT SERVICES

expertise and aptitude for innovation. By understanding clients' changing needs, we are able to draw on our expert teams to develop progressive solutions. These include strategic transformation solutions, expert outsourcing services, treasury and custody services, as well as our growing JTC Private Office and tax compliance and regulatory reporting offerings.

COMMITTED TO EXCELLENCE

Our reputation for guaranteed premium quality service and our collaborative approach has helped us to win a number of significant new mandates in 2022. We also won 24 team and individual industry awards during the year, which again reflects the standard of service delivered by our global private client team. These awards back up our belief that we are the world's pre-eminent trust company. Our focus on continued delivery of client service excellence is an ongoing part of our strategy.

PARTNER OF CHOICE FOR GLOBAL BANKS

In 2022 we on-boarded Project Amaro, which is our biggest ever client win. This involves us delivering outsourced accounting and regulatory reporting services to one of the world's largest financial institutions. Our strong relationship with this client has led to further projects that we are working on in 2023.

In addition to Project Amaro, we have also been working with a well known European bank across a number of our offices, helping them to deliver strategic change. This is in addition to our partnership with a Cayman based bank and a number of other financial institutions, demonstrating the value we can bring to these clients.

US MARKET

EXPANDING IN THE US

We have made a strategic commitment to the development of the US market as we see the scale of the opportunity in this region. Our acquisition of New York Private Trust Company in Delaware gave us instant access to the US domestic trust market. The integration of this business is going well and we are already seeing higher than expected new business wins in 2023.

In our South Dakota office we continue to deliver organic growth through our international services, which we expect to continue in 2023 and beyond.

Additional growth will come from harnessing our global expertise and proposition – this is enabling us to expand our services in the US and develop a unique proposition across both the international and domestic markets.

TECHNOLOGY FOR GROWTH

To provide efficient new services to major institutions, we need the right technology. We've always invested in our platform to enable growth, and we continue to do so.

In 2022 we developed a bespoke platform for the on-boarding and delivery of Project Amaro, which is now in place and working efficiently. New technology is also in late development phases for another financial client solution; we expect this to be fully in place before the middle of the year.

OUR PEOPLE

Our collaborative spirit remains strong, which is a key contributing factor to our success, and staff turnover in the Division remains low. This is testimony to our shared ownership culture, which drives positive behaviours. We have remained active in succession planning, developing an appropriately managed talent pool to make sure that we can deliver the same premium quality service well into the future.

LOOKING AHEAD

Our continued development within the US market will be an important focus as we recognise the scale of this opportunity. We will retain focus on growing our other established regions: the Channel Islands, Caribbean, Europe and AMEA. We have developed strategies for each of our markets to continue to drive growth organically and through potential acquisitions. We always look ahead, considering regulatory changes, technology requirements and anticipating what our clients are likely to need in the future and where they will want services delivered from. This enables our progressive approach.

Our ongoing development of JTC Private Office will continue to grow the number of larger mandates we win; we are increasingly becoming known for working with high value and complex clients from all around the world. Interest in our Family Governance services has also increased, both in Europe and in the US. We will be expanding this further during 2023.

JTC's brand really sets us apart in the market – we are positioned as leaders in the industry and the gold service standard in private client work, the hallmark of quality.

READ MORE ABOUT OUR STRATEGY ON PAGE 14

SUSTAINABILITY

We will continue to evolve our Sustainability strategy and framework to build on the progress made to date.

WENDY HOLLEY
Chief Operating Officer and Chief Sustainability Officer

INTRODUCTION

In 2022, we made considerable progress towards our sustainability goals and objectives, with an emphasis on strengthening our governance framework. In addition to appointing Wendy Holley as Chief Sustainability Officer we added a new non-executive director, Kate Beauchamp, to our Board. We formally updated our Terms of Reference and all Board Committees to ensure that ESG permeates our strategy throughout the Group. In addition, a decision was taken to split the Audit & Risk Committee into an Audit Committee and a Risk & Governance Committee with the latter having responsibility for ESG considerations. From 2023, the ESG Forum, our sustainability working group, will report progress on JTC's ESG roadmap directly to the Risk & Governance Committee. We remain a Carbon Neutral+ organisation and have strengthened our commitment to transparency regarding climate risk by reporting to Carbon Disclosure Project (CDP) for the first time. We launched our inaugural employee survey and conducted a detailed review of employee benefits, resulting in a number of enhancements to family friendly policies. We continue to evolve our ESG roadmap to ensure we are making iterative progress towards our goals, with an eye towards establishing additional metrics and targets in the coming year, with our first milestone being a commitment to net zero emissions before 2030. We will continue to evolve our ESG strategy and framework to build on the progress made to date.

ENVIRONMENTAL

-9.7%
YoY reduction in CO_2 emissions per employee

132
employees voted for carbon offset projects & provided feedback

7
hybrid/electric vehicles leased under the Luxembourg office car allowance

SOCIAL

8%
employee turnover rate

57%
of employees are female

112
employees participated in management training

276
employee promotions

£225k
donated, fundraised and contributed

28,000
training hours logged on JTC Academy

GOVERNANCE

1
JTC announces Wendy Holley as its first CSO

38%
of board members female

63%
of Board members are Non-Executive Directors

SUSTAINABILITY CONTINUED

OUR ESG FRAMEWORK

Over time, we fully expect our ESG framework to evolve and new elements will be added for us to define, measure, and track.

			SDGs*	STRATEGIC OBJECTIVES	SUPPORTING TARGETS	PROGRESS MADE IN 2022
SHARED OWNERSHIP	ENVIRONMENTAL	CLIMATE RISK, NATURAL CAPITAL, CARBON EMISSIONS, ENERGY EFFICIENCY, WASTE MANAGEMENT	7, 9, 13, 15	• Assess the impact of JTC's business operations on the environment • Reduce our carbon footprint • Contribute towards initiatives and projects that support the natural environment • Support our clients in ESG matters including the rapidly evolving regulatory landscape on the path towards net zero	• Measure our carbon footprint and pursue ways to reduce it • Commit to becoming carbon neutral by purchase of validated carbon offsets • Expand internal expertise and capacity to service clients on ESG issues • Measurably increase employee awareness of environmental strategic objectives	• Reported under TCFD for the first time • Maintained Carbon Neutral+ status and reduced CO_2 emissions per employee by -9.7% YoY • Reported to Carbon Disclosure Project (CDP) for the first time • Became a signatory of the UN Principles of Responsible Investment across the Group • Established a Net Zero by 2030 target (post period close)
	SOCIAL	DIVERSITY, EQUITY AND INCLUSION, HUMAN RIGHTS, COMMUNITY RELATIONS SHARED OWNERSHIP, JTC ACADEMY, JTC GATEWAY, JTC WELLBEING, EMPLOYEE ENGAGEMENT	1, 3, 5, 8	• Apply our culture of Shared Ownership to best service the needs of our clients • Hire, develop and retain the best people, helping them to maximise their potential • Help our people achieve balanced wellness through our JTC Wellbeing and JTC Academy programmes • Contribute towards the wellbeing of local communities where we live and work	• Hire, develop and retain the best talent in the industry to support our clients • Support employee growth and development with targeted training and career development opportunities • Invest in meaningful charitable causes and carbon offset projects that enhance overall social wellbeing	• Launched inaugural Employee Survey • Conducted global benefits review • Focus and investment in training and development • Internal promotions and sector-leading retention • Enhanced employee wellbeing and wellness initiatives including formalisation of remote work policy • Polled employees on carbon offset selection & sustainability ideas
	GOVERNANCE	DATA MANAGEMENT AND SECURITY, ETHICS RISKS, SUCCESSION, STAKEHOLDER ENGAGEMENT, PURPOSE AND CULTURE, BOARD COMPOSITION, EXECUTIVE COMPENSATION, AUDIT AND RISK	5, 8	• Expand Board level oversight of ESG strategy • Formalise Board level review of key ESG priorities • Prioritise Board composition to ensure diversity of thought, background, and experience • Maintain robust risk frameworks and best-in-class controls	• Enhance Board level oversight of strategic ESG matters • Improve Board level diversity and ESG expertise • Update Terms of Reference to formally bring ESG matters into the direct remit of the Board and its sub-committees	• Appointment of Wendy Holley as CSO • Appointment of a new Independent NED, Kate Beauchamp • Audit & Risk Committee split into an Audit Committee and a Risk & Governance Committee • Updates made to Terms of Reference to provide Board level consideration on ESG risks and opportunities • IT & Cyber Security strategy 'deep dive' presentation to the Board

* UN Sustainable Development Goals

OUR SUSTAINABILITY TIMELINE

● ENVIRONMENTAL ● SOCIAL ● GOVERNANCE

1987 — 2022 — 2023

1987
● JTC is founded

1998
● Nigel Le Quesne creates JTC Shared Ownership and establishes it with half of his own equity

2012 ●
1st Shared Ownership award of £12m is made when a minority stake is sold to PE firm CBPE

2015
● JTC Academy launched

2017
● JTC Gateway launched Stronger Together branding launch

2018
● 2nd Shared Ownership award of £14m is made when the Group lists on the London Stock Exchange

● JTC Wellbeing launched

2020
● JTC acquires Indos Financial

2021
● JTC reports under SASB for the first time

● 'Maximising Potential' – global educational charity support programme – is launched

● JTC becomes a Carbon Neutral+ company

● **2022**
Kate Beauchamp is appointed as a Non-Executive Director

2022 ● ● ●
Updates made to Terms of Reference to provide Board level consideration on ESG risks and opportunities

2022 ●
Wendy Holley appointed JTC's first Chief Sustainability Officer

2022
● ● ●
JTC launches its ESG Services product offerings

2022 ●
JTC reports under TCFD for the first time

2022 ●
JTC discloses under CDP for the first time

2022 ● ● ●
JTC becomes a signatory of the UN Principles of Responsible Investment

2023
Established a Net Zero by 2030 target (post period end)

THE EMPLOYEE SURVEY

In 2022, JTC launched its inaugural Employee Survey, a commitment to ensure the voices of all our global employees are heard.

The purpose of the survey was to ensure, as a business where all employees are owners, that there is an understanding of how people feel about life at JTC, what works well, and where we can improve. We were delighted that the entirely voluntary survey generated a 60% response rate from our global team, a figure which we hope will only increase with future surveys. The survey consisted of four sections, with 12 questions scored on a 1-5 scale with 1 representing 'Strongly Disagree' and 5 being 'Strongly Agree'.

With the support of a third party specialist to ensure independence, we compiled a detailed report and are happy to share some key themes.

78%

average score across all four survey sections

Table below contains the text of the questions asked in each of the four Employee Survey sections, along with the scores, out of 5.0 for each question.

SECTION 1: SHARED OWNERSHIP

I understand what Shared Ownership at JTC means	4.3
JTC's Shared Ownership culture provides the business with a key differentiator in the market	4.0
I value being an employee owner at JTC	4.2

4.2/5.0
Average

"Being part of JTC's shared ownership scheme gives JTC an attractive advantage over other employers."

SECTION 2: UNDERSTANDING THE STRATEGY

I understand JTC's plans for future growth and success	3.8
I understand how my role contributes to JTC's goals and objectives	4.1
I am proud of the service JTC provides to its clients	4.1

4.0/5.0
Average

"JTC is a valued service provider in the market and people really care about providing excellent service to clients."

SECTION 3: FEELING RECOGNISED

When I contribute to JTC's success, I feel recognised by the company	3.5
I feel that the overall compensation package offered by JTC is fair for the work I do	3.3
I value the additional benefits offered by JTC	3.6

3.5/5.0
Average

"The best culture I have ever experienced, combined with the best people I have ever worked with. Open, transparent, respectful of each other no matter which office one deals with and at all levels. Very unique in this industry."

SECTION 4: LIFE AT JTC

I believe I have opportunities for a long-term career at JTC	4.0
JTC has a positive culture	4.1
I believe that JTC's values reflect my own	4.0

4.0/5.0
Average

"A forward thinking and supportive organisation, which I am immensely proud to be part of."

SUSTAINABILITY CONTINUED

DISCLOSURE UNDER SUSTAINABILITY ACCOUNTING STANDARDS BOARD STANDARDS

ACCOUNTING METRIC & CODE	CATEGORY	UNIT OF MEASURE	DISCLOSURE
DATA SECURITY			
Description of approach to identifying and addressing security risks Code: SV-PS-230a.1	Discussion & analysis	N/a	At JTC, we understand the importance of all of our information assets as well as retaining the trust of our existing and future clients. To support the JTC vision, and help the business meet its objectives, we are proudly committed to building the protection of assets from the foundations up. We operate a variety of best-in-class systems to deliver and maintain an impeccable standard of administration and use technology to innovate in both service delivery and efficiency. Globally there are many different regulatory and compliance requirements as well as Information Security and Risk frameworks. Each one of them has its own set of requirements and/or recommendations. For JTC we have adopted the National Institute of Standards & Technology (NIST) Cyber Security Framework and aligned our Policies, Standards and Procedures to the 'Information Organisation of Standardisation' (ISO 27001) suite of Standards. By adopting both the NIST Framework and ISO 27001 Standards, we meet the regulatory and compliance requirements applicable to JTC and the expectations of clients and investors. Annually we are subject to various regulatory reviews and audits, including a NIST Assessment and an ISAE 3402 IT general controls testing and assurance audit. Additionally, employees undertake Data Protection training and have access to the Data Protection policy via the intranet. We have a dedicated Information Security Team. Our Group Information Security Officer leads the team and is responsible for defining and delivery of the Group's Information Security strategy and approach. The team hold a number of advanced industry recognised certifications and qualifications such as Certified Information Systems Security Professional (CISSP), Certified In Information Security Management (CISM), Certified in Risk and Information System Control (CRISC), Certified Information Systems Auditor (CISA), Certified Data Privacy Solution Engineer (CDPSE), ISO 27001 certified ISMS Lead Auditor (CIS LA) and ISO 27001 Certified ISMS Lead Implementer (CIS LI). JTC will always implement the necessary controls to protect all information assets from unauthorised access, assure the confidentiality of information and maintain its integrity.
Description of policies and practices relating to collection, usage, and retention of customer information Code: SV-PS-230a.2	Discussion & analysis		JTC is fully committed to both the spirit and the letter of all of the data protection/data privacy frameworks that apply to it globally. As an award winning, market-leading provider of private and institutional client services, client confidentiality sits at the heart of our business. We build on this foundation with respect for all of our data subjects' statutory data protection and data privacy rights. We continually seek to enhance our data protection practices.
Number of data breaches Code: SV-PS-230a.3	Quantitative	Number, percentage (%)	No personal data breaches requiring formal notification to an Information Commissioner or a data subject were recorded for the period.
WORKPLACE DIVERSITY & ENGAGEMENT			
Percentage of gender and racial/ ethnic group representation. Code: SV-PS-330a.1	Quantitative	Number, percentage (%)	Executive management (Group Holdings Board & Group Directors) – 76% male and 24% female All other employees – 41% male and 59% female U.S. employees – Senior Management 83% White, 17% Not disclosed All U.S. employees – 8.7% Asian, 7.7% Black, 12.6% Hispanic, 0.5% Native Hawaiian or Pacific Islander, 4.9% Two or More Races, 9.3% Not Disclosed, 56.3% White
Voluntary and involuntary turnover rate for employees. Code: SV-PS-330a.2	Quantitative	Number, percentage (%)	8% voluntary, 7% involuntary.
Employee engagement Code: SV-PS-330a.3	Quantitative	Number, percentage (%)	60% participation.

SUSTAINABILITY CONTINUED

DISCLOSURE UNDER SUSTAINABILITY ACCOUNTING STANDARDS BOARD STANDARDS CONTINUED

ACCOUNTING METRIC & CODE	CATEGORY	UNIT OF MEASURE	DISCLOSURE
PROFESSIONAL INTEGRITY			
Description of approach to ensuring professional integrity Code: SV-PS-510a.1	Discussion & analysis	N/a	The Group has a set of Guiding Principles and core value behaviours that are designed to establish the organisational cultural tone and set the standards we expect our employees to follow. These clear standards aim to support the Group's policy of ensuring that business is conducted in a manner that is consistent with our reputation and conducive to maintaining high standards of integrity in all our business dealings, whilst having the highest regard for the interests of our clients. The Guiding Principles include the Group's commitment to: • full compliance with all legal, regulatory, and other requirements wherever we operate, adopting best practice whenever possible; • maintaining monitoring and risk management systems and procedures for the effective control of our affairs; and • open and transparent dealings with our stakeholders including our clients and regulators. The principles are underpinned by formal Group Policies, which set expected standards in a number of areas linked to professional integrity including: • Conduct Risk, • Anti-Money Laundering, • Countering of Terrorist Financing, • Anti-Bribery and Corruption, • Sanctions Compliance, • Insider Trading, • Conflicts of Interest; and • Whistleblowing, which provides whistle-blowers protection from retaliation. All policies are made available to employees via the Group's intranet. Adherence to these standards is periodically tested through the Group's 'three lines' model of assurance (read more on pages 47 and 48) and further supported by an employee compliance declaration exercise undertaken each year. On an annual basis, each employee's adherence to the Group's core value behaviours of accessibility, integrity, commercial awareness, personality, engagement and innovation are assessed as key contributory factors in the annual appraisal process and employees take part in Anti-Money Laundering training. Over and above the internal organisational processes, the Group is currently regulated in 17 different jurisdictions. It is an accepted global practice for regulators to require those employees who take senior Board roles and responsibilities, either within the Group or on behalf of clients, to submit personal questionnaires or other confirmatory paperwork before assuming such positions. Regulators will then examine such applications and grant licenses only upon satisfaction of local and international checks and regulatory considerations of fitness, suitability, experience and proven integrity. As such, and in support of the integrity achieved through internal organisational processes, there is considerable and consistent external regulatory scrutiny of integrity conducted by experienced authorities, often utilising information gateways (e.g. to law enforcement) that would not typically be available to the Group.
Total amount of monetary losses as a result of legal proceedings associated with professional integrity Code: SV-PS-510.a.2	Quantitative	Reporting currency	During the reporting period there were no monetary losses to the Group stemming from legal proceedings associated with lack of professional integrity or stemming from other environmental, social, or governance issues.
ACTIVITY METRICS			
Number of employees by: (1) full-time and part-time, (2) temporary, and (3) contract Code: SV-PS-000.A	Quantitative	Number	Full-time – 1291 Part-time – 146 Temporary – 48 Contract – 17
Employee hours worked, percentage billable Code: SV-PS-000.B	Quantitative	Number	For our fee earning employees, hours worked as % of contracted hours was 103% % of billable hours by chargeable staff: 82%

SUSTAINABILITY CONTINUED

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

JTC is reporting for the second time under the Task Force on Climate-Related Financial Disclosures (TCFD) framework, as required under Listing Rule 9.8.6R (8) on a comply or explain basis. We have considered our obligations under this Rule, also taking into account the TCFD Annex (issued October 2021), and have made disclosures consistent with the 11 TCFD Recommendations and Recommended Disclosures; noting that for Metrics and Targets, work is ongoing to establish more detailed targets that will enable us to manage climate-related risks and opportunities.

GOVERNANCE

JTC's ESG framework, which incorporates climate risk, is governed and overseen by the Board of Directors, with operational responsibility sitting with the executive team and in particular the Chief Operating Officer. In 2022, JTC enhanced board level oversight of climate and other ESG risks by implementing the following changes:

- JTC appointed Wendy Holley as the firm's Chief Sustainability Officer in addition to her Group Chief Operating Officer role.
- JTC appointed an additional Non-Executive Director, Kate Beauchamp, with specific focus/expertise in ESG, including climate risk. Kate is undertaking training and development relevant to her role as the chair of the Risk & Governance Committee and is enrolled (post period end) in the Corporate Governance Institute's Diploma in ESG and Corporate Governance.
- JTC amended each Board sub-committee's terms of reference to incorporate relevant ESG matters, including climate risk, as part of their remit.
- The Audit & Risk committee was split into two committees, Audit and Risk & Governance, with the latter having a specific role in the oversight of ESG strategy and policies, supported by director(s) with ESG specific expertise and the CSO.
- Board members Mike Liston and Nigel Le Quesne have specific experience on climate-related matters. Mike served as CEO of Jersey Electricity PLC (1993-2008) and serves as a Non-Executive Director of Foresight European Solar GP Ltd and Foresight Solar & Infrastructure VCT PLC. Nigel also served as a Director with Foresight and is shareholder in a solar farm.
- Climate related objectives are factored into executive remuneration. For more information, please see page 73.

The ESG Forum, chaired by the CSO, has responsibility for day to day ESG considerations, including climate-related risks and opportunities and JTC's range of sustainability solutions for clients.

The ESG Forum periodically reports findings, targets, and recommendations to the board. In 2022, the ESG Forum presented analysis on ESG risks & opportunities, including those related to climate change to the Board.

The strategic sessions informed not only JTC's corporate climate risk strategy but also decisions to invest in ESG Services and provided an opportunity to educate the Board further on key regulatory considerations and commercial opportunities related to climate change. In the coming year, the ESG Forum will work with the Board to identify additional targets, including those related to climate risk, and implement processes to track towards these goals.

STRATEGY

Physical risks resulting from climate change (e.g. extreme weather) could impact our global offices and our clients. For short-term events (<2 years), business continuity and disaster recovery plans are in place to ensure that work could be completed from a different location or remotely. Following the pandemic, work from home has become a more established practice, with a formal remote working policy in place. Globally dispersed teams are well positioned to take on work from other offices if needed and permitted under the relevant regulatory licenses. JTC has managed physical risks successfully in practice by using backup power generation and moving employees to our offsite disaster recovery centre when our South Africa office was impacted by rolling power outages.

Transition and regulatory risks are another area of consideration. Medium-term events (2-3 years), such as changes to regulation, carbon tariffs, and the potential for stranded assets have the potential to impact JTC and our clients. Long-term events (3+ years) including macroeconomic impacts on global GDP and shifts in population centres could potentially impact JTC and our clients' revenue and profitability as they link to the wider global economy. All of these factors, as well as the social impacts of climate change are ones we consider in scope for a more detailed, formal materiality assessment in the coming year.

As the climate change regulatory environment matures and becomes clearer, we understand the need to manage transition risk for our business and also recognise the service opportunities that exist to support our clients. Commercial opportunities related to climate change are considered as part of our organic/inorganic growth strategy see pages 14-17. In particular, JTC has made strategic acquisitions (INDOS, perfORM) which have brought expertise and capabilities in servicing the growing areas of ESG advisory and impact & socially responsible investing globally.

We are ideally placed to become a highly credible component of our clients' value chains. In addition, our strength in providing expertise around complex regulatory and reporting frameworks means that we are able to offer ESG advisory and administration services to a broad range of clients from institutions to UHNWI and families. Please see page 28 for more details on how climate change opportunities are being factored into JTC's service offering.

JTC has conducted analysis of our service offering and client base to determine risks and opportunities that apply in a number of climate-related scenarios. Based on our business model, diversified client base, and our assumptions that wealth preservation and collective investment will remain robust in any scenario, we believe our business will persist, and in some capacities, be enriched by the opportunity to provide additional services to our client base even in the face of climate change.

RISK MANAGEMENT

JTC has had specific conversations and garnered feedback with several key stakeholder groups: investors, clients, and employees. In each of these conversations, the materiality of climate risk to our business and service offerings was discussed. We have seen a general alignment across stakeholder groups that climate risk does not pose the largest risk to JTC as a people based, service business but we wish to further vet this assumption through a more detailed, formal materiality assessment, ideally in the coming year. Post period close, JTC employees were polled on their preferences in selecting JTC's carbon offsets and to gather their thoughts on what we can do to better manage climate risk. As important stakeholders in our value chain, we value the feedback of our employees and will consider how to incorporate their preferences as we work towards our net zero target.

JTC combines it's more than 3 decades of industry experience with in house ESG expertise to make informed decisions of which climate related risks are material to our business. We have spoken to informed expert stakeholders including institutional investors and completed an initial carbon assessment.

JTC has established processes for assessing, documenting, and managing business risks. We believe climate change is an emerging risk because there is an increased regulatory focus on the role financial insinuations and listed companies play in the path to net zero. As we conduct further materiality assessments and analysis, we will gain a deeper understanding of how these risks impact our business and our clients. While climate risk is captured in our risk framework in the near term we need to balance this risk against our other material risks.

As regulation and best practice continue to evolve, we consider it important to continue to engage with our value chain (including investors, clients, suppliers) and stay informed on emerging best practice. As such, we have strengthened our commitment to external forums and pledges by JTC PLC becoming a signatory to UN Principles for Responsible Investing (UN PRI) and reporting climate related data to the Carbon Disclosure Project (CDP) database in 2022.

METRICS AND TARGETS

JTC has chosen to report performance on metrics we believe appropriate for a people-based professional services business, which we have determined to be absolute carbon emissions and carbon intensity ratios that allow us to assess our emissions relative to revenue and headcount, since we are a growing business. GHG emissions were calculated in line with the GHG Protocol methodology.

2022	
Total CO_2 emissions	1,924.93 tonnes
Scope 1	440.10 tonnes
Scope 2	500.60 tonnes
Scope 3	984.23 tonnes
tCO_2e per employee	1.34
tCO_2e per £1m revenue	9.62
2021	
Total CO_2 emissions	1,820.15 tonnes*
Scope 1	451.45 tonnes
Scope 2	461.32 tonnes
Scope 3	907.40 tonnes*
tCO_2e per employee	1.48*
tCO_2e per £1m revenue	12.34*

- JTC intends to use 2022 as a baseline emissions year because we believe that a return to 'business as usual' travel and office attendance more accurately represents our carbon footprint since we started measuring it in 2020.
- Post period end, JTC made a commitment to become a net zero carbon emissions organisation no later than 2030.
- In the coming year we will work with internal and external stakeholders to ensure appropriate plans are in place to meet our commitment.

* In 2022 we enhanced our reporting by adopting the 'well to tank' (WTT) methodology for CO_2 emissions. To ensure consistency and provide accurate year-on-year comparisons, we have re-calculated the relevant 2021 emissions figures using the WTT method.

SUSTAINABILITY CONTINUED

> "The TCFD framework encourages organisations to consider the impacts of different climate scenarios on business risks and opportunities. Through our analysis of such scenarios, we argue that our core services offer strong undeniable advantages for our clients. These support sustained demand for our services and stable financial performance in the face of potential climate-related change."

WHAT THE TCFD IS WORKING TO ACHIEVE

In line with FCA / FRC comment following year one of mandatory TCFD reporting, we have reviewed both our approach and our response for year two. The TCFD is ultimately looking for the impact climate-related change could have on the financial performance of JTC over time, and what the business is doing to understand and manage this.

STRATEGIC AND PROPORTIONATE ALTERNATIVE TO DATA MODELLING

Extensive mathematical modelling of complex scenarios over extended periods is beyond our current capabilities and resources, as a business of c. 1,500 people. However, we can examine the problem by seeking to understand the fundamental practicality of what we offer, and how that, and the infrastructure we use to provide it, might be affected in different climate scenarios.

THE IMPORTANCE OF OUR EFFECTIVENESS FOR CLIENTS

JTC has operated for 35 years, serving clients in three areas:

<table>
<tr><th>FUND SERVICES (FS)
FACILITATING COLLECTIVE INVESTMENT</th><th>CORPORATE SERVICES (CS)
FACILITATING CROSS-BORDER TRADE AND CAPITAL MOVEMENT</th><th>PRIVATE CLIENT SERVICES (PCS)
PRESERVING PERSONAL AND FAMILY WEALTH</th></tr>
<tr><td colspan="3">In the anticipated or modelled potential climate-change scenarios, +1.5C and +2C, the functionality of, and demand for, our services will not fundamentally change, nor be materially eroded. In fact, they may expand in line with other trends in population growth and wealth creation. Other questions remain, however, over the underlying activity within those services, how and where JTC conducts the work, and the matter of regulation. Client behaviour tends to be neutral and unchanging for these:</td></tr>
<tr><td>People will still want collective investment opportunities. For example, a fund will seek to attract capital, generate a return and comply with regulations. A fund manager that, in the past, invested in petrochemicals might today invest in renewable-energy technology.</td><td>Companies will still trade internationally. In the corporate world, JTC's role is not to determine whether a company's strategy is viable or successful, it is to facilitate commercial (including cross-border) activity that is legal and compliant. If a client does not have a sustainable business model, or adapt to market forces and regulation, it will not be successful and will not grow to the point where it requires our services.</td><td>Wealthy individuals and families will still wish to preserve their wealth. Individual and family wealth has two main components - how it was generated, and how it is put to use. Market opportunities and the constraints of regulation will govern what private clients choose to focus on. Our role is simply to support the preservation, distribution or succession of that wealth.</td></tr>
</table>

REGULATION AS A LEVEL PLAYING FIELD AND CATALYST FOR JTC GROWTH

Regulation has always proven to be a key driver for our business, recent examples being FACTA and CRS. Regulation affects all participants equally and can largely not be avoided simply by using an alternative service to ours. As such, it creates additional revenue streams for JTC, and we believe emerging climate-related regulation will have a similar effect.

THE IMPORTANCE OF DIVERSIFICATION

The TCFD examines climate-related financial disclosures - so how do we connect the above analysis with financial performance? We have examined the risk of any imbalance that could find us at the mercy of the potential effects of climate change, as follows:

- We have clients in over 100 countries.
- We administer over 25 different entity types under 25 different regulatory regimes.
- We administer or oversee more than 20 asset types.
- We have no obvious industry or sector concentration in our client base.
- Our top 25 clients by revenue account for only 15.4% of turnover.

We currently operate 32 offices and are licensed by 25 different regulatory bodies. While each office confers a specific set of benefits to JTC and its client base - based on legal, regulatory and tax frameworks, or time zone, for example – the vast majority of locations in the JTC network have at least one, if not several, 'equivalent' locations in other parts of the world. In addition, our employees are typically internationally mobile from an employment perspective.

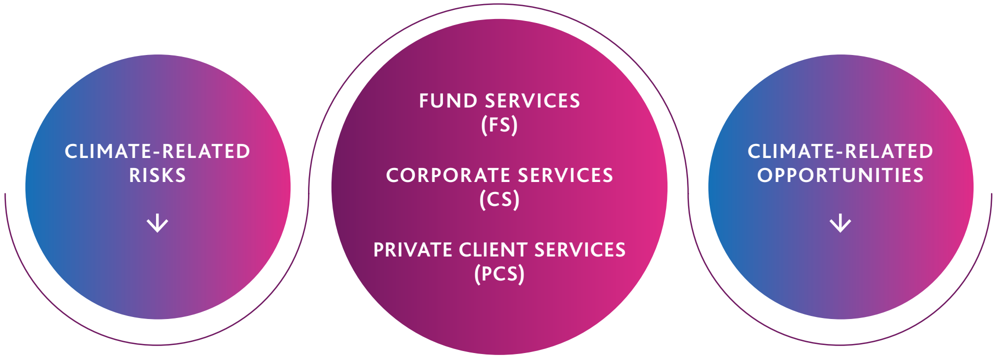
In reality, this means that to continue to be able to provide our services, we are naturally hedged and flexible to relocation. If BVI, for example, became an impractical and dangerous location, we could use other locations that would not be subject to the same conditions, such as the Channel Islands.

CONCLUSION

Taken together, the convenience of our core services, the long-term neutral approach taken by clients, a lack of concentration in the client base, the flexibility of the JTC network, and the impact of increasing regulation all mean that the financial risk to JTC of climate-related change across a number of temperature increase scenarios is, we believe, neutral at worst and quite possibly favourable over the long term. Our focus will continue to be on understanding climate risks as they evolve and capturing opportunities, for example in the form of the expanded range of Sustainability Services, such as vCSO, launched in 2022.

This conclusion has no bearing whatsoever on our desire to be part of the fight against climate-related change. We work to impose and comply with the many regulations seeking to help achieve the goals of the Paris Agreement and secure a sustainable future for the world.

Scenario analysis is interlinked with underlying risk assessment procedures, which include work to assess if there are material climate-related risks and opportunities for the Group. Informed conversations with key stakeholders, including clients, investors and employees help to inform management decisions regarding materiality.



SUSTAINABILITY CONTINUED

SUSTAINABILITY ACROSS OUR GLOBAL OFFICES

1 LUXEMBOURG

Employees in JTC's Luxembourg office have demonstrated a greater awareness for their environmental impact and sustainability leadership by taking a principal role in reducing their impact on the environment through several grassroots campaigns. Seeing transportation as a key area for improvement the office instituted a requirement that all new corporate car leases be hybrid or electric vehicles. This was supported by initiatives to provide subsidies for train passes and subscriptions for scooter and bike share memberships. When moving to a new office space, the team thought of innovative ways to ensure they played their part in a circular economy. Employees were invited to take home old office furniture in exchange for donations towards Think Pink, a local breast cancer awareness charity. This initiative raised €1,054 for the charity and is a wonderful example of supporting employees and their commitment to initiatives, such as recycling and sustainability.

2 JERSEY HQ

JTC strengthened its commitment to Governance with several key appointments and initiatives in 2022. Wendy Holley was named the Group's first ever Chief Sustainability Officer, a new female NED, Kate Beauchamp, joined the Board, the Terms of Reference for all Board Committees were updated to further embed ESG strategy, and the Audit & Risk Committee was split to create an Audit Committee and a Risk & Governance committee. Read more from page 58.

> In 2022, we made considerable progress towards our sustainability goals and objectives, with an emphasis on strengthening our governance framework.

3 UNITED STATES OF AMERICA

Strengthening their ties to the local community, the Austin team selected The Austin Angels as their charity of choice for 2022. Austin Angels work to provide foster children consistent support through relationship building, mentorship and care packages. Members from the Austin office participated in the 'Back-to-school Bash' supply drive to collect school supplies for children supported by the charity. The team exceeded their goal of collecting 20 water bottles, 20 backpacks, and two $50 Target gift cards and a total of 342 children were served at the event. Members of the team also volunteered their time to help pack up their backpacks and hand them out to those in attendance.

4 SOUTH AFRICA

The Ubuntu CSR Committee in South Africa strives to play an active role in their community by giving back and providing support for causes that need it most. As part of their National Women's Day celebrations the JTC team in South Africa participated in the 'Mowbray Hospital Knitting Challenge'. Mowbray Hospital is the largest maternity hospital in South Africa, with over 800 babies delivered there every month and the Western Cape Department of Health estimates that over half of the premature new-borns delivered at the hospital can be saved by initiatives such as this. The team, family and friends knitted beanies, baby jerseys, and blankets which they delivered to the hospital to aid in the care of premature babies. The Ubuntu Committee and volunteers continue to focus on doing as much as they can in their local community, contributing to monthly feeding schemes as well as running in office collections for clothing, blankets, books and canned goods.

