EDISON

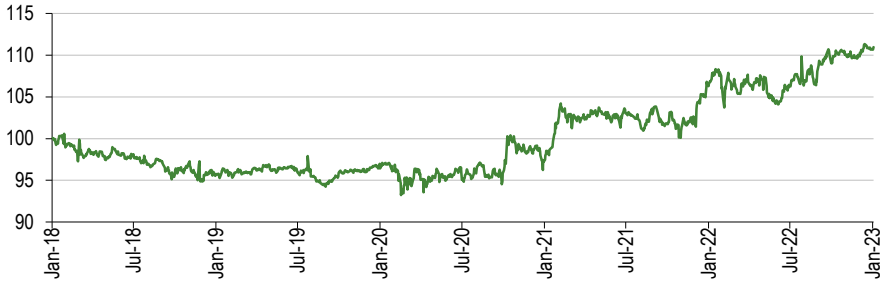
JPMorgan Global Growth & Income

Income and outperformance in uncertain times

Investment trusts
Global equity income

JPMorgan Global Growth & Income (JGGI) invests in long-term structural winners, although in these uncertain times, managers Helge Skibeli, Tim Woodhouse and James Cook are looking to balance the portfolio via a mix of defensive and quality stocks. The trust's strong performance track record continues. It has outperformed its benchmark, and its peers, over the short and longer term, thanks to the managers' stock selection skills. JGGI also continues to deliver competitive and rising dividends, funded from a mix of portfolio income and reserves. Recent decisions by the boards of Scottish Investment Trust (SCIN) and JPMorgan Elect (JPE) to merge with JGGI attest to the relative attractiveness of the trust's investment offering, while also greatly increasing assets under management (AUM) and liquidity, and reducing ongoing charges.

NAV performance relative to benchmark over five years



Source: Refinitiv, Edison Investment Research. Note: Total returns in sterling.

The analyst's view

- Given the current UK cost of living crisis, JGGI's dividend policy should appeal to UK investors seeking competitive, predictable and globally diversified income. The trust pays out at least 4% of NAV at the end of the previous financial year, part-funded from reserves if necessary. The FY23 dividend of 17.00p represents a prospective yield of 3.6%.
- Dividend payments have been supported over time by the managers' proven stock selection skills and their strong performance track record, which has delivered an average annualised return of 13.0% in NAV terms and 13.7% in share price terms over the past 10 years to end-January 2023, compared to a benchmark return of 11.6% over the same period.
- Investors may be further reassured about the resilience of JGGI's dividend payments by the fact that the trust has ample reserves to support several years' of future dividend payments if required.
- The trust's global focus also offers UK investors diversification away from the domestic stock market.
- JGGI's share price has traded at a small premium to cum-income NAV for several years, supported by its high distribution policy and its strong performance. However, shares are currently trading close to parity with the trust's NAV, suggesting now may be a good time to invest.

6 February 2023

Price	**469.0p**
Market cap	**£1,504m**
AUM	**£1,448m**

NAV*		463.9p
Premium to NAV		1.1%
*Including income. As at 2 February 2023		
Yield		3.6%
Ordinary shares in issue		320.8m
Code/ISIN		JGGI
Primary exchange		LSE
AIC sector		Global Equity Income
52-week high/low	474.0p	386.0p
NAV* high/low	463.9p	390.9p
*Including income		
Net gearing*		2.7%
*As at 207January 2023		

Fund objective

JPMorgan Global Growth & Income aims to provide superior total returns and outperform the MSCI AC World index (in sterling terms) over the long term by investing in companies based around the world, drawing on an investment process underpinned by fundamental research. JGGI makes quarterly distributions, set at the beginning of each financial year, with the intention of paying a dividend equal to at least 4% of NAV at the time of announcement.

Bull points

- Offers a competitive and rising dividend, which can be part-funded from reserves, freeing the managers from the need to invest solely in high-income stocks.
- Outperformance over the short and long term.
- Recent mergers with Scottish Investment Trust (SCIN) and JPMorgan Elect (JPE) have significantly increased assets under management and lowered the ongoing charge.

