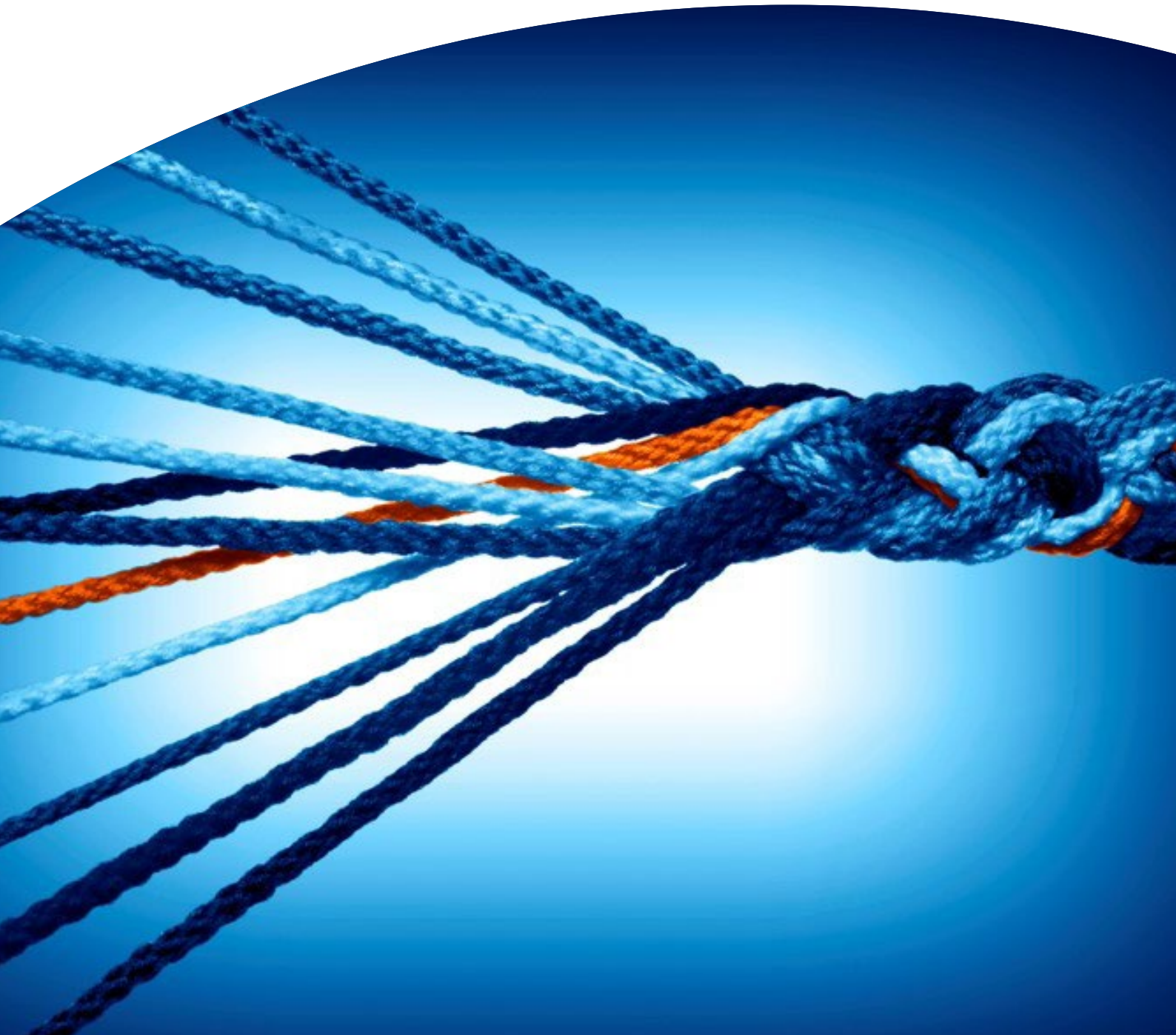
JUPITER

JUPITER FUND MANAGEMENT PLC
ANNUAL STEWARDSHIP REPORT

STEWARDSHIP – WOVEN THROUGH THE FABRIC OF OUR FIRM

April 2023



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CHIEF EXECUTIVE OFFICER'S STATEMENT

As a truly active manager, we believe that stewardship is a strategic priority, and as such we have had a long–term commitment to the exercise of effective stewardship. Positive outcomes require an active approach, and we use our stewardship influence as active, long-term investors to help companies transition to a more sustainable future, delivering value for investors and wider society.

I am proud of the continued progress we have made as a business on stewardship and sustainability over the last year. Stewardship is central to our investment approach, and we will continue to embed active stewardship into all our investment processes as well as ensure that it is woven throughout the fabric of our firm.

2022 was an important year in progressing towards our firm-wide stewardship and sustainability ambitions. To complement existing resources, we established a central corporate sustainability team to lead and deliver on our firm-wide sustainability objectives. We undertook a stewardship review and, as a result, we enhanced our sustainability and stewardship operating model, as well as our sustainability and stewardship governance framework. We established a Sustainability Committee, chaired by the Head of Sustainability, reporting to the Executive Committee and the Board to replace the Corporate Social Responsibility Committee. Other internal enhancements have led to better tracking and monitoring of our stewardship activity and allows us to better measure the effectiveness of our investment teams, both in terms of performance and stewardship outcomes; further details can be found in this report.

We also published new sustainability and responsible investment policies to govern our operations and our investments, and we have set out transparently the ESG issues that will be the focus of our investment teams' active ownership and engagement approach in 2023 and beyond. Looking ahead, we have plans underway to build out an enhanced stewardship engagement template and tracking system to improve how we report on engagement activity, targets, and outcomes for clients and other interested stakeholders.

We intend to produce a firm-wide quarterly responsible investment report that will complement existing strategy-specific stewardship reports to inform our clients about our stewardship of their assets, and to explain how active ownership through company engagement and considered use of proxy voting helps protect and enhance the value of their investments. Providing evidence of our activities and the outcomes of our stewardship helps us meet client needs and fulfil our wider sustainability commitments. Whilst not all stewardship has achieved the desired results, as we have shown transparently in case studies in this report, all stewardship adds value in its focus on the creation of long-term sustainable value for investors and stakeholders and in meeting economic, environmental, and societal needs.

Stewardship is a distinctive and long-standing feature of the UK market. By acting as good stewards of our clients' capital and as responsible capital allocators, asset managers play a vital role in wider society by directing capital efficiently and effectively. Through effective stewardship, we can also help address market-wide and systemic risks, improve the functioning of financial markets and further the orderly transition to a sustainable, low-carbon society, creating a better future not only for our clients, but also for our planet.

MATTHEW BEESLEY
Chief Executive Officer

PRINCIPLE 1: PURPOSE, STRATEGY AND CULTURE

We have an important role to play in the allocation of capital, both as active owners and long-term stewards of the assets in which we invest on behalf of our clients.

We are a specialist, high-conviction, active asset manager, committed to helping our clients achieve their long-term investment objectives. Across the firm we adopt a materiality led ESG approach to our decision making and risk analysis. In our Responsible Investment Policy, we describe our ESG focus issues: climate, biodiversity, human capital, human rights, health and safety, and corporate governance.

Our dedicated Stewardship team highlights material ESG issues to our investment managers, who, as the ultimate decision makers, determine the materiality of each issue for their asset classes and investment processes. ESG materiality and extra-financial analysis is integrated into our investment managers' analysis and decision making, influencing asset allocation, portfolio construction, security selection, position sizing, stewardship, engagement, and decisions on whether to remain invested or exit a position.

Evidencing efficacy

Engagement and the exercise of our shareholder rights by way of active proxy voting is a key element of our approach to ESG integration. We have recently onboarded a new system that enables us to upload and store engagement data, which can be accessed across our strategies, increasing collaboration and knowledge sharing across investment teams. This has enhanced our reporting and improves the evidencing of our stewardship activities.

We continue to improve our ESG hub (a proprietary third-party and primary research database), which allows our investment teams to run custom reports and apply multi-factor screening to their investment universe.

Our enhanced stewardship governance framework, as detailed in Principle 2, has enabled better tracking and monitoring of our investment activity and allows us to measure the results of our investment teams, both in terms of financial and extra-financial ESG performance.