5 MAURITIUS

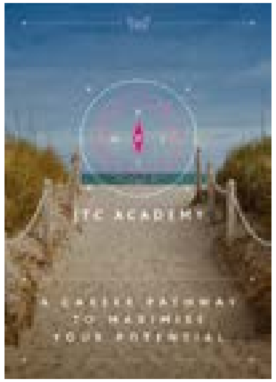
Our Mauritius team took part in the Group-wide reverse advent calendar initiative that inspired jurisdictions to give back to local causes during the festive period. The team partnered with their chosen charity, Sponsor a Child Mauritius, to support the needs of underprivileged children in their community. The charity have around 150 children in need of support in Mauritius and Rodrigues. CSR remains an important focus for our Mauritius Team, they have been working with Sponsor a Child since 2011, providing over 10 years of ongoing support. Employees from the office got together to offer more than a financial donation, packing over 30 gift bags that contained socks, stationary, games and snacks to bring some joy to those that needed it most. The Mauritius CSR team were invited to hand out the gift bags at the Sponsor a Child Headquarters, having the opportunity to speak directly to the recipients and hear first-hand the impact their donations and volunteering had made.

SUSTAINABILITY CONTINUED

JTC ACADEMY
Developing our people and maximising their potential

JTC Academy provides a structured development programme which gives access to materials and training tailored to job roles, performance, ambitions and potential. The Academy has continued to expand the range and quantity of training opportunities as the Group increases in size. In total, over 3,600 industry-leading learning materials including, Systems, Leadership and Personal Effectiveness topics were made available for employees to access in 16 languages. Subject categories include: – Risk & Compliance – Data & Cyber Security. – Business Skills. – Health and Wellness. – Leadership and Management. – Office Productivity. – Personal Development. – Sales and Client Service. – Technology – JTC curated content.

Over the last 12 months, the Learning and Development team have provided a comprehensive calendar of technical and non-technical training sessions delivered across all global jurisdictions utilising the Academy platform located on our 'People@JTC' system. Throughout 2022 our people continued to engage with various training programmes on JTC Academy, logging over 28,000 hours alongside 361 requests for external training. Over 1,300 mandatory Anti-Money Laundering and Data Protection training sessions have been undertaken by our teams across the globe. In comparison with companies of a similar size and scope, we score higher in the areas of self-enrolment for on-line learning modules and general engagement with Learning and Development activities. A continuing scheduled delivery of CPD based sessions has been managed by the Academy team throughout 2022 with 1,606 employee sessions over the year.



Training delivery highlights for 2022 include the delivery of a range of bespoke leadership and management education programmes:

- Managing the JTC Way – 64 delegates in 2022, with a further 96 due to start in Q1 2023. The programme was reviewed and updated in 2023 to provide a more flexible delivery structure.
- Step up to Management – delivered to 48 delegates in 2022, a further 48 due to start in 2023.
- Our custom programmes focus on our core Divisional Balanced Scorecard (DBS) modules of Finance, Risk, and Client & People Management.
- All new joiners continued to receive a comprehensive induction plan – automatically communicated and assigned to them from their start date.
- The 'Welcome to JTC' curriculum provided a consistent induction for all new joiners across the Group with over 30 hours of content and live sessions.
- All activity is now trackable ensuring adherence to policy requirements and jurisdictional specific enhancements to our core Induction programme have commenced and will continue into 2023.

"Working at JTC has helped me to gain confidence as I now know I can do a job and it's not as scary as it may seem! I have really enjoyed working at JTC and it has been a great experience." **Craig**, 2022 Intern

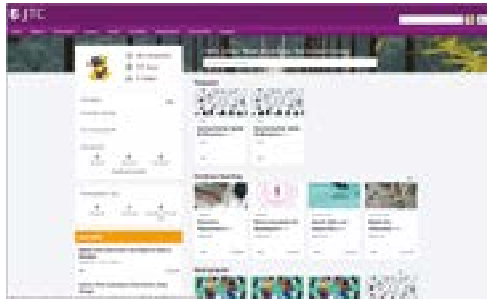
To support our core Wellbeing pillar, Academy continues to provide targeted development for our 'Mental Health First Aid' network, which has already proved its value to employees. This development is now being integrated into Managing the JTC Way as a standalone module to make it a 'requirement' for all managers at JTC which further reinforces our commitment to the wellbeing of our employees.

"PROJECT TALISMAN" – TALENT AND SUCCESSION

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. The focus in 2022 was to establish a framework for talent identification and succession planning, which will then be rolled out across the business. The framework was launched at the start of Q4 to very positive feedback from business leaders and Talisman is on track for completion as planned in 2023.

ESG SUPPORT

To support efficiencies and as part of our drive to reduce the use of paper. JTC Academy has taken the lead in supporting the move from paper based HR forms to on-line application and approval processes. To date 16 paper forms have been replaced by digital version, including: core new joiner forms, change of personal details such as address and bank accounts, benefit enrolment, approval request for parental leave, Recommendation for Recruitment (RfR), Recommendation for Promotion (RfP) and our Recommendation for Development (RfD) to request approval for eternal seminars or professional qualifications.



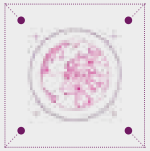
MAXIMISING POTENTIAL THROUGH OUR EDINBURGH INTERNSHIP SCHEME

Following the success of last year's 'virtual internship' JTC Edinburgh once again partnered with Career Ready Scotland, to run an internship scheme for local students. Career ready Scotland works to ensure that every young person progresses to a positive post-school destination and is able to prosper in the world of work, regardless of their background.

This year, the four week internship was in-person, with the student joining the JTC Edinburgh office working across the Employer Solutions teams. As part of the initiative the student is matched with a mentor within the JTC Edinburgh Team, who enables them to progress and build their confidence within the working world. The experience involves exposure to multiple contacts and teams within the business, giving the student a chance to work on the skills they will need when applying for and starting a job after leaving education. The scheme is an invaluable tool for students to develop their own personal and professional confidence whilst gaining an understanding for job roles and overall business requirements.

career ready
preparing young people for the world of work

SUSTAINABILITY CONTINUED



JTC GATEWAY
International experience to increase capabilities and actively develop talent

JTC Gateway offers our people the opportunity to develop their careers by working in Group locations around the world in support of their personal and professional growth. The programme allows for our people to undertake secondments, rotations and permanent transfers across Group locations.

As part of our Stronger Together culture the programme not only supports individual growth but also provides an opportunity to share our employees skills and expertise with international colleagues, helping to facilitate cross functional and cross jurisdictional learning.

Josie Cuff, Associate Director – Tax Compliance and Regulatory Reporting, joined JTC in 2021 after the RBC cees acquisition to support the policy and process integration to the Employer Solutions business. With over 10 years' experience in financial services and a leader in the AEOI field, Josie was well placed to take up a secondment to the Edinburgh office from Jersey. The move gave Josie an opportunity to understand the product proposition of Employer Solutions and gain exposure to a large integration project in a post-acquisition environment.

Reflecting on her Gateway secondment, Josie remarked that: "Gaining international experience is such a great opportunity and what is unique from a JTC perspective is the support and tools available to make it happen." She highlighted that: "The support and organisation from HR and the Business Management team made the relocation seamless." JTC Gateway opportunities allow our people to learn more about themselves and each other, being able to try new things and adapt to change and gaining a deeper understanding of how each jurisdiction operates.

"It was great to see the difference in his confidence by the end of the placement, it was a fantastic transformation."

Rui, JTC Career Ready Mentor and member of the Edinburgh ES team

SUSTAINABILITY CONTINUED

JTC WELLBEING

Helping our people to maximise their physical, mental and emotional health

JTC stands by its long-term commitment to wellbeing, with the impact of the pandemic still affecting our people, they have continued to show resilience and remained productive in spite of challenges.

The opportunity to return to our offices has allowed employees to reconnect in important ways with their roles and colleagues, while at the same time, JTC has continued to embrace flexibility through its remote working policy. Similarly, JTC remains committed to offering all permanent employees competitive non-salary benefits. This covers pension contributions, healthcare and dental cover.

Mental Health remained a focus in 2022 and we continued to expand our global Employee Assistance Programme to support our people with everyday challenges. The confidential service is available to employees 24/7, 365 days a year for them to ask questions across a wide range of topics including: personal finances, parenting, work life balance and anything in between, accessing experts who are on hand to support our people.

The JTC Mental Health First Aiders have continued to support our people, with 33 MHFA's located in 11 of our jurisdictions. Volunteers are trained via MIND UK on a two day accredited course that equips them to identify, understand and help others developing mental health issues by learning how to spot the signs and symptoms of mental health crisis and how to provide help on a first aid basis.

Throughout the year wellbeing content has remained a focus topic on Joogle, our employee intranet. We have featured articles on wide range of topics, including loneliness, grief, managing stress and the benefits of yoga. Alongside this we have marked key dates throughout the year such as Blue Monday, Random Acts of Kindness Day, National Grief Awareness Day, World Mental Health Day, World Diabetes Day and World Aids Day to provide our people with support resources and insight.

Another key focus for the year was raising awareness and providing support resources for Menopause in the workplace. With a theme for World Menopause Day centred around Cognition and Mood, JTC hosted two online workshops to continue the conversation and give employees the opportunity to provide insight and feedback.

WELLNESS WEEK

From 10 to 14 October 2022 JTC hosted its Wellness Week with a theme of Connections. Throughout the week, employees had access to a number of articles, online workouts and fitness content and daily master-classes that covered topics from mindfulness, nutrition, sleep and relaxation, creativity and exercise. The week encouraged employees not only to tap into physical wellbeing through exercise and healthy eating but also to explore mental wellbeing and connecting with one another. All our offices were invited to get involved through the virtual sessions and the crowd pleasing Jurisdictional Juice drop where every employee got to enjoy a refreshing and vitamin packed juice or smoothie.

Two competitions were run as part of the week, one exploring inner creativity and another focused on getting our bodies moving through daily step tracking. With representatives from all over the globe entering, our top stepper achieved an incredible 130,000 steps to claim top prize. This was followed by an amazing team effort from the Mauritius office to highlight their connections and creativity at JTC. These initiatives continued to flourish through our regularly scheduled 'Wellness Wednesdays'. This helped employees to explore what wellbeing means to them whilst also sharing a sense of connection to the communities around them and the support network at JTC.

Promotions across the globe

At JTC we believe in meritocracy where everyone is judged equally and rewarded for their contribution to the business.

In 2022, we were delighted to see 276 of our people promoted within their roles, covering all levels of seniority from Administrator to Group Director within teams across JTC. These promotions were made in recognition of each employee's individual performance, commitment to structured professional development and contribution to JTC's ongoing growth. The promotions span teams across JTC's Institutional, Private Client and Group Central Services divisions, including Fund Services, Employer Solutions, Private Client, Corporate Services, Finance, Human Resources, Office Services, Business Development and Marketing, Risk and Compliance, Regulation, and Banking and Treasury.

> It's wonderful to see so many of our talented employee-owners be rewarded through promotion for their commitment, drive and passion – and the proportion of the JTC global team who have been recognised in 2022 is equally impressive. Our employees are our greatest asset and their commitment to both professional and personal development through the JTC Academy – as well as continuing to deliver service excellence while working collaboratively with colleagues – means that our 'Stronger Together' ethos is clearly visible.
>
> **Wendy Holley**, Group Chief Operating Officer

JTC WELLBEING CONTINUED
Getting active, being social and the power of communications

JTC ACTIVE

Under the JTC Active banner, our global office network undertook 26 sporting events to promote leading a healthy and active lifestyle alongside supporting a number of charities. The events ranged from football games, beach walks, marathons, relays and a whole office sports day for numerous worthy causes. In February, 32 JTC employees from Jersey, Guernsey, London, Geneva, Amsterdam and the USA joined together to participate in the 4th Annual 'Virtual' Race the Thames Challenge. With teams of eight trying to complete 346km in a week, our participants ran, swam and cycled over 1,634km between them whilst also raising money for London Youth Rowing. The Group-wide 'Walk All Over Cancer' initiative continued to prove popular in its third year, raising £2,825 for Cancer Research UK with 70 of our people committed to walking 10,000 steps a day in March. Our Mauritius Team also participated in a company sports day, spanning three days with events from futsal, archery, badminton to dance. They managed to place second in the dance competition, with the team enthusiastically dressed in JTC colours to show off their routine. By highlighting achievements and gathering together virtually or in person, we all shared in the collective success of promoting and encouraging overall wellbeing, healthy living and positive mental health internally and externally in our communities.

JTC SOCIAL

After several years of experiencing remote working and being away from their colleagues, our global teams were excited to come together in 2022 for all sorts of social events and celebrations. Company wide activities inspired many of our jurisdictions to reconnect and get to know new colleagues in our ever expanding global team of 1,500+. A number of virtual events were held including musical bingo and quizzes, as well as in-person parties and end of year gatherings. Throughout December our teams were treated to our annual #FestiveTogether celebrations, a month long calendar of holiday activities that spotlighted our community and also supported those in need through charitable giving.

Some of the most popular events were our global PRIDE celebrations, which took place across the Group in September. Alongside educational articles and other resources, our employees got a chance to celebrate together with rainbow cupcakes and sweet treats.

EMPLOYEE COMMUNICATIONS

Following seven acquisitions in 2021, JTC's expanding global reach has put efficient and timely communications at the forefront of the employee engagement agenda. In the spirit of our Stronger Together culture, JTC encourages an environment of open communication and feedback, meaning we are constantly providing updates on everything from PLC news, spotlights on charitable giving, Divisional product updates or articles on market insights. At JTC, communications build our vibrant community.

1,500

no. of employees

JOOGLE

JOOGLE

In 2022, we published over 500 stories on our intranet, Joogle and the site won a 'bronze' accolade at the Digital Impact Awards. The platform continues to grow its influence and reach, clocking up 789,873 unique page views and 11,189 comment interactions over the year. Joogle provides a central hub for disseminating Group and Divisional updates, but also helps to spotlight the social events, charitable endeavours and work achievements of our JTC community to bring our global network to life. With JTC now spanning 32 global offices, the Communications Champions forum provided another avenue for employee connection and communication. The monthly meetings are attended by volunteer representatives of all levels from each jurisdiction, with members discussing the latest Company-wide news and providing on the ground feedback in relation to Group activity. In 2022, the forum held 12 meetings, with 48 members in 17 Jurisdictions. We also welcomed guest speakers from senior leadership (including COO/CSO Wendy Holley, Group HR Director Carol Graham and Katie Zolnierz, Director, ESG Reporting, all of whom participated in lively and enlightening discussions.

Our 'Ask Me Anything' live video podcast with CEO Nigel Le Quesne offered all employees an opportunity to hear directly from the top about JTC's strategic objectives, key operational initiatives as well as an insight into his personal career journey. Nigel was also the feature of a series of videos titled 'An Audience with Nigel Le Quesne' that were shared internally and allowed him to talk candidly about his part in the growth of JTC over more than three decades. A second 'Ask Me Anything' video podcast episode with Iain Johns, Group Managing Director and Group Head of Private Client Services, as the guest, was broadcast post period end.

MAXIMISING POTENTIAL

Teams from across JTC's global network helped fundraise over the course of 2022 as part of an initiative marking the firm's 35th anniversary that was aimed at supporting local charities that specifically benefitted young people. Education remains a priority, as over the last few years the impact of Covid on education has been felt worldwide. The World Economic Forum highlighted that over 1.5 billion students across 188 countries faced educational disruption due to the pandemic, causing lasting effects on the education of an entire generation. The impact of educational disruption for young people represented an opportunity for all of us at JTC to make a difference where it is needed most.

Alongside a donation from JTC, employees from across the Group's offices organised and hosted a broad range of fundraising events in their local communities over the year, raising a grand total of £106,506 for 24 different charities in more than 20 locations spanning Europe, the Americas, the Caribbean, Africa and Asia. Fundraising highlights over the year included Amsterdam's Kikathlon, Cape Town's Mandela Day celebrations, Edinburgh's mountain climbing, the Tough Mudder in Fareham, a quiz night in Guernsey and a charity raffle in Jersey.

The firm's overall fundraising success in 2022 means that, since the launch of Maximising Potential in 2021, more than £190,000 has been donated to charities around the world, all supporting young people in diverse ways.

£225,000

total donated to charities

SUSTAINABILITY CONTINUED

JTC SUPPORTS Charitable giving

At the heart of JTC's success is the Shared Ownership ethos, dedication, commitment and energy of the entire JTC team across the globe. Our talented and hard-working employees are committed to giving their time and energy, volunteering for local causes and supporting charities through various fundraising activities to make a difference where it is needed most. After a year being back in the office, it remained important that as a company we stand stronger together and embracing the JTC spirit of helping and giving back to our local communities. In 2022, we donated, fundraised and contributed £225,000 through our charitable and employee engagement activities.

Payroll Giving Enhancement
In 2022 JTC continued to provide employees in participating jurisdictions with the opportunity to donate to a chosen charity through payroll giving. JTC pledged to match up to 50% of donations. It was announced in late 2022 that from March 2023 JTC will be enhancing this pledge to match 100% of donations up to the value of £25 a month, so that together we can make a bigger difference.

2022 Season Greeting Charity of Choice
To celebrate the festive season JTC continued its tradition of picking a worldwide charity to support through a donation being made in lieu of printed and posted client Christmas Cards. In light of the ever growing global hunger crisis, JTC donated £5,000 in support of the UN World Food programme, which was announced in our 2022 Christmas card video. By supporting the UNWFP, our donation will be used to help fund emergency relief and food assistance programmes for people that are facing acute food insecurity due to conflict, climate crisis and a global rise in the cost of living.

£5,000

donated in lieu of printed Christmas cards

GROWING RESPONSIBLY

MANAGING AND EMBRACING RISK TOGETHER

Effective risk management has been at the bedrock of JTC's long-term growth and remains an essential ingredient for the Group's continued success.

As a regulated professional services firm, our clients, regulators and other stakeholders rightly expect that the Group delivers value whilst operating in a safe, compliant and responsible manner within our risk appetite. We therefore continue to place significant importance on the application of effective and strong risk management and compliance standards and practices. This includes not only a thorough understanding of the risks faced by the Group but also the those risks faced by our clients to support the services we provide.

The Group's Shared Ownership culture supports an ethos where the ownership and management of risk is understood to be the primary responsibility of those whose activities create the risk with support from specialists who providing expertise, insight and assurance to the risk owners. It is this shared responsibility and understanding of risk that helps to ensure that the Group remains well positioned on its continuing journey of growth and development.

RICHARD INGLE
Chief Risk Officer

From left to right: George Kellogg III, Sarah Kittleson, Tina Leslie and Richard Ingle.

During 2022, the external environment produced several areas of attention for the Group including the impacts of geopolitical instability, the advance of regulatory and ESG standards/expectations, post-pandemic developments in the workplace and an increasingly sophisticated and challenging technological landscape.

The Group's well-established risk management processes have proved to be reliable mechanisms to successfully manage these risks as they emerged. For example, the reaction to Russia's invasion of Ukraine in February 2022 prompted a focus upon the impact on the increasingly stringent global sanctions and transparency measures deployed by the international community. Whilst the Group had very limited direct exposure to either country, the imposition of varying sectorial sanctions and enhanced ownership disclosure measures by the international community posed some complex questions for the Group to consider to ensure ongoing compliance. The Group was able to leverage existing control mechanisms to manage the challenges of these newly introduced measures.

RISK MANAGEMENT FRAMEWORK

The Board has overall responsibility for setting JTC's risk appetite, and ensuring we identify any risks that could affect the Group's corporate strategies, and that we manage them effectively.

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 skillsets and experience of the Non-Executive Directors. Consequently, the Board determined 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. The Board therefore now delegates the oversight of risk to the Governance and Risk Committee consisting of four Independent Non-Executive Directors. In addition to the oversight of risk, the 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.

The Group maintains a strong risk awareness culture, set from the very top of the organisation and with risk ownership clearly assigned. We manage risk in a consistent manner, aligned with the Board's stated risk appetite and ensuring compliance to all applicable rules and regulations. Our risk framework enables the business to protect value, helping us identify opportunities and minimise threats to achieving our strategic and operational objectives.

A specialist team of Risk and Compliance professionals operate throughout the Group to:

RISK MANAGEMENT CONTINUED

- identify and support the management of risk
- monitor and report on the effectiveness of risk controls
- support the resolution of risk and regulatory challenges
- advise on regulation and controls
- manage regulatory relationships.

The Group-wide risk management framework is designed to be commensurate with JTC's evolving structure, risk profile, complexity, activities and size. We adopt an industry-standard, three lines model, the main features of which are as follows:

- The Board and senior management sit above the three lines and have collective responsibility for setting organisational objectives, defining strategies to achieve them and establishing the necessary governance risk management and control frameworks to manage the risks and their achievement.
- Our first line, our employees, have a responsibility to manage day-to-day risk in their own areas, guided by Group policies, procedures and control frameworks. Local management, and ultimately the Board, ensure risks are managed, maintained, reviewed, escalated and actioned.
- The second line is the Risk and Compliance function. Its role is to help to build, monitor and support the activities of the first line. Group companies maintain key regulatory and compliance personnel (for example, Compliance Officers, Money Laundering Reporting Officers and Money Laundering Compliance Officers) in accordance with local regulatory requirements.
- The third line is Internal Audit ("IA"), which is responsible for providing independent assurance on the effectiveness of governance, risk management and control over current, systemic and evolving risks. This is further supported by the testing of key controls through the formal external audit programme, and regular external visits and regulatory inspections across the Group's regulated businesses.
- The Legal function provides support to all areas of the Group and is not formally part of any of the three lines.

APPROACH TO RISK APPETITE

The Board, via its Governance and Risk Committee, seeks to align risk-taking with the Group's statutory requirements, strategic business objectives and business planning. Our Group Risk Appetite Statement aims to reflect the balance required between risk-taking and the commercial and reputational implications of doing so, promoting good customer outcomes and protecting the Group from excessive exposure.

The Group Risk Appetite Statement provides qualitative statements across various categories of risk that informs strategy, targets, policies, procedures and other controls that collectively ensure we remain within the Board approved risk appetite.

The Board recognises that appropriate risks need to be taken in order to meet its strategic objectives and deliver benefits to its customers and stakeholders. However, we aim to ensure a well-controlled actively managed and appropriate level of risk, commensurate with a balanced and sustainable level of return. The risk appetite levels determined by the Board are Group-level goals, and there is scope within a well-balanced business portfolio to have a mixture of risk levels within certain tolerances, as long as the overall portfolio is consistent with the Board's risk appetite.

The Group has a low overall appetite for risk and does not expect to incur high levels of risk, and actively seeks to avoid or mitigate such risks by utilising appropriate resources, processes and technology frameworks. In line with its approach for continuing stability the Group Risk Appetite Statement remained unchanged during 2022.

As a general principle, the Board has a low tolerance for, and will therefore seek to control, all risks which have the potential to:

- cause non-compliance with law and regulation;
- compromise the Group's ability to operate effectively;
- adversely impact the Group's reputation;
- have severe financial consequences which may impact on the Group's future viability; or
- expose stakeholders to harm or loss.

RISK APPETITE LEVEL DEFINITIONS

MINIMAL: Preference for ultra-safe business outcomes or options that have a low degree of inherent risk and only for limited reward potential.

CAUTIOUS: Preference for safe outcomes or options that have a low degree of inherent risk and may only have limited potential for reward.

OPEN: Willing to consider all potential outcomes and options and choose one that is most likely to result in a successful outcome whilst providing an acceptable level of reward (or value for money)

SEEK: Eager to be innovative and to choose outcomes and options offering potentially higher business rewards despite greater inherent risk

MATURE: Confident in setting high levels of risk appetite because controls, forward scanning and responsiveness systems are robust

LEVEL 1 RISK CATEGORY	RISK APPETITE	DESCRIPTION
Strategy Delivery	OPEN	The Board has an appetite that is open to innovation and that aims to remain competitive to avoid failing to attract new business and/or grow existing business. It is willing to seek inorganic growth and exposure to new markets and sectors to allow the Group to achieve its strategic objectives. The Board will aim to protect the Group franchise from material damage to its reputation from strategic delivery by ensuring that business activity is satisfactorily assessed and managed by the appropriate level of management and governance oversight. There is tolerance to take decisions with potential to expose the Group to higher inherent risk and additional scrutiny but only where appropriate steps have been taken to minimise any exposure and appropriate consideration is given to the risk/reward ratio. Risk appetite is tempered, where appropriate, to the Board's approach to sustainability and the Group's determination to be a carbon neutral organisation.
Operational	MINIMAL	The Board has no tolerance for the poor delivery of client service, taking on the wrong type of clients, failed business continuity or loss of client data and therefore has minimal appetite for such situations. It seeks to control operational risks to ensure that operational risks (financial and reputational) do not cause material damage to the Group's franchise. The Board seeks to avoid risk and uncertainty for its critical information assets and systems and has a minimal risk appetite for material incidents affecting these or the wider operations and reputation of the Group. The Board has tolerance for minor operational delays to individual projects/milestones but not at the expense of a major work area or deliverable.
Legal	CAUTIOUS	The Board has a cautious appetite for engagement in litigation and contractual disputes. It recognises that the nature of fiduciary services carries specific legal obligations which make exposure to involvement in legal disputes unavoidable.
Financial	MINIMAL	The Board has no tolerance and minimal appetite in failing to meet its financial forecasts, exposing earnings to currency fluctuations, incurring impairment losses, exposure to fraud or not meeting loan covenant obligations.
Political/ Regulatory	MINIMAL	The Board has no tolerance and minimal appetite for non-compliance with regulatory requirements including applicable listing rules, financial services legislation and regulation and, in particular, non-compliance with anti-money laundering and counter-terrorism legislation. It recognises that failures in compliance cannot be entirely avoided. However the Group strives to reduce these to an absolute minimum. Exceptionally, the Board has tolerance to provide regulatory challenge in cases of ambiguity or where a clear difference of opinion as to compliance arises.
Human Resources	MINIMAL	The Board has a minimal appetite for decisions that could have a negative impact on workforce development, recruitment and retention. The Board also has a minimal appetite for risks of misconduct by employees. It has tolerance for a more cautious approach to risk when poor performance is identified to ensure improved performance and/or alignment of talent to work opportunities.

RISK MANAGEMENT CONTINUED

JTC PLC BOARD

↓

JTC PLC AUDIT AND RISK COMMITTEE*

↓

GROUP RISK COMMITTEE

↓

KEY RISK TYPES

**LEGAL – FINANCIAL – POLITICAL/REGULATORY
HUMAN RESOURCES – OPERATIONAL –
STRATEGIC – REPUTATIONAL**

↓

THREE LINES MODEL

GROUP RISK OWNERS – GROUP RISK & COMPLIANCE – GROUP INTERNAL AUDIT

↕

EACH JURISDICTION
Local risk owners ensure we maintain a rigorous control environment.
Local Risk & Compliance personnel hold regulatory roles and support local risk owners.
Monthly reporting provided to Group Risk & Compliance.

* On 9 December 2022 the Company announced the formation of a stand-alone Governance and Risk Committee of the Board. 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, amended appropriately.

RISK OVERSIGHT

The Group Risk Committee comprises the Group Chief Executive, Divisional Group Heads, Chief Risk Officer, Chief General Counsel and Group Director – Risk & Compliance. This Committee maintains responsibility for considering the risk types that may affect the Group including, but not limited to, strategic risk, operational risk, regulatory risk, legal risk, human resources risk, technology risk (including data security risk), client risk, fiduciary risk and performance risk.

The Group Risk Committee meets monthly and is responsible for overseeing the Group's internal risk framework. It periodically evaluates the adequacy of systems and controls for identifying and managing risk and regulatory compliance. It monitors trends and reviews issues that may present material risks at Group level, as well as considering significant or imminent changes to the risk and regulatory environment and available mitigants. The Committee is also mandated under its Terms of Reference to advise the Group regularly on the risk management and regulatory compliance implications of its overall business strategy, culture and risk appetite, taking account of macroeconomic as well as operational conditions.

The Group Risk & Compliance function provides assurance through regular reporting of the independent compliance monitoring programme in each jurisdiction.

The Internal Audit function provides independent assurance that the Group's risk management, governance and internal control processes are operating effectively. During 2022, the Internal Audit function has further supported oversight of the Group's operations and gained further insight as it prepares to further develop its capabilities.

KEY CONTROLS

As referenced earlier, developments in the external environment tested the effectiveness of the Group's key controls during 2022. It was reassuring that the Group was able to continue to operate and manage its risks without any recalibration of risk appetite or control measures. Nor during the year were there any significant regulatory interventions impacting the Group. Key controls remain in place to ensure we monitor and manage all elements of our business activities, including fiduciary risks. These include:

- high level of jurisdictional Director control over processes
- dedicated Group monitoring function
- defined authority mandates and Terms of Reference
- controls ensuring separation of transaction approval and payment
- regularly updated cyber security policies, protections and penetration testing
- a strong IT platform and business continuity arrangements
- a rigorous human resource screening and on-boarding process
- experienced and professionally qualified employees
- regular risk and compliance updates.

Many of these controls are captured by the rigorous, bespoke JTC Recommendation for Signing (RFS) approval process. This internal control tool ensures we document, review and approve all business decisions and transactions thoroughly at an appropriate level on a 'six-eyes' basis.

This process is supported by a formalised Group Risk Escalation process that ensures the timely identification and consideration of risk events aimed at supporting timely intervention and risk mitigation. The majority of escalated risks continue to originate from first-line business units indicating a healthy cultural approach to risk ownership and resolution.

The Group also holds appropriate insurances in excess of regulatory requirements to underpin further its control environment.

RISK TYPES

PRINCIPAL RISKS

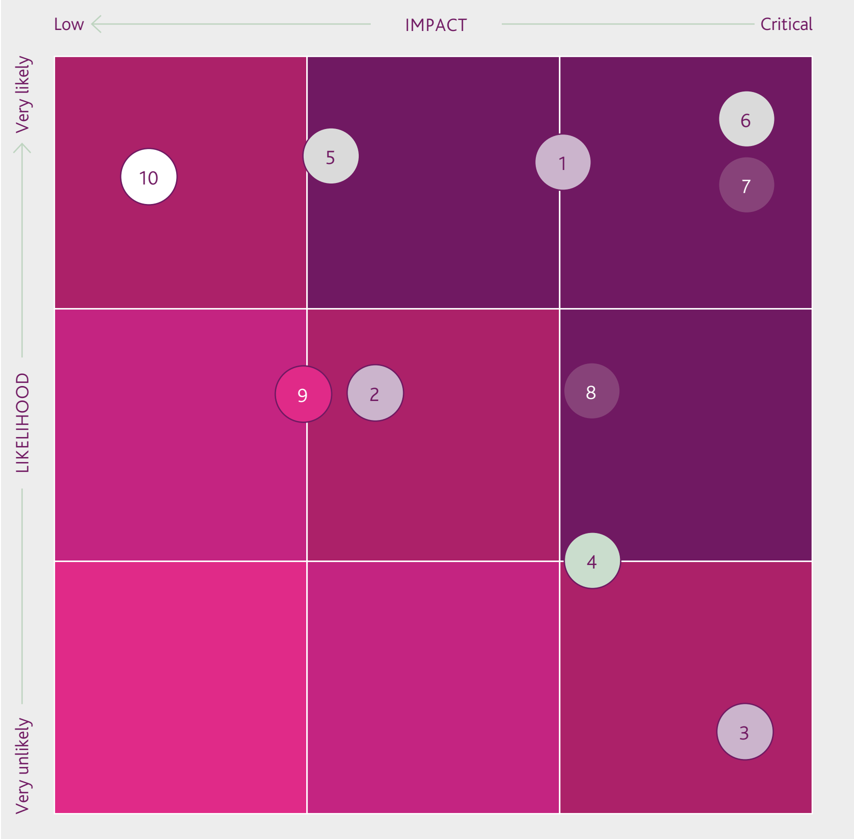
JTC operates a Risk Register that aims to categorise its risks across six key (Level 1) risk types and 18 (Level 2) sub-risks. In reviewing these categories of risk, we have identified what we believe are the principal risks.

A principal risk is a risk or combination of risks we have assessed as having the capacity to seriously affect the performance, future prospects or reputation of the Group. These will include risks we consider could threaten our business model, future performance, solvency or liquidity.

In addition, as part of our horizon-scanning activities we also identify risks that are not yet considered to be principal risks, but we identify as emerging risks – those that may, in time, pose a threat to the Group's business model. We have outlined these at the end of the section, and they include employee wellbeing, third-party data compromise and the emerging global threat of climate change.

The Group's principal risks are periodically re-examined and reported by the Chief Risk Officer to the Governance and Risk Committee with an assessment on (i) their impact if they were to occur and (ii) the likelihood of occurrence, together with a description of the controls and mitigation in place to manage those controls and any actions deemed necessary by the risk owner to further reduce the assessed residual risk.