Bear points

- While the trust's use of gearing increases its capacity to benefit from market rises, it also increases its vulnerability to market declines.
- The portfolio is underweight emerging markets, when measured according to country listing.
- The new tiered management fee is higher than the previous flat fee, although the performance fee has been abolished.

Analyst

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JPMorgan Global Growth & Income is a research client of Edison Investment Research Limited

The fund managers: Skibeli, Woodhouse and Cook

The managers' view: Stay invested to allow holdings to realise potential

JGGI's manager, Tim Woodhouse, expects 2023 to be another challenging year for investors. Inflation, and its implications for interest rates, will remain a principal market driver. For Woodhouse, the main question is not when and where inflation will peak, but where it will settle over the medium term, as this will determine the extent of central bank tightening required to return inflation to acceptable levels, and the duration of the tightening cycle. Global financial markets are likely to experience further volatility during the year as the medium-term inflation prospects of the major economies become clearer.

In the US, goods inflation has already stabilised now that COVID-related supply constraints have eased. However, services inflation continues to climb, due to the tightness of the labour market, so the Federal Reserve will need to keep rates higher for longer to cool the labour market. As a consequence of the Fed's efforts to quash inflation, Woodhouse expects the US to tip into recession during 2023, but he thinks it will be a shallow one, which should not unsettle markets unduly, as it is already widely anticipated and well-discounted by investors. Another positive aspect of the current US market situation is that the economy should be supported by favourable structural dynamics, especially the fact that, unlike the situation in previous recessions, neither households nor corporates are excessively leveraged.

JGGI's managers aim to own high-quality, long-term winners capable of not only surviving bouts of economic weakness, but also delivering considerable outperformance over time. The managers also maintain a constant focus on controlling risk by diversifying the portfolio across sectors and regions, investing in stocks that are uncorrelated with each other, limiting position sizes and using gearing cautiously. Woodhouse therefore believes that JGGI is a 'good place for investors to be' in these challenging and uncertain times, and his key message for investors is not to try to trade the market during bouts of turbulence, but rather to stay invested and give the portfolio's carefully selected holdings time to perform. JGGI's track record (discussed in detail in the Performance section) attests to the long-term rewards of this strategy.

Asset allocation

Current portfolio positioning

In the managers' view, the market sell-off of the past year has created fresh opportunities to gain exposure to the high-quality companies they seek at particularly attractive valuations. Despite the current uncertainties pervading the market environment, they are not looking to use these opportunities to move the portfolio in an excessively defensive direction, to simply 'hide' during the forthcoming recession. Equally, they do not believe that now is the time to take on excessive risk or bet on macroeconomic outcomes. Rather, they are aiming to balance their portfolio with a mix of defensive and quality names.

On the defensive side, the rising cost of living has reduced consumers' spending power, compelling them to 'trade down' and shop at discount stores where possible, to seek out bargains. On the back of this trend, JGGI's managers expect discount retailers such as Ross Stores, TK Maxx, Burlingtons and Target to do well. They have added a position in Ross Stores in the last few months, and also have a smaller holding in Target.

Elsewhere, another recent acquisition is Union Pacific (UNP), a rail company specialising in goods transport, which has won several contracts for complex haulage tasks involving combined rail and road transport. These contracts will enhance UNP's earnings over 2023. The managers have also added a position in Uber, a leading ride share company, in the past few months, funded by a switch out of its competitor, Lyft, whose performance has disappointed expectations. The managers prefer Uber on the basis that it is 'in control of its destiny regardless of the pending recession'. They view the company's expansion plans as achievable and likely to drive earnings over coming years.

To make space for these acquisitions and top-ups to other holdings, the managers have taken profits on a number of holdings, including several long-term holdings in industrial names, which enjoyed some tailwinds during 2022, as they have been able to increase prices without push back from buyers. These price increases boosted earnings. However, as economic conditions tighten, buyers are more likely to reduce demand in the face of price increases. In anticipation of this, the managers have taken profits on some industrial names including Ingersoll Rand, a manufacturer of specialist industrial machinery, and Trane Technologies, a provider of building products and equipment. They have also trimmed their position in luxury goods company LVMH. They view this as a 'fantastic' stock with very good long-term prospects, however they are cautious about the near-term demand for the company's products given pressures on consumers to tighten their belts in the face of cost-of-living rises.