We have refreshed our approach to monitoring ESG risk across our holdings, to aid better governance and encourage challenge. In quarterly risk meetings, our Investment Risk team can challenge investment managers on all aspects of investment risk, including ESG risks.

We have invested in technology-enabled solutions that flag and alert on any changes to ESG metrics both pre-trade and during investment, such as changes in compliance with the UN Global Compact principles. Further details can be found under Principle 5.

PRINCIPLE 2: GOVERNANCE, RESOURCES AND INCENTIVES

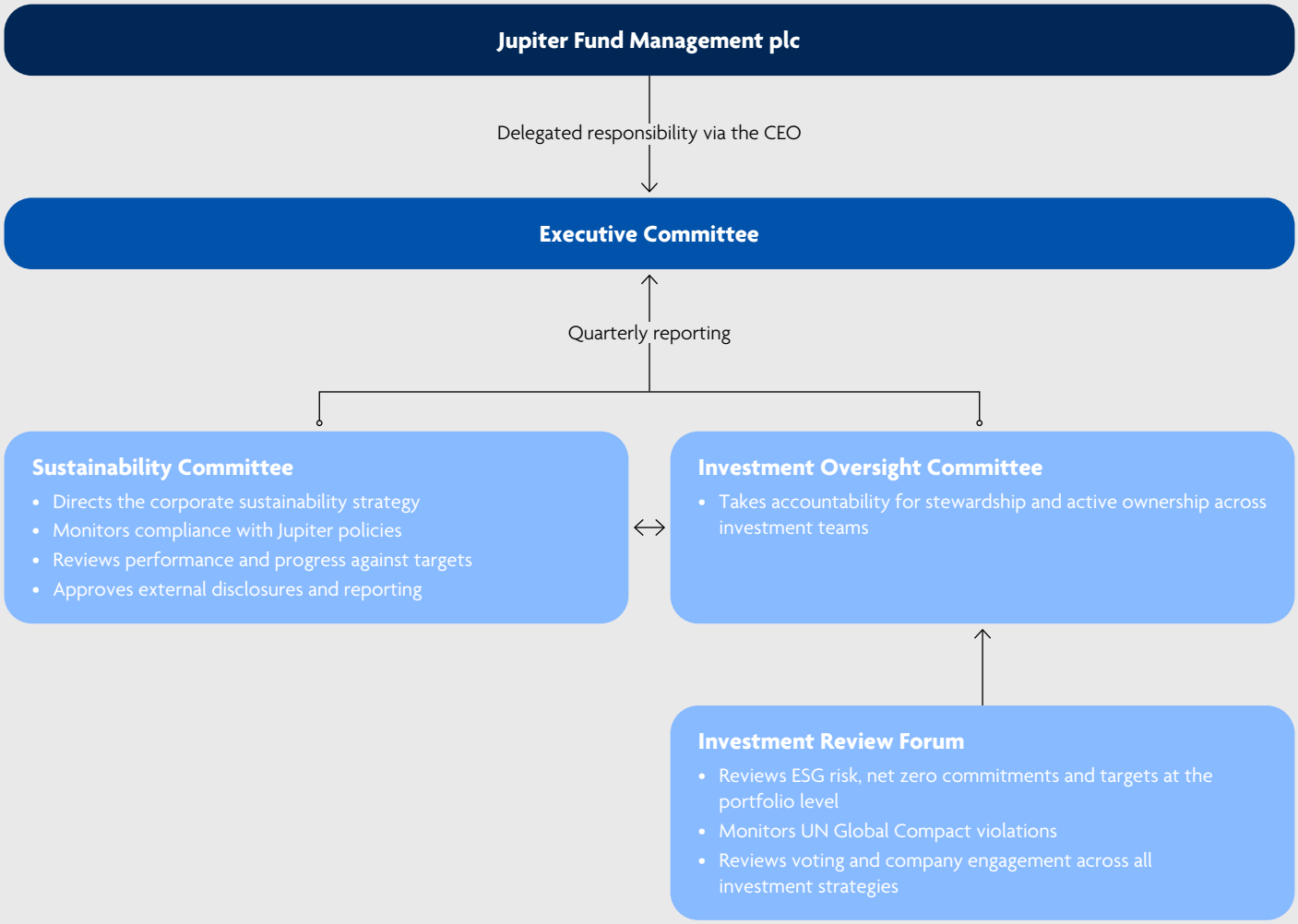
Stewardship is not only important for our investment management function; it is critical that we ensure it is embedded into everything that we do.

In 2022, we made changes to our executive team, creating a streamlined Executive Committee and establishing a Senior Management Team (SMT), which has a broader membership from across the business. The SMT's remit is to assist the Executive Committee in the efficient execution of the Group's strategy. We made further changes to the management structure of Investment Management, with the appointment of a Head of Equities and Head of Fixed Income replacing the former CIO role.

As a result, we implemented various enhancements to our stewardship governance:

- We created a Responsible Investment Policy to replace our stewardship policy, which outlines our key ESG focus areas.
- We clarified responsibility for stewardship reporting and policy review in our new sustainability and stewardship governance structure.
- We enhanced our ESG reporting, and we continue to improve the centralisation of ESG reporting for both client and stakeholder reporting.
- We conducted a sustainability and stewardship strategy review, which has formalised accountabilities and responsibilities for stewardship activities across the firm. We have identified key additional needs for the business, and we will make additional senior strategic stewardship and sustainability hires in 2023.

Sustainability governance structure



Sustainability governance

Jupiter's Board and Executive Committee has overall responsibility for our corporate strategy, which includes our corporate sustainability commitments and positioning.

The Sustainability Committee

The Sustainability Committee directs our corporate sustainability strategy, monitors compliance with our sustainability policies, reviews performance and progress against agreed targets, and oversees external disclosure and reporting.

The Sustainability Committee is chaired by the Head of Sustainability and meets quarterly. Strategic sustainability issues that affect Jupiter Fund Management (JFM) plc are overseen and monitored by the committee and presented to the JFM board semi-annually.

Our Corporate Sustainability team works across the wider business, including with Investment Management, Human Resources, Facilities, Audit, Risk, and Compliance teams to deliver against our corporate sustainability priorities and objectives.

Investment Oversight Committee (IOC)

The Investment Oversight Committee (IOC) is accountable for Jupiter's stewardship and active ownership across our investment teams. The IOC is responsible for monitoring stewardship activities reported through the Investment Review Forum (IRF). The IRF meets monthly and reviews ESG risk, net zero commitments, climate risk and targets at the strategy level, potential UN Global Compact violators, and voting and company engagement across investment strategies.

The Head of Fixed Income and Head of Equities are responsible for ESG integration, stewardship, and active ownership in their respective asset classes. Individual investment teams are responsible for ESG integration within their own investment strategies based on the core ESG issues set out in the Responsible Investment Policy.

Sustainability Advisory Council (SAC)

We relaunched the Sustainability Advisory Council (SAC) in 2022. The SAC is an advisory body of external experts with complementary expertise in the fields of academia, investment environmental policy, and climate and carbon finance.

The SAC provides wider advice, insight, and guidance on material sustainability issues both for our labelled sustainability funds and across our broader investment strategies.

Data Science team

Our nine-strong Data Science team is responsible for the integration of new datasets and building advanced research systems to assist the Investment Management and Stewardship teams. Recent examples include the systematic delivery and analysis of sovereign data and the creation of a sovereign risk framework.

Stewardship team

The Stewardship team is the central ESG resource within the Investment Management department. The team is led by the Head of Stewardship, reporting to the Head of Corporate Strategy. The team works with our investment managers to monitor assets, produce company research and conduct proxy voting, as well as to direct engagement. The team also contributes to internal policy development and monitoring, as well as to industry and regulatory policy development.

Stewardship training

Developing ESG skills across our business is crucial to integrating sustainability and stewardship into everything we do. We offer our people the opportunity to undertake company-funded external qualifications and training, and the business continues to sponsor any employee wishing to embark on the CFA Certificate in ESG Investing. There has been wide take-up across the business, especially as regulatory requirements increase and more employees are required to develop ESG expertise.