LEVEL 1	LEVEL 2	
Primary, overarching risk elements, containing SIX components	**Represents the cohorts of specific risks JTC is exposed to**	**Principal risk**
1. STRATEGIC	Acquisition	✓
	Competitor and client demand	✓
	Strategy	✓
2. FINANCIAL	Performance of business	✓
	Earnings (fx)	
	Impairment	
	Financing	
3. OPERATIONAL	Client & process	✓
	Business continuity	
	Data security	✓
4. POLITICAL/REGULATORY	Listing rules	
	Political/regulation	✓
	Financial crime	✓
5. LEGAL	Litigation/contractual	
	Fiduciary	✓
6. HUMAN RESOURCES	Adequate resources	✓
	Retention	
	Key person	



Our principal risks are reported gross (before mitigating controls)

STRATEGIC RISK
1 Acquisition
2 Competitor & Client demand
3 Strategy

OPERATIONAL RISK
5 Client & Process
6 Data Security

LEGAL RISK
9 Fiduciary

FINANCIAL
4 Performance of Business

POLITICAL & REGULATORY RISK
7 Political Regulation
8 Financial Crime

HUMAN RESOURCES RISK
10 Adequate Resources

PRINCIPAL RISKS

The Group's current principal risks are the risks we are managing now that could stop us achieving our strategic objectives:

	PRINCIPAL RISK (RISK OWNER)	POTENTIAL CAUSES	KEY MITIGATION MEASURES	TIMESCALE
1	**ACQUISITION RISK** **(Group Chief Executive Officer)** The risk that acquisitions do not achieve intended objectives, give rise to ongoing or previously unidentified liabilities, disrupt operations and divert senior management time and attention. Inorganic growth in 2022 was limited to the acquisition of New York Private Trust Company.	• Inadequate due diligence • Economic misjudgement • Lack of strategic clarity • Ineffective or delayed integration • Unpredicted changes to external environment	• Strict due-diligence process, including JTC subject-matter experts and third-party assessments by experienced external advisors • Appropriate scrutiny and challenge from Group Development Committee, Group Holdings Board and Non-Executive Directors • Established and tested integration strategy agreed prior to acquisition with robust post-acquisition governance • Experienced management team • Shared ownership to align interests and deferred consideration • Insurance run-off cover • Vendor representations and warranties (backed by insurance where appropriate)	This risk will diminish over time as each acquisition is integrated, but current strategic intentions are likely to cause this risk category to remain as a principal risk.
2	**COMPETITOR AND CLIENT DEMAND RISK** **(Group Chief Executive Officer)** The risk of failing to anticipate client demand or to innovate in line with key competitors, or advancing technology or regulatory/political change may lead to significant loss of potential or existing business. JTC operates in a competitive and fast-paced global market requiring a responsive approach to client demand and behaviour, competitor activity, innovation, economic and regulatory changes and geopolitical events.	• 'Black swan' events (e.g. pandemic) • Competitor actions • Political trends • Economic conditions • Market conditions • Regulatory changes • Technological changes	• Chief Commercial Officer appointed to Group Holdings Board • Group Holdings Board responsibility for identifying forthcoming requirements in respect of digital and business systems investment and continually considering emerging threats due to market conditions, taking mitigating action as appropriate • Group Holdings Board responsibility for identifying and prioritising product innovation • Commercial Enterprise Forum to assess, prioritise, de-risk and commercialise opportunities	This risk is largely influenced by external factors and is therefore likely to remain a continuous principal risk.
3	**STRATEGY RISK** **(Group Chief Executive Officer)** The risk that inadequate strategic decisions or failure to execute the set strategy has a detrimental impact on Group operations, clients and market confidence. Alternatively, the Group's strategy brings excessive risks to the business or does not sufficiently align to changing market conditions or client requirements, such that sustainable growth, market share or profitability is affected. The Group continues to pursue its strategy of organic and inorganic growth with a particular focus on building our presence in the United States, Ireland, Luxembourg and the UK.	• Operation outside of risk appetite • Product or service failure • Senior management or leadership changes • Legal or regulatory challenges • Lack of understanding of a new jurisdiction	• Overarching strategy is set every three to five years and progress is periodically re-examined • Strategy regularly reviewed and challenged by Board and, as a listed entity, subject to investor and third-party scrutiny • Strategy drives annual business planning process and performance-based targets • Risk-taking and aversion in pursuit of strategic objectives is balanced through the setting and overseeing of the Group Risk Appetite	Strategic risk is an ongoing risk for any business and therefore is likely to remain as a continuous principal risk.
4	**BUSINESS PERFORMANCE RISK** **(Group Chief Executive Officer)** The risk that the Group does not meet its financial forecasts or does not achieve the provided market guidance. JTC is listed on the London Stock Exchange and subject to market consensus expectations that can influence shareholder value.	• Inadequate budgeting and forecasting • Unpredicted costs or losses • Lack of information provided to brokers and analysts	• Budgets set annually and agreed with Divisional Heads, Jurisdictional Managing Directors and P&L account owners • Monthly reporting and KPIs that help monitor performance against performance assumptions and targets. Active review by Group Holdings Board together with PLC Board • CEO and CFO regular engagement with analysts to inform external market guidance • Insurance cover for losses	Business performance risk is an ongoing risk for a business, especially for a quoted business. This risk is therefore likely to remain as a continuous principal risk.

PRINCIPAL RISKS CONTINUED

	PRINCIPAL RISK (RISK OWNER)	POTENTIAL CAUSES	KEY MITIGATION MEASURES	TIMESCALE
5	**CLIENT AND PROCESS RISK (Group Divisional Heads)** The risk of the Group taking on the wrong type of clients, or the Group or the client's actions during the client life-cycle leads to losses, failed strategic objectives, reputational damage, poor customer service and employee frustration and potentially regulatory censure. The risk of failing to clearly define service provision or fulfil a role expertly. The risk that lack of relevant process or incorrect, inconsistent, or untimely execution of processes or internal change leads to a material operational error and the consequential adverse impact.	• Failure to apply policies and follow procedures • Failure to follow codes of conduct • Failure of managerial oversight • Failure to adequately train and develop employees • Failure to identify and remediate identified issues promptly • Inadequate policies and procedures	• Strict adherence to policy and procedures including business acceptance and periodic reviews, with appropriate escalation for higher-risk clients • Established Terms of Business, template customer agreements and Legal review of tailored agreements • Regular staff training and awareness initiatives • Established reporting and escalation process with review by boards and committees as appropriate • Independent client and Compliance monitoring review programme • Promoting a robust risk and compliance culture across the Group • Ensuring quality administration and compliance resource in each jurisdiction plus internal legal counsel support as appropriate • Well established Recommendation for Signing process • Three-lines model for assurance and controls including Internal Audit ("IA") • Well understood and defined Risk Escalation processes • Accessible policy and procedure framework	Client and process risk remains a continuous principal risk for the business.
6	**DATA SECURITY RISK (Group Chief Executive Officer)** The risk of a security breach including cyber-attacks by destructive forces from both internal and external sources, leading to loss of confidentiality and integrity of data. The sophistication of cyber threats is constantly evolving; criminals will seek to exploit changes in working environments e.g. remote-working practices. A substantial cyber event could be detrimental to JTC's clients as well as erode market and regulator confidence.	• Unauthorised data transfer • Malware • Financial theft • Denial-of-service attacks • Cyber phishing attacks • Network service failures • Employee error • Malicious employee intent • Security breach of client data or systems	• Defined and audited IT procedures • External security assessment conducted annually • System access controls including least privilege access model • Dedicated Senior IT Security Manager and Team • Training including compulsory online Security Awareness courses for all employees • Alignment to industry security standards • Review of data security procedures and controls as part of the annual ISAE 3402 Report • Access to group systems and data is granted on a need-to-know basis and least privileged • Industry-leading solutions for end-point management, anti-virus, data loss prevention, Privilege Access Management and secure email communications	Data security risk remains a continuous principal risk for the business.
7	**POLITICAL/REGULATION RISK (Group Chief Executive Officer)** The risk that the JTC business operating model is adversely affected by political or regulatory changes which affect the markets or services we offer together with our client base. Risk of exposure to regulatory sanction and subsequent reputational damage given a failure to follow regulatory laws, orders and codes of practice requirements. As the regulatory environment continues to develop, we expect a continuing global trend of increased regulatory scrutiny and intervention for all regulated businesses including trustee, fund and corporate service providers. The Group is well positioned to comply with relevant requirements and to be able to operate in this changing regulatory environment.	• Geopolitical uncertainty • Regional or global standards or requirements with disproportionate impact • Political reaction to wide-scale data leaks and associated negative press coverage • Balancing increased transparency requirements with increased data protection legislation • Challenge and cost of measuring, monitoring and demonstrating good conduct as well as meeting new requirements • Keeping pace with rapid regulatory change and reporting requirements	• Specialist risk and compliance staff with the skills needed to monitor and report on strategic outlook and the impact of change • Review by appropriate boards and committees, and scanning of horizon for potential changes • Comprehensive policies, procedures and processes in operation within the Group that align to the appropriate regulatory regimes. • Embed (and continue to promote) a robust risk and compliance culture across the Group from PLC Board down through the organisation. • Ensuring appropriate compliance resource in each jurisdiction • Compliance monitoring programme in place • Training employees to be aware of changing regulations • Involvement with trade associations and government bodies to understand direction and influence outcome	Political and regulation risk is expected to remain a continuous principal risk for the business.

PRINCIPAL RISKS CONTINUED

	PRINCIPAL RISK (RISK OWNER)	POTENTIAL CAUSES	KEY MITIGATION MEASURES	TIMESCALE
8	**FINANCIAL CRIME RISK** **(Group Divisional Heads)** The risk of the Group operating inadequate systems, procedures and controls that fail to prevent the administration of client structures that are exposed to financial crime. (NOTE: Financial Crime Risk includes money laundering, terrorist and proliferation financing, sanctions, fraud, bribery and corruption and tax evasion risks). This is an area where there is intense regulatory attention and scrutiny. The Group is committed to the highest standards of ethical behaviour and operates in a manner designed to deter and prevent financial crime risk. There is focused oversight and monitoring of financial crime risks, and adherence to both internal financial crime policies and regulatory obligations.	• Poor culture • Inadequate awareness training • Poor Know Your Client processes • Inadequate record keeping • Deficient screening processes • Lack of a risk-based approach • AML/CFT arrangements not tailored to business profile/ characteristics • Procedural failures • Failure to report suspicious activity on a timely basis	• Comprehensive policies, procedures and processes in operation within the Group that are specifically drafted for AML/CFT purposes • The hiring of capable employees in each jurisdiction that undertake the key person roles (e.g. Compliance Officer and Money Laundering Reporting Officer) • Frequent mandatory staff training and awareness initiatives and CPD requirements • Compliance monitoring testing programme in place • Access to external consultants and databases to enable daily ongoing monitoring and in depth enquiries on clients as appropriate • Established Business Risk Assessment (BRA) process which is subject to periodic Board review	Financial crime risk is expected to remain a continuous principal risk for the business.
9	**FIDUCIARY RISK** **(Group Divisional Heads)** The risk of breaching fiduciary duties, including failing to safeguard client assets, can be harmful to the Group's reputation and could become subject to high-value litigation. There is also the risk in failing to clearly define the Group's role in providing services to a client structure or service vehicle or a failure to fulfil the role expertly. JTC operates a comprehensive set of controls to prevent risk materialising in relation to its fiduciary duties. A change in the market conditions causing lower valuations of higher-risk investments, could change risk exposures and fiduciaries may begin to experience increased regulatory scrutiny and litigation with regard to responsibilities.	• Breach of duty • Failure to act in accordance with constitutional documents or service agreement • Failing to exercise reasonable care, skill and diligence • Failure to declare interests of manage conflicts • Making impartial judgements	• Strict policies, procedures and processes in operation within the Group (particularly risk escalation and recommendation for signing policy) • Qualified and experienced staff operating within '4-eyes' control parameter • Continuous training programme and CPD requirement • JTC does not provide legal or tax advice to its clients • Significant insurance cover	Fiduciary risk is an endemic feature of JTC business operations and is expected to remain a continuous principal risk.
10	**ADEQUATE RESOURCES RISK** **(Group Chief Operating Officer)** The risk of failure to attract or retain the best people with the right capabilities across all levels and jurisdictions. The repercussions of the global pandemic have significantly altered the workplace and the employment market in many jurisdictions. Remote-working practices initiated during early lockdown measures have been embraced into business-as-usual flexible working arrangements utilising the Group's existing strong technology capabilities. Regretted attrition is carefully monitored in view of changes in employee attitudes, skills shortages and inflationary pressures that have the potential to be disruptive to the Group's workforce. JTC continues to focus on employee satisfaction (launching an employee survey during 2022), succession planning and personal development, including supporting professional qualifications.	• Uncompetitive remuneration • Unappealing working environment and inadequate support • Lack of adequate succession planning • Failure to invest in appropriate and timely talent development • Failure to identify roles most important to achieving strategic aims • Failure to identify the required skills for key roles • Insufficient focus on attitude and motivation and alignment with JTC's vision and values	• Dedicated in-house human-resource recruitment capability with detailed understanding of business needs and local market environment • Recruitment strategy to enhance and bolster teams, succession planning and employee value proposition • JTC ensures that the remuneration package is competitive in the marketplace and benchmarks with peer group • Management monitoring of capacity and work loads • Shared ownership scheme embedded across the business • JTC encourages a strong management culture where talent management and people development is a core focus • Pre-employment screening • Internal and PLC Remuneration committee • Staff access to Academy (Training), Gateway (International Transfers) and wellbeing programs • Flexible working arrangements	Adequate resourcing risk is expected to be a continuous principal risk.

PRINCIPAL RISKS CONTINUED

EMERGING TOPICS AND RISKS

As standard procedure, we consider topics or risks on an ongoing basis that may have unpredictable and uncontrollable outcomes directly or indirectly (via our clients) on the Group that we do not yet consider to be principal risks, but may, over time, pose a threat to our business model. Some of these topics or risks may be interconnected and remain under review over a sustained multi-year period whereas others may be short-lived.

GLOBAL MACROECONOMIC

Global macroeconomic developments and geopolitical tensions heightened by the conflict in Ukraine, high inflation, higher interest rates, the energy crisis, supply chain shortages and the risk of a global economic downturn all point to a greater fragility that has the potential to slow investment and global growth. Whilst the Group is unable to control these risks we remain vigilant to their impact and react accordingly e.g. to attract and retain talent in a competitive employment market beset by wage inflation.

ENVIRONMENT AND SOCIAL

There is an increase in stakeholder expectations around the provision of services to sensitive sectors, fair and balanced disclosures relating to environmental targets and scrutiny around greenwashing set amongst a fragmentation in the pace and scale of ESG regulation around the world which adds complexity in managing a global business. Whilst this scenario poses business opportunities for the Group, there are risks if the Group is required to align to new fragmented regulations quickly. We seek to manage these risks through our existing Group ESG Framework and the appointment in 2022 of our first Chief Sustainability Officer.

REGULATORY DEVELOPMENTS

Regulatory scrutiny and intervention remains a continuing feature in the markets where we are regulated. With many regulatory regimes subject to assessment by international standard setters, there remains a continual introduction of new regulations and regulatory powers that are considered necessary to meet the assessment standards causing an inevitable increase in the cost of compliance.

Failure of a jurisdiction to achieve an acceptable assessment rating can be detrimental to businesses operating in those jurisdictions.

Additionally, during 2022, measures aimed at improving corporate transparency were countered by a European Court judgement reinforcing an individual's right to privacy creating ongoing uncertainty in this area.

The Group seeks to mitigate these risks by proactive horizon scanning, actively engaging, where appropriate, with regulatory consultations, providing thought leadership to regulators/legislators and operating to the highest regulatory standards.

DATA AND DIGITAL

Regulatory requirements and client expectations relating to data management and quality, including data protection and privacy, data sovereignty, the use of Artificial Intelligence (AI) and the ethical use of data are increasing. In some cases, regulation is also becoming more fragmented and complex, requiring more resources to ensure ongoing compliance.

Data protection risks are already recognised as a principal risk but remain on the increase driven by highly organised and sophisticated threat actors, with developments such as ransomware as a service.

We seek to mitigate these risks by ensuring our data protection standards are aligned to international standards and stakeholder expectations including specialist data protection systems and personnel, business continuity and incident response plans.

VIABILITY STATEMENT

ASSESSMENT OF PROSPECTS

The Group's business model and strategy are central to an understanding of its prospects, and details can be found on page 8. The nature of the Group's activities are long term and the business model is open ended. The Group's current overall strategy has been in place for several years, subject to the ongoing monitoring and development described below.

The Board continues to take a conservative approach to the Group's strategy in the core business and the focus is largely on operational efficiency and cost control.

Decisions relating to major new projects and investments are made with a low appetite for risk and are subject to an escalating system of approvals, including short payback periods. Similar controls are in place relation to major new customer contracts.

The Group is well diversified with its two Divisions and three business lines with revenues deriving from multiple jurisdictions and clients. The Board continuously considers the changes in the risk profile of the Group and ensures that a thorough risk assessment is made when making any investment decisions.

The key factors that support the Group's future prospects as well as its resilience are:

- Highly visible recurring revenue and strong cash conversion;
- Diversified across clients, services and geographies;
- Well-invested scalable global platform;
- Experienced and entrepreneurial management team; and
- Proven track record of M&A and integration.

THE ASSESSMENT PROCESS AND KEY ASSUMPTIONS

The Group's prospects are assessed primarily through its strategic planning process. This process includes an annual review of the ongoing plan, led by the CEO and the Group Holdings Board which ensures that all relevant functions are involved. The Board participates fully in the annual process. Part of the Board's role is to consider whether the plan continues to take appropriate account of the external environment, including macroeconomic, political, social, technological, legal and regulatory changes.

The business has been in existence for 35 years and has grown every year. It has long term customer relationship that typically last more than ten years.

Within the current five year business plan the business focuses on strategic objectives and these are supported by a detailed financial model for the next three years. As a result management believe that it is appropriate to base the Viability Statement on the three year period.

Detailed financial forecasts have been prepared for the year to 31 December 2023, forecasts for the subsequent two years have then been prepared leveraging off the detailed 2023 Forecast. Two years and nine months remain at the time of approval of this year's Annual Report. The first year of the financial forecasts is derived from the Group's operating budget and is subject to regular review throughout the year. The second and third years are completed with a reasonable level of detail, and are flexed based on the actual results in year one alongside management expectations of the next two years.

The key assumptions in the financial forecasts, reflecting the overall strategy, include:

- Annual organic growth of 8 – 10% year on year;
- Target margin of 33 – 38% for the Group as a whole;
- No change to the current dividend policy
- Consistent business model; and
- No material change to capital structure.

ASSESSMENT OF VIABILITY

Whilst the Group's detailed financial forecasts are based on the Directors' expectations for the period of viability, the Group has also assessed the financial impact and the impact on our loan covenants in relation to the Group's Principal Risks, which are set out on pages 50 to 53. A number of other aspects of the principal risks – because of their nature or potential impact – could also threaten the Group's ability to continue in business in its current form if they were to occur. This was considered as part of the assessment of the Group's viability, as explained below.

The viability statement evaluates the following risks:

- Lower revenues and higher costs resulting from a change in economic outlook that leads to: a) a higher cost to service debt and b) a reduction in revenues due to depressed market activity;
- Reduced cash conversion to detail the impact of slower cash receipts from clients;
- Adverse foreign exchange movements, interest rate and tax rate increases;
- Increasing operating costs maintained in the Forecast period of 2024 to 2025 due to inflationary pressure not easing and margin not recovering as expected in the period

The Group's assessment considered all of the above risks occurring at the same time. Based on this assessment, the Directors have a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over the three year period ending 31 December 2025. In making this statement the Directors have considered the current financial position of the Group and the resilience of the Group in the event of this severe but plausible scenario. The modelling of these risks has taken into account the principal risks and their impact on the business model, future performance, solvency and liquidity over the period.

There are a number of mitigating actions available to the Board in the event of any of the risks materialising, such as reducing dividends, employee incentives, marketing, business and technology development spend, which have not been included in the assessment.

GOING CONCERN BASIS

The Directors also considered it appropriate to prepare the consolidated financial statements on the going concern basis, as explained in the Basis of Preparation paragraph in note 2 to the consolidated financial statements on page 103.

VIABILITY STATEMENT

Based on their assessment of prospects and viability above, the Directors confirm that they have a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over the three year period ending 31 December 2025.

We report in line with the Non-Financial Reporting requirement as detailed in Sections 414CA and 414CB of the UK Companies Act 2006.

NON-FINANCIAL INFORMATION AND S172(1) STATEMENT

OUR AIMS

Our business model is set out on page 8.

NON-FINANCIAL RISKS

The Risk management and principal risks section of the Strategic report, starting on page 46, sets out the Group's approach to identifying and managing our principal risks and uncertainties. Our Three Lines of Defence model provides a rigorous governance framework, and the list of principal risks starting on page 50 gives details of the policies, outcomes and due diligence processes that control and mitigate those risks.

The key areas where non-financial adverse impacts could arise are:

1. RESPECT FOR HUMAN RIGHTS.
As data custodians, we have a responsibility to safeguard consumer privacy, and our global data policies guide how we manage and use data, build products and conduct our business around the world (see pages 33 and 37).

We are committed to ensuring that there is no modern slavery or human trafficking in our supply chains or in any part of our business. Our working practices reflect our commitment to acting ethically and with integrity in all our business relationships and to maintaining effective systems to ensure forced labour or trafficking is not taking place anywhere in our supply chains (see page 97).

2. EMPLOYEES
Employee engagement is a key performance indicator (see pages 35 and 60), and we talk in the Sustainability section of the Strategic Report about our many programmes and initiatives that inspire our people to be their best, to bring their whole selves to work, our commitment to diversity, equity and inclusion, and our recruitment, retention and succession practices that help to mitigate the risk of our dependence on highly skilled personnel.

SECTION 172 MATTERS		SPECIFIC EXAMPLES	PAGES
(a)	The likely consequences of any decision in the long term	• Our dividend policy, taken together with sections of our Chief Financial Officer's Review, explains how we balance returns to shareholders with capital invested organically and on acquisitions	20
		• Our governance framework shows how the Board delegates its authority	46, 58
(a)	The interests of the company's employees	• Our purpose in action	3
		• Employee engagement survey	35
(c)	The need to foster the company's business relationships with suppliers, customers and others	• Partnering with suppliers • We comply with the requirements of 'The Reporting on Payment Practices and Performance Regulations (2017)' for all of our in-scope UK companies	60 - 61
(d)	The impact of the company's operations on the community and the environment	• Financial inclusion for all and Our communities • Protecting the environment	32 - 45
(e)	The desirability of the company maintaining a reputation for high standards of business	• Treating data with respect • A Partnering with suppliers	33
(f)	The need to act fairly between members of the company	• Stakeholder engagement	60, 61
		• Investment proposition	4

3. ENVIRONMENTAL MATTERS
We take our environmental responsibilities seriously, We remain a Carbon Neutral+ organisation and have strengthened our commitment to transparency regarding climate risk by reporting to Carbon Disclosure Project (CDP) for the first time. (see page 33). See also pages 38 to 39 for further actions and initiatives JTC is taking to help protect the environment.

4. ANTI-CORRUPTION AND ANTI-BRIBERY
Our Staff Handbook sets out our zero-tolerance policy on bribery and corruption in any form, and this message is reinforced through mandatory annual training for employees.

5. SOCIAL MATTERS
JTC has many initiatives in place to deliver our purpose of creating a better tomorrow for consumers, businesses, our people and our communities. The role we play benefits everyone: businesses grow, people prosper and communities thrive. This happens in many ways, including through our core business, the development of social innovation products, employee volunteering and support for community groups and charities.

SECTION 172(1) STATEMENT

Section 172 legislation requires that directors act in a way they consider, in good faith, would most likely promote the success of the Company for the benefit of its members as a whole. Section 172 also aims to help shareholders better understand how the directors have discharged their duty during the year while having regard to the matters set out in Section 172(1)(a) to (f) of the UK Companies Act 2006 ("s172 matters"). In addition, the 2018 UK Corporate Governance Code recommends that boards describe how the matters set out in Section 172 have been considered in their discussions and decision-making. JTC is a Jersey-incorporated company nevertheless the Board fully embraces Section 172 and supports its aims, and is reporting in line with its requirements.

Throughout 2022, the directors continued to exercise their duties while having regard to Section 172 matters, and also to other relevant factors as they reviewed and considered proposals from senior management, and as they governed the Company on behalf of its shareholders through the Board and its committees.

Outlined above examples of where the Board considered specific s172 matters throughout this Annual Report.

The Strategic Report on pages 1 to 53 was approved by the Board on 6 April 2022.

NIGEL LE QUESNE
CHIEF EXECUTIVE OFFICER

MARTIN FOTHERINGHAM
CHIEF FINANCIAL OFFICER

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
APPOINTMENT TO BOARD			
8 March 2018	8 March 2018	18 November 2019	24 March 2022
COMMITTEE MEMBERSHIP			
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
QUALIFICATIONS			
Chartered Accountant.	FCIBS, AMCT, Dip IoD.	PhD in Management Science & Engineering.	LLB (Hons).
EXPERIENCE			
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
RELEVANT SKILLS			
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.
EXTERNAL APPOINTMENTS			
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 Afferian 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

"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 and copies are also available on request from the Group Company Secretary.

UK CORPORATE GOVERNANCE CODE

Throughout the year ended 31 December 20222, 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

2022

LEGEND: A Audit & Risk Committee; N Nomination Committee; R Remuneration Committee; B Board

JAN
B
- Trading Update
- CEO Update

FEB
A
- Review Chief Risk Officer's report
- Review audit progress

N
- Review Head of HR's Annual Report on Group recruitment, training and development
- Review the executive and senior management succession policy

R
- Review the Head of HR's annual report on Group remuneration
- Review of Executives' remuneration
- Review of Executives' Annual Bonus awards
- Review of aggregated DBSP awards

B
- Board Reports and standing agenda items
- Deep Dive: Information Security

MARCH
A
- Review draft Annual Report for the year ended 31 December, and all ancillary matters
- Review Chief Risk Officer's report

N
- Review and approve the Annual Activities Report of the Nomination Committee
- Review and approve the nomination of the Directors standing for re-election at the AGM

R
- Review and approve the Annual Activities Report of the Remuneration Committee
- Review of PSP awards

B
- Approval of Annual Results, and all ancillary matters
- Approval of Final Dividend Recommendation
- Approval of AGM Notice

APRIL
B Final Results Announcement

MAY
B AGM
- Board Reports and standing agenda items
- Deep Dive: Information Security

A
- Review and approval of Compliance Monitoring Programme and internal audit function
- Review Chief Risk Officer's report

JUNE
B
- CEO Update

JULY
N
- Review Head of HR's Annual Report on Group recruitment, training and development
- Review the executive and senior management succession policy

R
- Review the Head of HR's annual report on Group remuneration
- Review of Executives' remuneration
- Review of Executives' Annual Bonus awards
- Review of aggregated DBSP awards

B
- Trading Update
- Board Reports and standing agenda items
- Deep Dive: HR, succession and talent development

AUGUST
B
- CEO Update

SEPTEMBER
A
- Review Interim Results and all ancillary matters
- Review Chief Risk Officer's report

R
- Review and approve the Annual Activities Report of the Remuneration Committee
- Review of PSP awards

B
- Approval of Interim Results, and all ancillary matters
- Approval of Interim Dividend Recommendation
- Board Reports and standing agenda items
- Deep Dive: Information Security

OCTOBER
B
- CEO Update

NOVEMBER
B
- CEO Update

DECEMBER
A
- Review Chief Risk Officer's report
- Review audit progress

N
- Review and approve the Annual Activities Report of the Nomination Committee

B
- Trading Update
- Board Reports and standing agenda items
- Deep Dive: Galaxy strategy and progress

2023

LEGEND: A Audit Committee; G Governance & Risk Committee; N Nomination Committee; R Remuneration Committee; B Board

JAN
B
- Trading Update
- CEO Update

FEB
N
- Review Head of HR's Annual Report on Group recruitment, training and development
- Review the executive and senior management succession policy

B
- CEO Update

MARCH
B
- CEO Update

N
- Review and approve the Annual Activities Report of the Nomination Committee
- Review and approve the nomination of the Directors standing for re-election at the AGM

R
- Review and approve the Annual Activities Report of the Remuneration Committee
- Review of PSP awards

APRIL
B Final Results Announcement
- Approval of Annual Results, and all ancillary matters
- Approval of Final Dividend Recommendation
- Approval of AGM Notice

A
- Review draft Annual Report for the year ended 31 December, and all ancillary matters
- Review Chief Risk Officer's report

N
- Review and approve the Annual Activities Report of the Nomination Committee
- Review and approve the nomination of the Directors standing for re-election at the AGM

R
- Review and approve the Annual Activities Report of the Nomination Committee

G
- Review and approve the Annual Activities Report of the Nomination Committee
- Review and approve the nomination of the Directors standing for re-election at the AGM

MAY
B AGM
- Board Reports and standing agenda items
- Deep Dive: Information Security

A
- Review and approval of Compliance Monitoring Programme and internal audit function
- Review Chief Risk Officer's report

N
- Review and approve the Annual Activities Report of the Nomination Committee
- Review and approve the nomination of the Directors standing for re-election at the AGM

G
- Review and approve the Annual Activities Report of the Nomination Committee
- Review and approve the nomination of the Directors standing for re-election at the AGM

JUNE
B
- CEO Update

JULY
N
- Review Head of HR's Annual Report on Group recruitment, training and development
- Review the executive and senior management succession policy

R
- Review the Head of HR's annual report on Group remuneration
- Review of Executives' remuneration
- Review of Executives' Annual Bonus awards
- Review of aggregated DBSP awards

B
- Trading Update
- Board Reports and standing agenda items
- Deep Dive: HR, succession and talent development

G
- Review and approve the Annual Activities Report of the Nomination Committee
- Review and approve the nomination of the Directors standing for re-election at the AGM

AUGUST
B
- CEO Update

SEPTEMBER
A
- Review Interim Results and all ancillary matters
- Review Chief Risk Officer's report

R
- Review and approve the Annual Activities Report of the Remuneration Committee
- Review of PSP awards

B
- Approval of Interim Results, and all ancillary matters
- Approval of Interim Dividend Recommendation
- Board Reports and standing agenda items
- Deep Dive: Information Security

G
- Review and approve the Annual Activities Report of the Nomination Committee
- Review and approve the nomination of the Directors standing for re-election at the AGM

OCTOBER
B
- CEO Update

NOVEMBER
B
- CEO Update

DECEMBER
A
- Review Chief Risk Officer's report
- Review audit progress

N
- Review and approve the Annual Activities Report of the Nomination Committee

B
- Trading Update
- Board Reports and standing agenda items
- Deep Dive: Galaxy strategy and progress

G
- Review and approve the Annual Activities Report of the Nomination Committee
- Review and approve the nomination of the Directors standing for re-election at the AGM

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 a 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 conrtibuted

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 activitiesduring 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

MARCH
- Board effectiveness, balance of skills, and time commitment
- Board succession and recommendations for AGM elections
- Draft 2020 Nominations Committee Report

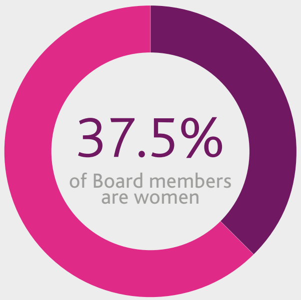
MAY – AGM

JULY – COMMITTEE MEETING
- Executive Committee succession
- Talent management and leadership development (Project Talisman)
- Formation of Governance & Risk Committee

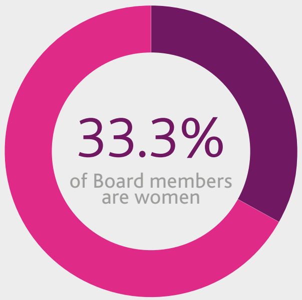
DECEMBER – COMMITTEE MEETING
- Board update and skills matrix update
- Governance & Risk Committee proposal
- Board diversity policy review
- Nominations Committee Terms of Reference

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
Sustainability	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
Board composition	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.
Stakeholder oversight	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.
Succession and talent management	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

Our full Corporate Governance Statement is available on:

www.jtcgroup.com/investorrelations

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

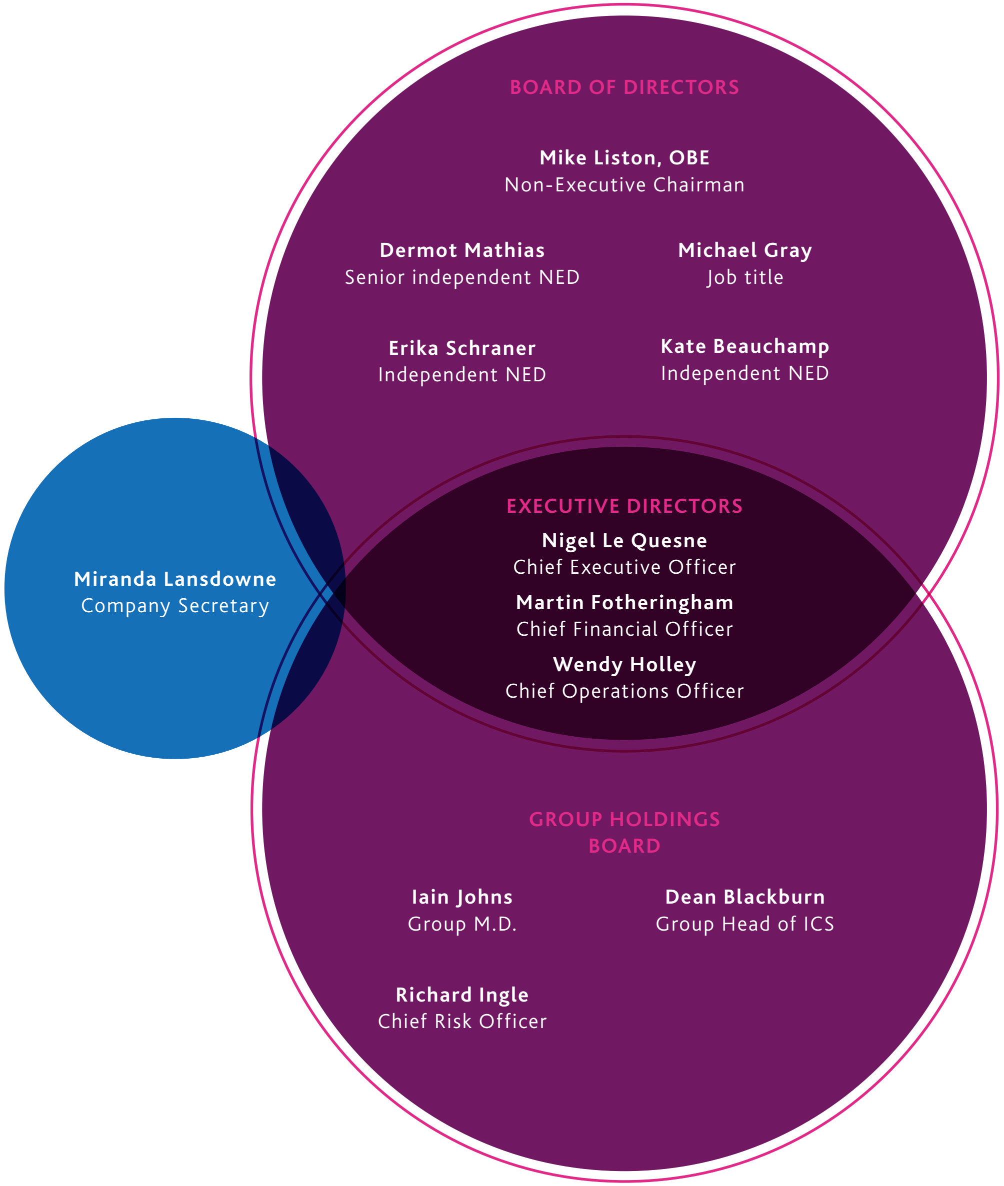
- Monitor the delivery of strategy within the risk & control framework set by the Board.
- Ensure internal controls are robust & that the external Audit is undertaken properly.
- Engage with internal & external stakeholders and feedback insights to the Board.
- Constructively challenge & assist in the 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 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 & RISK COMMITTEE REPORT CONTINUED