Woodhouse and his colleagues have also trimmed their holdings in a couple of pharmaceutical and healthcare names, including Novo Nordisk, a leader in treatments for both diabetes and obesity. They view Novo Nordisk's valuation signal as less strong than previously, after recent strong gains, as much of the growth potential from the company's two major drugs has now been priced in. The managers have also reduced their position in Boston Scientific, a provider of medical devices. Demand for the company's products surged as elective surgeries resumed after the pandemic, but with COVID-induced backlogs now dissipating, the managers see less scope for further growth. As Woodhouse says, they 'do not want to overstay their welcome' in these strong performers. The managers have, however, added to their position in another pharmaceutical producer, AstraZeneca, which, in the managers' view, still has an interesting pipeline of new drugs.

Exhibit 1: Top 10 holdings (at 31 December 2022)

Company	Country	Sector	Portfolio weight %	
			30 December 2022	31 December 2021*
Microsoft	US	Tech – software	5.5	5.1
Amazon	US	Media	4.6	5.5
Chevron	US	Energy	3.0	N/A
AbbVie	US	Pharma/medtech	2.9	N/A
Deere	US	Industrial cyclicals	2.6	N/A
LVMH	France	Retail	2.5	N/A
Mastercard	US	Financial services	2.5	2.5
NXP Semiconductors	Netherlands	Technology – semi & hardware	2.4	2.4
CME Group	US	Financial services	2.3	N/A
VINCI	France	Industrial cyclicals	2.3	2.1
Top 10 (% of portfolio)			**30.6**	**29.8**

Source: JPMorgan Growth & Income, Edison Investment Research, Bloomberg, Morningstar. Note: *N/A where not in end-December 2021 top 10.

JGGI's portfolio remains relatively concentrated, with the top 10 holdings representing c 30% of portfolio holdings (Exhibit 1) at end-December 2022, close to the level at end-December 2021. Microsoft and Amazon remain JGGI's largest holdings, and NXP Semiconductors and Mastercard still feature, but there are several new names in the top 10 holdings list, drawn from several different sectors, including energy (Chevron) and industrial cyclicals (farm machinery producer Deere and engineering and construction company VINCI), reflecting the managers' efforts to balance the portfolio with defensive and growth names.

Exhibit 2: Portfolio sector exposure vs MSCI AC World index (% unless stated)

	Portfolio end-Dec 2022	Portfolio end-Dec 2021	Change (pp)	Index weight	Active weight vs index (pp)	Trust weight/ index weight (x)
Pharma/medtech	10.5	10.2	0.3	11.0	(0.5)	1.0
Tech – semi & hardware	9.8	8.5	1.3	10.7	(0.9)	0.9
Banks	8.4	9.9	(1.5)	8.9	(0.5)	0.9
Retail	8.3	8.2	0.1	5.8	2.5	1.4
Industrial cyclicals	7.6	8.1	(0.5)	7.7	(0.1)	1.0
Media	7.3	10.5	(3.2)	7.1	0.2	1.0
Technology – software	5.5	5.1	0.4	6.7	(1.2)	0.8
Energy	5.4	0.0	5.4	5.6	(0.2)	1.0
Financial services	4.9	0.0	4.9	4.8	0.1	1.0
Automobiles & auto parts	3.7	4.4	(0.7)	2.4	1.3	1.5
Others	21.1	28.0	(6.9)	29.3	(8.2)	0.7
Cash	7.5	7.1	0.4	0.0	7.5	N/A
	100.0	**100.0**		**100.0**		

Source: JPMorgan Global Growth & Income, Edison Investment Research

At the sector level, the trust's largest exposure is to pharmaceuticals/medtech and this has increased over the past year, reducing the underweight to this sector. Exposure to energy, financial services and tech hardware and software has also increased, reducing underweights to all these sectors. The most notable reduction in exposure has been to media, although the portfolio remains slightly overweight this sector. Exposure to bank names has also declined, taking the portfolio to neutral against the benchmark.