In 2022 the Stewardship team conducted training with every investment team on our net zero approach. This training was then rolled out to members of our Executive Committee, including the COO and CIO.

OUR MATERIALITY APPROACH TO ESG

We take an integrated approach to ESG analysis, involving dedicated ESG resource and investment managers who integrate these issues into their investment processes.

The below diagram highlights tools we use to analyse material ESG topics within our investments.

ESG data and investing in ESG analysis

ESG data, both qualitative and quantitative, is critical to support investment managers in their decision making and provide transparent reports for our clients. During 2023, we will review our data providers to ensure we are investing in the technology and data that best supports our business.

Service providers

We recognise the need to engage with stakeholders and partners to improve the quality of ESG data. Leveraging our Data Science team, we work closely with our data providers, and we aim to provide constructive feedback, to enhance data quality and integrity.

Effectiveness of governance structures and future outcomes

We reviewed the effectiveness of our sustainability and stewardship governance structures considering our changing business needs and the evolution of ESG regulation across the jurisdictions in which we operate.

The following table outlines the actions that we have taken. In 2023, we will continue to improve our ESG performance to enhance effectiveness, including by developing a new controversies policy.

Stewardship governance effectiveness 2022	Action
Enhance oversight of ESG activity within our Investment Management function and better define escalation pathways	The quarterly Stewardship Committee was replaced with the IRF and the IOC. To meet increasing client and regulatory demands, meetings are now held monthly. Jupiter's Stewardship team is an active member of the IRF and reviews the following: i. engagement escalation ii. third-party controversies (potential UN Global Compact breaches and breaches of other global norms and standards) iii. fund oversight of net zero commitments The IRF's mandate includes oversight from Investment Risk, Performance and Jupiter's Irish and Luxembourg Management Committees. This structure better connects ESG with other elements of investment oversight. Matters unresolved with investment managers may be referred to the IOC for consideration and review.
Better connect stewardship-related activity to overall group governance	The CSR Committee was replaced with the Sustainability Committee. The Sustainability Committee is chaired by the Head of Sustainability and meets quarterly. The committee's members include Jupiter's CEO and the independent Audit Committee Chair. The committee is responsible for JFM plc's corporate sustainability commitments and policies, including our climate strategy, TCFD disclosures and operational net zero targets.

PRINCIPLE 3: CONFLICTS OF INTEREST

Confidence in our stewardship practices is paramount, and management of potential conflicts of interest is vital to retain trust amongst our clients and wider stakeholders.

In 2022, there were no identified breaches of our Conflicts of Interest Policy. However, we have strengthened our approach to conflicts of interest in the following areas. Our Conflicts of Interest Statement is available on *our website*.

Unlisted assets

As of February 2023, we decided to change Jupiter's policy regarding unlisted assets. We will no longer make any new private investments through our open-ended funds. Where we retain very small stakes in a minimal number of unlisted assets, we will prudently manage these exposures over time with a view to generating maximum value for our clients. This decision is consistent with client feedback and aligns with our overall ambition of decreasing undue complexity in our business and taking decisive action to ensure our investment offering best reflects the needs and demands of our clients.

Cross directorships (JFM plc and Investee companies)

Following an internal review of stewardship, we have tightened the procedures for identifying, monitoring and logging situations where JFM plc Directors sit on the boards of our investee companies.

Client investments into additional Jupiter vehicles

Potential conflicts of interest may arise where:

- an asset owner allocates a segregated mandate to Jupiter and the manager elects to invest part of these funds into a Jupiter-listed vehicle. In this case, voting decisions will be directed to the asset owner.
- an open-ended Jupiter fund invests directly into a Jupiter-managed investment trust. In this case, proxy voting will be conducted at arm's length from the investment manager. The Stewardship team will assess the ballot based on independent third-party advice and make a voting recommendation to the directors of the UK fund board who will have the final decision on voting outcomes.

Jupiter's organisational approach

Jupiter Asset Management Limited is an investment management company whose parent company is JFM plc. Our objective as investment managers is always to act in clients' best interests, including when considering matters such as voting and engagement, and to properly manage any potential conflicts of interest.

In accordance with Financial Conduct Authority requirements, Jupiter maintains a Conflicts of Interest Policy appropriate to our size and organisation and to the nature, scale and complexity of our business. This policy is an internal document; however, in the interests of transparency, we also publish our Conflicts of Interest Statement, which is available to shareholders.

Jupiter maintains and operates organisational and administrative procedures and arrangements designed to prevent conflicts of interest from constituting or giving rise to a material risk of damage to the interests of clients. The policy outlines where a conflict may occur and describes the processes we have put in place to limit conflicts. This is directly linked to Jupiter's stewardship protocols, where we actively manage risks and flag potential conflicts before or when they arise. For example, the policy includes procedures on employees' personal account dealings, inducements and outside business interests.

We publicly disclose our approach to voting in our Responsible Investment Policy and we plan to update our voting policy in 2023. We are fully transparent about our voting records, displaying these on *our website* monthly.

Investment personnel

To monitor conflicts of interest effectively across our fund management teams, we require all investment personnel to disclose any personal investments within 10 business days of joining the company. Procedures are in place to ensure potential conflicts are declared at the earliest opportunity. In addition, employees are required to complete a yearly attestation to confirm compliance with Jupiter's conduct rules including conflicts of interest. Employees and connected persons must also disclose any outside business interests and obtain pre-authorisation to trade on their personal accounts for assets that are in scope of Jupiter's Personal Account dealing rules.

Compliance team

Our Compliance team provides training to all staff on the identification, prevention, management and monitoring of conflicts of interest, and maintains the Conflicts of Interest Policy and the Conflicts of Interest Register, which details potential conflicts impacting Jupiter, as well as the internal arrangements and procedures in place to manage those potential conflicts. These arrangements, including those specific to stewardship and voting, are reviewed quarterly, and if the business changes or significant events occur. All staff are required to comply with Jupiter's Code of Ethics covering personal account dealing, gifts and hospitality, outside business interests and political contributions.

Training

Jupiter requires all investment staff to attend annual mandatory market abuse regulation (MAR) training. These sessions are facilitated by an external law firm, and the training encompasses a broad range of factors and technical updates surrounding MAR. These sessions are comprehensive and cover a wide range of investment themes, including stewardship responsibilities. As an example, the 2022 session included, amongst other topics, the heightened risks of disclosure of inside information associated with investee company engagement activity and potential conflicts of interest that may arise when investing into other Jupiter managed funds.

Outcomes

During 2022, there were no conflicts of interest which Jupiter was unable to prevent or manage to ensure, with reasonable confidence, that risks of damage to the interests of clients would be prevented.

PRINCIPLE 4: PROMOTING WELL-FUNCTIONING MARKETS

We are committed to working with stakeholders to promote the continuous improvement of well-functioning markets.

As an active asset manager, we believe our investment managers are well placed to identify and respond to market-wide risks. We have policies in place to direct our investment managers, but we do not have a "house view", which gives our Investment Management teams the freedom to follow their own active, high-conviction approaches and deliver returns for clients. Additionally, our experience and commitment to active ownership is centred on client duty and the pursuit of long-term sustainable returns.

We are aligned with the Code's focus on working with stakeholders to promote the continued improvement of the functioning of markets. Details on our activity with stakeholders and our collaborative engagement can be found in Principle 10, where we highlight our role and contribution to industry initiatives.

The following reflects our contribution to creating well-functioning markets. We have taken a focused approach to market initiatives commensurate with Jupiter's size and investment approach.

Internal development 2022

Through our Responsible Investment Policy, we have developed a process for identifying systemic and strategic ESG risks. We have identified a core set of material issues that our investment managers have the discretion to interpret as appropriate for their asset classes and investment processes. Engagement supports our approach to tackling material ESG issues and encourages well-functioning markets by addressing systemic risks directly with our investee companies.

We have identified the following material issues:

- Climate
- Biodiversity
- Human rights
- Human capital
- Health and safety
- Corporate governance

The development of ESG knowledge in the market has increased the dialogue between investors and companies in addressing ESG risks and opportunities. Greater regulatory scrutiny has encouraged proactive change and placed stewardship and sustainability on the agenda of all stakeholders. Throughout the year, we increased our dialogue with clients and companies on ESG issues, including conducting our first client survey and supporting our clients with systemic risks such as climate risk reporting. Further information can be found under Principle 6.