2023 COMMITTEE ACTIVITY

APRIL – COMMITTEE MEETING

MAY – AGM
MAY – COMMITTEE MEETING

JULY – COMMITTEE MEETING

DECEMBER – COMMITTEE MEETING

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
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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). 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	5,366,206	4,171
	95.81%	4.19%	
Approve Remuneration Policy (2022 AGM)	122,812,080	5,366,206	4,171
	95.81%	4.19%	

“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 theirown 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	Reviewed annually with increases effective 1 January; reflects the individual's role and contribution. 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.	CEO: £492,377 (10.0% increase) CFO: £352,531 (8.1% increase) COO: £273,106 (9.9% increase)	Creating long-term value for our • shareholders • employees Being a responsible business
BENEFITS	Executives are entitled to receive life assurance, pension contributions, private medical insurance and other de minimis benefits in kind.	Unchanged from Policy.	
PENSION	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. Pension benefits for future Executive Directors will be aligned with the average percentage contribution or entitlement available to staff in the relevant market.	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.	Employer of choice
ANNUAL BONUS	Maximum opportunity: 100% of salary. Performance measures, targets and weightings are set at the start of the year. Performance is measured on financial, operational and individual goals. Malus and clawback provisions apply.	Unchanged from Policy. 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.	Creating long-term value for our • shareholders • employees • clients • intermediary partners • communities Being a responsible business
DEFERRED BONUS SHARE PLAN ("DBSP")	All employees are eligible to participate; it is intended that Executive Directors, Senior Managers and certain managers below Senior Manager will participate. For Executive Directors, any bonus earned over 50% of salary is deferred into shares for 3 years. The Committee may include further financial and non-financial performance.	Unchanged from Policy.	A unique culture based on Shared Ownership

REMUNERATION REPORT CONTINUED

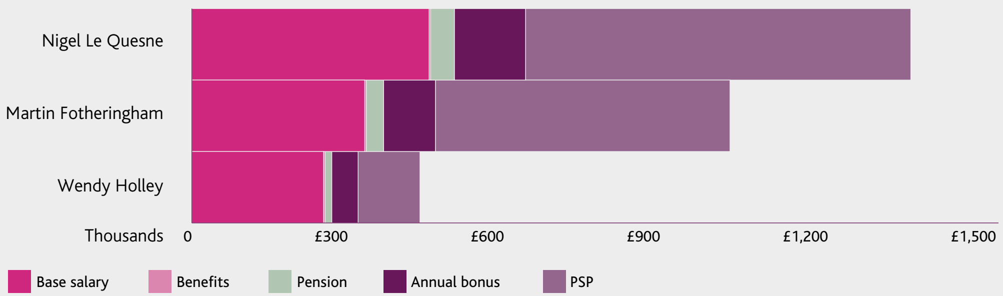
PAY ELEMENT	POLICY	2023 IMPLEMENTATION	LINK TO JTC'S STRATEGY
PERFORMANCE SHARE PLAN ("PSP")	Normal maximum opportunity: 150% of salary (exceptional maximum of 250%). Performance is measured over TSR and adjusted underlying EPS. An additional 2-year holding period applies post-vesting. Malus and clawback provisions apply.	Award of 200% of salary for all Executive Directors. 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. Performance will be measured by TSR and EPS over a period of 3 years.	Creating long-term value for our • shareholders • employees • clients • intermediary partners • communities Efficient capital deployment Being a responsible business A unique culture based on Shared Ownership
EMPLOYEES INCENTIVE PLAN ("EIP")	All employees are eligible to be granted an award except for Executive Directors It is designed to incentivise high performance and may include performance measures – these will be reviewed by the Committee each year.	Executive Directors are not eligible to participate.	A unique culture based on Shared Ownership
SHAREHOLDING GUIDELINES	Executive Directors are required to build or maintain a shareholding requirement equivalent to 150% of their base salary. 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.	In-post guidelines unchanged from Policy, post-cessation guidelines introduced.	A unique culture based on Shared Ownership Being a responsible business
MALUS AND CLAWBACK PROVISIONS	Recovery provisions may be applied to the annual bonus, DBSP and PSP in certain circumstances including: • materially inaccurate information • 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 • material breach of any compromise agreement • material breach of fiduciary duties 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.	Unchanged from Policy.	Being a responsible business

REMUNERATION REPORT CONTINUED

2022 PERFORMANCE AT A GLANCE & REMUNERATION OUTCOMES

2022 SINGLE FIGURE REMUNERATION

BASE SALARY BENEFITS PENSION ANNUAL BONUS

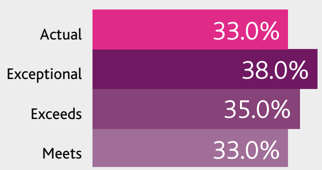


2022 Annual bonus award (further details on pages 80 to 82)

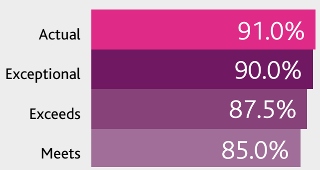
FINANCIAL METRICS:

The above charts are based on the following assumptions:

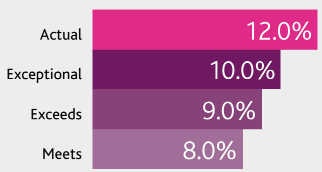
EBITDA margin



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:

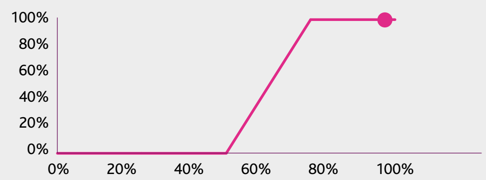
	Max. opportunity % of salary	Capped max. opportunity % of salary	Outturn £	Outturn (% of salary)[1]
Nigel Le Quesne	100%	50%	£179,046	40%
Martin Fotheringham	100%	50%	£107,618	33%
Wendy Holley	100%	50%	£62,126	25%

1 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:

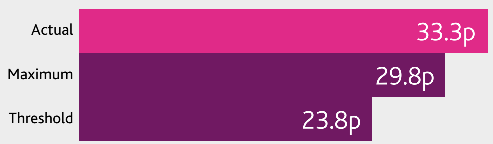
TSR



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.

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[1]	Benefits[2]	Pension[3]	Annual Bonus[4]	PSP[5]	Other[6]	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	✓ 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.
	✓ 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.
	✓ 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.
INVESTOR RELATIONS	✓ 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.
	✓ 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.
	✓ 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.
RISK AND COMPLIANCE	✓ 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.
	✓ 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.
	✓ 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.
	✓ 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.

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

	Total scorecard performance grade				
Bonus % Award	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 earnt 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	HIGHLIGHTS OVER THE 3-YEAR PERFORMANCE PERIOD
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%	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: Capturing market share, expanding JTC's core service and product offerings, and expanding JTC's global network and platform	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: Successfully completing and integrating acquisitions; increasing the scale in existing markets through external growth opportunities; and entry into new markets	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
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	• 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	HIGHLIGHTS OVER THE 3-YEAR PERFORMANCE PERIOD
MANAGEMENT Becoming an employer of choice and achieving carbon neutral status by 2022	• 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				
	Measure	Weighting	Indicative Vesting (% of Element)	Total Indicative Vesting (% of Maximum)	Total Indicative Vesting (No. Shares)
Nigel Le Quesne	TSR	50%	100%	100%	99,762
	EPS[1]	50%	100%		
Martin Fotheringham	TSR	50%	100%	100%	72,684
	EPS[1]	50%	100%		
Wendy Holley	TSR	33%	100%	100%	13,658
	EPS[1]	33%	100%		
	Group Business Plan	33%	100%		

1 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:

				Performance Measures			
	Max. Award (% of salary)	Max. Award[1] (£)	No. Shares	Measure	Weighting	Vesting date	Holding period[2]
Nigel Le Quesne	150%	£671,423	83,062	TSR	50%	01.01.2025	2 Years
				EPS[3]	50%		
Martin Fotheringham	150%	£489,174	60,516	TSR	50%	01.01.2025	2 Years
				EPS[3]	50%		
Wendy Holley	150%	£372,756	46,114	TSR	50%	01.01.2025	2 Years
				EPS[3]	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	
TSR vs. FTSE 250 index (excluding real estate and investment trusts))	Below median	0%	Straight-line vesting occurs between points	Adjusted underlying EPS	Below 31p per share	0%	Straight-line vesting occurs between points
	Equal to median	25%			31p per share	25%	
	Equal or exceeds upper quartile	100%			equal to exceeds 38.7p per share	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		
		With performance conditions	Without performance conditions				
	Shares legally owned as at 31 December 2022[4]	PSP awards	DBSP awards	% Interest in voting rights	Requirement (% of salary)	Share-holding as at 31 December 2022 (% of salary)[5]	Requirement met?
Executive Directors							
Nigel Le Quesne[1]	10,691,983	182,528	–	7.17%	150%	17,867.15%	Yes
Martin Fotheringham[2]	766,247	132,983	–	0.51%	150%	1,757.51%	Yes
Wendy Holley[3]	393,779	101,335	–	0.26%	150%	1,185.28%	Yes
Non-Executive Directors							
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

1 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.

2 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.

3 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.

4 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.

5 Share price as of 31 December 2022 was £7.48.

6 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[1,2]	Max. award as % of salary	Value at date of grant	% Vesting at threshold performance	Vest date[3]	Hold[4]
Nigel Le Quesne	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
	Total	**282,290**					
Martin Fotheringham	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
	Total	**205,667**					
Wendy Holley	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
	Total	**114,993**					
	Total	**602,950**					

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

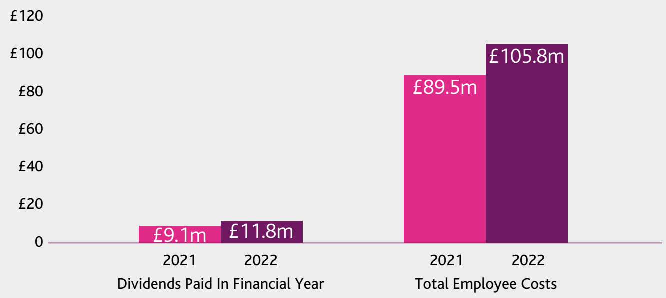
RELATIVE SPEND ON PAY

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.

Year-on-year increases	2022[1]	2021	Annual Increase %
Dividends Paid In Financial Year	**£11.8m**	£9.1m	30%
Total Employee Costs	**£105.8m**	£89.5m	18%

1 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.

Relative importance of spend on pay



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.

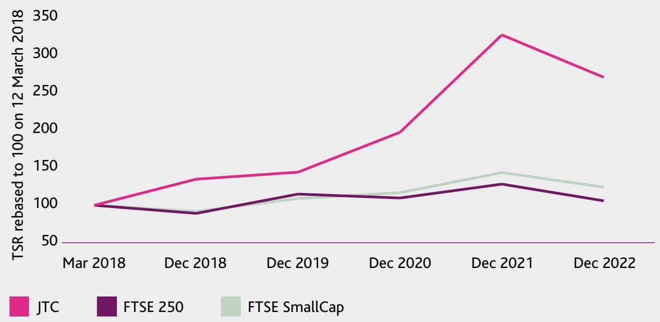
	2022	2021	2020	2019	2018
Single total figure of remuneration	**£1,418,560**	£1,325,186	£1,018,684	£630,697	£538,239
Annual bonus award against maximum %	**40%[1]**	30%[1]	42%[2]	67%[2]	80%
PSP vesting rates against maximum opportunity %	**100%[3]**	86%[3]	100%[3]	n/a	n/a

1 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%.

2 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.

3 Reflects the final PSP vesting of the 2018, 2019 and 2020 PSP awards.

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 %
Executive Directors			
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%
Non-Executive Directors			
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[1]	N/A	N/A	N/A
Average pay for UK employees	7.2%	3.4%	10.6%

1 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
2022	**Total FTE remuneration for all UK employees**	**40**	**29**	**16**
2021[1]	Total FTE remuneration for all UK employees	42	29	17

1 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[1]	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.

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)	Below Median	0%	Straight-line vesting occurs between points	adjusted underlying EPS	Below 34.7p per share	0%	Straight-line vesting occurs between points
	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 6 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. The questions will be addressed at the meeting, via the Company's website at 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 X 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.

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

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF JTC PLC

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

OUR OPINION

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of JTC PLC (the "company") and its subsidiaries (together "the group") as at 31 December 2022, and of their consolidated financial performance and their consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union and have been properly prepared in accordance with the requirements of the Companies (Jersey) Law 1991.

WHAT WE HAVE AUDITED

The group's consolidated financial statements comprise:

- the consolidated balance sheet as at 31 December 2022;
- the consolidated income statement for the year then ended;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated cash flow statement for the year then ended; and
- the notes to the consolidated financial statements, which include significant accounting policies and other explanatory information.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report.

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

INDEPENDENCE

We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements of the group, as required by the Crown Dependencies' Audit Rules and Guidance. We have fulfilled our other ethical responsibilities in accordance with these requirements.

OUR AUDIT APPROACH

OVERVIEW

AUDIT SCOPE

- Group audit scoping was performed based on profit before tax which identified fifteen significant components covering at least 80% of group's profit before tax.
- In determining the significant components, we also considered revenue and work in progress ("WIP") as secondary benchmarks, ensuring that the fifteen significant components also covered at least 75% of these financial statement line items. Additional factors were also considered, including common reporting processes and regulatory requirements to identify whether any additional components should be scoped in.
- The group is headquartered in Jersey, where the group financial reporting functions are located. Trading subsidiaries are based in Africa, Americas, Caribbean, Middle East, Asia and Europe.
- We conducted the majority of our audit work in Jersey, with audit work also undertaken by component auditors in Luxembourg, South Africa, the Netherlands and the United States of America.

KEY AUDIT MATTERS

- Recoverability of work in progress ("WIP")
- Impairment of goodwill
- Accounting for business combinations

MATERIALITY,

- Overall group materiality: £2,100,000 (2021: £1,070,000) based on 5% of the group's profit before tax adjusted for the Employee Incentive Plan ("EIP") share award expense.
- Performance materiality: £1,500,000 (2021: £802,500).

THE SCOPE OF OUR AUDIT

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the consolidated financial statements. In particular, we considered where the directors made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

KEY AUDIT MATTERS

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

This is not a complete list of all risks identified by our audit.

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF JTC PLC (CONTINUED)

KEY AUDIT MATTER	HOW OUR AUDIT ADDRESSED THE KEY AUDIT MATTER
Recoverability of Work in progress ("WIP") Recoverability of WIP, where services are provided on a time spent basis for client matters which have not yet been billed, is considered a key audit matter. WIP is required to be stated at the amount which is recoverable. There is a significant level of judgement as estimates are applied by management in assessing and determining the value of WIP at the year end. Therefore, there is a risk that WIP may not be recoverable, and that revenue could be overstated. Accounting policies and disclosures in respect of revenue and WIP are set out in note 4 & 13 of the consolidated financial statements.	We understood and evaluated the design and implementation of controls around the billing process and valuation of WIP, testing the key controls in this process; For a sample of clients where WIP has been recognised and is outstanding at the year end, we confirmed subsequent billing and, when possible, that the cash had been received post year end to ensure appropriateness of revenue recognition; Where WIP was not subsequently billed and recovered post year end for any of the clients within the sample selected, we challenged management's estimate and rationale around the recoverability of the amounts through analysis of client agreements, communication with clients, billing and payment history with a focus on current year payments, including considering any potential impact from the current macroeconomic and geo-political factors; We assessed the appropriateness of estimates made on the implied recovery of WIP at the year end, particularly in light of the current macroeconomic conditions of each jurisdiction; We assessed the provision adjustments applied, the level of WIP written-off and credit notes raised on post year end invoices, on a sample basis and challenged the rationale for those provision adjustments, WIP write-offs and credit notes raised; and We performed a standback evaluation for the implied recovery of WIP at year end in order to assess whether there are any indicators of management bias. As a result of the procedures performed, we have not identified any matters to report to those charged with governance in respect of the WIP balance at year end.

KEY AUDIT MATTER	HOW OUR AUDIT ADDRESSED THE KEY AUDIT MATTER
Impairment of Goodwill Acquisitions made by the group have generated a significant amount of goodwill which has been recognised on the consolidated balance sheet. The initial allocation of goodwill (calculated as the fair value of the consideration paid less the fair value of net assets acquired, including intangible assets) is determined at the acquisition date. Management is required to perform annual impairment assessments in respect of the carrying value of goodwill on a cash generating unit ("CGU") basis. Management uses a discounted cash flow model to determine the value in use of each CGU to which goodwill is allocated. The annual impairment assessments performed by management were considered significant to our audit due to the complexity of the assessment process and the judgements applied by management when determining the assumptions included in the assessment. These assumptions are based on estimates that are affected by expected future economic and market conditions in the geographic region and division within which a particular CGU operates. Accounting policies and disclosures relating to impairment of goodwill are set out in note 21 of the consolidated financial statements.	We understood and evaluated the design and implementation of controls and the inputs and the assumptions around the preparation and review of impairment assessments; We evaluated the inputs and assumptions in the forecast used by management in determining the value in use for each of the CGUs, including the appropriateness of the basis of the forecast. We challenged management's judgements, tested the underlying value in use calculation and compared the forecast used in the calculation to management's approved forecasts and budgets; We compared the projected cash flows for the next financial period with the latest approved budgets for consistency; We compared the discount rates used by management in their discounted cash flows to our internally developed benchmarks; We challenged management's key assumptions used in the forecasts, taking into consideration potential macroeconomic and geo-political factors on those assumptions; We compared the prior year's approved management forecast to actual performance (backtesting) to help assess the quality of management's estimates; We performed sensitivity analysis to identify the key assumptions within the value in use calculations and assumptions that would result in zero headroom for sensitive CGUs and challenged management's rationale for the applied rates. We also performed sensitivity analysis to determine the extent to which a reduction in key assumptions would result in goodwill impairment and challenged management on the likelihood of such events occurring; We assessed the mathematical accuracy of each discounted cash flow model; We considered the adequacy of the sensitivity disclosures relating to significant estimates in the impairment assessment of goodwill in the consolidated financial statements; We queried management on the impact of climate change on future client revenues to assess the impact on future cash flows used in the goodwill impairment assessments; and We performed a standback evaluation for the key assumptions used in the value in use calculation in order to assess whether there are any indicators of management bias. As a result of the testing performed, we have not identified any matters to report to those charged with governance in respect of the impairment of goodwill.

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF JTC PLC (CONTINUED)

KEY AUDIT MATTER	HOW OUR AUDIT ADDRESSED THE KEY AUDIT MATTER
Accounting for business combinations The group has completed one acquisition during the year. Significant judgement is involved in calculating the fair value of acquired assets and the allocation of the purchase price. Judgements arise from the fact that there are a number of assumptions included in the valuation model used to determine the fair value of intangible assets acquired which include customer contracts. These assumptions include estimates for the economic useful lives of the intangible assets, projected future earning levels, growth rates, client attrition rates and discount rates. Judgement is also applied in considering whether acquisitions meet the definition of a business combination, the date control passed and any measurement period adjustments identified. Accounting policies and disclosures relating to the acquisitions are disclosed in the note 31 of the consolidated financial statements.	We understood and evaluated the design and implementation of controls around the preparation, review and accounting for the acquisition; We obtained management's accounting judgement paper and assessed whether the transaction was appropriately accounted for in accordance with applicable financial reporting standards; With the assistance of our valuation experts, we evaluated the appropriateness of the valuation model applied by management. We challenged management on the date the control was passed to JTC for the acquisition; We performed procedures to test the fair value of consideration transferred by agreeing consideration paid in cash to bank statement and testing completeness of the consideration by reviewing the purchase agreement. We challenged management on the assumptions used in the valuation model such as attrition rates, useful economic life and future projections of revenue/EBITDA margins. This included benchmarking against comparable data; We compared the discount rate used by management in their model to our internally developed benchmark, with the assistance of our valuation experts; We compared the projected revenue for the next financial period against historical performance as provided by management, adjusted for attrition; We assessed the EBIT margin used in the valuation model by comparing against the historical performance of the acquired business; We performed sensitivity analysis on the key assumptions used in the valuation model, useful economic life, attrition rates, discount rates and revenue growth rates; We reconciled source data used in the model to underlying accounting records; We performed a stand back evaluation for the key assumptions used to determine the fair value of the acquired intangibles in order to assess whether there are any indicators of management bias; and We challenged management on the impact of climate change and the macro-economic environment including high inflation and high interest rates with the forecast, and the assumptions used. As a result of the testing performed, we have not identified any matters to report to those charged with governance in respect of the accounting for the business combination.

HOW WE TAILORED THE AUDIT SCOPE

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the consolidated financial statements as a whole, taking into account the structure of the group, the accounting processes and controls, the industry in which the group operates, and we considered the risk of climate change and the potential impact thereof on our audit approach.

The group has operating components spread internationally and two segments, namely institutional client services and private client services. Components were considered financially significant where they exceeded 2.5% of our primary benchmark, adjusted profit before tax, as well as revenue and WIP.

Eleven of the components in scope for group reporting were audited by PwC Channel Islands, and a further two components were audited by PwC Network member firms providing at least 80% coverage of adjusted profit before tax. Two component were audited by a non-PwC Network member firm. We instructed component audit teams of these financially significant components to perform full scope audit procedures on the component's management information.

Procedures were performed by the group audit team over all other non-significant components, which included a combination of audit procedures on a number of non-significant components' financial statement line items, analytical review and journal entries testing.

As the group audit team, we determined the level of involvement required for those components to be able to conclude whether sufficient and appropriate audit evidence had been obtained as a basis for our opinion on the consolidated financial statements as a whole. In our role as group auditor, we exercised oversight over the work performed by auditors of the components including performing the following procedures:

- Maintained an active dialogue with reporting component audit teams, including regular group wide audit team conference/video calls and specific conference/video calls for each reporting territory covering scope, status, procedures performed and results prior to inter-office reporting; and
- Video conferencing, visits/onsite audit workpaper reviews, and remote audit workpaper reviews to satisfy ourselves as to the sufficiency of audit work performed at the significant components.

MATERIALITY

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and in aggregate on the consolidated financial statements as a whole.

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF JTC PLC (CONTINUED)

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

Overall group materiality	£2,100,000 (2021: £1,070,000).
How we determined it	5% of the group's profit before tax adjusted for the EIP share award expense (Prior year: 5% of the group's profit before tax, adjusted for the gain on revaluation of the contingent consideration relating to the acquisition of NESF and the EIP share award expense)
Rationale for benchmark applied	The determination of materiality and the benchmark used is a matter of professional judgement. Profit before tax is the measure used by management to assess the performance of the business and to communicate results to the market. We have adjusted the profit before tax for the EIP share award expense as we do not consider these transactions to be reflective of the normal operations of the business.

For each component in the scope of our group audit, we allocated a materiality that is less than our overall group materiality. The range of materiality allocated across components was between £190,000 and £1,900,000. Certain components were audited to a local statutory audit materiality that was also less than our overall group materiality.

We use performance materiality to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds overall materiality. Specifically, we use performance materiality in determining the scope of our audit and the nature and extent of our testing of account balances, classes of transactions and disclosures, for example in determining sample sizes. Our performance materiality was 75% (2021: 75%) of overall materiality, amounting to £1,500,000 (2021: £802,500) for the group consolidated financial statements.

In determining the performance materiality, we considered a number of factors including the history of misstatements, risk assessment and aggregation risk and the effectiveness of controls – and concluded that an amount at the upper end of our normal range was appropriate.

We agreed with the Audit Committee that we would report to them misstatements identified during our audit above £105,000 (2021: £53,000) as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

REPORTING ON OTHER INFORMATION

The other information comprises all the information included in the JTC Annual Report 2022 (the "Annual Report") but does not include the consolidated financial statements and our auditor's report thereon. The directors are responsible for the other information, which includes reporting based on the Task Force on Climate-related Financial Disclosures ("TCFD") recommendations.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

RESPONSIBILITIES FOR THE CONSOLIDATED FINANCIAL STATEMENTS AND THE AUDIT

RESPONSIBILITIES OF THE DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

As explained more fully in the Directors' responsibility statement, the directors are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the European Union, the requirements of Jersey law and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

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

Our audit testing might include testing complete populations of certain transactions and balances, possibly using data auditing techniques. However, it typically involves selecting a limited number of items for testing, rather than testing complete populations. We will often seek to target particular items for testing based on their size or risk characteristics. In other cases, we will use audit sampling to enable us to draw a conclusion about the population from which the sample is selected.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's ability to continue as a going concern over a period of at least twelve months from the date of approval of the consolidated financial statements. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group to cease to continue as a going concern.

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF JTC PLC (CONTINUED)

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

USE OF THIS REPORT

This report, including the opinions, has been prepared for and only for the members as a body in accordance with Article 113A of the Companies (Jersey) Law 1991 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

COMPANY LAW EXCEPTION REPORTING

Under the Companies (Jersey) Law 1991 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit;
- proper accounting records have not been kept; or
- the consolidated financial statements are not in agreement with the accounting records.

We have no exceptions to report arising from this responsibility.

CORPORATE GOVERNANCE STATEMENT

The Listing Rules require us to review the directors' statements in relation to going concern,longer-term viability and that part of the corporate governance statement relating to the company'scompliance with the provisions of the UK Corporate Governance Code specified for our review. Our additional responsibilities with respect to the corporate governance statement as other information are described in the Reporting on other information section of this report.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the corporate governance statement ,included within the Strategic Report is materially consistent with the consolidated financial statements and our knowledge obtained during the audit, and we have nothing material to add or draw attention to in relation to:

- The directors confirmation that they have carried out a robust assessment of the emerging and principal risks;
- The disclosures in the Annual Report that describe those principal risks, what procedures are in place to identify emerging risks and an explanation of how these are being managed or mitigated;
- The directors' statement in the consolidated financial statements about whether they considered it appropriate to adopt the going concern basis of accounting in preparing them, and their identification of any material uncertainties to the group's ability to continue to do so over a period of at least twelve months from the date of approval of the consolidated financial statements;
- The directors' explanation as to their assessment of the group's prospects, the period this assessment covers and why the period is appropriate; and
- The directors' statement as to whether they have a reasonable expectation that the company will be able to continue in operation and meet its liabilities as they fall due over the period of its assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions.

Our review of the directors' statement regarding the longer-term viability of the group was substantially less in scope than an audit and only consisted of making inquiries and considering the directors' process supporting their statements; checking that the statements are in alignment with the relevant provisions of the UK Corporate Governance Code (the "Code"); and considering whether the statement is consistent with the consolidated financial statements and our knowledge and understanding of the group and its environment obtained in the course of the audit.

In addition, based on the work undertaken as part of our audit, we have concluded that each of the following elements of the corporate governance statement is materially consistent with the consolidated financial statements and our knowledge obtained during the audit:

- The directors' statement that they consider the Annual Report, taken as a whole, is fair, balanced and understandable, and provides the information necessary for the members to assess the group's position, performance, business model and strategy;
- The section of the Annual Report that describes the review of effectiveness of risk management and internal control systems; and
- The section of the Annual Report describing the work of the Audit Committee

We have nothing to report in respect of our responsibility to report when the directors' statement relating to the company's compliance with the Code does not properly disclose a departure from a relevant provision of the Code specified under the Listing Rules for review by the auditors.

OTHER MATTER

In due course, as required by the Financial Conduct Authority Disclosure Guidance and Transparency Rule 4.1.14R, these consolidated financial statements will form part of the ESEF-prepared annual financial report filed on the National Storage Mechanism of the Financial Conduct Authority in accordance with the ESEF Regulatory Technical Standard ("ESEF RTS"). This auditor's report provides no assurance over whether the annual financial report will be prepared using the single electronic format specified in the ESEF RTS.

KARL HAIRON
For and on behalf of PricewaterhouseCoopers CI LLP
Chartered Accountants and Recognized Auditor
Jersey, Channel Islands
06 April 2023

CONSOLIDATED INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	2022 £'000	2021 £'000
Revenue	4	**200,035**	147,502
Staff expenses	5	**(105,831)**	(89,540)
Other operating expenses	6	**(35,570)**	(30,114)
Credit impairment losses	12	**(3,092)**	(1,690)
Other operating income		**44**	61
Share of profit of equity-accounted investee	32	**478**	364
Earnings before interest, taxes, depreciation and amortisation ("EBITDA")		**56,064**	26,583
Comprising:			
Underlying EBITDA		**66,039**	48,405
Non-underlying items	7	**(9,975)**	(21,822)
		56,064	26,583
Depreciation and amortisation	8	**(22,261)**	(17,591)
Profit from operating activities		**33,803**	8,992
Other gains	9	**14,201**	24,707
Finance income	10	**244**	112
Finance cost	10	**(12,313)**	(6,028)
Profit before tax		**35,935**	27,783
Comprising:			
Underlying profit before tax		**34,052**	24,908
Non-underlying items	7	**1,883**	2,875
		35,935	27,783
Income tax	11	**(1,221)**	(1,135)
Profit for the year		**34,714**	26,648
Earnings per Ordinary share ("EPS")		Pence	Pence
Basic EPS	34.1	**23.92**	20.49
Diluted EPS	34.2	**23.60**	20.21

The notes on pages 105 to 141 are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	2022 £'000	2021 £'000
Profit for the year		**34,714**	26,648
Other comprehensive income/(loss)			
Items that may be reclassified to profit or loss			
Exchange difference on translation of foreign operations (net of tax)	38	**21,314**	(2,476)
Items that will not be reclassified to profit or loss:			
Remeasurements of post-employment benefit obligations	5	**316**	61
Total comprehensive income for the year		**56,344**	24,233

The notes on pages 105 to 141 are an integral part of these consolidated financial statements.

CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2022

	Note	2022 £'000	2021 £'000
Assets			
Property, plant and equipment	20	**49,566**	48,340
Goodwill	21	**363,708**	341,605
Other intangible assets	21	**128,020**	120,715
Investments	32	**3,156**	2,638
Other non-financial assets	22	**2,369**	558
Other receivables	15	**535**	988
Deferred tax assets	23	**143**	119
Total non-current assets		**547,497**	514,963
Trade receivables	12	**33,290**	28,870
Work in progress	13	**12,525**	12,834
Accrued income	14	**23,911**	19,587
Other non-financial assets	22	**5,983**	4,147
Other receivables	15	**3,827**	2,090
Cash and cash equivalents	16	**48,861**	39,326
Total current assets		**128,397**	106,854
Total assets		**675,894**	621,817
Equity			
Share capital	26.1	**1,491**	1,476
Share premium	26.1	**290,435**	285,852
Own shares	26.2	**(3,697)**	(3,366)
Capital reserve	26.3	**24,361**	17,536
Translation reserve	26.3	**15,979**	(5,335)
Retained earnings	26.3	**71,648**	48,462
Total equity		**400,217**	344,625
Liabilities			
Trade and other payables	17	**26,896**	22,903
Loans and borrowings	18	**153,622**	152,578
Lease liabilities	19	**40,602**	37,916
Deferred tax liabilities	23	**11,184**	24,355
Other non-financial liabilities	24	**788**	956
Provisions	25	**1,884**	1,720
Total non-current liabilities		**234,976**	240,428
Trade and other payables	17	**23,424**	19,497
Lease liabilities	19	**4,292**	5,463
Other non-financial liabilities	24	**8,628**	8,579
Current tax liabilities	11	**4,088**	2,978
Provisions	25	**269**	247
Total current liabilities		**40,701**	36,764
Total equity and liabilities		**675,894**	621,817

The consolidated financial statements on pages 103 to 105 were approved by the Board of Directors on 6 April 2023 and signed on its behalf by:

NIGEL LE QUESNE
CHIEF EXECUTIVE OFFICER

MARTIN FOTHERINGHAM
CHIEF FINANCIAL OFFICER

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	Share capital £'000	Share premium £'000	Own shares £'000	Capital reserve £'000	Translation reserve £'000	Retained earnings £'000	Total equity £'000
Balance at 1 January 2022		**1,476**	**285,852**	**(3,366)**	**17,536**	**(5,335)**	**48,462**	**344,625**
Profit for the year		**–**	**–**	**–**	**–**	**–**	**34,714**	**34,714**
Other comprehensive income		**–**	**–**	**–**	**–**	**21,314**	**316**	**21,630**
Total comprehensive income for the year		**–**	**–**	**–**	**–**	**21,314**	**35,030**	**56,344**
Issue of share capital	26.1	**15**	**4,654**	**–**	**–**	**–**	**–**	**4,669**
Cost of share issuance	26.1	**–**	**(71)**	**–**	**–**	**–**	**–**	**(71)**
Share-based payment expense	36.2	**–**	**–**	**–**	**2,045**	**–**	**–**	**2,045**
EIP share-based payment expense	36.2	**–**	**–**	**–**	**4,780**	**–**	**–**	**4,780**
Movement of own shares	26.2	**–**	**–**	**(331)**	**–**	**–**	**–**	**(331)**
Dividends paid	27	**–**	**–**	**–**	**–**	**–**	**(11,844)**	**(11,844)**
Total transactions with owners		**15**	**4,583**	**(331)**	**6,825**	**–**	**(11,844)**	**(752)**
Balance at 31 December 2022		**1,491**	**290,435**	**(3,697)**	**24,361**	**15,979**	**71,648**	**400,217**
Balance at 1 January 2021		1,225	130,823	(3,084)	1,456	(2,859)	30,844	158,405
Profit for the year		–	–	–	–	–	26,648	26,648
Other comprehensive loss		–	–	–	–	(2,476)	61	(2,415)
Total comprehensive income for the year	–	–	–	–	(2,476)	26,709	24,233	
Issue of share capital	26.1	251	159,537	–	–	–	–	159,788
Cost of share issuance	26.1	–	(4,508)	–	–	–	–	(4,508)
Share-based payment expense	36.2	–	–	–	2,164	–	–	2,164
EIP share-based payment expense	36.1	–	–	–	13,916	–	–	13,916
Movement of own shares	26.2	–	–	(282)	–	–	–	(282)
Dividends paid	27	–	–	–	–	–	(9,091)	(9,091)
Total transactions with owners		251	155,029	(282)	16,080	–	(9,091)	161,987
Balance at 31 December 2021		1,476	285,852	(3,366)	17,536	(5,335)	48,462	344,625

The notes on pages 105 to 141 are an integral part of these consolidated financial statements.

CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	2022 £'000	2021 £'000
Cash generated from operations	35.1	**55,366**	30,697
Income taxes paid		**(2,053)**	(1,835)
Net movement in cash generated from operations		**53,313**	28,862
Comprising:			
Underlying cash generated from operations		**60,308**	38,402
Non-underlying cash items	35.2	**(4,942)**	(7,705)
		55,366	30,697
Investing activities			
Interest received		**254**	87
Property, plant and equipment	20	**(2,979)**	(1,378)
Intangible assets	21	**(5,491)**	(1,603)
Business combinations (net of cash acquired)	31	**(15,113)**	(186,433)
Costs to obtain or fulfil a contract	22	**(2,210)**	(1,017)
Loans to related parties		**–**	(415)
Net cash used in investing activities		**(25,539)**	(190,759)
Financing activities			
Proceeds from issue of shares		**–**	144,801
Share issuance costs		**(169)**	(4,409)
Purchase of own shares		**(320)**	(269)
Dividends paid	27	**(11,844)**	(9,091)
Proceeds from repayment of employee loans		**–**	2,028
Repayment of loans and borrowings		**–**	(125,099)
Proceeds from loans and borrowings		**–**	176,662
Loan arrangement fees		**–**	(3,364)
Interest paid on loans and borrowings		**(6,173)**	(2,571)
Facility fees paid on loans and borrowings		**–**	(285)
Repayment of other loans		**–**	(2,684)
Principal paid on lease liabilities		**(4,907)**	(4,639)
Interest paid on lease liabilities		**(1,336)**	(1,183)
Net cash (used in)/generated from financing activities		**(24,749)**	169,896
Net increase in cash and cash equivalents		**3,025**	7,999
Cash and cash equivalents at the beginning of the year		**39,326**	31,078
Effect of foreign exchange rate changes		**6,510**	249
Cash and cash equivalents at the end of the year	16	**48,861**	39,326

The notes on pages 105 to 141 are an integral part of these consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022 CONTINUED

SECTION 1 – BASIS FOR REPORTING AND GENERAL INFORMATION

1. REPORTING ENTITY

JTC PLC (the "Company") was incorporated on 12 January 2018 and is domiciled in Jersey, Channel Islands. The Company was admitted to the London Stock Exchange on 14 March 2018 (the "IPO"). The address of the Company's registered office is 28 Esplanade, St Helier, Jersey.

The consolidated financial statements of the Company for the year ended 31 December 2022 comprise the Company and its subsidiaries (together the "Group" or "JTC") and the Group's interest in an associate and investments.

The Group provides fund, corporate and private wealth services to institutional and private clients.

2. BASIS OF PREPARATION

2.1. STATEMENT OF COMPLIANCE AND BASIS OF MEASUREMENT
The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union, the interpretations of the IFRS Interpretations Committee ("IFRS IC") and Companies (Jersey) Law 1991.

The consolidated financial statements are prepared on a going concern basis and under the historical cost convention except for the following:

- Certain financial liabilities measured at fair value (see note 29)
- Defined benefit liabilities/(assets) recognised at the fair value of plan assets less the present value of defined benefit obligations (see note 5).

In assessing the going concern assumption, the Directors considered the challenging global economic and political backdrop, and increasing inflationary pressures, and noted that the Group continued to experience revenue growth and generate positive cash flows from its operating activities. Considering these factors as part of the review of the Group's financial performance and position, forecasts and expected liquidity, the Directors have a reasonable expectation that the Group will have adequate resources to continue in operational existence for the foreseeable future, being at least 12 months from the date of approval of the consolidated financial statements. They have concluded it is appropriate to adopt the going concern basis of accounting in preparing the consolidated financial statements.

2.2. FUNCTIONAL AND PRESENTATION CURRENCY
The consolidated financial statements are presented in pounds sterling, which is the functional and reporting currency of the Company and the presentation currency of the consolidated financial statements. All amounts disclosed in the consolidated financial statements and notes have been rounded to the nearest thousand (£'000) unless otherwise stated.

3. SIGNIFICANT ACCOUNTING POLICIES AND STANDARDS

3.1. CHANGES IN ACCOUNTING POLICIES AND NEW STANDARDS ADOPTED
The accounting policies set out in these consolidated financial statements have been consistently applied to all the years presented, and have been applied consistently by Group entities. There have been no significant changes compared with the prior year consolidated financial statements as at and for the year ended 31 December 2021.

To the extent relevant, all IFRS standards and interpretations, including amendments that were in issue and effective from 1 January 2022, have been adopted by the Group from 1 January 2022. These standards and interpretations had no material impact for the Group.

New and amended standards adopted by the Group
The Group has applied the following amendments for the first time for the annual reporting period commencing 1 January 2022:

- Property, Plant and Equipment: Proceeds before Intended Use – Amendments to IAS 16
- Onerous Contracts – Cost of Fulfilling a Contract – Amendments to IAS 37
- Annual Improvement to IFRS Standards 2018-2020
- Reference to the Conceptual Framework – Amendments to IFRS 3

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

New standards and interpretations not yet adopted
Certain new accounting standards and interpretations have been published that are not mandatory for 31 December 2022 reporting periods and have not been early adopted by the Group. These standards are not expected to have a material impact on the entity in the current or future reporting periods or on foreseeable future transactions.

3.2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
The basis of consolidation is described below, otherwise significant accounting policies related to specific items are described under the relevant note. The description of the accounting policy in the notes forms an integral part of the accounting policies. Unless otherwise stated, these policies have been consistently applied to all the years presented.

Basis of consolidation
The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its "subsidiaries"). The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity.

De-facto control exists where the Company has the practical ability to direct the relevant activities of the investee without holding the majority of the voting rights. In determining whether de-facto control exists the Company considers the size of the Company's voting rights relative to other parties, substantive potential voting rights held by the Company and by other parties, other contractual arrangements and historical patterns in voting attendance.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022 CONTINUED

3. SIGNIFICANT ACCOUNTING POLICIES AND STANDARDS (CONTINUED)

3.2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of consolidation (Continued)

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related non-controlling interest and other components of equity. Any resulting gain or loss is recognised in the consolidated income statement.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group. All inter-company transactions and balances, including unrealised gains and losses, arising from transactions between Group companies are eliminated on consolidation.

The acquisition method of accounting is used to account for business combinations by the Group (see note 31). Associates and investments in associates are accounted for via the equity method of accounting (see note 32).

Company only financial statements

Under Article 105(11) of the Companies (Jersey) Law 1991, the directors of a holding company need not prepare separate financial statements (i.e. company only financial statements). Separate financial statements for the Company are not prepared unless required to do so by the members of the Company by ordinary resolution. The members of the Company had not passed a resolution requiring separate financial statements and, in the Directors' opinion, the Company meets the definition of a holding company. As permitted by law, the Directors have elected not to prepare separate financial statements.

SECTION 2 – RESULT FOR THE YEAR

4. OPERATING SEGMENTS

Revenue recognition

Revenue is measured as the fair value of the consideration received or receivable for satisfying performance obligations contained in contracts with customers excluding discounts, VAT and other sales-related taxes.

To recognise revenue in accordance with IFRS 15 "Revenue from Contracts with Customers", the Group applies the five step approach: identify the contract(s) with a customer, identify the performance obligations in the contract, determine the transaction price, allocate the transaction price to the performance obligations and recognise revenue when, or as, performance obligations are satisfied by the Group.

The Group enters into contractual agreements with institutional and private clients for the provision of fund, corporate and private client services. The agreements set out the services to be provided and each component is distinct and can be performed and delivered separately. For each of these performance obligations, the transaction price can be either a pre-set (fixed) fee based on the expected amount of work to be performed or a variable time spent fee for the actual amount of work performed. For some clients, the fee for agreed services is set at a percentage of the net asset value ("NAV") of funds being administered or deposits held. Where contracts include multiple performance obligations, the transaction price is allocated to each performance obligation based on its stand-alone selling price.

Revenue is recognised in the consolidated income statement when, or as, the Group satisfies performance obligations by transferring control of services to clients. This occurs as follows depending upon the nature of the contract for services:

- Variable fees are recognised over time as services are provided at the agreed charge out rates in force at the work date where there is an enforceable right to payment for performance completed to date. Time recorded but not invoiced is shown in the consolidated balance sheet as work in progress (see note 13). To determine the transaction price, an assessment of the variable consideration for services rendered is performed by estimating the expected value, including any price concessions, of the unbilled amount due from clients for the work performed to date (see note 28.2).
- Pre-set (fixed), cash management and NAV based fees are recognised over time; based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided where there is an enforceable right to payment for performance completed to date. This is determined based on the actual inputs of time and expenses relative to the total expected inputs.
  Where services have been rendered and performance obligations have been met but clients have not been invoiced at the reporting date, accrued income is recognised, this is recorded based on agreed fees to be billed in arrears (see note 14).
  Where fees are billed in advance in respect of services under contract and give rise to a trade receivable when recognised, deferred income is recognised and released to revenue on a time apportioned basis in the appropriate reporting period (see note 24).

The Group does not adjust transaction prices for the time value of money as it does not have any contracts where the period between the transfer of the promised services to the client and the payment by the client exceeds one year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022 CONTINUED

4. OPERATING SEGMENTS (CONTINUED)

4.1. BASIS OF SEGMENTATION
The Group has a multi-jurisdictional footprint and the core focus of operations is on providing services to its institutional and private client base, with revenues from alternative asset managers, financial institutions, corporates, HNW and UHNW individuals and family office clients. Recognised revenue is generated from external customers. Business activities include:

Fund services
Supporting a diverse range of asset classes, including real estate, private equity, renewables, hedge, debt and alternative asset classes providing a comprehensive set of fund administration services (e.g. fund launch, NAV calculations, accounting, compliance and risk monitoring, investor reporting, listing services).

Corporate services
Includes clients spanning across small and medium entities, public companies, multinationals, sovereign wealth funds, fund managers, HNW and UHNW individuals and families requiring a 'corporate' service for business and investments. As well as entity formation, administration and other company secretarial services, the Group also services international and local pension plans, employee share incentive plans, employee ownership plans and deferred compensation plans.

Private client services
Supporting HNW and UHNW individuals and families, from 'emerging entrepreneurs' to established single and multi-family offices. Services include JTC's own comprehensive Private Office, a range of cash management, foreign exchange and lending services, as well as the formation and administration of trusts, companies, partnerships, and other vehicles and structures across a range of asset classes, including cash and investments.

The Chief Executive Officer and Chief Financial Officer are together the Chief Operating Decision Makers of the Group and determine the appropriate business segments to monitor financial performance. Each segment is defined as a set of business activities generating a revenue stream determined by divisional responsibility and the management information reviewed by the Board. They have determined that the Group has two reportable segments: these are Institutional Client Services and Private Client Services.

4.2. SEGMENTAL INFORMATION
The table below shows the segmental information provided to the Board for the two reportable segments (ICS and PCS) on an underlying basis:

	ICS		PCS		Total	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Revenue	**136,657**	92,706	**63,378**	54,796	**200,035**	147,502
Direct staff costs	**(56,157)**	(39,256)	**(24,525)**	(20,025)	**(80,682)**	(59,281)
Other direct costs	**(2,499)**	(640)	**(1,874)**	(1,467)	**(4,373)**	(2,107)
Underlying gross profit	**78,001**	52,810	**36,979**	33,304	**114,980**	86,114
Underlying gross profit margin %	**57.1%**	57.0%	**58.3%**	60.8%	**57.5%**	58.4%
Indirect staff costs	**(12,091)**	(8,225)	**(6,414)**	(6,296)	**(18,505)**	(14,521)
Other operating expenses	**(22,886)**	(16,573)	**(8,072)**	(7,040)	**(30,958)**	(23,613)
Other income	**9**	18	**513**	407	**522**	425
Underlying EBITDA	**43,033**	28,030	**23,006**	20,375	**66,039**	48,405
Underlying EBITDA margin %	**31.5%**	30.2%	**36.3%**	37.2%	**33.0%**	32.8%

The Board evaluates segmental performance based on revenue, underlying EBITDA and underlying EBITDA margin. Profit before tax is not used to measure the performance of the individual segments as items such as depreciation, amortisation of intangibles, other gains and finance costs are not allocated to individual segments. Consistent with the aforementioned reasoning, segment assets and liabilities are not reviewed regularly on a by-segment basis and are therefore not included in segmental reporting.

4.3. GEOGRAPHICAL INFORMATION
The table below shows revenue generated by the geographical location of the contracting Group entity.

			Increase/(decrease)	
	2022 £'000	2021 £'000	£'000	%
UK & Channel Islands	**107,778**	87,038	20,740	23.8%
US	**38,039**	15,661	22,378	142.9%
Rest of Europe	**34,323**	29,867	4,456	14.9%
Rest of the World	**19,895**	14,935	4,960	33.2%
	200,035	147,501	52,534	35.6%

The geographical location is based on the jurisdiction in which the legal entity is based and not on the location of the client.

No single customer made up more than 10% of the Group's revenue in the current or prior year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022 CONTINUED

5. STAFF EXPENSES

EMPLOYEE BENEFITS

Short-term benefits
Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

Defined contribution pension plans
Under defined contribution pension plans, the Group pays contributions to publicly or privately administered pension insurance plans. The Group has no further payment obligation once the contributions have been paid. The contributions are recognised as an employee benefit expense when they are due.

Defined benefit pension plans
The liability or asset recognised in the consolidated balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The calculation of defined benefit obligations is performed annually by independent qualified actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms approximating to the terms of the related obligation. In countries where there is no established market in such bonds, the market rates on local government bonds are used.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included as an employee benefit expense in the consolidated income statement.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the consolidated statement of changes in equity and the consolidated balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the consolidated income statement as past service costs.

Termination benefits
Termination benefits are expensed at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognises costs for a restructuring that is within the scope of IAS 37 and involves the payment of termination benefits. If benefits are not expected to be settled wholly within one year of the end of the reporting period, then they are discounted to their present value using an appropriate discount rate.

	Note	2022 £'000	2021 £'000
Salaries and Directors' fees		**82,739**	62,685
Employer-related taxes and other staff-related costs		**8,841**	6,141
Other short-term employee benefits		**3,508**	2,099
Pension employee benefits[1]		**3,841**	2,535
Share-based payments	36.2	**2,122**	2,164
Employee Incentive Plan ("EIP") share-based payments	36.2	**4,780**	13,916
		105,831	89,540

1 Pension employee benefits include defined contributions of £3.41m (2021: £2.39m) and defined benefits of £0.43m (2021: £0.14m).

Defined benefit pension plans
The Group operates defined benefit pension plans in Switzerland and Mauritius. Both plans are contribution based with guarantee of a minimum interest credit and fixed conversion rates at retirement. Disability and death benefits are defined as a percentage of the insured salary.

At 31 December 2022, the Group net defined benefit obligation recognised on the consolidated balance sheet in respect of amounts that are expected to be paid out to employees was £0.6m (2021: £0.8m). The Group does not expect a significant change in contributions for the following years.

The Swiss plan must be fully funded in accordance with Swiss Federal Law on Occupational Benefits (LPP/BVG) on a static basis at all times. The subsidiary, JTC (Suisse) SA, is affiliated to the collective foundation Swiss Life. The collective foundation is a separate legal entity. The foundation is responsible for the governance of the plan, the board is composed of an equal number of representatives from the employers and the employees chosen from all affiliated companies. The foundation has set up investment guidelines, defining in particular the strategic allocation with margins. Additionally, there is a pension committee responsible for the set-up of the plan benefit, this is composed of an equal number of representatives of JTC (Suisse) SA and its employees.

The Mauritius plan is administered by Swan Life Ltd. JTC Fiduciary Services (Mauritius) Limited is required to contribute a specific percentage of payroll costs to the retirement benefit scheme. Employees under this pension plan are entitled to statutory benefits prescribed under parts VIII and IX of the Workers' Rights Act 2019.

The amounts recognised in the consolidated balance sheet are as follows:

	2022 £'000	2021 £'000
Present value of funded obligations	**(3,344)**	(2,010)
Fair value of plan assets[1]	**2,772**	1,233
Consolidated balance sheet liability	**(572)**	(777)

1 All plan assets are held in insurance contracts.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022 CONTINUED

5. STAFF EXPENSES (CONTINUED)

Defined benefit pension plans (Continued)

The movement in the net defined benefit obligation recognised in the consolidated balance sheet is as follows:

	2022			2021		
	Defined benefit obligation £'000	Fair value of plan assets £'000	Net defined benefit obligation £'000	Defined benefit obligation £'000	Fair value of plan assets £'000	Net defined benefit obligation £'000
At 1 January	**2,010**	**1,233**	**777**	2,285	1,382	903
Included in the consolidated income statement						
Current service cost	**233**	**–**	**233**	207	–	207
Past service cost	**18**	**–**	**18**	(66)	–	(66)
Interest	**13**	**4**	**9**	5	1	4
Total	**264**	**4**	**260**	146	1	145
Included in other comprehensive income/(loss)						
Remeasurements loss/(gain):						
– Change in financial assumptions	**(739)**	**–**	**(739)**	(42)	–	(42)
– Experience adjustment	**432**	**–**	**432**	(93)	–	(93)
– Return on plan assets	**–**	**9**	**(9)**	–	(74)	74
Total	**(307)**	**9**	**(316)**	(135)	(74)	(61)
Other						
Contributions:						
– Employers	**–**	**214**	**(214)**	–	177	(177)
– Plan participants	**105**	**105**	**–**	87	87	–
Benefit payments	**994**	**994**	**–**	(302)	(302)	–
Exchange differences	**276**	**211**	**65**	(71)	(38)	(33)
Total	**1,375**	**1,524**	**(149)**	(286)	(76)	(210)
At 31 December	**3,342**	**2,770**	**572**	2,010	1,233	777

The plans are exposed to actuarial risks relating to discount rate, interest rate for the projection of the savings capital, salary increase and pension increase.

The principal annual actuarial assumptions used for the IAS 19 disclosures were as follows:

	Switzerland	Mauritius
Discount rate at 1 January 2022	0.3%	4.6%
Discount rate at 31 December 2022	2.4%	5.2%
Future salary increases	1.6%	4.0%
Rate of increase in deferred pensions	0.0%	0.0%

In Switzerland, longevity must be reflected in the defined benefit liability. The mortality probabilities were determined based on BVG 2020 Generational tables (CMI 1.25%) and the life expectancy is as follows:

	2022 Years	2021 Years
Mortality probabilities for pensioners at age 65		
– Males	**21.84**	21.70
– Females	**23.58**	23.41
Mortality probabilities at age 65 for current members aged 45		
– Males	**23.50**	23.29
– Females	**25.18**	24.98

6. OTHER OPERATING EXPENSES

Other operating expenses are accounted for on an accruals basis.

	2022 £'000	2021 £'000
Third party administration fees	**4,403**	2,300
Legal and professional fees[1]	**8,354**	9,846
Auditor's remuneration for audit services	**1,255**	1,126
Auditor's remuneration for other assurance services	**337**	190
Establishment costs	**3,618**	2,611
Insurance	**1,660**	1,703
Travel and accommodation	**1,772**	433
Marketing	**1,950**	1,493
IT expenses	**9,286**	7,942
Telephone and postage	**1,638**	1,390
Other expenses	**1,297**	1,080
Other operating expenses	**35,570**	30,114

1 Included in legal and professional fees are £1.4m (2021: £5.2m) of non-underlying items.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022 CONTINUED

7. NON-UNDERLYING ITEMS

Non-underlying items represent specific items of income or expenditure that are not of a continuing operational nature or do not represent the underlying operating results, and based on their significance in size or nature are presented separately to provide further understanding about the financial performance of the Group.

	Note	2022 £'000	2021 £'000
EBITDA		**56,064**	26,583
Non-underlying items within EBITDA:			
Acquisition and integration costs[1]		**3,380**	6,610
Revision of ICS operating model[2]		**402**	421
Office start-up costs[3]		**768**	–
Other[4]		**228**	263
EIP share-based payments[5]		**5,197**	14,528
Total non-underlying items within EBITDA		**9,975**	21,822
Underlying EBITDA		**66,039**	48,405
Profit before tax		**35,935**	27,783
Total non-underlying items within EBITDA		**9,975**	21,822
Gain on bargain purchase[6]	9	**–**	(5,357)
Loss/(gain) on revaluation of contingent consideration[7]	9	**78**	(20,910)
Loss on settlement of contingent consideration[8]	9	**–**	701
Foreign exchange (gains)/losses[9]	9	**(11,936)**	869
Total non-underlying items within profit before tax		**(1,883)**	(2,875)
Underlying profit before tax		**34,052**	24,908

1 Acquisition and integration costs include deal and tax advisory fees, legal and professional fees, any client-acquired penalties, staff reorganisation costs and other integration costs. This includes acquisition-related share-based payment awards granted to act as retention tools for key management and/or to recruit senior management to support various acquisitions. Most acquisition and integration costs are incurred in the first two years following acquisition, but this period can be longer depending on the nature of the costs.

2 During 2022, the Group incurred costs to complete the implementation of a revised operating model for the fund services practice; the timing of delivery was initially impacted by Covid-19.

3 Relates to pre-trading costs incurred by the Group in order to establish an additional fund administration offering in Ireland. This included significant up-front investment in personnel in order to meet regulatory requirements in advance of obtaining the license to trade and generate profits.

4 This includes further legal costs relating to a regulatory action from the Dutch Central Bank and aborted project costs.

5 Following the conclusion of the Odyssey business plan era at the end of 2020, share awards with a two year vesting period were made to staff members under the EIP (see note 36.1); the expense includes employer-related taxes relating to the share awards.

6 Gain on bargain purchase arising on the acquisition of RBC cees (see note 31.2).

7 Includes a loss on revaluation of contingent consideration for Segue of £0.13m (see note 31.4) and a gain on revaluation of liability-classified contingent consideration payable for perfORM of £0.05m (see note 31.5). The prior year gain related to the release of the NESF contingent consideration.

8 In the prior year, a loss was recognised on settlement of the holdback fund share consideration for NESF.

9 Foreign exchange (gains)/losses that relate to the revaluation of inter-company loans. Management consider these to be non-underlying as they are unrealisable (gains)/losses as the loans are eliminated upon consolidation.

8. DEPRECIATION AND AMORTISATION

	Note	2022 £'000	2021 £'000
Depreciation of property, plant and equipment	20	**7,883**	7,157
Amortisation of intangible assets	21	**13,562**	9,776
Amortisation of assets recognised from costs to obtain or fulfil a contract	22	**816**	658
Depreciation and amortisation		**22,261**	17,591

9. OTHER GAINS

	Note	2022 £'000	2021 £'000
Net (loss)/profit on disposal of property, plant and equipment		**(130)**	2
Gain on bargain purchase		**–**	5,357
(Loss)/gain on revaluation of contingent consideration		**(78)**	20,910
(Loss) on settlement of contingent consideration		**–**	(701)
Foreign exchange gains/(losses)[1]	38	**14,409**	(861)
Other gains		**14,201**	24,707

1 This includes £11.9m of foreign exchange gains (2021: £0.9m losses) that relate to the revaluation of inter-company loans; these foreign exchange movements are considered by Management to be non-underlying items.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022 CONTINUED

10. FINANCE INCOME AND FINANCE COST

Finance income includes interest income from loan receivables and bank deposits and is recognised when it is probable that the economic benefits will flow to the Group and the amount of revenue can be measured reliably.

Finance costs include interest expenses on loans and borrowings, the unwinding of the discount on provisions, contingent consideration and lease liabilities and the amortisation of directly attributable transaction costs which have been capitalised upon issuance of the financial instrument and released to the consolidated income statement on a straight-line basis over the contractual term.

	Note	2022 £'000	2021 £'000
Bank interest		**239**	80
Loan interest		**5**	32
Finance income		**244**	112
Bank loan interest		**5,112**	1,772
Amortisation of loan arrangement fees	34.3	**1,062**	1,501
Unwinding of net present value ("NPV") discounts[1]		**4,852**	1,769
Other finance expense		**1,287**	986
Finance cost		**12,313**	6,028

1 Of the £4.85m total, £3.5m relates to unwinding of NPV discounts on contingent consideration (see note 17); this is excluded when calculating adjusted underlying basic EPS (see note 34.3). By acquisition this is as follows:

	Acquisition date	Note	2022 £'000	2021 £'000
INDOS	1 June 2021		**161**	94
Segue	15 September 2021		**342**	79
perfORM	18 October 2021		**472**	84
Ballybunion	3 November 2021		**214**	43
SALI	12 November 2021		**2,329**	287
		34.3	**3,518**	587

11. INCOME TAX

Income tax
Income tax includes current and deferred tax. Current and deferred tax are recognised in the consolidated income statement, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Current tax
Current tax is the expected tax payable or receivable on the taxable income or loss for the year using tax laws enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax
Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated using tax rates that are expected to apply when the liability is settled or the asset realised using tax rates enacted or substantively enacted at the balance sheet date.

Deferred tax assets offset with deferred tax liabilities when there is a legally enforceable right to set off tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022 CONTINUED

11. INCOME TAX (CONTINUED)

	Note	2022 £'000	2021 £'000
The tax charges comprises:			
Jersey tax on current year profit		**1,197**	1,362
Foreign company taxes on current year profit		**1,611**	1,249
Total current tax expense		**2,808**	2,611
Deferred tax:	23		
Jersey origination and reversal of temporary differences		**(17)**	(15)
Temporary differences in relation to acquired intangible assets	34.3	**(1,531)**	(1,446)
Foreign company origination and reversal of temporary differences		**(39)**	(15)
Total deferred tax credit		**(1,587)**	(1,476)
Total tax charge for the year		**1,221**	1,135

The difference between the total current tax shown above and the amount calculated by applying the standard rate of Jersey income tax to the profit before tax is as follows:

	2022 £'000	2021 £'000
Profit on ordinary activities before tax	**35,935**	27,783
Tax on profit on ordinary activities at standard Jersey income tax rate of 10% (2021: 10%)	**3,594**	2,778
Effects of:		
Results from entities subject to tax at a rate of 0% (Jersey company)	**(1,040)**	(432)
Results from tax exempt entities (foreign company)	**(223)**	(120)
Foreign taxes not at Jersey rate	**(1,301)**	664
Depreciation in excess of capital allowances (Jersey company)	**(17)**	(15)
Depreciation in excess of capital allowances (foreign company)	**(39)**	(15)
Temporary differences in relation to acquired intangible assets	**(1,531)**	(1,446)
Non-deductible expenses[1]	**479**	1,398
Consolidation adjustments[2]	**1,304**	(1,738)
Other differences	**(5)**	61
Total tax charge for the year	**1,221**	1,135

1 The current year includes £4.6m of expenses relating to share awards made under the EIP (2021: £13.9m), see note 36.1.

2 The current year includes a loss on revaluation of contingent consideration for Segue of £0.13m (see note 31.4) and a gain on revaluation of liability-classified contingent consideration payable for perfORM of £0.05m (see note 31.5).

Income tax expense computations are based on the jurisdictions in which profits were earned at prevailing rates in the respective jurisdictions.

The Company is subject to Jersey income tax at the general rate of 0%; however, the majority of the Group's profits are reported in Jersey by Jersey financial services companies. JTC subsidiaries located in Jersey are categorised as financial services companies and are subject to an income tax rate of 10%. It is therefore appropriate to use this rate for reconciliation purposes.

	2022 £'000	2021 £'000
Reconciliation of effective tax rates		
Tax on profit on ordinary activities	**10.00%**	10.00%
Effect of:		
Results from entities subject to tax at a rate of 0% (Jersey company)	**(2.89%)**	(1.55%)
Results from tax exempt entities (foreign company)	**(0.62%)**	(0.43%)
Foreign taxes not at Jersey rate	**(3.62%)**	2.39%
Depreciation in excess of capital allowances (Jersey company)	**(0.05%)**	(0.05%)
Depreciation in excess of capital allowances (foreign company)	**(0.11%)**	(0.06%)
Temporary differences in relation to acquired intangible assets	**(4.26%)**	(5.20%)
Non-deductible expenses	**1.33%**	5.03%
Consolidation adjustments	**3.63%**	(6.26%)
Other differences	**(0.01%)**	0.22%
Effective tax rate	**3.40%**	4.09%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022 CONTINUED

SECTION 3 – FINANCIAL ASSETS AND FINANCIAL LIABILITIES

This section provides information about the Group's financial instruments, including; accounting policies; specific information about each type of financial instrument; and, where applicable, information about determining the fair value, including judgements and estimation uncertainty involved.

Financial assets
The Group classifies its financial assets as either amortised cost, fair value through profit or loss ("FVTPL") or fair value through other comprehensive income ("FVOCI") depending on the Group's business model objective for managing financial assets and their contractual cash flow characteristics.

As the Group's financial assets arise principally from the provision of services to clients (e.g. trade receivables), but also incorporate other types of financial assets where the objective is to hold these assets in order to collect contractual cash flows and the contractual cash flows are solely payments of principal and interest, they are classified at amortised cost.

Financial assets are recognised initially on the trade date, which is the date that the Group became party to the contractual provisions of the instrument and are derecognised when the contractual rights to the cash flows from the asset expire, or the rights to receive the contractual cash flows from the transaction in which substantially all of the risks and rewards of ownership of the financial asset have been transferred.

Financial assets are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment.

The Group assesses, on a forward-looking basis, the expected credit losses ("ECL") associated with its financial assets carried at amortised cost. The impairment methodology applied takes into consideration whether there has been a significant increase in credit risk.

Financial assets comprise trade receivables, work in progress, accrued income, other receivables and cash and cash equivalents. For further details on impairment for each, see notes 12 to 16.

Financial liabilities
The Group classifies its financial liabilities as either amortised cost or FVTPL depending on the purpose for which the liability was acquired.

As the Group does not have any financial liabilities held for trading (derivatives), all other financial liabilities are classified as measured at amortised cost unless otherwise noted. Other financial liabilities include trade and other payables, borrowings and lease liabilities.

Trade and other payables represent liabilities incurred for goods and services provided to the Group prior to the end of the financial year which are unpaid. They are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method and are presented as current liabilities unless payment is not due within 12 months after the reporting period. The Group derecognises a financial liability when its contractual obligations are discharged, cancelled or expired.

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the consolidated income statement over the period of the borrowings using the effective interest rate method.

Borrowings are removed from the consolidated balance sheet when the obligation specified in the contract is discharged, cancelled or has expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in the consolidated income statement as finance income or finance cost.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022 CONTINUED

Financial liabilities (Continued)
Lease liabilities are financial liabilities measured at amortised cost. They are initially measured at the NPV of the following lease payments:

- fixed payments, less any lease incentives receivable;
- variable lease payments that are based on an index or a rate;
- amounts expected to be payable by the lessee under residual value guarantees;
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

The incremental borrowing rate applied to each lease was determined considering the Group's borrowing rate and the risk-free interest rate, adjusted for factors specific to the country, currency and term of the lease.

The Group can be exposed to potential future increases in variable lease payments based on an index or rate which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Lease payments are allocated between principal and finance cost. The finance cost is charged to the consolidated income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Offsetting financial assets and liabilities
Financial assets and liabilities are offset and the net amount is reported in the consolidated balance sheet where there is a legally enforceable right to offset the recognised amounts, and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

12. TRADE RECEIVABLES

The ageing analysis of trade receivables with the loss allowance is as follows:

2022	Gross £'000	Loss allowance £'000	Net £'000
<30 days	15,161	(125)	15,036
30 – 60 days	3,401	(114)	3,287
61 – 90 days	2,091	(111)	1,980
91 – 120 days	2,208	(101)	2,107
121 – 180 days	1,558	(165)	1,393
180> days	14,516	(5,029)	9,487
Total	**38,935**	**(5,645)**	**33,290**

2021	Gross £'000	Loss allowance £'000	Net £'000
<30 days	15,167	(164)	15,003
30 – 60 days	3,493	(100)	3,393
61 – 90 days	1,868	(136)	1,732
91 – 120 days	3,579	(203)	3,376
121 – 180 days	1,965	(412)	1,553
180> days	7,629	(3,816)	3,813
Total	33,701	(4,831)	28,870

The movement in the allowances for trade receivables is as follows:

	2022 £'000	2021 £'000
Balance at the beginning of the year	(4,832)	(4,892)
Credit impairment losses in the consolidated income statement	(3,092)	(1,690)
Amounts written off (including unused amounts reversed)	2,279	1,750
Total allowance for doubtful debts	**(5,645)**	(4,832)

The loss allowance includes both specific and ECL provisions. To measure the ECL, trade receivables are grouped based on shared credit risk characteristics and the days past due. The ECLs are estimated collectively using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtor's financial position (this includes unlikely to pay indicators such as liquidity issues, insolvency or other financial difficulties) and an assessment of both the current as well as the forecast direction of macroeconomic conditions at the reporting date. Management have identified gross domestic product and inflation in each country the Group provides services in to be the most relevant macroeconomic factors.

Management have given consideration to these factors as well as climate-related changes on customers and are satisfied that any impact is not material to the ultimate recovery of receivables, such is the diversification across the book in industries and geographies. The loss allowance at 31 December 2022 is in line with previous trading and supports this conclusion. See note 29.2 for further comment on credit risk management.

Provision rates are segregated according to geographical location and by business line. The Group considers any specific impairments on a by-client basis rather than on a collective basis. The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognised in the consolidated income statement as a credit impairment loss. When a trade receivable is uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against credit impairment losses.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022 CONTINUED

13. WORK IN PROGRESS

	2022 £'000	2021 £'000
Total	**12,594**	12,906
Loss allowance	**(69)**	(72)
Net	**12,525**	12,834

Work in progress ("WIP") relates to variable fee contracts and represents the net unbilled amount expected to be collected from clients for work performed to date. It is measured at the chargeable rate agreed with the individual clients adjusted for unrecoverable amounts less progress billed and ECL. As these financial assets relate to unbilled work and have substantially the same risk characteristics as trade receivables, the Group has concluded that the expected loss rates for trade receivables <30 days is an appropriate estimation of the ECL.