Exhibit 3: Portfolio geographic exposure vs MSCI AC World index (% unless stated)

	Portfolio end-Dec 2022	Portfolio end-Dec 2021	Change (pp)	Index weight	Active weight vs index (pp)	Trust weight/ index weight (x)
North America	65.4	62.1	3.3	60.3	5.1	1.1
Europe & ME ex-UK	14.7	24.2	(9.5)	12.7	2.0	1.2
United Kingdom	5.3	0.7	4.6	3.9	1.4	1.4
Emerging markets	3.3	4.9	(1.6)	11.2	(7.9)	0.3
Japan	3.0	1.0	2.0	5.6	(2.6)	0.5
Pacific ex-Japan	0.8	0.0	0.8	3.2	(2.4)	0.3
Canada	0.0	0.0	0.0	3.1	-3.1	0.0
Cash	7.5	7.1	0.4	0.0	7.5	N/A
	100.0	**100.0**		**100.0**		

Source: JPMorgan Global Growth & Income, Edison Investment Research

The portfolio's geographical allocations have not changed significantly since our last update. North America (mainly the US) is still the portfolio's largest regional exposure and largest overweight. While exposure to Europe has declined notably, it remains the trust's second-largest regional overweight. A neutral position in Japan, established early in 2022, has reverted to a customary underweight, as the managers trimmed a holding in Bridgestone, the tyre company, in favour of its French competitor Michelin, which they believe is more attractively valued. This shift provides an illustration of how bottom-up stock selection and conviction drive allocations at the country level.

JGGI's largest geographical underweight remains to emerging markets (EM), where the managers remain very selective, and wary of China, where they believe systemic risk is substantial and difficult to assess. However, the portfolio has some indirect exposure to China and other EM economies via its 5.1% overweight to Europe, thanks to holdings in companies such as Volkswagen, whose electric vehicles the managers expect to eventually claim a significant share of the Chinese market. And the managers have put aside their general caution on EM to purchase Indian bank HDFC, which Woodhouse views as 'one of the best banks in the world'. Woodhouse also notes that the team is more positive on the Indian economy than on most other EM markets, with growth expected to outpace that of its largest EM rival, China, all other EM economies and all major advanced economies over the coming year, according to the International Monetary Fund.

JGGI's portfolio currently contains 59 stocks, within its usual range, while turnover, including trims and top-ups, is also within the long-term range of 60–80%. Portfolio gearing stood at 2.7% at 27 January 2023, and the managers feel this is the appropriate amount of leverage at the moment, given uncertainties regarding the outlook for global inflation, economic activity and corporate earnings. However, they do not rule out increasing the amount of portfolio gearing if an increase in market volatility generates more compelling investment opportunities.

Performance: Strong returns persist

Exhibit 4: Five-year discrete performance data

12 months ending	Share price (%)	NAV (%)	MSCI AC World (%)	MSCI World (%)	CBOE UK All Cos (%)
31/01/19	(6.2)	(3.8)	0.6	1.6	(3.9)
31/01/20	21.2	17.3	16.4	18.2	10.5
31/01/21	14.1	13.8	12.9	11.4	(8.6)
31/01/22	23.7	27.2	16.4	19.8	19.3
31/01/23	4.1	4.9	0.8	1.4	6.3

Source: Refinitiv. Note: All % on a total return basis in pounds sterling.

JGGI's performance remains very strong in absolute and relative terms, over both the short and longer terms. In the six months to end-January 2023, JGGI returned 5.5% on a NAV basis and 3.6% in share price terms, compared to a benchmark return of 1.5%. JGGI has also outpaced its benchmark, the MSCI AC World index, over one, three, five and 10 years to end-January 2023 on both an NAV and share price basis, making an average annualised return of 13.0% in NAV terms and 13.7% in share price terms over the past 10 years to end-January 2023, compared to a benchmark return of 11.6% over the same period (Exhibit 5, right-hand side). The trust has also outperformed the UK market, as represented here by the CBOE UK All Companies Index, over all periods from three years and beyond, as shown in Exhibit 6, while Exhibit 7 shows that JGGI has outperformed all its peers in the AIC Global Equity sector over all periods shown beyond one year.