Systemic risk: Biodiversity

We recognise the critical role financial market participants and investors must play in preventing further biodiversity loss and restoring nature to ensure ecosystem resilience. We signed the Finance for Biodiversity Pledge in 2021 as a signal of our commitment to protect and value our natural environment. As a member of the Pledge's 'Engagement with Companies' Working Group, we co-authored a chapter in a linked publication, focusing on corporate engagement on biodiversity-related topics.

Biodiversity is a core material sustainability issue that underpins our corporate strategy and investment approach, and it is considered systematically in our ESG analysis of companies. In 2022, we established a Biodiversity Working Group (BWG) to lead the development of our firm-wide biodiversity strategy, taking into consideration both our corporate and investment activity. The BWG is chaired by an ESG Investment Director and includes cross-firm representation with members from Stewardship, Corporate Sustainability, Investment Management, Data Science, Marketing and Market Intelligence teams.

The BWG has identified two primary themes to focus our biodiversity engagement efforts in the investment workstream – plastics and water. When overlaying these themes to our holdings, we applied a double materiality lens to consider dependencies and impacts on biodiversity to finalise a shortlist of engagement targets, initially starting with holdings where we have i) the greatest market value, ii) a high percentage of issued share capital, and/or iii) exposure to a sector that presents the greatest risk to biodiversity. Our target list includes companies in food & beverages, tobacco, agriculture, semiconductors, and power generation.

In 2023, we will further our collaboration, engagement and scrutiny of investee companies on biodiversity, with the goal of achieving change and contributing to reversing biodiversity loss, while preserving and enhancing the value of our clients' assets.

Systemic risk: Macroeconomic factors

In 2022, we enhanced our sovereign ESG framework with the addition of a third-party data source. This allows us to assess a wider range of data points within our framework and validate the quality of our data. The framework is used across our investment floor as one element of ESG screening to inform sovereign macroeconomic views, as well as to identify ESG dynamics that might not be fully reflected in financial markets and inform ESG decision making, including pre-investment screens. The framework has helped us to develop new ESG tracking mechanisms for sovereign bonds to show changes over time.

Systemic risk: Climate change

Climate change represents a material systemic risk for businesses and investments. We recognise that the asset management industry has a significant role to play in contributing to the objectives of the Paris Agreement, by allocating capital to businesses that are aligning with the transition to a net zero economy and by aligning our operational carbon footprint with a 2050 net zero trajectory.

In 2021, we joined the Net Zero Asset Managers initiative (NZAM). As members, we are committed to supporting the goal of net zero greenhouse gas emissions by 2050 or sooner, in line with global efforts to limit warming to 1.5°C. We are also committed to supporting investment alignment with net zero emissions by 2050 or sooner, prioritising the achievement of real economy emissions reductions. We have set interim 2025 and 2030 targets, and we continue to monitor our progress and keep these targets under review.

Aligning our portfolios with a net zero pathway

We take a net zero asset alignment approach to investing, prioritising the transition towards a low-carbon economy through active stewardship. This approach focuses on investee companies that demonstrate their readiness to manage material climate risks, mainly through real world decarbonisation. We believe portfolio alignment is an effective way to protect clients' assets from a range of climate-related risks, while also contributing to the mitigation of systemic risks as a financial market participant.

We apply the Paris Aligned Investment Initiative's (PAII) Net Zero Investment Framework (NZIF) to all of the investment strategies in scope of our initial net zero target.

In 2022, we analysed over 1,100 investee companies' public disclosures against the six core criteria outlined in the NZIF. We recorded the outcomes in our in-house proprietary digital tool. We identified carbon intensive hotspots within our investment strategies and developed bespoke climate engagement scoring criteria to help investment teams identify engagement priorities.

Climate-related investment risk and opportunity is identified via research and analysis conducted by our investment teams pre-investment and whilst invested. The Stewardship team provides climate expertise to support this assessment and serves as a challenge function. We use an internal proprietary platform to gather and cleanse ESG data from both third-party providers and in-house sources. During 2022, we expanded these datasets using MSCI Climate Value-at Risk (Climate VaR) to provide a visualisation of transition risk and physical risk.

We continue to work collaboratively with the Institutional Investors Group on Climate Change (IIGCC); in 2022, this included road testing our Sovereign Climate Framework based on NZIF. We received constructive feedback on our framework and implemented changes to better reflect IIGCC's approach to monitoring climate for sovereigns. Further climate collaboration can be found in Principle 10.

At a corporate level, we made Task Force on Climate Related Financial Disclosures (TCFD) in our 2023 Annual Report, providing accurate and timely disclosure in line with the four disclosure pillars. Further information on our climate strategy will be published in *our Sustainability Report*.

CASE STUDY

DEFENCE INDUSTRY

- **Industry: Aerospace & defence**
- **Issue: Human rights**
- **Type of engagement: Collaborative**
- **Outcome: Remain invested**

Context

Following Russia's invasion of Ukraine, the Investor Forum (IF) invited us to participate in an investor working group to discuss investors' perspectives on ESG issues related to investing in the defence sector and to develop a framework for investors to strengthen their own policies when investing in the sector. Through the IF, we also had the opportunity to engage with the Export Control Joint Unit, which administers the UK's system of export controls and licensing for military and dual-use items. In addition, we continued to engage directly with defence companies held in our portfolios.

Activity

Given the current geopolitical backdrop, we connected with peers across the industry, to contribute to wider discussions about the defence sector. There has been ongoing debate amongst investors relating to ESG considerations when investing in the defence sector, such as the protection of freedom, whilst also acknowledging the impact of war. This has resulted in some asset owners and clients enforcing ethical exclusions. Although Jupiter does not have mandatory exclusions in the sector beyond legal requirements, we offer sustainability funds and separate mandates that enforce these restrictions in response to clients' requests.

We continue to actively engage with defence companies on matters including human rights, conduct, bribery and government relations. In 2022, we collaboratively engaged with the Export Control Joint Unit to better understand the strict conditions applied to UK arms companies by the UK government. The Export Control Joint Unit explained the conditions enforced on UK weapons exporters; for example, certain restrictions are applied if the company or destination state cannot guarantee the armaments will not be transferred to a country that is hostile to the UK or allies' agenda.

The Export Control Joint Unit also discussed due diligence from a human rights perspective and informed us of recent incidents and any repercussions or exclusions.

We engaged directly with defence companies on human rights, including the (former) Chairman and Remuneration Committee Chair at BAE Systems, to discuss issues including the role of the defence sector, government relations and the company's due diligence processes.

Outcome

Our collaboration with the IF and the Export Control Joint Unit allowed us to better understand the standards being enforced on UK defence companies. As investors, we were reassured by the level of compliance applied to UK defence companies by the government. This knowledge has been beneficial when engaging directly with defence companies and in conducting research and due diligence.

We continue to actively engage and monitor the ongoing complexities within the sector.

PRINCIPLE 5: REVIEW AND ASSURANCE

In 2022, we focused on strengthening our stewardship governance structures.