Sensitivity analysis
The total carrying amount of WIP (before ECL allowances) is £12.6m (2021: £12.9m). If Management's estimate of the recoverability of the WIP (the amount expected to be billed and collected from clients for work performed to date) is 10% lower than expected on the total WIP balance due to adjustments for unrecoverable amounts, revenue would be £1.3m lower (2021: £1.3m lower).

14. ACCRUED INCOME

	2022 £'000	2021 £'000
Total	**23,936**	19,621
Loss allowance	**(25)**	(34)
Net	**23,911**	19,587

Accrued income relates to fixed and NAV based fees across all service lines and represents the billable amount relating to the provision of services to clients which has not been invoiced at the reporting date. Accrued income is recorded based on agreed fees billed in arrears less ECL. As these financial assets relate to unbilled work and have substantially the same risk characteristics as trade receivables, the Group has concluded that the expected loss rates for trade receivables <30 days is an appropriate estimation of the ECL.

The £4.3m increase in accrued income is reflective of overall revenue growth and that revenue from recently acquired businesses is on a fixed or NAV based fee basis.

15. OTHER RECEIVABLES

	2022 £'000	2021 £'000
Non-current		
Loans receivable from related undertakings[1]	**–**	833
Loan receivable from third party[2]	**535**	155
Total non-current	**535**	988
Current		
Other receivables[3]	**2,804**	1,884
Loans receivable from employees[4]	**162**	206
Loan receivable from related undertakings[1]	**861**	–
Total current	**3,827**	2,090
Total other receivables	**4,362**	3,078

1 Includes loans receivable from Harmonate Corp. (see note 32) of £0.86m current (2021: £0.77m non-current) and, in the prior year, Northpoint Byala IC (£0.05m) and Northpoint Finance IC (£0.01m); both of these balances were impaired to £nil at the year end. The Harmonate loan is unsecured, interest bearing at 4% per annum and repayable on demand at any time on or after 31 December 2023.

2 The loan receivable from a third party is interest bearing at 2.5% per annum and is repayable by 19 October 2024.

3 Other receivables includes mortgage-backed securities held at fair value of £0.4m (2021: £nil) that were sold in January 2023 (see note 31.1(a)).

4 Includes £0.16m due from employees participating in Advance to Buy ("A2B") programmes (2021: £0.2m). These are interest bearing at 3% per annum and repayable two years after the commencement date of each annual programme unless the employment contract is terminated at an earlier date.

Other receivables are subject to the impairment requirements of IFRS 9 but, as balances are primarily with related parties or part of a business combination, they were assessed to have low credit risk and no loss allowance is recognised.

16. CASH AND CASH EQUIVALENTS

	2022 £'000	2021 £'000
Cash attributable to the Group	**48,861**	39,326
Total	**48,861**	39,326

For the purpose of presentation in the statement of cash flow, cash and cash equivalents includes cash in hand, deposits held on call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts.

Cash and cash equivalents are subject to the impairment requirements of IFRS 9 but, as balances are held with reputable international banking institutions, they were assessed to have low credit risk and no loss allowance is recognised.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022 CONTINUED

17. TRADE AND OTHER PAYABLES

	2022 £'000	2021 £'000
Non-current		
Other payables	**72**	382
Contingent consideration[1]	**26,824**	22,521
Total non-current	**26,896**	22,903
Current		
Trade payables	**2,728**	2,091
Other taxation and social security	**926**	642
Other payables	**4,391**	3,803
Accruals	**9,907**	7,059
Contingent consideration[1]	**5,472**	5,902
Total current	**23,424**	19,497
Total trade and other payables	**50,320**	42,400

1 Contingent consideration payables are discounted to NPV, split between current and non-current, and are due as follows:

Acquisition	Note	2022 £'000	2021 £'000
Segue		**–**	773
perfORM	31.5	**3,181**	2,768
SALI	31.7	**23,643**	18,980
Total non-current contingent consideration		**26,824**	22,521
INDOS	31.3	**1,483**	1,322
Segue	31.4	**2,163**	917
Ballybunion		**–**	1,607
SALI		**–**	2,037
EFS		**–**	19
Sterling	21.2(b)	**1,826**	–
Total current contingent consideration		**5,472**	5,902

For current trade and other payables, due to their short-term nature, Management consider the carrying value of these financial liabilities to approximate to their fair value.

18. LOANS AND BORROWINGS

This note provides information about the contractual term of the Group's interest-bearing loans and borrowings, which are measured at amortised cost. For more information about the Group's exposure to interest rates, foreign currency and liquidity risk, see note 29.

	2022 £'000	2021 £'000
Non-current		
Bank loans	**153,622**	152,578
Total loans and borrowings	**153,622**	152,578

18.1. BANK LOANS

The terms and conditions of outstanding loan facilities are as follows:

Facility	Currency	Termination date	Interest rate	2022 £'000	2021 £'000
Term facility	GBP	6 October 2025	SONIA + 1.65% margin	**75,000**	75,000
Revolving credit facility	GBP	6 October 2025	SONIA + 1.65% margin	**80,662**	80,662
Total principal value				**155,662**	155,662
Issue costs				**(2,040)**	(3,084)
Total bank loans				**153,622**	152,578

The interest rate applied to loan facilities is determined using SONIA plus a margin based on net leverage calculations. At 1 January 2022, the margin was 1.9%; this changed to 1.65% effective from 16 September 2022 and this is the margin as at 31 December 2022 (2021: 1.9%).

Under the terms of the facility, the debt is supported by guarantees from JTC PLC and other applicable subsidiaries deemed to be obligors, and in the event of default, demand could be placed on these entities to settle outstanding liabilities.

Movement in loan facilities is as follows:

	At 1 January 2022 £'000	Drawdowns £'000	Repayment £'000	Amortisation release £'000	Effect of foreign exchange £'000	At 31 December 2022 £'000
Principal value	**155,662**	**–**	**–**	**–**	**–**	**155,662**
Issue costs	**(3,084)**	**–**	**–**	**1,044**	**–**	**(2,040)**
Total	**152,578**	**–**	**–**	**1,044**	**–**	**153,622**

	At 1 January 2021 £'000	Drawdowns £'000	Repayment £'000	Amortisation release £'000	Effect of foreign exchange £'000	At 31 December 2021 £'000
Principal value	105,594	176,662	(125,099)	–	(1,495)	155,662
Issue costs	(1,218)	(3,364)	–	1,498	–	(3,084)
Total	104,376	173,298	(125,099)	1,498	(1,495)	152,578

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022 CONTINUED

18. LOANS AND BORROWINGS (CONTINUED)

18.1. BANK LOANS (CONTINUED)
On 6 October 2021, the Group entered into a multicurrency loan facility agreement (the "facilities agreement") with HSBC for a total commitment of £225m consisting of a term loan of £75m and a revolving credit facility ("RCF") of £150m. The initial termination date is the third anniversary of the date of the agreement, being 6 October 2024. The facilities agreement was amended on 22 November 2021 and introduced Fifth Third Bank and Citibank N.A. as incoming lenders, joining the syndicate that includes existing lenders HSBC, Barclays Bank Plc, Santander UK Plc and the Bank of Ireland. On 8 November 2022, the facilities agreement was further amended to extend the termination date by one year to 6 October 2025. All facilities are due to be repaid on or before the termination date of 6 October 2025 unless the termination date is extended for the available one year extension.

The cost of the facility depends upon net leverage, being the ratio of total net debt to underlying EBITDA (for LTM at average FX rates and adjusted for pro-forma contributions from acquisitions) for a relevant period as defined in the facilities agreement. At 31 December 2022, arrangement and legal fees amounting to £3.4m have been capitalised for amortisation over the term of the loan (2021: £3.4m).

At 31 December 2022, the Group had available £69.3m of committed facilities currently undrawn (2021: £69.3m).

18.2. COMPLIANCE WITH LOAN COVENANTS
The Company has complied with the financial covenants of its borrowing facilities during the 2022 and 2021 reporting periods (see note 30).

18.3. FAIR VALUE
For the majority of the borrowings, the fair values are not materially different from their carrying amounts, since the interest payable on those borrowings is close to current market rates or the borrowings are short term in nature.

19. LEASE LIABILITIES

Where the Group is a lessee its lease contracts are for the rental of buildings for office space and also office furniture and equipment. In accordance with IFRS 16 'Leases', the Group recognises right-of-use assets which are shown with property, plant and equipment (see note 20), and lease liabilities, which are shown separately on the consolidated balance sheet.

	2022 £'000	2021 £'000
Non-current	40,602	37,916
Current	4,292	5,463
Total lease liabilities	**44,894**	43,379

The Group makes business decisions that affect its lease contracts and those containing renewal and termination clauses are reassessed to determine whether there is any change to the lease term. Management have an ongoing programme of review and have not identified any leases with an extension option that would have a significant impact on the carrying amount of lease assets and liabilities.

SECTION 4 – NON-FINANCIAL ASSETS AND NON-FINANCIAL LIABILITIES

20. PROPERTY, PLANT AND EQUIPMENT

Items of property, plant and equipment are initially recorded at cost and are stated at historical cost less depreciation and impairment losses. Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives, using the straight-line method, on the following bases:

- Computer equipment – 4 years
- Office furniture and equipment – 4 years
- Leasehold improvements – over the period of the lease

The estimated useful lives, residual values and depreciation methods are reviewed at the end of each reporting period with the effect of any changes in estimate accounted for on a prospective basis.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the consolidated income statement when the asset is derecognised.

Assets under the course of construction are stated at cost. These assets are not depreciated until they are available for use.

For right-of-use assets, upon inception of a contract, the Group assesses whether a contract conveys the right to control the use of an identified asset for a period in exchange for consideration, in which case it is classified as a lease. The Group recognises a right-of-use asset and a lease liability at the lease commencement date. Right-of-use assets are measured at cost comprising of the following: the amount of the initial measurement of lease liability; any lease payments made at or before the commencement date less any lease incentives received; any initial direct costs; and estimated restoration costs.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the useful life; this is considered to be the end of the lease term as assessed by Management. The lease asset is periodically adjusted for certain remeasurements of the lease liability and impairment losses (if any).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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20. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

The movements of all tangible assets are as follows:

	Computer equipment £'000	Office furniture and equipment £'000	Leasehold improvements £'000	Right-of-use assets £'000	Total £'000
Cost					
At 1 January 2021	4,162	2,398	8,441	48,810	63,811
Additions	114	299	1,092	4,037	5,542
Additions through business combinations	20	100	–	1,495	1,615
Disposals	(6)	–	–	(79)	(85)
Exchange differences	(102)	(87)	(76)	(959)	(1,224)
At 31 December 2021	4,188	2,710	9,457	53,304	69,659
Additions	**633**	**1,249**	**1,076**	**4,592**	**7,550**
Additions through business combinations	**22**	**–**	**–**	**471**	**493**
Disposals	**(330)**	**(977)**	**(671)**	**–**	**(1,978)**
Exchange differences	**116**	**249**	**351**	**2,085**	**2,801**
At 31 December 2022	**4,629**	**3,231**	**10,213**	**60,452**	**78,525**
Accumulated depreciation					
At 1 January 2021	2,805	1,107	2,988	7,662	14,562
Charge for the year	471	449	687	5,500	7,107
Disposals	(6)	–	–	–	(6)
Exchange differences	(55)	(45)	(48)	(196)	(344)
At 31 December 2021	3,215	1,511	3,627	12,966	21,319
Charge for the year	**524**	**516**	**759**	**6,346**	**8,145**
Disposals	**(329)**	**(842)**	**(548)**	**–**	**(1,719)**
Exchange differences	**77**	**267**	**116**	**754**	**1,214**
At 31 December 2022	**3,487**	**1,452**	**3,954**	**20,066**	**28,959**
Carrying amount					
At 31 December 2022	**1,142**	**1,779**	**6,259**	**40,386**	**49,566**
At 31 December 2021	973	1,199	5,830	40,338	48,340

21. GOODWILL AND OTHER INTANGIBLE ASSETS

Goodwill
Goodwill that arises on the acquisition of subsidiaries is considered an intangible asset. See note 31 for the measurement of goodwill at initial recognition; subsequent to this, measurement is at cost less accumulated impairment losses.

Intangible assets acquired in a business combination
Intangible assets acquired in a business combination and recognised separately from goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost). The initial valuation work is performed with support from external valuation specialists. Subsequent to initial recognition, these are measured at cost less accumulated amortisation and accumulated impairment losses.

Amortisation is recognised in the consolidated income statement on a straight-line basis over the estimated useful life of the asset from the date of acquisition. The estimated useful lives are as follows:

- Customer relationships – 2 to 25 years
- Software – 5 to 10 years
- Brand – 5 to 10 years

The estimated useful lives and residual value are reviewed at each reporting date and adjusted if appropriate, with the effect of any change in estimate being accounted for on a prospective basis.

Intangible assets acquired separately
Intangible assets that are acquired separately by the Group and have finite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses.

Amortisation is recognised in the consolidated income statement on a straight-line basis over the estimated useful life of the asset from the date that they are available for use. The estimated useful lives are as follows:

- Customer relationships – 10 years
- Software – 4 years
- Regulatory licence – 12 years

The estimated useful lives and residual value are reviewed at each reporting date and adjusted if appropriate, with the effect of any change in estimate being accounted for on a prospective basis.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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21. GOODWILL AND OTHER INTANGIBLE ASSETS (CONTINUED)

Internally generated software intangible assets
Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group are recognised as intangible assets where the following criteria are met:

- It is technically feasible to complete the software so that it will be available for use
- Management intend to complete the software and use or sell it
- There is an ability to use or sell the software
- It can be demonstrated how the software will generate probable future economic benefits
- Adequate technical, financial and other resources to complete the development and to use or sell the software are available
- The expenditure attributable to the software during its development stage can be reliably measured

Directly attributable costs that are capitalised as part of the software include employee costs and an appropriate portion of relevant overheads. Capitalised development costs are recorded as intangible assets and amortisation is recognised in the consolidated income statement on a straight-line basis over the estimated useful life of the asset from the date at which the asset is ready to use. The estimated useful life for internally generated software intangible assets is 4 years.

The estimated useful lives and residual value are reviewed at each reporting date and adjusted if appropriate, with the effect of any change in estimate being accounted for on a prospective basis.

Impairment of non-financial assets
Goodwill that arises on the acquisition of business combinations and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other non-financial assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount might not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets ("CGUs"). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

The movements in goodwill and other intangible assets are as follows:

	Goodwill £'000	Customer relationships £'000	Regulatory licence £'000	Software £'000	Brands £'000	Total £'000
Cost						
At 1 January 2021	173,777	67,351	338	7,926	630	250,022
Additions	–	–	–	1,771	–	1,771
Additions through business combinations	171,983	72,393	–	1,151	1,993	247,520
Exchange differences	(4,155)	(1,975)	(24)	13	(10)	(6,151)
At 31 December 2021	341,605	137,769	314	10,861	2,613	493,162
Additions	**–**	**4,288**	**–**	**3,018**	**–**	**7,306**
Additions through business combinations	**10,982**	**5,663**	**–**	**–**	**–**	**16,645**
Measurement period adjustments	**(13,737)**	**–**	**–**	**–**	**–**	**(13,737)**
Disposals	**–**	**–**	**–**	**(46)**	**–**	**(46)**
Exchange differences	**24,858**	**8,884**	**17**	**316**	**268**	**34,343**
At 31 December 2022	**363,708**	**156,604**	**331**	**14,149**	**2,881**	**537,673**
Accumulated amortisation						
At 1 January 2021	–	17,149	131	3,937	84	21,301
Charge for the year	–	8,070	58	1,462	186	9,776
Exchange differences	–	(235)	(11)	7	4	(235)
At 31 December 2021	–	24,984	178	5,406	274	30,842
Charge for the year[1]	**–**	**11,219**	**29**	**1,817**	**525**	**13,590**
Disposals	**–**	**–**	**–**	**(46)**	**–**	**(46)**
Exchange differences	**–**	**1,374**	**11**	**130**	**44**	**1,559**
At 31 December 2022	**–**	**37,577**	**218**	**7,307**	**843**	**45,945**
Carrying amount						
At 31 December 2022	**363,708**	**119,027**	**113**	**6,842**	**2,038**	**491,728**
At 31 December 2021	341,605	112,785	136	5,455	2,339	462,320

1 Total amortisation charge includes £1.2m related to software not acquired through business combinations; the balance of £12.4m is excluded when calculating underlying basic EPS (see note 34.3).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022 CONTINUED

21. GOODWILL AND OTHER INTANGIBLE ASSETS (CONTINUED)

21.1. GOODWILL

Goodwill impairment

Goodwill is not amortised but is tested for impairment annually, or more frequently if events or changes in circumstances indicate that the carrying amount may not be recoverable. With the exception of US, goodwill is monitored at a jurisdictional level by Management. Goodwill is allocated to CGUs for the purpose of impairment testing and this allocation is made to those CGUs that are expected to benefit from the business combination in which the goodwill arose. The aggregate carrying amounts of goodwill allocated to each CGU is as follows:

In the current year: CGU	Note	Balance at 1 Jan 2022 £'000	Business combinations £'000	Measurement period adjustments £'000	Exchange differences £'000	Balance at 31 Dec 2022 £'000
Jersey		66,104	–	–	–	**66,104**
Guernsey		10,761	–	–	–	**10,761**
BVI		752	–	–	–	**752**
Switzerland		2,366	–	–	138	**2,504**
Cayman		224	–	–	27	**251**
Luxembourg		27,809	–	–	1,377	**29,186**
Netherlands		14,220	–	–	772	**14,992**
Dubai		1,763	–	–	212	**1,975**
Mauritius		2,379	–	–	277	**2,656**
US – NESF		44,387	–	–	5,317	**49,704**
US – SALI	31.7	139,573	2,598	(13,437)	15,537	**144,271**
US – Other	31.8	10,603	–	(426)	1,269	**11,446**
US – NYPTC	31.1	–	8,384	–	(322)	**8,062**
Ireland		8,688	–	108	255	**9,051**
UK		11,976	–	18	(1)	**11,993**
Total		**341,605**	**10,982**	**(13,737)**	**24,858**	**363,708**

In the prior year: CGU	Balance at 1 Jan 2021 £'000	Business combinations £'000	Measurement period adjustments £'000	Exchange differences £'000	Balance at 31 Dec 2021 £'000
Jersey	66,569	–	(465)	–	66,104
Guernsey	10,761	–	–	–	10,761
BVI	752	–	–	–	752
Switzerland	2,400	–	–	(34)	2,366
Cayman	222	–	–	2	224
Luxembourg	29,721	–	–	(1,912)	27,809
Netherlands	15,292	–	–	(1,072)	14,220
Dubai	1,746	–	–	17	1,763
Mauritius	2,357	–	–	22	2,379
US – NESF	43,957	–	–	430	44,387
US – Other	–	151,724	–	(1,548)	150,176
Ireland	–	8,748	–	(60)	8,688
UK	–	11,976	–	–	11,976
Total	173,777	172,448	(465)	(4,155)	341,605

Key assumptions used to calculate the recoverable amount for each CGU

The recoverable amount of all CGUs has been determined based on the higher of the value in use calculation and fair value less cost to sell. Projected cash flows are calculated with reference to each CGU's latest budget and business plan which are subject to a rigorous review and challenge process. Management prepare the budgets through an assessment of historical revenues from existing clients, the pipeline of new projects, historical pricing, and the required resource base needed to service new and existing clients, coupled with their knowledge of wider industry trends and the economic environment.

The year 1 cash flow projections are based on the latest approved budget and years 2 to 5 on detailed outlooks prepared by Management, except for the recently acquired US – SALI CGU, which covers a 10 year period due to the significantly longer useful economic life of its customer relationships.

Previously, the terminal growth rate was based on expected long-term inflation. This has been updated to also consider the long-term average growth rate for the jurisdiction and services provided.

Management estimate discount rates using pre-tax rates that reflect current market assessments of the time value of money. In assessing the discount rate applicable to the Group, the following factors have been considered:

- Long-term treasury bond rate for the relevant jurisdiction
- The cost of equity based on an adjusted Beta for the relevant jurisdiction
- The risk premium to reflect the increased risk of investing in equities

Management have given due consideration to climate change and any potential impact on projected cash flows. Such is the nature of JTC's business and the diversification of customer relationships that Management have concluded the impact to be immaterial to each CGU's recoverable amount.

A summary of the values assigned to the key assumptions used in the value in use calculations are as follows:

- Revenue growth rate: up to 56.1%
- Terminal value growth rate: between 0.5% and 4.0%
- Discount rate: between 10.5% and 15.3%

The key assumptions used for CGUs where the carrying amount is a significant proportion of the total carrying value of goodwill is as follows:

		Average annual revenue growth rate		Terminal value growth rate		Discount rate	
CGU	% of total carrying value of goodwill	2022	2021	2022	2021	2022	2021
Jersey	18.2%	**7.6%**	2.7%	**2.5%**	0.0%	**11.2%**	10.6%
Luxembourg	8.0%	**10.9%**	7.9%	**2.0%**	1.5%	**11.4%**	12.4%
US – NESF	13.7%	**17.1%**	19.0%	**3.0%**	3.0%	**11.3%**	11.4%
US – SALI	39.7%	**17.2%**	–	**4.0%**	–	**10.5%**	–

Conclusion

The recoverable amount of goodwill determined for each CGU as at 31 December 2022 was found to be higher than its carrying amount.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022 CONTINUED

21. GOODWILL AND OTHER INTANGIBLE ASSETS (CONTINUED)

21.1. GOODWILL (CONTINUED)

Sensitivity to changes in assumptions

Management believe that any reasonable changes to the key assumptions on which recoverable amounts are based would not cause the aggregate carrying amount to exceed the recoverable amount of the CGUs, except for US – NESF and US – SALI where the sensitivity of key assumptions have been detailed below.

US – SALI

The following would cause the carrying amount to exceed the recoverable amount:

- A reduction of 4.1% in the average annual revenue growth rate would result in a £3.0m impairment
- An increase of 2.0% in the discount rate would result in a £2.8m impairment

For the recoverable amount to equal the carrying amount, there would need to be a reduction of £63.6m. This may be caused by either of the following:

- A reduction of 3.9% in the average annual revenue growth rate from 17.2% to 13.3%
- An increase of 1.9% in the discount rate from 10.5% to 12.4%

US – NESF

The following would cause the carrying amount to exceed the recoverable amount:

- A reduction of 2.0% in the average annual revenue growth rate would result in a £2.7m impairment
- An increase of 2.5% in discount rate would result in a £3.2m impairment

For the recoverable amount to equal the carrying amount, there would need to be a reduction of £11.7m. This may be caused by either of the following:

- A reduction of 1.6% in the average annual revenue growth rate from 17.1% to 15.4%
- An increase of 1.9% in the discount rate from 11.3% to 13.2%

21.2. CUSTOMER RELATIONSHIP INTANGIBLE ASSETS

The carrying amount of identifiable customer relationship intangible assets acquired separately and through business combinations are as follows:

				Carrying amount	
Acquisitions	Note	Amortisation period end	Useful economic life ("UEL")	2022 £'000	2021 £'000
Previous financial reporting periods					
Signes		30 April 2025	10 years	**699**	928
KB Group		30 June 2027	12 years	**1,570**	1,918
S&GFA		30 September 2025	10 years	**1,143**	1,392
BAML		30 September 2029	12 years	**6,016**	6,168
NACT		31 July 2027	10 years	**957**	1,146
Van Doorn		28 February 2030	11.4 years	**4,724**	5,114
Minerva		30 May 2027–30 July 2030	8.7–11.8 years	**8,762**	9,759
Exequtive		31 March 2029	10 years	**6,373**	7,012
Aufisco		30 June 2029	10 years	**1,365**	1,494
Sackville		28 February 2029	10 years	**681**	703
NESF		30 April 2022–30 April 2028	2–8 years	**1,256**	1,555
Sanne Private Clients		30 June 2030	10 years	**4,794**	5,433
Anson Registrars		28 February 2030	10 years	**22**	25
RBC cees	31.2	31 March 2033	12 years	**19,105**	20,969
INDOS	31.3	31 May 2031	10 years	**1,138**	1,273
Segue	31.4	30 September 2031	10 years	**1,016**	1,036
perfORM	31.5	30 September 2031	10 years	**23**	26
Ballybunion	31.6	31 October 2031	10 years	**2,362**	2,494
SALI	31.7	31 October 2046	25 years	**46,215**	42,999
EFS	31.8	30 November 2031	10 years	**1,351**	1,341
For the year ended 31 December 2022					
NYPTC	31.1	31 October 2032	10 years	**5,356**	–
Sterling	21.2(b)	30 June 2032	10 years	**4,099**	–
Total				**119,027**	112,785

(a) Customer relationships acquired in a business combination

Customer relationship intangible assets acquired in a business combination and recognised separately from goodwill are initially recognised at their fair value at the acquisition date. In 2022, the Group recognised customer relationship intangible assets for NYPTC of £5.7m ($6.6m). The UEL and carrying amounts at 31 December 2022 are shown in the table above.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022 CONTINUED

21. GOODWILL AND OTHER INTANGIBLE ASSETS (CONTINUED)

21.2. CUSTOMER RELATIONSHIP INTANGIBLE ASSETS (CONTINUED)

Key assumptions in determining fair value

The fair value at acquisition was derived using the multi-period excess earnings method ("MEEM") financial valuation model. Management consider the following key assumptions to be significant for the valuation of new customer relationships:

- Year on year revenue growth
- The discount rate applied to free cash flow
- Year on year client attrition rate

Sensitivity analysis

Management carried out a sensitivity analysis on the key assumptions used in the valuation of new customer relationship intangible assets for NYPTC. Management concluded that any reasonable change to the key assumptions for the new customer relationship intangible assets recognised in the year would not result in a significant change to fair value.

(b) Customer relationships acquired separately

On 17 June 2022, JTC entered into a facilitation and referral agreement ("F&R agreement") and an outsourcing agreement with Sterling Trust (Cayman) Limited ("Sterling"), whereby Sterling will, on an exclusive basis, refer, introduce and recommend its clients to JTC as a replacement provider of services. Such services include initial onboarding and client due diligence services, and subsequent provision of trust, custody, director, company management and administration services.

The fair value of the customer relationships acquired is the consideration due; this is based on a percentage of revenue attributable to each client successfully introduced. The assets are being amortised over their estimated useful economic life of 10 years.

JTC made an initial payment of £2.2m ($3.0m) following the signing of the F&R agreement and a final payment of £1.8m ($2.2m) will become due on 17 June 2023 subject to the successful onboarding of at least 75% of the client revenue. Management are confident that the contingent consideration will be settled in full, see note 17.

(c) Customer relationship intangibles impairment

Management review customer relationship intangible assets for indicators of impairment at each reporting date. Whilst significant consideration was given to the challenging global political and economic backdrop, including increasing inflationary pressures, Management did not consider this to be an indicator of impairment. Management concluded that no indicators of impairment were present as at 31 December 2022.

22. OTHER NON-FINANCIAL ASSETS

Assets recognised from costs to obtain or fulfil a contract

Incremental costs of obtaining a contract (i.e. costs that would not have been incurred if the contract had not been obtained) and the costs incurred to fulfil a contract are recognised as assets within non-financial assets if the costs are expected to be recovered. The capitalised costs are amortised on a straight-line basis over the estimated useful economic life of the contract. The carrying amount of the asset is tested for impairment in accordance with the policy described in note 21.

	2022 £'000	2021 £'000
Non-current		
Prepayments	361	42
Assets recognised from costs to obtain or fulfil a contract	2,008	516
Total non-current	2,369	558
Current		
Prepayments	4,660	3,468
Assets recognised from costs to obtain or fulfil a contract	549	247
Current tax receivables	774	432
Total current	5,983	4,147
Total other non-financial assets	8,352	4,705

Current and non-current assets recognised from costs to obtain or fulfil a contract include £1.2m for costs to obtain a contract (2021: £0.6m) and £1.4m for costs incurred to fulfil a contract (2021: £0.2m). The amortisation charge for the year was £0.8m (2021: £0.7m). Management review assets recognised from costs to obtain or fulfil a contract for indicators of impairment at each reporting date and have concluded that no indicators were present as at 31 December 2022.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022 CONTINUED

23. DEFERRED TAXATION

For the accounting policy on deferred income tax, see note 11.

The deferred taxation (assets) and liabilities recognised in the consolidated financial statements are set out below:

	2022 £'000	2021 £'000
Deferred tax assets	(143)	(119)
Deferred tax liabilities	11,184	24,355
	11,041	24,236
Intangible assets	11,097	24,238
Other origination and reversal of temporary differences	(56)	(2)
	11,041	24,236

The movement in the year is analysed as follows:

Intangible assets	Note	2022 £'000	2021 £'000
Balance at the beginning of the year		24,238	8,784
Measurement period adjustments		(13,863)	–
Recognised through business combinations[1]	31	1,682	17,349
Recognised in the consolidated income statement	11	(1,531)	(1,446)
Foreign exchange (to other comprehensive income)		571	(449)
Balance at 31 December		11,097	24,238
Other origination and reversal of temporary differences			
Balance at the beginning of the year		(2)	14
Acquired through acquisitions		–	14
Recognised in the consolidated income statement		(54)	(30)
Balance at 31 December		(56)	(2)

1 Deferred tax liabilities have been recognised in relation to identified intangible assets, the amortisation of which is non-deductible against Corporation Tax in the jurisdictions in which the business operates and therefore creates temporary differences between the accounting and taxable profits. See note 31.

24. OTHER NON-FINANCIAL LIABILITIES

Deferred income
Fixed fees received in advance across all the service lines and up-front fees in respect of services due under contract are time apportioned to respective accounting periods, and those billed but not yet earned are included in deferred income in the consolidated balance sheet. As such liabilities are associated with future services, they do not give rise to a contractual obligation to pay cash or another financial asset.

Contract liabilities
Commissions expected to be paid over the term of a customer contract are discounted and recognised at the NPV. The finance cost is charged to the consolidated income statement over the contract life so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Employee benefit obligations
For the accounting policy on employee benefit obligations, see note 5.

	Note	2022 £'000	2021 £'000
Non-current			
Contract liabilities		216	179
Employee benefit obligations	5	572	777
Total non-current		788	956
Current			
Deferred income[1]		7,856	8,205
Contract liabilities		772	374
Total current		8,628	8,579
Total other non-financial liabilities		9,416	9,535

1 Of the £8.2m of deferred income at 31 December 2021, £8.1m was recognised as revenue in the 2022 consolidated income statement.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022 CONTINUED

25. PROVISIONS

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Provisions are not recognised for future operating losses.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. If the impact of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as a finance cost in the consolidated income statement.

Dilapidations
The Group has entered into lease agreements for the rental of office space in different countries. There are a number of leases which include an obligation to remove any leasehold improvements (thus returning the premises to an agreed condition at the end of the respective lease terms) and to restore wear and tear by repairing and repainting (this is known as "dilapidations"). The estimated cost of the dilapidations payable at the end of each tenancy, unless specified, is generally estimated by reference to the square footage of the building and in consultation with local property agents, landlords and prior experience. Having estimated the likely amount due, a country specific discount rate is applied to calculate the present value of the expected outflow. The provisions are expected to be utilised when the leases expire or upon exit. The discounted dilapidation cost has been capitalised against the leasehold improvement asset in accordance with IFRS 16.

	Dilapidation provisions £'000
At 1 January 2021	1,640
Additions	178
Additions through business combinations	116
Unwind of discount	60
Amounts utilised	(31)
Impact of foreign exchange	4
At 31 December 2021	1,967
Additions	**219**
Additions through business combinations	**56**
Disposals	**(181)**
Unwind of discount	**22**
Amounts utilised	**(21)**
Impact of foreign exchange	**91**
At 31 December 2022	**2,153**

Analysis of total provisions:	2022 £'000	2021 £'000
Non-current	**1,884**	1,720
Current	**269**	247
Total	**2,153**	1,967

SECTION 5 – EQUITY

26. SHARE CAPITAL AND RESERVES

26.1. SHARE CAPITAL AND SHARE PREMIUM

The Group's Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of Ordinary shares are recognised as a deduction from equity, net of any tax effects.

	2022 £'000	2021 £'000
Authorised		
300,000,000 Ordinary shares (2021: 300,000,000 Ordinary shares)	**3,000**	3,000
Called up, issued and fully paid		
149,061,113 Ordinary shares (2021: 147,585,261 Ordinary shares)	**1,491**	1,476

Ordinary shares have a par value of £0.01 each. All shares are equally eligible to receive dividends and the repayment of capital, and represent one vote at Shareholders' meetings of JTC PLC.

Movements in Ordinary shares	Note	No. of shares (thousands)	Par value £'000	Share premium £'000
At 1 January 2021		122,522	1,225	130,823
Shares issued for equity raises		21,618	216	144,585
PLC EBT issue		1,333	13	–
Acquisition of INDOS		177	2	1,078
Acquisition of Segue		110	1	802
Acquisition of Ballybunion		77	1	664
Acquisition of SALI		1,260	13	8,570
Acquisition of EFS		85	1	706
Acquisition of NESF		404	4	3,132
Less: Cost of share issuance		–	–	(4,508)
Movement in the year		25,064	251	155,029
At 31 December 2021		147,586	1,476	285,852
PLC EBT issue[1]		**1,150**	**12**	**–**
Acquisition of SALI – EBT contribution[1]	31.7	**325**	**3**	**2,056**
Acquisition of SALI – adjust fair value of equity instruments[2]	31.7	**–**	**–**	**2,598**
Less: Cost of share issuance		**–**	**–**	**(71)**
Movement in the year		**1,475**	**15**	**4,583**
At 31 December 2022		**149,061**	**1,491**	**290,435**

1 On 14 June 2022, the Company issued an additional 1,475,852 Ordinary shares to the Company's Employee Benefit Trust ("PLC EBT"), see note 26.2. Of this amount, 325,272 Ordinary shares settled an element of consideration for the SALI acquisition; the remaining 1,150,580 Ordinary shares were issued in order for PLC EBT to satisfy anticipated future exercises of awards granted to beneficiaries.