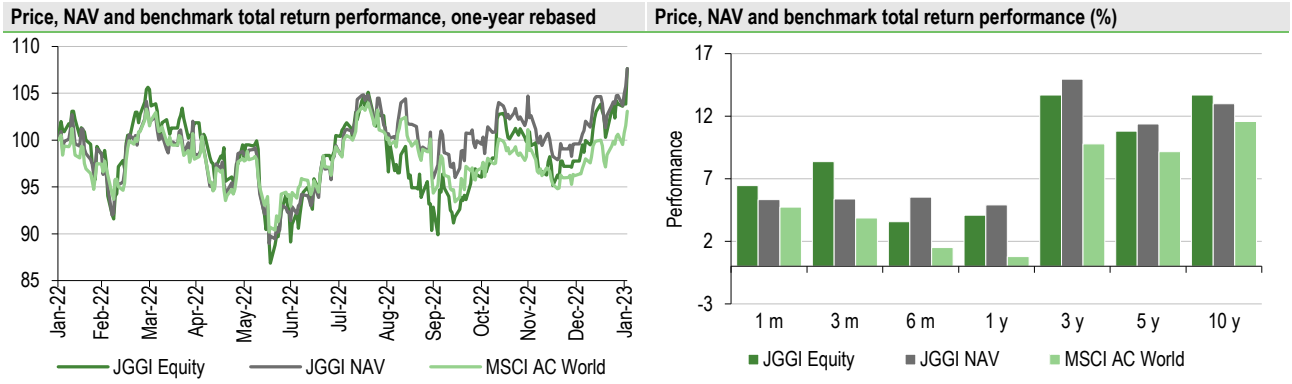
Superior stock selection remains the key to JGGI's strong performance record. In the year ended 31 August 2022, the largest contributors to performance were the portfolio's overweight positions in Mastercard, Amazon and Progressive, a US insurance company – all current top 10 holdings. ConocoPhillips, a US oil and gas producer, and fast food chain McDonald's were also significant contributors. More recent positive contributions to performance in the second half of the year came from relatively new acquisition Ross Stores, the retail discounter discussed above, which has seen an increase in traffic as cost-of-living increases have driven consumers to lower price outlets. Uber, another recent portfolio addition, also added to returns, as did top 10 holding LVMH and Trane Technologies. The gains realised by these stocks have prompted some profit taking to control position sizes, as discussed above, but all remain in the portfolio.

The main detractors to performance over the year to end-August 2023 included Lyft, which has since been sold in favour of Uber, as discussed above. Two German holdings, Adidas, the sportswear manufacturer, and car producer Volkswagen, also performed poorly. Adidas has since been sold, while Volkswagen remains in the portfolio as the managers retain their confidence in the longer-term prospects of this company. JGGI managers' decision not to hold Apple and Tesla also hurt returns, as these stocks rose over the period. More recent detractors from returns include Meta Platforms (formerly Facebook). The managers are 'very frustrated' by the share price performance of this company. They believe Meta's core business is doing very well, but the company's 'metaverse adventure' is costing billions and many investors, Woodhouse and his colleagues included, are concerned by the lack of discipline in the management's approach to this project. JGGI's managers are mindful of the risks this may ultimately pose to Meta's financial viability. However, for the moment, they are willing to continue to hold the position, as its valuation remains

'very compelling', and they are hopeful that Meta's management will heed the market's concerns and scale down its investment in the metaverse project.

Charter Communications, a US cable company, also detracted from returns as the stock has been pressured by concerns about the threat from mobile and broadband networks. However, JGGI's managers believe these concerns are misplaced, as demand for data is still increasing and is likely to continue to do so, especially if the metaverse develops in the way that Meta's management hopes, and this demand will not be met by 5G technology alone. Charter Communications is also generating a lot of cash from subscriptions acquired during the pandemic, and Woodhouse and his colleagues believe the company's growth is presently only stalled, rather than set to decline, so they have maintained their holding.