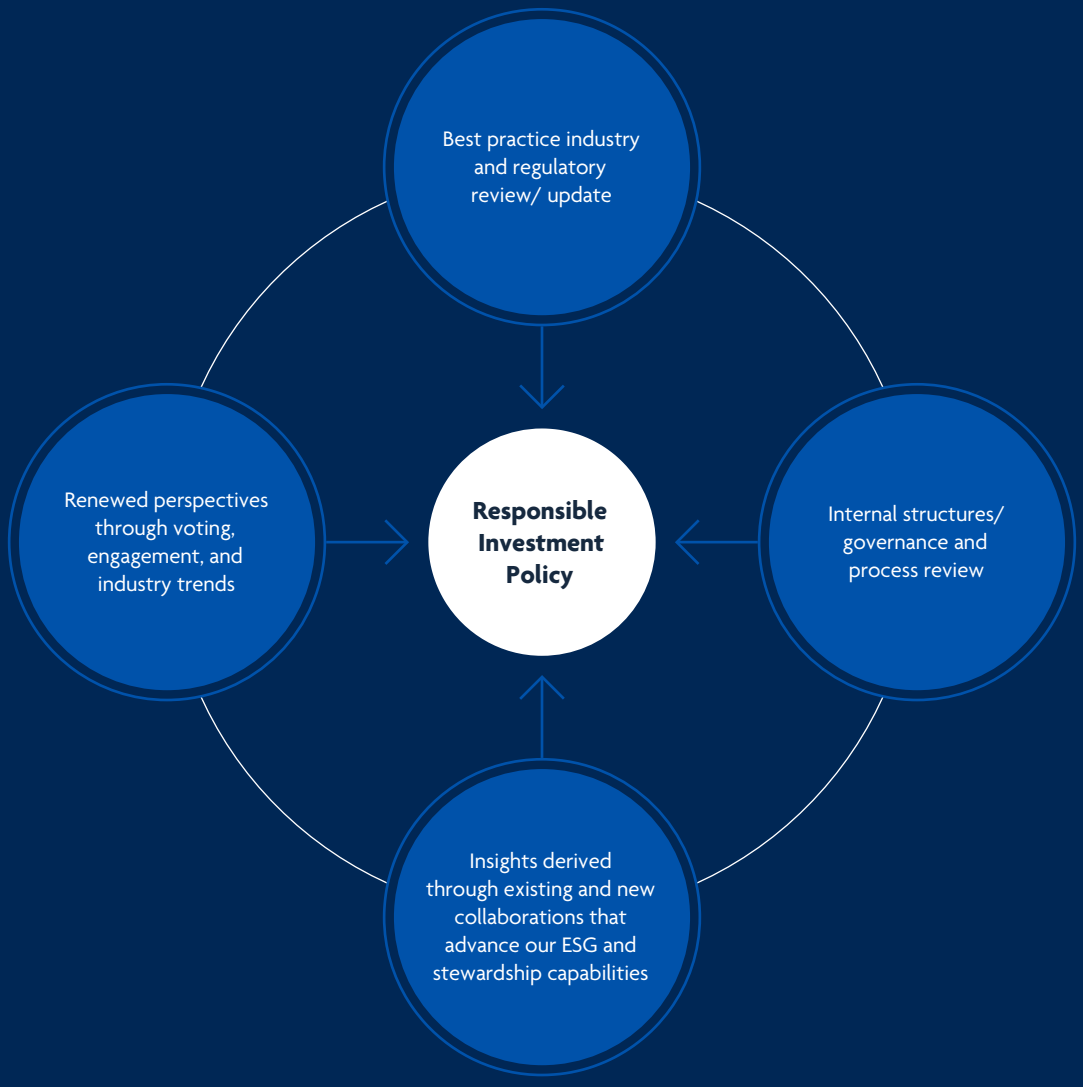
We enhanced our sustainability governance framework, which is owned by the Executive Committee and the Board. Jupiter's Board and Executive Committee have overall responsibility for our corporate strategy, including our corporate sustainability commitments, positioning and stewardship.

We relaunched our Sustainability Advisory Council to provide expert counsel, insight and guidance on material sustainability issues for our investment strategies, including labelled funds. We also launched the Diversity, Equity and Inclusion (DE&I) Forum under CEO leadership to reflect our culture and behaviour framework.

To embed ESG practices and better govern our investments and operations, we created two new polices: a Sustainability Policy and a Responsible Investment Policy. Our new processes and governance have increased our ability to review practices and critically assess the effectiveness of controls and procedures.

Responsible Investment Policy

Our Responsible Investment Policy is reviewed at least annually and is approved by the IOC. The review process involves the following considerations to ensure effectiveness of the policy:



Review, assessment and effectiveness

The following internal and external processes were undertaken to provide assurance over our stewardship activities.

Compliance review

Our Compliance team conducts an annual stewardship review. The 2022 review covered our approach to meeting the expectations of the UK Stewardship Code 2020. It was designed to assess underlying controls that enable us to meet its engagement record keeping, voting and management of conflicts of interest, which underpin the application of the Code's principles and our reporting.

The review recommended some enhancements:

- Clearer sign-off and approval processes for our policies, through the creation of oversight mechanisms and the strengthening of our committees
- Better methods for capturing engagement activity through new databases and focused engagement templates
- Enhanced documentation of conflicts of interest

Following the review, we strengthened our processes, ensuring the above three points are well documented. We increased our communication regarding voting and initiated quarterly check-ins on voting conflicts.

AAF Audit

Jupiter's voting process is subject to independent assurance as part of the International Standard on Assurance Engagements (ISAE) 3402 and Audit and Assurance Faculty (AAF) 01/20 controls report, which are provided to institutional clients of Jupiter Asset Management Limited and to the boards of investment trusts that have appointed Jupiter as manager.

Sustainability Committee

In 2022, the Sustainability Committee focused on various key initiatives alongside the monitoring of ongoing progress against our sustainability strategy and targets. Examples include:

- Relaunching the Sustainability Advisory Council to provide expert counsel, insight and guidance on material sustainability issues for labelled and non-labelled funds
- Setting up an internal Biodiversity Working Group, to advise us on how we can manage and mitigate our biodiversity impacts both as an investor and at group level
- Developing a Sustainability Policy

Investment Review Forum (IRF)

The IRF was set up in 2022 as part of our first-line controls to review ESG risks, net zero commitments, climate risks and targets at a portfolio level. Individual securities which present elevated levels of ESG risk or are in potential conflict with the Group's Sustainability or Responsible Investment Policy are reviewed by the IRF and escalated to the IOC, who are accountable for stewardship and active ownership across investment teams. The IRF has played an active role in improving the effectiveness of our ESG risk monitoring by formalising the ESG risk escalation process. The IRF is attended by members of the Stewardship team, Investment Management COO, Investment Risk representatives, Client Performance Reporting representatives, Investment Management Business Managers, designated representation from Investment Management, and Conducting Officers based in Luxembourg and the US.

Company	Topic (engagement/ UNGC violation)	Reason for escalation (global norms issues/risk)	Outcome from meeting & investment outcome
Drax	Engagement	Possible reputational risk	Concerns related to treatment of biomass and source of wood products for energy generation were highlighted in a recent Panorama programme. Our UK Alpha team are actively engaging with Drax and continue to have confidence in its governance policy.
Milk Food	Engagement	Conflict of interest	There were longstanding concerns about major shareholders circumventing related-party transaction rules, which may be disadvantageous to minority shareholders. Jupiter escalated concerns to the BSE, who did not act but merely highlighted a response from the company. Jupiter plans additional communication with the BSE.
Adani Enterprises	UNGC violation	Global norms flag for Principle 7 (environment)	Jupiter sought additional information about a flagged global norms violation. Adani remains flagged due to historical violations; our India equities team have divested their position on investment grounds.
Tencent	UNGC violation	Global norms flag for Principle 2 (human rights abuses)	Jupiter engaged with Tencent regarding concerns surrounding surveillance, as well as engaging with its two largest shareholders. Following additional research, our Global Emerging Markets team divested their position in this company – while Tencent was not in breach of Chinese law, its behaviour did not meet global norms.
Eskom	UNGC violation	Global norms flag for Principle 7 (environment) and on watchlist under Principle 10 (anti-corruption)	Investment teams became comfortable with Eskom's remediation strategy following company engagement.
Petroleos Mexicanos	UNGC violation	Global norms flag for Principle 1 (protection of international human rights)	Investment teams are engaging with Petroleos Mexicanos to determine a remediation strategy.
Raytheon	UNGC violation	Global norms flag for Principle 2 (human rights abuses)	Concern was raised that arms being exported to Saudi Arabia were possibly being used in the Yemen conflict. The flag was discussed with the investment manager, who was not aware of the violation pre-purchase, but subsequently chose to divest as she felt the holding was not consistent with the ESG goals of the strategy.
LTTS	UNGC violation	Global norms flag for Principle 2 (human rights abuses)	Flagged under Sustainalytics' methodology due to nuclear involvement at parent level. Engagement with LTTS has provided clarity that it is not involved in nuclear activity and is operating independently from the parent's business activities.