2 Following a review by the FRC, an adjustment was made to the fair value of equity instruments issued as initial consideration (see note 31.7(a)).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022 CONTINUED

26. SHARE CAPITAL AND RESERVES (CONTINUED)

26.2. OWN SHARES

Own shares represent the shares of the Company that are unallocated and currently held by PLC EBT. They are recorded at cost and deducted from equity. When shares vest unconditionally, are cancelled or are reissued, they are transferred from the own shares reserve at their cost. Any consideration paid or received for the purchase or sale of the Company's own shares is shown as a movement in Shareholders' equity.

	Note	No. of shares (thousands)	PLC EBT £'000
At 1 January 2021		3,317	3,084
EIP awards	36.1(a)	(1,545)	–
PSP awards	36.1(b)	(153)	–
DBSP awards	36.1(c)	(42)	–
Other awards	36.1(d)	(57)	–
PLC EBT issue		1,333	13
Acquisition of Segue		26	–
Acquisition of Ballybunion		30	–
Acquisition of SALI		215	–
Purchase of own shares		47	269
Movement in year		(146)	282
At 31 December 2021		3,171	3,366
EIP awards	36.1(a)	**(1,411)**	**–**
PSP awards	36.1(b)	**(188)**	**–**
DBSP awards	36.1(c)	**(62)**	**–**
Other awards	36.1(d)	**(70)**	**–**
PLC EBT issue	26.1	**1,475**	**12**
Purchase of own shares[1]		**42**	**319**
Movement in year		**(214)**	**331**
At 31 December 2022		**2,957**	**3,697**

1 Shares were purchased for PLC EBT using its surplus cash held as a result of dividend income.

26.3. OTHER RESERVES

Capital reserve

This reserve is used to record the gains or losses recognised on the purchase, sale, issue or cancellation of the Company's own shares, which may arise from capital transactions by the Group's employee benefit trusts as well as any movements in share-based awards to employees (see note 36).

Translation reserve

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

Retained earnings

Retained earnings includes accumulated profits and losses.

27. DIVIDENDS

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period. Interim dividends are recognised when paid.

The following dividends were declared and paid by the Company for the year:

	2022 £'000	2021 £'000
Final dividend for 2020 of 4.35p per qualifying Ordinary share	–	5,670
Interim dividend for 2021 of 2.6p per qualifying Ordinary share	–	3,421
Final dividend for 2021 of 5.07p per qualifying Ordinary share	7,322	–
Interim dividend for 2022 of 3.1p per qualifying Ordinary share	4,522	–
Total dividend declared and paid	**11,844**	9,091

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022 CONTINUED

SECTION 6 – RISK

28. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

In the application of the Group's accounting policies, Management are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are regularly evaluated based on historical experience, current circumstances, expectation of future events and other factors that are considered to be relevant. Actual results may differ from these estimates. In preparing the financial statements, Management have ensured that they have assessed any direct and indirect impacts of rising inflation and interest rates when applying IFRS.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be wrong.

The following are the critical judgements and estimates that Management have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the consolidated financial statements.

28.1. CRITICAL JUDGEMENTS IN APPLYING THE GROUP'S ACCOUNTING POLICIES

Recognition of separately identifiable intangibles
In 2022, the Group acquired New York Private Trust Company (see Note 31.1). IFRS 3 'Business Combinations' requires Management to identify assets and liabilities purchased including intangible assets. Following their assessment, Management concluded that the only intangible asset meeting the recognition criteria was customer relationships. The fair value at acquisition date was £5.7m ($6.6m).

28.2. CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS

Recoverability of WIP
To assess the fair value of consideration received for services rendered, Management are required to make an assessment of the net unbilled amount expected to be collected from clients for work performed to date. To make this assessment, WIP balances are reviewed regularly on a by-client basis and the following factors are taken into account: the ageing profile of the WIP, the agreed billing arrangements, value added and status of the client relationship. See note 13 for the sensitivity analysis.

Goodwill impairment – key assumptions used to calculate the recoverable amount for each CGU
Goodwill is tested annually for impairment and the recoverable amount of CGUs is determined based on a value in use calculation using cash flow projections containing key assumptions. See note 21.1 for further detail on key assumptions and sensitivity analysis.

Fair value of customer relationship intangibles
The customer relationship intangible assets are valued using the MEEM financial valuation model. Cash flow forecasts and projections are produced by Management and form the basis of the valuation analysis. Other key estimates and assumptions used in the modelling to derive the fair values include: year on year growth rates, client attrition rates, EBIT margins and the discount rate applied to free cash flow. See note 21.2(a) for the sensitivity analysis.

Fair value of earn-out consideration for SALI
To derive the fair value of the earn-out contingent consideration, Management assessed the likelihood of achieving pre-defined revenue targets to determine the value of contingent consideration. Management considers the forecast revenue to be the key assumption in the calculation of the fair value. See note 31.7 for the sensitivity analysis.

29. FINANCIAL RISK MANAGEMENT

The Group is exposed through its operations to the following financial risks: market risk (including foreign currency risk and interest rate risk), credit risk and liquidity risk.

The Group is exposed to risks that arise from the use of its financial instruments. This note describes the Group's objectives, policies and processes for managing those risks and the methods used to measure them.

There have been no substantive changes in the Group's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated in this note.

Principal financial instruments
The principal financial instruments used by the Group, from which financial instrument risk arises, are as follows. All are classified as measured at amortised cost:

	Note	2022 £'000	2021 £'000
Financial assets – measured at amortised cost			
Trade receivables	12	33,290	28,870
Work in progress	13	12,525	12,834
Accrued income	14	23,911	19,587
Other receivables	15	3,991	3,078
Cash and cash equivalents	16	48,861	39,326
		122,578	103,695
Financial assets – measured at fair value			
Other receivables[1]	15	371	–
		371	–
Financial liabilities – measured at amortised cost			
Trade and other payables	17	48,722	41,058
Loans and borrowings	18	153,622	152,578
Lease Liabilities	19	44,894	43,379
		247,238	237,015
Financial liabilities – measured at fair value			
Trade and other payables[1]	17	1,598	1,342
		1,598	1,342

1 All financial assets and liabilities are measured at amortised cost which is deemed to be representative of fair value. The exception to this is liability-classified contingent consideration of £1.6m for perfORM (2021: £1.3m) (see note 31.5) and mortgage-backed securities included in other receivables of £0.4m (2021: £nil) (see note 31.1).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022 CONTINUED

29. FINANCIAL RISK MANAGEMENT (CONTINUED)

Management considered the following fair value hierarchy levels in line with IFRS 13:

- Level 1 – Inputs are quoted prices (unadjusted) in active markets for identical assets and liabilities
- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset and liability, either directly or indirectly
- Level 3 – Inputs are unobservable inputs for the asset or liability

Management concluded that contingent consideration was classified under Level 3 inputs and mortgage-backed securities under Level 1 inputs.

General objectives, policies and processes

The Board has overall responsibility for determining the Group's financial risk management objectives and policies and, whilst retaining ultimate responsibility for them, it delegates the authority for designing and operating processes that ensure effective implementation of the objectives and policies to Management, in conjunction with the Group's finance department.

The financial risk management policies are considered on a regular basis to ensure that these are in line with the overall business strategies and the Board's risk management philosophy. The overall objective is to set policies to minimise risk as far as possible without adversely affecting the Group's financial performance, competitiveness and flexibility.

29.1. MARKET RISK

Market risk arises from the Group's use of interest-bearing, tradable and foreign currency financial instruments. It is the risk that changes in interest rates (interest rate risk) or foreign exchange rates (currency risk) will affect the Group's future cash flows or the fair value of the financial instruments held. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Foreign currency risk management

Foreign currency risk arises when individual Group entities enter into transactions denominated in a currency other than their functional currency. The Group's policy is, where possible, to allow Group entities to settle liabilities denominated in their functional currency with the cash generated from their own operations in that currency. Where Group entities have liabilities denominated in a currency other than their functional currency (and have insufficient reserves of that currency to settle them), cash already denominated in the required currency will, where possible and ensuring no adverse impact on local regulatory capital adequacy requirements (see note 30), be transferred from elsewhere in the Group.

The Group's exposure to the risk of changes in exchange rates relates primarily to the Group's operating activities when the revenue or expenses are denominated in a different currency from the Group's functional and presentation currency of pounds sterling ("£"). For trading entities that principally affect the profit or net assets of the Group, the exposure is mainly from Euro and US dollar. The Group's bank loans are denominated in £, although the facility is multicurrency.

As at 31 December 2022, the Group's exposure to the Group's material foreign currency denominated financial assets and liabilities are as follows:

	£		Euro		US dollar	
Net foreign currency assets/(liabilities)	**2022 £'000**	2021 £'000	**2022 £'000**	2021 £'000	**2022 £'000**	2021 £'000
Trade receivables	**17,612**	18,048	**3,502**	1,712	**12,031**	5,031
Work in progress	**9,628**	10,327	**1,625**	1,518	**743**	1,062
Accrued income	**12,802**	9,499	**1,704**	1,243	**9,395**	8,207
Other receivables	**1,693**	1,141	**374**	317	**2,053**	1,487
Cash and cash equivalents	**9,811**	11,361	**10,192**	7,418	**27,114**	19,178
Trade and other payables	**(10,435)**	(11,665)	**(6,236)**	(4,070)	**(32,695)**	(25,840)
Loans and borrowings	**(153,622)**	(152,578)	**–**	–	**–**	–
Lease liabilities	**(26,621)**	(28,149)	**(10,863)**	(9,387)	**(5,603)**	(3,986)
Total net exposure	**(139,132)**	(142,016)	**298**	(1,249)	**13,038**	5,139

In order to implement and monitor this policy, on an ongoing basis Management periodically analyse cash reserves by individual Group entities and in major currencies together with information on expected liabilities due for settlement. The effectiveness of this policy is measured by the number of resulting cash transfers made between entities and any necessary foreign exchange trades. Management consider this policy to be working effectively but continues to regularly assess if foreign currency hedging is appropriate.

Foreign currency risk sensitivity

The following table illustrates the possible effect on comprehensive income for the year and net assets arising from a 20% strengthening or weakening of pounds sterling against other currencies.

		Effect on comprehensive income and net assets	
	Strengthening/ (weakening) of pound sterling[1]	**2022 £'000**	2021 £'000
Euro	+20%	**(50)**	208
US dollar	+20%	**(2,173)**	(857)
Total		**(2,223)**	(649)
Euro	(20%)	**74**	(312)
US dollar	(20%)	**3,259**	1,285
Total		**3,333**	973

1 Holding all other variables constant.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022 CONTINUED

29. FINANCIAL RISK MANAGEMENT (CONTINUED)

29.1. MARKET RISK (CONTINUED)

Interest rate risk management and sensitivity

Bank loans

The Group is exposed to interest rate risk as it borrows all funds at floating interest rates. The interest rate applied to loan facilities is determined using SONIA plus a margin based on net leverage calculations. The interest rate risk is managed by the Group maintaining an appropriate leverage ratio and through this ensuring that the interest rate is kept as low as possible.

Interest rates have been low in recent history, but the current economic environment has resulted in higher interest rates and costs. Management continue to assess the cost versus benefit of taking hedging instruments to manage this exposure based on their expectation of future interest rate movements.

Sensitivity analysis for variable rate instruments

An increase/decrease of 100 basis points in interest rates on loans and borrowing with floating interest rates would have decreased/increased the profit and loss before tax by £1.6m (2021: increase by 50 basis points, £0.8m). This analysis assumes that all other variables remain constant.

The Group's exposures to interest rates on financial assets and financial liabilities are detailed in the liquidity risk management section of this note.

29.2. CREDIT RISK MANAGEMENT

Credit risk is the risk of financial loss to the Group should a customer or counterparty to a financial instrument fail to meet its contractual obligations. The Group's principal exposure to credit risk arises from contracts with customers and therefore the following financial assets: trade receivables, work in progress and accrued income (together "customer receivables").

The Group manages credit risk for each new customer by giving consideration to the risk of insolvency or closure of the customer's business, current or forecast liquidity issues and general creditworthiness (including past default experience of the customer or customer type).

Subsequently, customer credit risk is managed by each of the Group entities subject to the Group's policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are monitored and followed up continuously. Specific provisions incremental to ECL are made when there is objective forward-looking evidence that the Group will not be able to bill the customer in line with the contract or collect the debts arising from previous invoices. This evidence can include the following: indication that the customer is experiencing significant financial difficulty or default, probability of bankruptcy, problems in contacting the customer, disputes with a customer, or similar factors.

Given the current economic environment of rising inflation and interest rates, and climate-related risks, Management have ensured close and regular consideration of these factors and the impact to customer behaviours and ability to pay. This analysis is performed on a customer-by-customer basis. Such is the diversification across the book in industries and geographies that any impact is not considered to be material to the recoverability of customer receivables. For more commentary on this, the ageing of trade receivables and the provisions thereon at the year end, including the movement in the provision, see note 12.

Credit risk in relation to other receivables is considered for each separate contractual arrangement by Management. As these are primarily with related parties the risk of the counterparty defaulting is considered to be low.

Credit risk also arises from cash and cash equivalents and deposits with banks and financial institutions. Cash and cash equivalents are held mainly with banks which are rated 'A-' or higher by Standard & Poor's Rating Services or Fitch Ratings Ltd for long-term credit rating.

The financial assets are subject to the impairment requirements of IFRS 9; for further detail of how this is assessed and measured, see notes 12 to 16.

Credit risk exposure

Trade receivables, work in progress and accrued income result from the provision of services to a large number of customers (individuals and corporate), spread across different industries and geographies. The gross carrying amount of financial assets represents the maximum credit exposure and as at the reporting date this can be summarised as follows:

	Total 2022 £'000	**Loss allowance 2022 £'000**	**Net 2022 £'000**	Total 2021 £'000	Loss allowance 2021 £'000	Net 2021 £'000
Trade receivables	**38,935**	**(5,645)**	**33,290**	33,701	(4,831)	28,870
Work in progress	**12,594**	**(69)**	**12,525**	12,906	(72)	12,834
Accrued income	**23,936**	**(25)**	**23,911**	19,621	(34)	19,587
Other receivables	**4,362**	**–**	**4,362**	3,078	–	3,078
Cash and cash equivalents	**48,861**	**–**	**48,861**	39,326	–	39,326
	128,688	**(5,739)**	**122,949**	108,632	(4,937)	103,695

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022 CONTINUED

29. FINANCIAL RISK MANAGEMENT (CONTINUED)

29.3. LIQUIDITY RISK MANAGEMENT
Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group manages liquidity risk to maintain adequate reserves by regular review around the working capital cycle using information on forecast and actual cash flows. Management have considered the impact of rising inflation and interest rates, and do not consider there to be a significant negative impact.

The Board is responsible for liquidity risk management and they have established an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. Regulation in most jurisdictions also requires the Group to maintain a level of liquidity in order that the Group does not become exposed.

Liquidity tables
The tables detail the Group's remaining contractual maturity for its financial liabilities with agreed repayment years. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rates at the balance sheet date. The contractual maturity is based on the earliest date on which the Group may be required to pay.

The total contractual cash flows are as follows:

2022	<6 months £'000	6 – 12 months £'000	1 – 3 years £'000	3 – 5 years £'000	5 – 10 years £'000	>10 years £'000	Total contractual cash flow £'000
Loans and borrowings[1]	**4,221**	**4,344**	**170,020**	**–**	**–**	**–**	**178,585**
Trade payables and accruals	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Contingent consideration	**2,734**	**–**	**29,358**	**–**	**–**	**–**	**32,092**
Lease liabilities	**3,537**	**3,511**	**13,225**	**10,346**	**14,812**	**7,806**	**53,237**
Total	**10,492**	**7,855**	**212,603**	**10,346**	**14,812**	**7,806**	**263,914**

2021	<6 months £'000	6 – 12 months £'000	1 – 3 years £'000	3 – 5 years £'000	5 – 10 years £'000	>10 years £'000	Total contractual cash flow £'000
Loans and borrowings[1]	1,019	2,038	3,210	157,802	–	–	164,069
Trade payables and accruals	13,483	–	1,047	–	–	–	14,530
Contingent consideration	177	4,271	619	20,363	–	–	25,430
Lease liabilities	3,305	3,270	11,522	9,597	15,375	9,682	52,751
Total	17,984	9,579	16,398	187,762	15,375	9,682	256,780

1 This includes the future interest payments not yet accrued and the repayment of capital upon maturity.

30. CAPITAL MANAGEMENT

Risk management
The Group's objective for managing capital is to safeguard the ability to continue as a going concern, while maximising the return to Shareholders through the optimisation of the debt and equity balance, and to ensure that capital adequacy requirements are met for local regulatory requirements at entity level.

The managed capital refers to the Group's debt and equity balances; for quantitative disclosures, see note 18 for loans and borrowings and note 26 for share capital.

Loan covenants
The Group has bank loans which require it to meet leverage and interest cover covenants. In order to achieve the Group's capital risk management objective, the Group aims to ensure that it meets financial covenants attached to bank borrowings. Breaches in meeting the financial covenants would permit the lender to immediately recall the loan. In line with the loan agreement the Group tests compliance with the financial covenants on a bi-annual basis.

Under the terms of the loan facility, the Group is required to comply with the following financial covenants:

- Leverage (being the ratio of total net debt to underlying EBITDA (for LTM at average FX rates and adjusted for pro-forma contributions from acquisitions) for a relevant period) must not be more than 3:1
- Interest cover (being the ratio of EBITDA to net finance charges) must not be less than 4:1

The Group has complied with all financial covenants throughout the reporting period and is satisfied that there is sufficient headroom should rising inflation and interest rates adversely affect trading going forward.

Capital adequacy
Individual regulated entities within the Group are subject to regulatory requirements to ensure adequate capital and liquidity to meet local requirements in Jersey, Guernsey, Ireland, the Isle of Man, the UK, the US, Switzerland, the Netherlands, Luxembourg, Mauritius, South Africa and the Caribbean; all are monitored regularly to ensure compliance. There have been no breaches of applicable regulatory requirements during the reporting period.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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SECTION 7 – GROUP STRUCTURE

31. BUSINESS COMBINATIONS

A business combination is defined as a transaction or other event in which an acquirer obtains control of one or more businesses. Where the business combination does not include the purchase of a legal entity but the transaction includes acquired inputs and processes applied to those inputs in order to generate outputs, the transaction is also considered a business combination.

The Group applies the acquisition method to account for business combinations. The consideration transferred in an acquisition comprises the fair value of assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. The identifiable assets acquired and liabilities assumed in a business combination are measured at their fair values at the acquisition date. Acquisition-related costs are recognised in the consolidated income statement as non-underlying items within operating expenses.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised directly in the consolidated income statement as a gain on bargain purchase.

When the consideration transferred includes an asset or liability resulting from a contingent consideration arrangement, this is measured at its acquisition-date fair value. Changes in fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill.

Measurement period adjustments are adjustments that arise from additional information obtained during the measurement period (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depend on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or liability is remeasured at subsequent reporting dates at fair value with the corresponding gain or loss being recognised in the consolidated income statement.

31.1. NEW YORK PRIVATE TRUST COMPANY ("NYPTC")

On 27 April 2022, JTC entered into an agreement to acquire 100% of the share capital of NYPTC, a Delaware non-deposit trust company. NYPTC offers a broad range of fiduciary services, including trust services, estate administration services and white label trust services to HNW and UHNW individuals, families and corporate clients. The acquisition supports JTC's strategy to further develop its presence in the high growth US market and in particular to develop a US domestic trust services offering and is highly complementary to JTC's existing private client operations in the US in Miami, New York and South Dakota.

Following regulatory approval for the transaction, 100% of the cash consideration was transferred on 28 October 2022 in advance of completion on 31 October 2022. The results of the acquired business have been consolidated from 31 October 2022 as Management concluded this was the date control was obtained by the Group.

The acquired business contributed revenues of £1.0m and underlying profit before tax (before central costs have been applied) of £0.3m to the Group for the period from 31 October 2022 to 31 December 2022. If the business had been acquired on 1 January 2022, the consolidated pro-forma revenue and underlying profit before tax for the period would have been £204.1m and £37.2m respectively.

(a) Identifiable assets acquired and liabilities assumed on acquisition

The following table shows, at fair value, the recognised assets acquired and liabilities assumed at the acquisition date:

	Book value at acquisition £'000	Adjustments £'000	Fair value £'000	Fair value $'000
Property, plant and equipment[1,3]	22	471	493	573
Intangible assets – customer relationships[2]	1,334	4,328	5,662	6,566
Trade receivables	514	–	514	595
Other receivables[4]	371	–	371	431
Cash and cash equivalents	3,997	–	3,997	4,634
Assets	**6,238**	**4,799**	**11,037**	**12,799**
Trade and other payables	275	(14)	261	302
Lease liabilities[1]	–	413	413	479
Deferred tax liabilities[2]	–	1,682	1,682	1,950
Deferred income	24	–	24	27
Provisions[3]	–	58	58	68
Liabilities	**299**	**2,139**	**2,438**	**2,826**
Total identifiable net assets	**5,939**	**2,660**	**8,599**	**9,973**

1 The acquired business leases office premises; a lease liability of £0.4m ($0.5m) is measured at the present value of the remaining lease payments with an equal right-of-use asset.

2 Acquisition-related intangible assets of £5.7m ($6.6m) relate to the valuation of customer relationships; these were valued with the assistance of an expert using the MEEM financial valuation model (see note 21.2(a) for key assumptions and sensitivity analysis). The useful economic life of 10 years was based on the historical length of relationships as well as observed attrition rates for companies operating in the wealth management and fund administration sector. Deferred tax liabilities of £1.7m ($1.95m) have been recognised in relation to the identified intangible assets, the amortisation of which is non-deductible against US Corporation taxes and therefore creates temporary differences between the accounting and taxable profits.

3 The discounted dilapidation cost in relation to leased office premises is recognised as a provision (see note 25) and capitalised against leasehold improvements.

4 Other receivables includes mortgage-backed securities held at fair value that were sold in January 2023.

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31. BUSINESS COMBINATIONS (CONTINUED)

31.1. NEW YORK PRIVATE TRUST COMPANY ("NYPTC") (CONTINUED)
(b) Consideration

Consideration for the acquisition was cash of £16.98m ($19.69m) with £17.0m ($19.71m) paid on 28 October 2022 in advance of completion and £0.16m ($0.19m) received subsequently for purchase price adjustments.

(c) Goodwill

	£'000	$'000
Total consideration	16,983	19,691
Less: Fair value of identifiable net assets	(8,599)	(9,973)
Goodwill	**8,384**	9,718

Goodwill is represented by assets that do not qualify for separate recognition or other factors. The acquisition adds scale and is transformative to JTC PCS's offering in the large and growing US trust market, including new customer relationships and the effects of an assembled workforce.

(d) Impact on cash flow

	£'000	$'000
Cash consideration	17,043	19,710
Less: cash balances acquired	(3,997)	(4,634)
Net cash outflow from acquisition	**13,046**	15,076

(e) Acquisition-related costs

The Group incurred acquisition-related costs of £0.5m for legal, professional, advisory and other operating expenses. These costs have been recognised in other operating expenses in the Group's consolidated income statement (see note 6) and are treated as non-underlying items to calculate underlying EBITDA (see note 7).

31.2. RBC CEES LIMITED ("RBC CEES")
On 6 April 2021, JTC acquired RBC cees, the provider of a market-leading employee benefits platform for an internationally diverse blue-chip corporate client base. The acquisition was complementary to JTC's existing corporate and trustee services, and significantly enhanced the Group's employee benefits offering.

At the acquisition date, the fair value of consideration was £20.2m for acquired identifiable net assets of £25.5m, resulting in negative goodwill of £5.3m, which was recognised as a gain on bargain purchase in the prior year (see note 9).

Within the acquired identifiable net assets were customer relationship intangibles of £22.4m with a UEL of 12 years. Deferred tax liabilities of £2.2m were recognised in relation to identified intangible assets, the amortisation of which is non-deductible against Jersey and Guernsey Corporation Tax and therefore creates temporary differences between the accounting and taxable profits.

31.3. INDOS FINANCIAL LIMITED ("INDOS")
On 1 June 2021, JTC acquired INDOS, a privately owned UK and Irish based, specialist provider of depositary and other high value services for alternative investment funds. This acquisition added further technical expertise for fund services within the ICS division and directly added scale in the UK and Ireland, two growth jurisdictions.

At the acquisition date, the fair value of consideration was £12.3m for acquired identifiable net assets of £3.0m, resulting in goodwill of £9.3m. This included contingent consideration of £1.5m (discounted to £1.2m) which is payable subject to JTC PLC meeting an adjusted underlying EPS target for the period ending 31 December 2022. Management anticipate this will be paid in full following the release of their results in April 2023; the NPV at 31 December 2022 is £1.5m (2021: £1.3m), see note 17. The consideration is payable in equity and is subject to a one year lock in period which expires on 31 December 2023.

Within the acquired identifiable net assets were customer relationship intangibles of £1.4m, a brand intangible of £0.4m and an internally generated software intangible of £1.2m; all have a UEL of 10 years. Deferred tax liabilities of £0.2m were recognised in relation to identified intangible assets, the amortisation of which is non-deductible against UK and Irish Corporation Tax, and therefore creates temporary differences between the accounting and taxable profits.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022 CONTINUED

31. BUSINESS COMBINATIONS (CONTINUED)

31.4. SEGUE PARTNERS LLC ("SEGUE")
On 15 September 2021, JTC acquired Segue, an innovative fund services provider headquartered in St. Louis, Missouri, US. The business provides a range of sophisticated fund solutions to meet the needs of private equity, venture capital, debt funds and family offices, and also delivers accounting services specifically designed to meet the needs of entrepreneurs, portfolio companies and start-ups.

At the acquisition date, the fair value of consideration was £6.3m ($8.4m) for acquired identifiable net assets of £1.0m ($1.3m), resulting in goodwill of £5.3m ($7.1m). This included contingent consideration of £2.2m ($3.0m) (discounted to £1.6m ($2.2m)) which was subject to Segue meeting adjusted EBITDA targets over the calendar years 2022 and 2023. The contingent consideration is to be paid in a 80%/20% ratio of cash and JTC PLC Ordinary shares. During 2022, Management determined that the maximum earn-out of $3.0m would be settled and a part-payment of £0.2m ($0.3m) in cash. The remaining cash and the issuance of JTC PLC Ordinary shares equal to 20% is anticipated in April 2023. The NPV of contingent consideration at 31 December 2022 is now £2.2m ($2.6m) (see note 17) and as the settlement is earlier than initially anticipated, it resulted in a loss on revaluation of contingent consideration of £0.13m to accelerate the discount (see note 9).

Within the acquired identifiable net assets were customer relationship intangibles of £1.1m ($1.4m) with a UEL of 10 years. Deferred tax liabilities of £0.3m ($0.4m) were recognised in relation to identified intangible assets, the amortisation of which is non-deductible against US Corporation Taxes and therefore creates temporary differences between the accounting and taxable profits.

31.5. PERFORM DUE DILIGENCE SERVICES LIMITED ("PERFORM")
On 18 October 2021, JTC acquired perfORM, a London based, technology-led provider of due diligence services for a diverse base of UK and international investment managers and allocators.

At the acquisition date, the fair value of consideration was £2.74m, including a total estimated earn-out contingent consideration due of £4.48m (discounted to £2.69m) for acquired identifiable net assets of £0.05m, resulting in goodwill of £2.69m.

The earn-out for perfORM is calculated based on a multiple of underlying EBITDA for the year ended 31 December 2024 (up to a maximum of £6.0m) and payable in an equal split of cash and JTC PLC Ordinary shares; the 50% payable in shares is liability-classified contingent consideration. In accordance with IAS 32, Management are required to update the fair value at each reporting date.

Management therefore reassessed the forecast EBITDA and identified no evidence to indicate an adjustment was required to the £4.48m estimated as due. The Monte Carlo simulation was updated, decreasing the share price applied to the 282,854 JTC PLC Ordinary shares to £7.92 (31.12.2021: £7.99).

The simulation is based on JTC's share price at 31 December 2022, factoring in historical volatility and projected dividend payments and is then discounted using an appropriate risk-free rate.

The updated share price resulted in a gain on revaluation of £0.05m (see note 9) as the fair value of the contingent consideration payable in JTC Ordinary shares decreased to £2.24m (2021: £2.26m).

The revalued earn-out contingent consideration of £4.46m (cash £2.22m/JTC PLC Ordinary shares £2.24m) has then been discounted to a present value of £3.18m (see note 17).

Within the acquired identifiable net assets were customer relationship intangibles of £0.03m with a UEL of 10 years. Deferred tax liabilities of £0.01m were recognised in relation to identified intangible assets, the amortisation of which is non-deductible against UK Corporation Tax and therefore creates temporary differences between the accounting and taxable profits.

31.6. BALLYBUNION CAPITAL LIMITED ("BALLYBUNION")
On 3 November 2021, JTC acquired Ballybunion, a boutique asset manager based in Dublin that provides management and regulatory oversight services to investment funds.

At the acquisition date, the fair value of consideration was £11.9m (€14.1m) for acquired identifiable net assets of £3.1m (€3.7m), resulting in goodwill of £8.8m ($10.4m). This included contingent consideration payable in cash subject to meeting an underlying EBITDA target for the period ended 30 June 2022 and a put/call option agreement to acquire the remaining 5% of equity in Ballybunion. As the business performed successfully, exceeding the EBITDA target for 30 June 2022 and JTC exercised its option, £1.85m (€2.05m) was paid in during the year.

On 21 March 2023, Ballybunion changed its name to JTC Global AIFM Solutions (Ireland) Limited.

31.7. SALI FUND MANAGEMENT LLC AND SALI GP HOLDINGS LLC ("SALI")

On 12 November 2021, JTC acquired SALI, a US based and market-leading provider of fund services to the Insurance Dedicated Fund ("IDF") and Separately Managed Account ("SMA") market.

The fair value of consideration at acquisition recorded in the 31 December 2021 financial statements was £174.3m ($233.0m) for acquired identifiable net assets of £33.4m ($44.6m), resulting in goodwill of £140.9m ($188.4m).

Within the acquired identifiable net assets were customer relationship intangibles of £43.6m ($58.3m) with a UEL of 25 years and a brand intangible of £1.6m ($2.2m) with a UEL of 5 years. Deferred tax liabilities of £13.4m ($18.0m) were recognised in relation to identified intangible assets, the amortisation of which is non-deductible against US Corporation Taxes and therefore creates temporary differences between the accounting and taxable profits.

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31. BUSINESS COMBINATIONS (CONTINUED)

31.7. SALI FUND MANAGEMENT LLC AND SALI GP HOLDINGS LLC ("SALI") (CONTINUED)

(a) Consideration
Total consideration was satisfied by the following:

	£'000	$'000
Cash consideration	144,791	193,593
Equity instruments (1,260,457 Ordinary shares)[1]	8,583	11,471
Contingent consideration – EBT contribution[2]	1,871	2,500
Contingent consideration – Closing payment	159	212
Contingent consideration – Earn-out[3]	18,899	25,258
Fair value of total consideration at acquisition date	174,303	233,034
Adjustment to fair value of shares issued as consideration following FRC review		
Equity instruments valued at acquisition date	2,020	2,701
Removal of discount for lack of marketability	578	772
Total adjustment to fair value of equity instruments	2,598	3,473
Adjusted fair value of total consideration at acquisition date	176,901	236,507

1 **FRC review**

Following a review of the JTC Annual Report and Accounts 2021 by the FRC in accordance with Part 2 of the FRC Corporate Reporting Review Operating Procedures, further information was requested in respect of the valuation of shares issued as consideration. Upon investigation by Management, it was understood that our approach where equity instruments are issued as consideration did not adhere to the strict interpretation of IFRS 3 'Business Combinations', paragraph 37 ("IFRS 3 p37"), which requires consideration transferred in a business combination to be measured at the acquisition-date fair value.

On 19 November 2021, the Company issued and admitted 1,260,457 Ordinary shares to satisfy the equity element of initial consideration. At 31 December 2021, the fair value of the shares was derived using a share price of £7.18 on 6 October 2021, the date of the Share Purchase Agreement ("SPA"), rather than the share price of £8.87, the end of day share price on the acquisition date of 12 November 2022 as required by IFRS 3 p37. As a result, the fair value of consideration at the date of the acquisition was understated by £2.02m.

In addition, it was identified that a discount for lack of marketability had been applied to the equity instruments in the 31 December 2021 financial statements. On review, it was concluded that this had been incorrectly applied, as the restriction applies to the holders of the shares and not the Company. This resulted in an understatement of the fair value of consideration at the date of the acquisition of £0.58m.

The fair value of equity instruments should have been £11.2m ($14.9m) rather than £8.6m ($11.5m); the result was a total adjustment to the fair value of equity instruments of £2.6m ($3.5m). This was adjusted during 2022, increasing both goodwill (see (c) and note 21) and share premium (see note 26.1).

2 **Contingent consideration – EBT contribution**

On 14 June 2022, the Company issued 325,272 Ordinary shares to PLC EBT to settle this element of consideration (see note 26.1).

3 **Contingent consideration – Earn-out**

A total of up to £26.1m ($31.5m) is payable in cash subject to meeting revenue targets for the two year period following acquisition. Based on Management's assessment of the performance to date and the budgeted forecast for the remaining period, it is estimated that the earn-out will be paid in full. At 31 December 2022, the total amount due has been discounted to its present value £23.6m ($28.5m) (2021: £18.9m ($25.3m)), see note 17.

Sensitivity analysis on fair value of earn-out consideration
Management carried out a sensitivity analysis on the output of the key assumptions and estimates used to calculate the fair value of the earn-out contingent consideration. Management consider the key assumption and estimate to be forecast revenue for the two year period. A decrease in the forecast revenue of 10% would decrease the earn-out contingent consideration by £2.6m ($3.5m). Discounted to its present value, this would be equal to a £2.4m ($3.2m) decrease.

(b) Identifiable assets acquired and liabilities assumed

At acquisition, deferred tax liabilities of £13.44m ($17.96m) were recognised in relation to acquired intangible assets where it was anticipated that the amortisation would be non-deductible against US Corporation taxes and therefore give rise to temporary differences between the accounting and taxable profits. Subsequent information received identified that the purchase consideration would be tax deductible.

Management have therefore recognised a measurement period adjustment to the initial accounting for the business combination. The deferred tax liability has been derecognised resulting in a £13.44m ($17.96m) decrease to acquired goodwill and an adjustment of £0.07m ($0.09m) to income tax for the previous unwinding of the deferred tax liability.