Exhibit 5: Investment trust performance to 31 January 2023



Source: Refinitiv, Edison Investment Research. Note: Three-, five- and 10-year performance figures annualised.

Exhibit 6: Share price and NAV total return performance, relative to indices (%)

	One month	Three months	Six months	One year	Three years	Five years	10 years
Price relative to MSCI AC World	1.6	4.4	2.1	3.3	11.0	7.8	20.6
NAV relative to MSCI AC World	0.6	1.5	4.0	4.1	14.8	10.6	13.3
Price relative to MSCI World	1.7	5.6	2.4	2.7	8.6	2.9	11.6
NAV relative to MSCI World	0.6	2.7	4.3	3.5	12.3	5.6	4.9
Price relative to CBOE UK All Companies	2.0	(1.9)	(2.0)	(2.1)	26.8	35.8	94.8
NAV relative to CBOE UK All Companies	1.0	(4.6)	(0.1)	(1.3)	31.1	39.4	83.1

Source: Refinitiv, Edison Investment Research. Note: Data to end-January 2023. Geometric calculation.

At the sectoral level, the sectors that contributed most to performance over the year to end-August were pharmaceuticals/medtech, followed by financial services, tech software and energy, while the major detractors were tech hardware and automotives.

Peer group comparison

JGGI became a member of the AIC's Global Equity sector in FY17 when it adopted its higher distribution policy. All the funds in this sector invest globally and pay dividends, but their investment approaches differ significantly. For instance, Murray International (MYI) has a strong bias towards emerging markets, while Henderson International Income (HINT) specifically excludes investment in the UK. JGGI is presently the second largest among its peers following its recent mergers with SCIN and JPE.

The trust's strong performance over both the short and long term has ensured that on a NAV total return basis it now ranks third over one year, and first over three, five and 10 years (Exhibit 7). This marks an improving trend, as JGGI was ranked second for all periods in September 2020. The trust has the lowest ongoing charge in the sector, and the merger with JPE is expected to reduce the charge further, which will make it even more competitively priced. Like its peers, JGGI no longer pays a performance fee, as this arrangement ceased from 1 January 2022. The trust's small

premium places it third among its peers, while its gearing is lower than average. JGGI's prospective dividend yield of 3.6% ranks third among its peers, although it is the only trust in the sector to target a specific level of dividend yield (of at least 4% of NAV per share at the end of the previous financial year) that may be partially funded out of capital. Its peers primarily pay dividends out of portfolio income.

Exhibit 7: Selected peer group at 23 January 2023*

% unless stated	Market cap £m	NAV TR 1 year	NAV TR 3 year	NAV TR 5 year	NAV TR 10 year	Ongoing charge	Perf. fee	Discount (cum-fair)	Net gearing	Dividend yield
JPMorgan Global Growth & Income	1411.1	4.5	40.8	62.6	233.5	0.5	No	0.5	103	3.6
Henderson International Income	352.8	4.0	23.2	34.2	162.4	0.8	No	57.4	104	4.0
Invesco Select Glo Eq	59.8	6.4	30.4	43.3	190.3	0.8	No	-7.7	108	3.0
Murray International	1612.7	12.8	25.7	35.4	106.3	0.6	No	-3.8	111	4.3
Scottish American	892.6	2.8	31.2	60.8	205.2	0.6	No	-0.2	110	2.6
Securities Trust of Scotland	222.3	-0.5	14.1	35.0	134.0	0.9	No	1.2	106	2.7
Simple average (six funds)	**758.5**	**5.0**	**27.6**	**45.2**	**172.0**	**0.7**		**7.9**	**107**	**3.4**
JGGI rank in peer group	**2**	**3**	**1**	**1**	**1**	**1**		**3**	**6**	**3**

Source: Morningstar, Edison Investment Research. Note: *Performance at 20 January 2023 based on ex-par NAV. TR = total return. TER = total expense ratio. Net gearing is total assets less cash and equivalents as a percentage of net assets.

Dividends

JGGI pays a dividend of at least 4% of NAV at the end of the previous financial year. The dividend is paid in four equal instalments in October, January, April and July and can be part-funded from capital and revenue reserves. The dividend has grown in absolute terms each year since the higher distribution policy took effect in FY17 (see Exhibit 8) – something investors are likely to value even more given recent upward pressures on the cost of living.