Quarterly risk & performance review meetings

Our Investment Risk & Performance Investment Manager meetings are held quarterly for each strategy. The Stewardship team provides direct input at the meetings about ESG concerns including scrutiny on controversies, third-party ESG scores, good governance, divestments and new positions. Throughout 2022, we discussed UNGC violations and material ESG risks. Where necessary, these were escalated through the processes highlighted in Principle 2.

Periodic portfolio ESG reviews

The Stewardship team conducts periodic portfolio reviews with investment managers as part of Jupiter's ongoing commitment to integrate ESG into our investment process. The review consists of an assessment of the commitments made by the investment managers, ESG risks within the portfolio, net zero alignment assessments, controversies, engagements, good governance assessments, and pre-investment company-specific reviews.

The review not only highlights potential ESG risks but also showcases opportunities to improve practices, engage with companies for change, and outline leaders and laggards. During 2023, we intend to improve this process to capture more material ESG issues and support investment managers with ongoing engagement.

PRINCIPLE 6: CLIENT AND BENEFICIARY NEEDS

At Jupiter, our clients are our focus. We are dedicated to serving our clients and we put their interests at the heart of our business.

We have deep relationships with our clients, enabling us to understand their needs, and we engage continuously with them to ensure we deliver on their expectations. Our investment managers have the freedom to pursue their own investment styles within a collegial environment and with a shared commitment to sustainability. Our distinct, entrepreneurial culture encourages independence of thought and individual accountability, enabling our investment managers to follow their convictions and seek those investment opportunities that they believe will ensure the best outcomes for our clients.

Jupiter actively manages £50.2 billion of client assets (as of 31 December 2022), principally in mutual funds in the UK and continental Europe. Over the past year, we have simplified our product range to ensure that our offering remains differentiated whilst reducing undue complexity and creating a much clearer client proposition. This has involved mergers, closures and repositioning of our funds, in addition to evolving our fund range with new strategy and vehicle launches to broaden our appeal to clients. In 2022, we appointed of a new Head of Institutional to grow the business for the future.

We seek to form partnerships with our clients beyond their immediate investment mandates to enable them to meet their desired performance and organisational objectives. Our focus on meeting client requirements includes seeking to evolve our investment and sustainability offerings. As a result, our product development approach has become more tailored and bespoke in nature to meet client demand. Since his appointment, our new CEO Matthew Beesley has met with key clients and provided direct feedback to the Board.

In 2022, we also conducted our first annual client survey. The survey comprised in-depth interviews with 40 clients across regions and client channels. Its results have allowed us to better understand our effectiveness and to make improvements where necessary to better meet client needs. We scored highly in several key areas, including 84% in relationship management and 83% in customer support. Over the coming year, we will look to improve our client communication, developing our insights into market trends and analysis.

We continue to serve retail clients through strong relationships with our distribution partners, such as financial advisers, wealth managers and online platforms.

Key activities

- We have supported clients throughout the year with their TCFD reporting, climate metrics and how to address real world and portfolio decarbonisation.
- We worked collaboratively with one client offering our expertise to support, build out and execute their climate change policies.
- We are active members of the Pensions for Purpose Advisory Board, which bridges the gap between asset manager, pension funds and their advisers to encourage increased flow of capital in impact investment. We have shared our expertise and discussed how clients can align their capital in public markets to create greater impact.
- We continue to provide tailored reports on our voting and engagement activity for our institutional clients. These reports capture engagement themes, screening, interactions, and any potential concerns or flags.
- Responding to regulatory change and developing best practice has been a distinct theme of client engagement, particularly with regards to our approach to SFDR and net zero.
- Many clients are reviewing and updating their ESG strategies and the ways in which they choose to implement their own policies. We continue to discuss clients' views considering exclusions as part of their ESG policy and the challenges faced when implementing exclusions, such as consistency across data providers.

Voting decisions and disclosure

We publicly disclose global voting records monthly on *our website*. This information outlines all voting activity and provides rationale for our votes against management. The voting record reflects the majority view of our institutional clients, unit trusts and in-house investment vehicles. Our institutional clients have varying voting mandates and there may be occasions when we are required to submit different voting instructions for the same meeting. Fund managers retain the discretion to vote differently at the same meeting.

Distribution partners

Our distribution partners include:

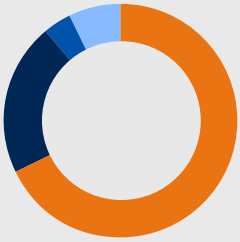
- Fund of funds
- Platforms
- Global financial institutions
- Advisers
- Wealth managers
- Life companies
- Private banks
- Institutional clients
- Consultants

CLIENT ENGAGEMENT

Overall AUM

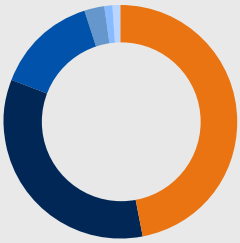
£50.2bn

AUM by geographical location



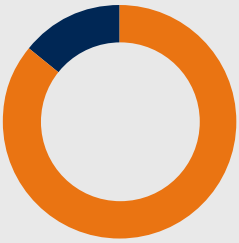
UK	68%
EMEA	21%
Asia Pacific	4%
Rest of World	7%

AUM by distribution partner type



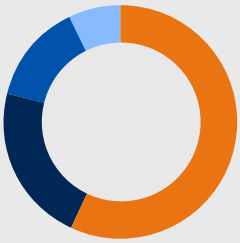
Advisory	47%
Discretionary	34%
Institutional	14%
Direct	3%
Investment trusts	1%
Other	1%

AUM by client channel



Retail, wholesale & investment trusts	86%
Institutional	14%

AUM by asset class



Equities	57%
Fixed Income	22%
Multi-Asset	14%
Alternatives	7%

PRINCIPLE 7: STEWARDSHIP, INVESTMENT AND ESG INTEGRATION

We recognise that we have an important role to play in the allocation of capital, both as active owners and long-term stewards of the assets in which we invest on behalf of clients.

ESG materiality assessment

We take a material ESG approach to decision making and risk analysis, allowing investment managers to be the ultimate decision makers, with input from our dedicated Stewardship team. Our investment teams analyse holdings on a range of material ESG issues to ensure that we protect and enhance the value of our clients' investments to deliver returns in line with their objectives.

Engagement and the exercise of our shareholder rights by way of active proxy voting is a key element of our approach. ESG integration enables us to develop a 360° view of the risk and opportunities related to a company or asset, and to factor this into valuation and investment decisions.

We have identified the following material issues:

- Climate
- Biodiversity
- Human rights
- Human capital
- Health and safety
- Governance

The investment process

Our investment strategies have defined investment processes, and consideration of material ESG issues is integrated into investment analysis and decision making, influencing asset allocation, portfolio construction, security selection, position sizing, stewardship, engagement, and subsequent decisions on whether to remain invested or exit a position.

Jupiter considers the following when conducting stewardship engagement:

- Primary research
- Third-party ESG risk data (including climate analysis)
- Proxy voting research
- Direct engagement
- Collaborative engagement
- Engagement with stakeholders, including regulators and governments
- Commitment to responsible investment codes
- Client-sponsored initiatives

Risk management

Over the last reporting year, we have strengthened our risk processes to ensure we are better capturing and actively monitoring potential risks. We created an alert system to flag any potential UN Global Compact violators when trades are placed, as well as to notify us when either positive or negative UN Global Compact status changes occur according to our ESG data providers. The governance committees outlined in Principle 2 further increase our ability to manage ESG risk across the business. We continue to use the existing processes such as quarterly risk challenge meetings conducted by the Risk and Performance team (covering trading decisions over the period, and where relevant, exit decisions on ESG grounds, in addition to monitoring changes over time). The Stewardship team conducts meetings to discuss climate risk and ESG risk more generally across strategies, and we continue to use third-party data sources and company engagement to inform our risk profiles.