(c) Goodwill

	£'000	$'000
Goodwill at acquisition date	140,903	188,396
Exchange differences at 31 December 2021	(1,330)	–
Goodwill at 1 January 2022	139,573	188,396
Total adjustment to fair value of equity instruments	**2,598**	**3,473**
Adjusted goodwill at acquisition date	**142,171**	**191,869**
Measurement period adjustment	**(13,437)**	**(17,964)**
Exchange differences at 31 December 2022	**15,537**	**–**
Goodwill at 31 December 2022	**144,271**	**173,905**

31.8. ESSENTIAL FUND SERVICES, LLC ("EFS")
On 15 December 2021, JTC acquired EFS, a fund services provider headquartered in New York, US. The business provides a broad range of services in the alternative assets space, including accounting, reporting and administrative services to investment partnerships and their investment managers.

The fair value of consideration was £6.5m ($8.5m) for acquired identifiable net assets of £1m ($1.3m), resulting in goodwill of £5.5m ($7.2m). Contingent consideration of £0.02m ($0.03m) was paid during the year following the reconciliation of the closing cash reserve.

At acquisition, deferred tax liabilities of £0.4m ($0.5m) were recognised in relation to acquired intangible assets where it was anticipated that the amortisation would be non-deductible against US Corporation taxes and therefore give rise to temporary differences between the accounting and taxable profits. Subsequent information received identified that the purchase consideration would be tax deductible.

Management have therefore recognised a measurement period adjustment to the initial accounting for the business combination. The deferred tax liability has been derecognised resulting in a £0.4m ($0.5m) decrease to acquired goodwill.

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32. INVESTMENTS

The Group's interest in other entities includes an associate and an investment held at cost.

An associate is an entity in which the Group has significant influence, but not control or joint control, over the financial and operating policies. The Group's interest in an equity-accounted investee solely comprises of an interest in an associate.

Investments in associates are accounted for using the equity method. Under the equity method, the investment in an associate is initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the carrying amount of the investment is adjusted to recognise the Group's share of post-acquisition profits or losses in the consolidated income statement within EBITDA, and the Group's share of movements in other comprehensive income of the investee in other comprehensive income. Unrealised gains and losses resulting from transactions between the Group and the associate are eliminated to the extent of the interest in the associate.

The carrying amount of equity-accounted investments is tested for impairment in accordance with the policy described in note 21.

Where the Group has an interest in an entity but does not have significant influence, the investment is held at cost.

The following table details the associate and an investment the Group holds as at 31 December 2022. The entities listed have share capital consisting solely of Ordinary shares, which are held directly by the Group. The country of incorporation is also their principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held.

				% of ownership interest		Carrying amount	
Name of entity	**Country of incorporation**	**Nature of relationship**	**Measurement method**	**2022 %**	2021 %	**2022 £'000**	2021 £'000
Kensington International Group Pte. Ltd	Singapore	Associate[1]	Equity method	**42**	42	**2,325**	1,847
Harmonate Corp.	US	Investment[2]	Cost method	**11.2**	16	**831**	791
Total investments						**3,156**	2,638

1 Kensington International Group Pte. Ltd ("KIG") provides corporate, fiduciary, trust and accounting services, and is a strategic partner of the Group, providing access to new clients and markets in the Far East.

2 Harmonate Corp. ("Harmonate") provides fund operation and data management solutions to clients in the financial services industry.

The summarised financial information for KIG, which is accounted for using the equity method, is as follows:

Summarised income statement	**2022 £'000**	2021 £'000
Revenue	**7,253**	6,184
Gross profit	**6,133**	5,217
Profit for the year	**668**	654

Summarised balance sheet	**2022 £'000**	2021 £'000
Total non-current assets	**600**	637
Total current assets	**10,805**	6,043
Total assets	**11,405**	6,680
Total current liabilities	**7,141**	3,547
Net assets less current liabilities	**4,264**	3,133

Reconciliation of summarised financial information	**2022 £'000**	2021 £'000
Opening net assets	**3,133**	2,272
Profit for the year	**668**	654
Foreign exchange differences	**463**	207
Closing net assets	**4,264**	3,133
Group's share of closing net assets	**1,803**	1,325
Goodwill	**522**	522
Carrying value of investment in associate	**2,325**	1,847

Impact on consolidated income statement	Note	**2022 £'000**	2021 £'000
Balance at 1 January		**1,847**	1,483
Share of profit of equity-accounted investee	35.1	**478**	364
Balance at 31 December		**2,325**	1,847

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33. SUBSIDIARIES

In the opinion of Management, the Group's subsidiaries which principally affect the profit or the net assets of the Group at 31 December 2022 are listed below. Unless otherwise stated, the Company owns 100% of share capital consisting solely of Ordinary shares, and the proportion of ownership interests held equals the voting rights held by the Group. The country of incorporation is also their principal place of business.

Where shareholding and voting rights are less than 100%, Management have considered the circumstances of each subsidiary shareholding and any specific agreements in support, and have concluded that the subsidiaries should be consolidated (as per the accounting policy in note 3.2), the interest attributed in full to the Company and no minority interest recognised. Please see specific comments below the table.

Name of subsidiary	Country of incorporation and place of business	Activity	% holding
JTC Group Holdings Limited	Jersey	Holding	100
JTC Group Limited	Jersey	Head office services	100
JTC (Jersey) Limited	Jersey	Trading	100
JTC Employer Solutions Limited	Jersey	Trading	100
JTC Fund Solutions (Jersey) Limited	Jersey	Trading	100
JTC (BVI) Limited	British Virgin Islands	Trading	100
JTC (Cayman) Limited	Cayman Islands	Trading	100
JTC Fund Services (Cayman) Ltd	Cayman Islands	Trading	100
JTC Corporate Services (DIFC) Limited	Dubai	Trading	100
JTC Fund Solutions (Guernsey) Limited	Guernsey	Trading	100
JTC Global AIFM Solutions Limited	Guernsey	Trading	100
JTC Registrars Limited	Guernsey	Trading	100
JTC Employer Solutions (Guernsey) Limited	Guernsey	Trading	100
JTC Corporate Services (Ireland) Limited	Ireland	Trading	100
JTC Fund Solutions (Ireland) Limited	Ireland	Trading	100
JTC Global AIFM Solutions (Ireland) Limited (formerly Ballybunion Capital Limited)[1]	Ireland	Trading	100
INDOS Financial (Ireland) Limited	Ireland	Trading	100
JTC Trustees (IOM) Limited	Isle of Man	Trading	100
JTC Luxembourg Holdings S.à r.l.	Luxembourg	Holding	100
JTC (Luxembourg) S.A.	Luxembourg	Trading	100
JTC Global AIFM Solutions SA	Luxembourg	Trading	100
JTC Corporate Services (Luxembourg) SARL	Luxembourg	Trading	100
JTC Signes Services SA	Luxembourg	Trading	100
Exequtive Services S.à r.l.	Luxembourg	Trading	100
JTC Fiduciary Services (Mauritius) Limited	Mauritius	Trading	100
JTC (Netherlands) B.V.	Netherlands	Trading	100
JTC Holdings (Netherlands) B.V.	Netherlands	Holding	100
JTC Institutional Services Netherlands B.V.	Netherlands	Trading	100
Global Tax Support B.V.[2]	Netherlands	Trading	–
JTC Fund and Corporate Services (Singapore) Pte. Limited (formerly JTC Fiduciary Services (Singapore) Pte. Limited)	Singapore	Trading	100
JTC Fund Solutions RSA (Pty) Ltd	South Africa	Trading	100
JTC (Suisse) SA	Switzerland	Trading	100
JTC Trustees (Suisse) Sàrl	Switzerland	Trading	100
JTC Group Holdings (UK) Limited	UK	Holding	100
INDOS Financial Limited	UK	Trading	100
JTC Fund Services (UK) Limited	UK	Trading	100
JTC Trust Company (UK) Limited	UK	Trading	100
JTC (UK) Limited	UK	Trading	100
JTC UK (Amsterdam) Limited	UK	Holding	100
JTC Registrars (UK) Limited	UK	Trading	100
perfORM Due Diligence Services Limited	UK	Trading	100
JTC USA Holdings, Inc.	US	Trading	100
JTC Miami Corporation[3]	US	Trading	50
JTC Trust Company (South Dakota) Ltd (formerly JTC Trustees (USA) Ltd)	US	Trading	100
Essential Fund Services, LLC	US	Trading	100
SALI Fund Management, LLC	US	Trading	100
JTC Americas Holdings, LLC	US	Holding	100
Segue Partners, LLC	US	Trading	100
JTC Trust Company (Delaware) Limited	US	Trading	100

1 During the year, JTC paid £0.6m to exercise a call option to purchase the remaining 5% of share capital to increase to a 100% holding.

2 JTC has a call option to purchase Global Tax Support B.V. for €1 from its parent company, therefore Management consider it has control of this entity and no minority interest is recognised.

3 JTC Miami Corporation is 50% owned by an employee as part of their residential status in the US. The employee has signed a declaration of trust to confirm they hold the shares in trust for JTC, would vote as directed nor seek to benefit from dividends or profit. Management therefore consider it appropriate to attribute 100% of the interest to JTC and no minority interest is recognised.

JTC PLC has the following dormant UK subsidiaries that are exempt from filing individual accounts with the registrar in accordance with s448A of Companies Act 2006: PTC Securities Limited, Stratford Securities Limited, St James's Securities Limited, JTC Fiduciary Services (UK) Limited, JTC Trustees (UK) Limited, PTC Investments Limited, Castle Directors (UK) Limited, JTC Securities (UK) Limited, JTC Corporate Services (UK) Limited, JTC Trustees Services (UK) Limited and JTC Directors (UK) Limited.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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SECTION 8 – OTHER DISCLOSURES

34. EARNINGS PER SHARE

Basic Earnings Per Share
The calculation of basic Earnings Per Share is based on the profit for the year divided by the weighted average number of Ordinary shares for the same year.

Diluted Earnings Per Share
The calculation of diluted Earnings Per Share is based on basic Earnings Per Share after adjusting for the potentially dilutive effect of Ordinary shares that have been granted.

Adjusted underlying basic Earnings Per Share
The calculation of underlying basic Earnings Per Share is based on basic Earnings Per Share after adjusting profit for the year for non-underlying items and to remove the amortisation of acquired intangible assets and associated deferred tax, amortisation of loan arrangement fees and unwinding of NPV discounts in relation to contingent consideration.

The Group calculates basic, diluted and adjusted underlying basic Earnings Per Share. The results can be summarised as follows:

	Note	2022 Pence	2021 Pence
Basic EPS	34.1	23.92	20.49
Diluted EPS	34.2	23.60	20.21
Adjusted underlying basic EPS	34.3	33.27	25.55

34.1. BASIC EARNINGS PER SHARE

	2022 £'000	2021 £'000
Profit for the year	34,714	26,648

	No. of shares (thousands)	No. of shares (thousands)
Issued Ordinary shares at 1 January	144,326	119,097
Effect of shares issued to acquire business combinations	–	362
Effect of movement in treasury shares held	811	850
Effect of placing	–	9,735
Weighted average number of Ordinary shares (basic):	145,137	130,044
Basic EPS (pence)	23.92	20.49

34.2. DILUTED EARNINGS PER SHARE

	2022 £'000	2021 £'000
Profit for the year	34,714	26,648

	Note	No. of shares (thousands)	No. of shares (thousands)
Weighted average number of Ordinary shares (basic)	34.1	145,137	130,044
Effect of share-based payments issued		1,930	1,796
Weighted average number of Ordinary shares (diluted):		147,067	131,840
Diluted EPS (pence)		23.60	20.21

34.3. ADJUSTED UNDERLYING BASIC EARNINGS PER SHARE

	Note	2022 £'000	2021 £'000
Profit for the year		34,714	26,648
Non-underlying items	7	(1,883)	(2,875)
Amortisation of customer relationships, acquired software and brands	21	12,400	8,809
Amortisation of loan arrangement fees	10	1,062	1,501
Unwinding of NPV discounts for contingent consideration	10	3,518	586
Temporary tax differences arising on amortisation of customer relationships, acquired software and brands	11	(1,531)	(1,446)
Adjusted underlying profit for the year		48,280	33,223

	Note	No. of shares (thousands)	No. of shares (thousands)
Weighted average number of Ordinary shares (basic)	34.1	145,137	130,044
Adjusted underlying basic EPS (pence)		33.27	25.55

Adjusted underlying basic EPS is an alternative performance measure which reflects the underlying activities of the Group. The following definition is not consistent with the requirements of IAS 33.

The Group's definition of underlying basic EPS reflects the profit for the year adjusted to remove the impact of non-underlying items (see note 7). Additionally, a number of other items relating to the Group's acquisition activities including amortisation of acquired intangible assets and associated deferred tax, amortisation of loan arrangement fees and unwinding of NPV discounts in relation to contingent consideration are removed to present an adjusted underlying basic EPS which is used more widely by external investors and analysts.

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35. CASH FLOW INFORMATION

35.1. CASH GENERATED FROM OPERATIONS

	Note	2022 £'000	2021 £'000
Operating profit		**33,803**	8,992
Adjustments:			
Depreciation of property, plant and equipment		**7,883**	7,157
Amortisation of intangible assets		**14,378**	10,434
Equity-settled share-based payment expense		**2,045**	1,708
EIP share-based payment expense		**4,780**	13,778
Share of profit of equity-accounted investee	32	**(478)**	(364)
Operating cash flows before movements in working capital		**62,411**	41,705
Net changes in working capital:			
Increase in receivables		**(10,247)**	(9,972)
Decrease in payables		**3,202**	(1,036)
Cash generated from operations		**55,366**	30,697

35.2. NON-UNDERLYING ITEMS WITHIN CASH GENERATED FROM OPERATIONS

	2022 £'000	2021 £'000
Cash generated from operations	**55,366**	30,697
Non-underlying items:		
Capital distribution from EBT	**417**	581
Acquisition and integration	**3,127**	6,440
Office start ups	**768**	–
Revision of ICS operating model	**402**	421
Other	**228**	263
Total non-underlying items within cash generated from operations	**4,942**	7,705
Underlying cash generated from operations	**60,308**	38,402

35.3. FINANCING ACTIVITIES
Changes in liabilities arising from financing activities:

	Lease liabilities due within one year £'000	Lease liabilities due after one year £'000	Borrowings due within one year £'000	Borrowings due after one year £'000	Total £'000
At 1 January 2021	4,215	39,155	2,456	104,376	150,202
Cash flows:					
Acquired on acquisition	324	1,018	–	–	1,342
Drawdowns	–	–	–	176,662	176,662
Repayments	(74)	(5,748)	(2,434)	(125,099)	(133,355)
Other non-cash movements[1]	998	3,491	(22)	(3,361)	1,106
At 31 December 2021	5,463	37,916	–	152,578	195,957
Cash flows:					
Acquired on acquisition	**216**	**101**	**–**	**–**	**317**
Repayments	**(41)**	**(6,202)**	**–**	**–**	**(6,243)**
Other non-cash movements[1]	**(1,346)**	**8,787**	**–**	**–**	**7,441**
At 31 December 2022	**4,292**	**40,602**	**–**	**152,578**	**197,472**

1 Other non-cash movements include the capitalisation and amortisation of loan arrangement fees, foreign exchange movements, additions and disposals of lease liabilities relating to right-of-use assets and the unwinding of NPV discounts.

35.4. NET DEBT

	Notes	2022 £'000	2021 £'000
Bank loans	18	**(153,622)**	(152,578)
Trapped cash[1]		**(15,673)**	(3,903)
Loans receivable from employees	15	**16**	3
Less: cash and cash equivalents		**48,861**	39,326
Total net debt		**(120,418)**	(117,152)

1 Trapped cash represents the minimum cash balance to be held to meet regulatory capital requirements.

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36. SHARE-BASED PAYMENTS

The Company operates equity-settled share-based payment arrangements under which services are received from eligible employees as consideration for equity instruments. The total amount to be expensed for services received is determined by reference to the fair value at grant date of the share-based payment awards made, including the impact of any non-vesting and market conditions.

The fair value determined at the grant date is expensed on a straight-line basis over the vesting period, based on Management's estimate of equity instruments that will eventually vest. At each balance sheet date, Management revise its estimate of the number of equity instruments expected to vest as a result of the effect of non-market based vesting conditions. The impact of the revision of the original estimates, if any, is recognised in the consolidated income statement such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to equity reserves.

36.1. DESCRIPTION OF SHARE-BASED PAYMENT ARRANGEMENTS

The Group has implemented and made awards to eligible employees under three equity-settled share-based payment plans; it also continues to make awards when employees join the business, for the retention of key employees following acquisition and to incentivise key employees (see 'Other awards'). Details of the share plans are as follows:

(a) Employee Incentive Plan

JTC has an ongoing commitment to the concept of shared ownership and adopted the EIP upon listing on the London Stock Exchange in March 2018. The EIP is designed to recognise and reward long-term performance across the whole Group and its alignment of employees' and Shareholders' interests is linked to multi-year business plans. All permanent employees of the Group (excluding all Executive Directors of JTC PLC) are eligible to be granted an award under the EIP at the discretion of the Remuneration Committee.

On 22 July 2021, following the conclusion of the Odyssey business plan (which ran from the IPO until the end of 2020), JTC PLC granted 3,104,007 shares to employees of the Group. Each award was separated into two tranches: 50% vested at the grant date ("Tranche one") and 50% was a deferred award in the form of a conditional right to receive shares on the first anniversary of grant, subject to the achievement of the applicable performance conditions ("Tranche two"). Tranche one was expensed in full upon grant and Tranche two was expensed over the one year vesting period.

On 22 July 2021, 1,544,950 Ordinary shares were exercised and on 22 July 2022, tranche two vested and 1,411,248 Ordinary shares were exercised by employees of the Group.

Details of movements in the number of shares are as follows:

	Note	2022 No. of shares (thousands)	2022 £'000	2021 No. of shares (thousands)	2021 £'000
Outstanding at the beginning of the year		1,479	9,240	–	–
Granted		–	–	3,104	19,372
Exercised	26.1	(1,411)	(8,813)	(1,545)	(9,652)
Forfeited		(68)	(427)	(80)	(480)
Outstanding at the end of the year		–	–	1,479	9,240

(b) Performance share plan ("PSP")

Executive Directors and senior managers may receive awards of shares, which may be granted annually under the PSP. The maximum policy opportunity award size under the PSP for an Executive Director is 150% of annual base salary; however, the plan rules allow the Remuneration Committee the discretion to award up to 250% of annual base salary in exceptional circumstances. The Remuneration Committee determines the appropriate performance measures, weightings and targets prior to granting any awards. Performance conditions include Total Shareholder Return relative to a relevant comparator group and the Company's absolute adjusted underlying EPS performance.

The following table provides details for each PSP award:

Plan name	Performance period	Grant date	Vest date	No. of shares (thousands)	Fixed amount at fair value £'000
PSP 2018	14 March 2018 to 31 December 2020	18 September 2018	15 April 2021	157	534
PSP 2019	1 January 2019 to 31 December 2021	3 April 2019	19 April 2022	254	614
PSP 2020	1 January 2020 to 31 December 2022	23 April 2020	[1]	213	825
PSP 2021	1 January 2021 to 31 December 2023	20 May 2021	[1]	283	1,507
PSP 2022	**1 January 2022 to 31 December 2024**	**19 April 2022**	[1]	**246**	**1,384**

1 The vesting of awards is subject to continued employment and achievement of performance conditions over the specified period. The awards will vest for each PSP when the conditions have been measured for the relevant performance period.

Details of movements in the number of shares are as follows:

	2022 No. of shares (thousands)	2022 £'000	2021 No. of shares (thousands)	2021 £'000
Outstanding at the beginning of the year	733	2,903	607	1,930
Awarded	246	1,384	283	1,507
Exercised	(188)	(425)	(153)	(519)
Forfeited	(118)	(516)	(4)	(15)
Outstanding at the end of the year	673	3,346	733	2,903

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36. SHARE-BASED PAYMENTS (CONTINUED)

36.1. DESCRIPTION OF SHARE-BASED PAYMENT ARRANGEMENTS (CONTINUED)

(c) Deferred bonus share plan ("DBSP")

Certain employees at director level may be eligible for an annual bonus designed to incentivise high performance based on financial and non-financial performance measures. In line with market practice, a portion of the bonus due, as determined by the Remuneration Committee, may be deferred into shares before it is paid.

Depending on the performance of the Group, consideration is given annually by the Remuneration Committee to the granting of share awards under DBSP to eligible Directors as part of the annual bonus award for performance during the preceding financial year end.

The following table provides details for each DBSP award:

Plan name	Performance period	Grant date	Vest date[1]	No. of shares (thousands)	Fixed amount at fair value £'000
DBSP 1	Year ended 31 December 2018	3 April 2019	3 April 2021	50	149
DBSP 2	Year ended 31 December 2019	23 April 2020	23 April 2022	73	313
DBSP 3	Year ended 31 December 2020	14 April 2021	1 January 2023	56	364
DBSP 4	Year ended 31 December 2021	19 April 2022	1 January 2024	67	476
DBSP 5	**Year ended 31 December 2022**	[2]	**1 January 2025**	[2]	**679**

1 The vesting of awards is subject to continued employment up to the vest date.

2 The date of grant will be determined following the release of the Annual Report for the relevant performance period, upon which the no. of shares will be determined.

	No. of shares (thousands) 2022	2022 £'000	No. of shares (thousands) 2021	2021 £'000
Outstanding at the beginning of the year	**114**	**614**	108	411
Awarded	**67**	**476**	56	364
Exercised	**(62)**	**(267)**	(42)	(127)
Forfeited	**(10)**	**(67)**	(8)	(34)
Outstanding at the end of the year	**109**	**756**	114	614

(d) Other awards

The Group has continued to make awards to employees joining the business. The grant date of each award is the start date of employment with the fair value being a fixed amount stated in an employee's offer letter. The number of shares awarded is determined by the market value at the grant date. The awards will vest on the second anniversary of the grant date subject to continued employment.

Details of movements in the number of shares are as follows:

	No. of shares (thousands) 2022	2022 £'000	No. of shares (thousands) 2021	2021 £'000
Outstanding at the beginning of the year	**260**	**2,102**	102	398
Awarded[1]	**86**	**683**	217	1,933
Exercised	**(70)**	**(451)**	(57)	(219)
Forfeited	**(22)**	**(230)**	(2)	(10)
Outstanding at the end of the year	**254**	**2,104**	260	2,102

1 In the prior year, as part of the RBC cees acquisition, the Group inherited historic share awards for the eligible Directors of the acquired entities. These awards are settled in cash or a combination of 50% cash and 50% equity, as such, they are recorded as a liability, on the basis that this is at the discretion of the holder, with the fair value being remeasured at each reporting period end. At the date of acquisition, 141,875 shares with a fair value of £0.88m were awarded. During the year, 52,622 shares vested; the fair value of the outstanding awards as at 31 December 2022 is £0.5m.

36.2. EXPENSES RECOGNISED DURING THE YEAR

The equity-settled share-based payment expenses recognised during the year, per plan and in total, are as follows:

	2022 £'000	2021 £'000
PSP awards	**879**	988
DBSP awards	**455**	334
Other awards	**788**	842
Share-based payments[1]	**2,122**	2,164
EIP share-based payments[2]	**4,780**	13,778
Total share-based payments expense	**6,902**	15,942

1 The share-based expense in the capital reserve is £2.04m as other awards includes cash settled or 50% cash and 50% equity settled awards of £0.08m (2021: £0.46m).

2 The prior year EIP expense of £13.92m as disclosed in note 5, included £0.14m of cash awards.

37. CONTINGENCIES

The Group operates in a number of jurisdictions and enjoys a close working relationship with all of its regulators. It is not unusual for the Group to find itself in discussion with regulators in relation to past events. With any such discussions there is inherent uncertainty in the ultimate outcome but the Board currently does not believe that any such current discussions are likely to result in an outcome that would have a material impact upon the Group.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022 CONTINUED

38. FOREIGN CURRENCY

The individual financial statements of each Group company are presented in the currency of the primary economic environment in which it operates (its functional currency). For the purpose of the consolidated financial statements, the results and financial position of each Group company are expressed in pounds sterling, which is the functional currency of the Company and the presentation currency for the consolidated financial statements.

In preparing the financial statements of the individual companies, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing on the dates of the transactions.

At each balance sheet date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing at that date. Exchange differences are recognised in the consolidated income statement in the year in which they arise.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's operations with a functional currency other than pounds sterling are translated at exchange rates prevailing on the balance sheet date.

Income and expense items are translated at the average exchange rates for the year, unless exchange rates fluctuate significantly during that year, in which case the exchange rates at the date of transactions are used. Goodwill and other intangible assets arising on the acquisition of a foreign operation are treated as assets of the foreign operation and are translated at the closing rate. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity in the translation reserve.

For the year ended 31 December 2022, mainly due to the Euro and US dollar foreign currency exchange rate movements, we have recognised the following:

- A foreign exchange gain of £21.3m in other comprehensive income (2021: £2.5m loss) upon translating our foreign operations to our functional currency.
- A foreign exchange gain of £14.4m (2021: £0.9m loss) in the consolidated income statement upon the retranslation of monetary assets and liabilities denominated in foreign currencies (see note 9).

39. RELATED PARTY TRANSACTIONS

Balances and transactions between the Company and its subsidiaries, which are related parties, have been eliminated on consolidation and are not disclosed in this note.

39.1. KEY MANAGEMENT PERSONNEL
The Group has defined key management personnel as Directors and members of senior management who have the authority and responsibility to plan, direct and control the activities of the Group. The remuneration of key management personnel in aggregate for each of the specified categories is as follows:

	2022 £'000	2021 £'000
Salaries and other short-term employee benefits	**2,716**	2,723
Post-employment and other long-term benefits	**145**	133
Share-based payments	**979**	1,066
EIP share-based payments	**115**	418
Total payments	**3,955**	4,340

39.2. OTHER RELATED PARTY TRANSACTIONS
Loans receivable from employees, associates and other related undertakings are disclosed in note 15.

The Group's associate, KIG (see note 32), has provided £0.94m of services to Group entities during the year (2021: £0.80).

The Group has an interest in Harmonate (see note 32). During the year, the Group has not provided any services (2021: £0.08m) but received £0.15m of services (2021: £0.16m).

39.3. ULTIMATE CONTROLLING PARTY
JTC PLC is the ultimate controlling party of the Group.

40. CONSIDERATION OF CLIMATE CHANGE

As set out in the TCFD disclosures on page 38 of the Annual Report, climate change has the potential to give rise to a number of transition risks, physical risks and opportunities.

In preparing the consolidated financial statements, Management have considered the impacts and areas that could potentially be affected by climate-related changes and initiatives. No material impact was identified on the key areas of judgement or sources of estimation uncertainty for the year ended 31 December 2022. Items that may be impacted by climate-related risks and were considered by Management were the recoverability of trade receivables (see note 12) and the cash flow forecasts used in the impairment assessments of goodwill (see note 21.1).

Whilst Management consider there is no material medium-term impact expected from climate change, they are aware of the ever-changing risks related to climate change and will ensure regular assessment of risks against judgements and estimates when preparing the consolidated financial statements.

41. EVENTS OCCURRING AFTER THE REPORTING PERIOD

There are no material subsequent events to disclose other than those already noted in the consolidated financial statements.

GLOSSARY

DEFINED TERMS

The following list of defined terms is not intended to be an exhaustive list of definitions, but provides a list of the defined terms used in this Annual Report

A2B
Advance to Buy programme created to help staff purchase JTC shares directly, independent of eligibility or participation in other parts of the Ownership for All programme (e.g. EIP, DBSP or PSP)

ADJUSTED UNDERLYING BASIC EARNINGS PER SHARE
Profit for the year is adjusted to remove the impact of non-underlying items within profit after tax, amortisation of acquired intangible assets and associated deferred tax, amortisation of loan arrangement fees and unwinding of net present value discounts then divided by the weighted average number of Ordinary shares

AEOI
Automatic Exchange of Information

AGM
Annual General Meeting

AIFM
Alternative Investment Fund Manager

AML
Anti-Money Laundering

ANSON REGISTRARS OR ANSON GSY
Anson Registrars Limited and Anson Registrars (UK) Limited

APM
Alternative Performance Measures

AUA
Assets under Administration

AUM
Assets under Management

AVNBW
Annualised value of new business won

BALLYBUNION
Ballybunion Capital Limited (now JTC Global AIFM Solutions (Ireland) Limited)

BCP
Business continuity planning

BOARD
The Board of JTC PLC

CAGR
Compounded Annual Growth Rate

CASH CONVERSION
The ratio of net cash from operating activities compared with EBITDA

CCO
Chief Commercial Officer

CDP
Carbon Disclosure Project

CEO
Chief Executive Officer

CFO
Chief Financial Officer

CFT
Combating the Financing of Terrorism

CGU
Cash-generating unit

COMPANY
JTC PLC

COO
Chief Operating Officer

COVID-19 OR COVID
The global pandemic caused by Covid-19

CPD
Continuing Professional Development

CRO
Chief Risk Officer

CSO
Chief Sustainability Officer

CSR
Corporate Social Responsibility

DBSP
Deferred Bonus Share Plan

E4A
'Equity for All' – JTC's programme to promote wide employee share ownership in the Company

EBIT
Profit before interest and tax

EBITDA
Profit from operating activities before depreciation, amortisation, interest and tax

EBT
Employee Benefit Trust

ECL
Expected credit losses

EDGE
Internally developed client portal for private clients and part of the JTC Private Office proposition

EFS
Essential Fund Services, LLC

EIP
JTC PLC Employee Incentive Plan

EPS
Earnings Per Share

ESG
Environmental, Social and Governance

EU
The European Union

EUR OR €
The single currency introduced at the start of the third stage of the European Economic and Monetary Union pursuant to the Treaty on the functioning of the European Community, as amended from time to time

FCA
Financial Conduct Authority

FRC
Financial Reporting Council

GLOSSARY CONTINUED

FTSE
Financial Times Stock Exchange

FVOCI
Fair value through other comprehensive income

FVTPL
Fair value through profit or loss

FX
Foreign exchange

GBP, £ OR STERLING
The lawful currency of the United Kingdom

GDC
Group Development Committee

GDP
Gross domestic product

GDPR
The General Data Protection Regulation (2016/679) on data protection and privacy for all individuals within the European Union and the European Economic Area

GHB
Group Holdings Board

GROSS ORGANIC REVENUE GROWTH
Net organic revenue growth excluding the impact of attrition

GROUP
The Company and its subsidiaries

HNW OR HNWI
High net worth or High net worth individual

IASB
International Accounting Standards Board

ICS
Institutional Client Services

IDF
Insurance Dedicated Fund

IFRS
International Financial Reporting Standards as adopted by the European Union

INDOS
INDOS Financial Limited

IPO
Initial Public Offering

ISAE 3402
Assurance standard developed by the International Auditing and Assurance Standards Board and supported by the International Federation of Accountants

ISAS
International Standards on Auditing

LSE
London Stock Exchange

LTIP
Long-Term Incentive Plan

LTM
Last twelve months

LVW
Lifetime Value Won is 10 times annualised value of work won minus value of attrition in past year

M&A
Merger and acquisition

MANAGEMENT
The Directors of JTC Group Holdings Limited

MEEM
Multi-period excess earnings method financial valuation model

NED
Non-Executive Director

NESF
NES Financial Corp (now JTC USA Holdings, Inc)

NET DEBT
Total debt and total committed capital distributions less cash and cash equivalents

NET LEVERAGE
Total net debt divided by underlying EBITDA (for the LTM at average FX rates) adjusted for pro-forma contribution from acquisitions and synergies

NET ORGANIC REVENUE GROWTH
Revenue growth from clients not acquired through business combinations and reported on a constant currency basis

NON-UNDERLYING ITEMS
These represent specific items of income or expenditure that are not of an operational nature and do not represent the underlying operating results, and based on their significance in size or nature are presented separately to provide further understanding about the financial performance of the Group

NPV
Net present value

NYPTC
New York Private Trust Company

ODD
Operational Due Diligence

OECD
Organisation for Economic Co-operation and Development

PCS
Private Client Services

PERFORM
perfORM Due Diligence Services Limited

PLC EBT
JTC PLC Employee Benefit Trust

PRO-FORMA
Taking into account a full year's trading

PSP
Performance Share Plan

PWC
PricewaterhouseCoopers CI LLP

RBC CEES
RBC cees Limited

RECOMMENDATION FOR SIGNING OR RFS
A JTC internal control tool ensuring that decisions made by the business are thoroughly documented, reviewed and approved at an appropriate level on a 'six-eyes' basis

RFD
Recommendation for development

RFP
Recommendation for promotion

RFR
Recommendation for recruitment

ROIC
A post-tax Return on Invested Capital

GLOSSARY CONTINUED

SALI
SALI Fund Management, LLC and SALI GP Holdings, LLC

SANNE PRIVATE CLIENTS OR SANNE PCS
Sanne's Private Client's business in Jersey

SASB
Sustainability Accounting Standards Board

SEGUE
Segue Partners LLC

SHAREHOLDER
Any holder of Ordinary shares at any time

SHARES
The Ordinary shares in the capital of the Company

SONIA
Sterling Overnight Interbank Average Rate

STERLING
Sterling Trust (Cayman) Limited

TCFD
Task Force on Climate-related Financial Disclosures

TSR
Total Shareholder Return

UHNW OR UHNWI
Ultra high net worth or Ultra high net worth individual

UNDERLYING EBITDA
EBITDA excluding specific items of income or expenditure that are not of an operational nature and do not represent the underlying operating results

UNDERLYING EBITDA MARGIN
Underlying EBITDA divided by revenue, and expressed as a percentage

UNDERLYING GROSS PROFIT
Gross profit (being revenue less direct staff and other direct costs) excluding specific items of income or expenditure that are not of an operational nature and do not represent the underlying operating results

UNDERLYING GROSS PROFIT MARGIN
Underlying gross profit divided by revenue, and expressed as a percentage

UNDERLYING PROFIT FOR THE YEAR
Profit for the year excluding specific items of income or expenditure that are not of an operational nature and do not represent the underlying operating results

UNPRI
UN Principles for Responsible Investment

USD OR $
The lawful currency of the United States

WACC
Weighted average cost of capital

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