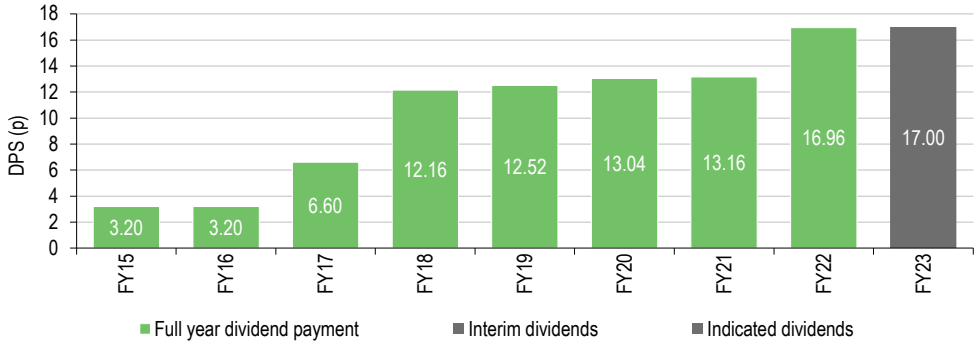
The board's capacity to part-fund dividends from reserves provides it with the means to meet investors' desire for both a relatively high and rising income, combined with clarity over dividend payments for the coming year. It also supports JGGI's growth-oriented investment strategy, as the trust's managers are not constrained by the need to invest only in high dividend-paying companies to meet the trust's dividend policy. Instead, they are also free to invest in non- or low-dividend paying companies, to benefit from their long-term capital growth.

The FY21 and FY22 dividend payments to shareholders were both partially funded from reserves, although dividend cover for the FY22 payment was somewhat higher than in FY21, thanks in part to the resumption of dividend payments by European banks. Dividend receipts from portfolio companies totalled £12.5m in FY22, up from £8.5m in FY21, sufficient to partially cover dividend payments of £24.9m in FY22 and £18.9m in FY21.

While the managers forecast some decline in corporate earnings over 2023 and some downward revisions to earnings projects, they see no dramatic change in dividend receipts at the portfolio level. It is therefore unsurprising that the dividend of 17.00p for FY23, which was declared on 1 July 2022, is only slightly higher than FY22's 16.96p, although these payments follow a more significant increase of 29% on the FY21 dividend of 13.16p. With FY23 dividend payments due to total over £59.0m, and dividend income for the year likely to be less than half this amount according to the managers' indications, the trust will once again need to draw on reserves to fund the current year's dividend. However, JGGI's reserves are substantial. At end-June 2022 (prior to the payment of the final dividend FY21 in July 2022), the trust had no revenue reserve, but the capital reserve stood at £482.5m, down 8.3% from £526.2m at the end of June 2021 – sufficient to fund many years of dividend payments if required, even without any additional capital growth.

The FY23 dividend equates to a prospective yield of 3.6% based on the current share price.

Exhibit 8: Dividend history since FY15



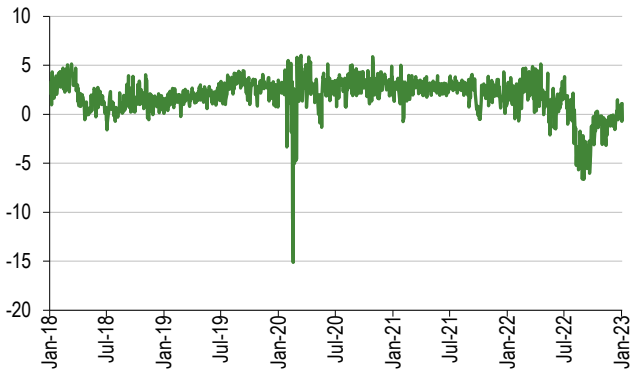
Source: JPMorgan Global Growth & Income, Edison Investment Research

Premium: Hovering in a 0.0–3.0% range

Aside from a sharp and short-lived foray into discount territory in March 2020, at the start of the COVID crisis, JGGI's share price has mostly traded at a premium to cum-income NAV since it adopted its higher distribution policy at the start of FY17 (Exhibit 10). JGGI's shares are presently trading at 1.1%, within a well-established 0.0-3.0% range. This compares to an average premium of 2.6% over the past five years since the introduction of the new dividend policy.