Our approach to ESG integration across all asset classes and geographies

Asset class	ESG process and stewardship transmission mechanism
UK equities	• We have a long-standing engagement programme with management and independent non-executive directors. • We uphold UK corporate governance and ESG best practice via direct voting and collaborative engagement.
Global equities	• We engage with management and non-executive directors in all geographies where possible. • We place emphasis on protecting minority shareholder interests and board independence in markets where controlling shareholders are a prevalent governance feature. • We encourage companies in all markets to improve their disclosure and governance of ESG matters.
Corporate fixed income	• We regularly engage with management once invested and use this information to supplement existing ESG data, which can be scarce in some areas of fixed income. We believe that engagement with issuers is essential. • We set clear targets and milestones which we expect our investments to achieve by a target date, and we hold regular follow-up meetings to assess progress and address concerns. Our intention in these meetings is to understand an issuer's business model and explain what "best in class" looks like.

Our approach to ESG integration across all asset classes and geographies continued

Asset class	ESG process and stewardship transmission mechanism
Sovereign fixed income	• A broad range of environmental indicators are included within our sovereign framework, such as climate change adaptive capacity, climate change exposure, biodiversity, and protected areas for marine and terrestrial ecosystems. • We developed our proprietary Sovereign ESG Framework last year, including the integration of more detailed and timely datasets. • We consider governance and social factors such as a country's political stability and cohesion, and the credibility of its political and monetary institutions. • Environmental factors assessed include vulnerability to physical climate risks, and reliance on fossil fuel production and revenues. • The framework serves as a tool to identify areas of weakness in ESG pillars, which can then be analysed in greater detail through research and analysis. • The Emerging Market Debt team conducted five research trips last year to engage with government departments, policy makers, NGOs and multilateral institutions to better understand key risks. • Following Russia's invasion of Ukraine, we recognised that it is not always possible to identify mispriced ESG risks, and we have introduced a human rights and social norms screen – which screens out Russia.
Jupiter Independent Funds Team (JIFT) (fund of funds)	• Stewardship is integral to our engagement process with all managers of the funds held within our portfolios. • We gather annual data on external managers' stock lending, voting activity, holding periods, fund concentration, ESG data and evolution, and signatory and collaborative initiatives. • In 2022, the average holding period in our underlying equity funds was five years. • We require all managers to complete our Merlin ESG Matrix prior to each routine six-monthly, one-on-one meeting. Combined with Jupiter ESG Hub data, this allows us to review and discuss evidence of detailed investee company engagement, and reveals outcomes at the company and fund level, as well as the impact across multiple stakeholders. • The Merlin ESG Matrix also allows us to score the stewardship of each manager, through which we can observe ESG evolution, trends and comparisons.
Systematic equities	• We incorporate an ESG factor within the investment model as a potential source of alpha. • Back testing indicates that this process may successfully pivot investment outcomes towards reduced carbon intensity when compared to the benchmark. • The strategy uses the UN Global Compact as a central reference point to assess commitment to global norms and excludes UN Global Compact violators.
Private markets	• The ESG Policy and annual report of Chrysalis Investments explain the role of ESG in our investment process, illustrated by company case studies. We describe how we gather ESG data directly from portfolio companies; how we use board observer status to encourage positive change; and the material factors we incorporate in our due diligence and portfolio monitoring. • We firmly believe that to grow successfully, private companies must lay the foundations for future growth by fostering a healthy corporate culture, a talented and diverse workforce, and by creating appropriate corporate governance structures.
Gold & silver	• The strategy invests in bullion and gold and silver mining companies. Given its specific nature, the strategy has its own Responsible Investment Charter. • This charter outlines our approach to stewardship including expectations concerning due diligence, engagement and ESG integration around key stakeholder matters such as the environment, health and safety, and communities. • The ESG assessment not only refers to the assessment of companies; due consideration is also given to the ESG credentials of the jurisdiction. • The charter was updated in 2022.

CASE STUDY

EDENRED

- **Industry: Software & services**
- **Issue: Net zero target setting and succession planning**
- **Type of engagement: ESG integration**
- **Outcome: Still invested – positive outcome and company progress**

Context

Edenred is a large, long-term holding in several of our European equity funds. Over the course of our investment, we have regularly engaged with the company on a variety of topics, including strategy, governance and other material ESG issues. Following our commitment to net zero emissions by 2050, we identified Edenred as a holding with no net zero target. Given the nature of its operations, we felt this was an achievable target for the company, and we engaged with Edenred to understand the company's views on setting a net zero target.

Activity

In 2022, during our engagement with the company, we discussed issues relating to the upcoming AGM with the Group General Counsel and Head of Investor Relations. We also discussed E, S and G themes, including net zero emissions. The company confirmed it did not have an existing net zero target; however, it said it was in the process of developing a project to baseline its emissions.

We continued to engage with Edenred, meeting with the company's CSR Director and Investor Relations team for an update on its emissions baselining project. The company stated that work towards a net zero target was well underway. While the company did not commit to a definitive timeline, it suggested a timeline within the next couple of years, giving us further confidence that Edenred was moving in the right direction with regards to minimising its environmental impact.

Outcome

In October, the company announced a commitment to net zero by 2050, in line with the Science Based Targets initiative standards.

The investment team engaged with the company later in October to discuss progress and corporate strategy with the CEO and CFO. We expressed our support for the company's enhanced carbon ambitions and discussed new initiatives the company is targeting to achieve these, including a mobile app and website to choose fuel and promote the use of bioethanol in Brazil, as well as the transition to electric vehicles.

We believe that our engagement with Edenred has been successful and supports our ongoing investment thesis in the company.

CASE STUDY

ANTA SPORTS

- **Industry: Retailing**
- **Issue: Human rights**
- **Type of engagement: Continuation**
- **Outcome: Remain uninvested**

Context

In our 2021 Stewardship Report, we discussed our ongoing engagement with Anta Sports, a Chinese sportswear company with high returns, strong brands to protect those returns, and a huge runway for growth. We had concerns about the company's sourcing of cotton from the Xinjiang region and, following numerous engagements, we decided that divestment was the right approach. However, we are committed to continuing dialogue with the company to encourage it to become a UN Global Compact signatory.

Our primary goal through continuing dialogue with Anta was to encourage the company to improve its disclosures and further align with international standards.

Action

Anta appears to be taking steps in the right direction: throughout 2022, the company built out its sustainability function, bringing in an experienced Head of Sustainability with whom we have continued to engage. We are encouraged by the progress the company is making, and while it has not fully resolved our concerns about its supply chain, we believe it is firmly on the path to implementing these changes.

Outcome

We will continue to monitor the implementation of Anta's enhancements and look forward to continuing our engagement with the company.

PRINCIPLE 8: MONITORING MANAGERS AND SERVICE PROVIDERS

We recognise the important role service providers play in allowing us to meet our client, regulatory and corporate commitments.