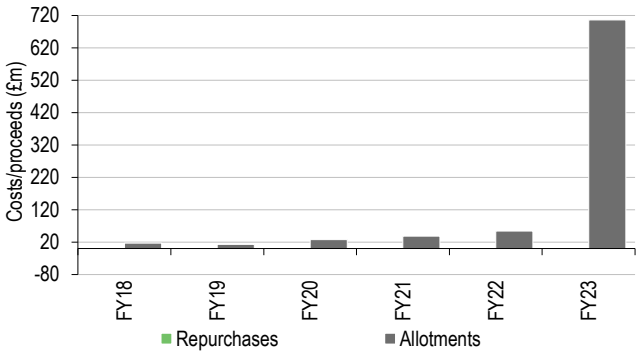
As discussed above, this significant re-rating attests to the popularity of the new dividend policy with investors and has seen the trust re-issue more than 30m shares from treasury since the introduction of the higher dividend policy (Exhibit 10). The trust's strong absolute and relative performance has further supported the share price. The board also has scope to issue shares to manage the premium and repurchase shares with the aim of maintaining a maximum average discount of around 5%.

Exhibit 9: Discount over five years



Source: Refinitiv, Edison Investment Research

Exhibit 10: Buybacks and issuance



Source: Morningstar, Edison Investment Research

Fund profile: Mergers boost AUM and lower costs

JGGI was launched in 1887 and is listed on the London and New Zealand stock exchanges. It changed its name from JPMorgan Overseas in July 2016 at the same time as it adopted a higher distribution policy. This policy aims to pay a dividend of at least 4% of the previous year-end NAV, announced at the start of the financial year and paid in four quarterly instalments, giving investors certainty over their dividends for the coming year. The new distribution policy has been welcomed by investors and the trust has re-rated significantly, from a discount to NAV to a small premium. As

a result, this policy has been adopted by a number of other investment trusts managed by JPMorgan Asset Management (JPMAM) and, in February 2020, JGGI changed its ticker from JPGI to enable investors to recognise it more readily as part of this suite of products, which also includes JCGI (China Growth and Income) and JAGI (Asian Growth and Income).

In August 2022, JGGI completed a merger with SCIN (see our previous update note for details). This transaction increased JGGI's AUM to £1.3bn, a move that raised the trust's public profile, increased the liquidity of it shares and lowered charges. The SCIN merger unified two of the oldest investment trusts in the sector – SCIN was incorporated in 1887, the same year as JGGI. JGGI intends to hold its AGMs in London and Edinburgh on alternate years, 'to reflect both the English and Scottish heritage of the combined entity'.

Soon after the completion of the SCIN merger, JGGI's board announced a second combination, this time with JPE. Most of JPE's assets were acquired by JGGI in December 2022, with the remainder to transition in coming months once they are fully aligned with JGGI's portfolio. This second merger raised JGGI's AUM to around £1.5bn and delivered further cost efficiencies and liquidity benefits.

JGGI's dividend policy and investment strategy have remained unchanged since its mergers with SCIN and JPE.

The board

Exhibit 11: JPMorgan Global Growth & Income's board of directors

Board member	Date of appointment	Fee in FY22	Shareholdings at end-FY22
Tristan Hillgarth, chairman	November 2014	£39,781	60,000
Sarah Whitney (Audit Committee chair)	January 2020	£36,000	5,600
James Macpherson (Management Engagement Committee chair)	April 2021	£32,000	2,229
Mick Brewis*	September 2022	-	-
Jane Lewis*	September 2022	-	-
Neil Rogan*	September 2022	-	-
Steve Bates**	December 2022	-	-

Source: JPMorgan Global Growth & Income. Note: *Members of SCIN's board who joined JGGI's board following the combination with SCIN. **JPE board member who joined JGGI's board following the combination with JPE.

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