Engagement with service providers

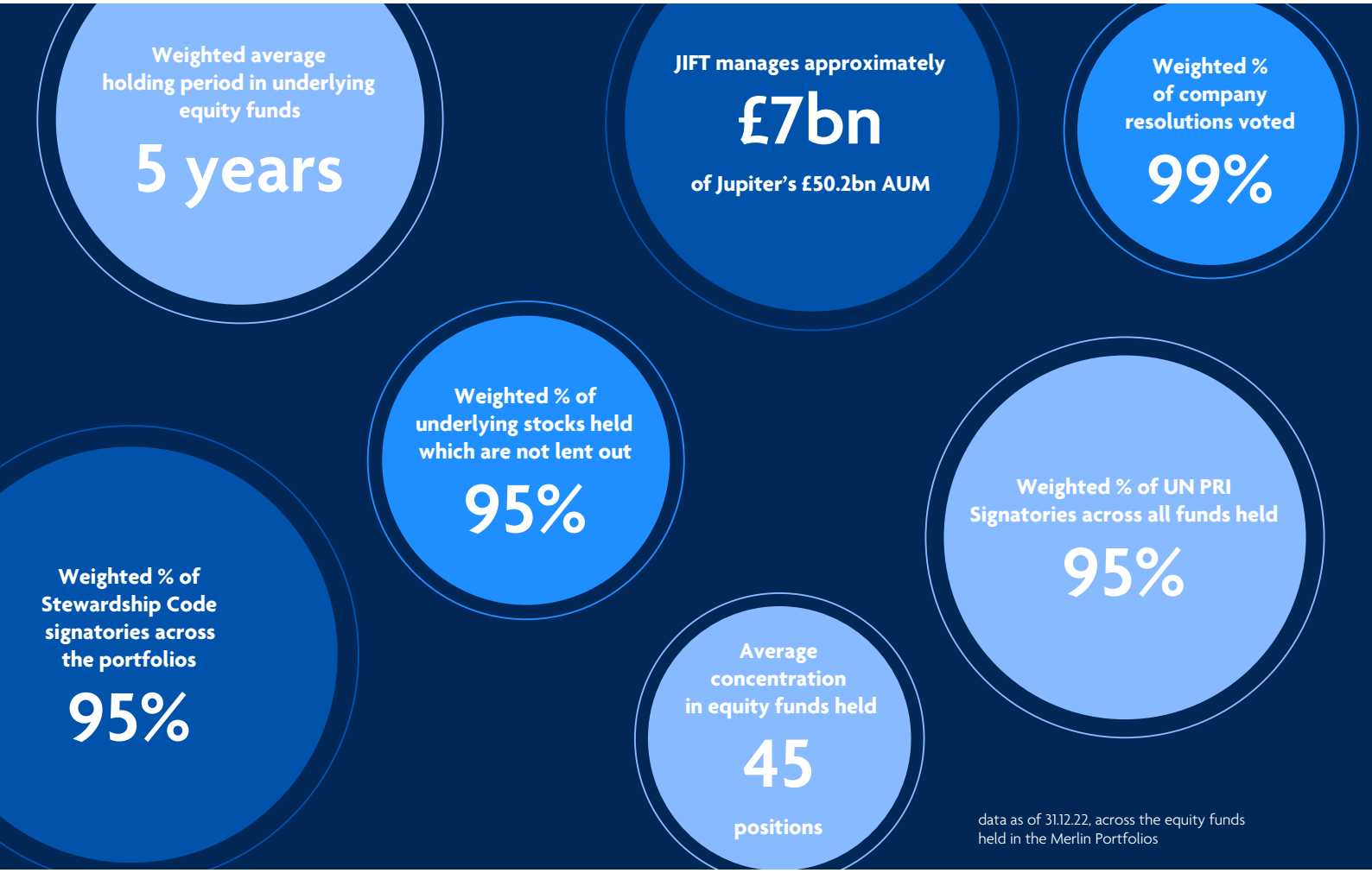
Increasing client demands and regulatory developments have heightened the importance of ESG data and stewardship platform providers. As a result, during 2022, we worked closely with service providers to ensure we had the right data and resources to fulfil our fiduciary duty to our clients and stakeholders. See Appendix B for a list of our service providers.

In addition to conducting a detailed review of potential providers before onboarding, we continue to seek the best possible outcomes for our clients through collaboration with our service providers, providing analysis and feedback on an ongoing basis.

This year we onboarded Verisk Maplecroft's geospatial ESG data. Throughout our procurement process, we worked with the provider to create a solution that allowed us to enhance our sovereign framework. Our collaborative approach allowed us to create a purpose-built framework, resulting in process improvements, risk reduction, tracking alignment with net zero targets, and progress towards net zero goals.

Jupiter Independent Funds Team (JIFT)

For over two decades, JIFT has managed the Merlin fund range, a fund of funds investment solution for investors, comprised of "best-of-breed" active underlying managers, both external (third party) and internal. JIFT does not invest directly or via segregated mandates; instead, clients are invested in open-ended funds, whose managers are then held to account against JIFT's own stewardship and ESG expectations. Passive funds rarely feature in the JIFT investments as the team believe that outstanding active managers can effectively demonstrate positive engagement outcomes across a concentrated list of long-term holdings.



JIFT's investment process is rigorous and disciplined. Routine, one-to-one engagements with every manager held in the portfolios allow JIFT to assess and challenge to what extent the managers meet Jupiter's, clients', and stakeholders' ESG objectives through their funds. At a minimum, JIFT expect fund managers to demonstrate ESG analysis and engagement outcomes; those who fail to evidence this are highly unlikely to pass the screening criteria. The team expect managers to evidence ESG evolution, whilst recognising that the approach, focus, metrics and time horizon of engagements of each manager are unique and varied to have greatest impact within a fund's specific asset class, market capitalisation, style, region, etc.

Through focusing their skills on a concentrated, long-held list of holdings, with highly tailored and patient engagement, they should demonstrate forward-looking, positive outcomes for multiple stakeholders.

Increasingly, managers have sought JIFT's guidance on their ESG evolution. We take our dual fiduciary role on behalf of Merlin clients seriously and work with our partners; recent examples are noted below. Where we believe no ESG progress has been made, and our engagement has been ignored, we divest.

Recent engagements between JIFT and underlying managers held within the Jupiter Merlin Portfolios:

Manager	Engagement	Outcome
Boutique US equity manager	Encouraging managers to evolve climate focus further and to include biodiversity explicitly within their engagement with investee companies	Empowered oil and gas company to invest in closed loop gas capture plant and analyse biodiversity
Global equity manager	Challenged inclusion of China & HK-listed equities on ESG grounds, prior to launch of his new fund	Manager changed the fund benchmark from MSCI ACWI to MSCI World
Boutique manager	Encouraged an emerging sector specialist to invest in voting resolutions	100% of company resolutions held voted in 2022
Across the Portfolios	Encouraged managers to become signatories of the UK and/or Japanese Stewardship Code and/or the UN PRI	Heightened awareness of overall stewardship
Across the Portfolios	Encouraged managers to collaborate with industry bodies and initiatives, to further collective ESG initiatives at the company, industry, regulatory and political level	Two managers of funds we hold are now collaborating with the Independent Investment Management Initiative (UK)
Across the Portfolios (especially mid-sized and boutique managers)	Extensive engagement in 2022 on ESG regulatory changes, especially SFDR implementation. Raised awareness of current and growing regulatory reporting time and costs; discussed impact of any restrictions on investment universe	Mitigating the risk of greenwashing because managers are better informed and require greater commitment to adopt SFDR

The JIFT investment approach and stewardship

1. Managers are selected for inclusion within the Merlin Portfolios using an investment process that incorporates both financial and non-financial metrics.
2. Once selected, monitoring of the underlying managers is formal. Annually, we engage with managers and gather data. Quantitative monitoring occurs in advance of each routine six-monthly 1-2-1 meeting.
3. The JIFT team asks each manager to complete our proprietary ESG Scoring Template. This provides us with rich stewardship and engagement data for the qualitative debate to occur during the meeting, during which managers are challenged and held to account. The Template also allows JIFT to score the pace of their ESG evolution and materiality of outcomes for stakeholders over time.
4. The ESG Scoring Matrix is augmented by data from Jupiter's ESG Hub, also gleaned prior to eachmanager meeting. It provides an independent, albeit backward-looking insight on ESG vulnerabilities at the stock level.
5. JIFT engages proactively with underlying managers to promote, encourage and empower accelerated meaningful ESG engagement and reporting.

PRINCIPLE 9: ENGAGEMENT

Engagement is central to our active ownership approach. It advances our responsible investment goals, builds lasting relationships with companies, and provides our investment teams with greater investment insights.

Our investment teams maintain active dialogue with companies to inform their investment decisions and carry out strategic engagement, based on ESG materiality. Our investment-led approach is in line with the Code's guidance for engagements around well-defined targets, objectives and outcomes to be as effective as possible. We do not believe that volume of engagement is a reliable indicator of successful active ownership or a meaningful representation of our clients' interests.

We take a strategic approach to engagement, directing conversations to the best-placed individual or function depending on the nature of the engagement and objectives. Our investment teams will endeavour to meet company management and, where relevant, to maintain dialogue with independent directors. We continue to build and maintain relationships with the companies we invest in to enhance our investor insight and gain the ability to discuss longer-term stewardship issues.

Engagement priorities are determined based on the following themes (in no particular order):

- Thematic issues such as climate risk, biodiversity and human rights
- Corporate failure
- Corporate governance – including succession planning and leadership changes, corporate strategy and culture, board effectiveness and financial issues, and remuneration
- Regulation and conduct
- General Meetings and proxy voting
- Routine monitoring or relationship meetings
- Client-sponsored initiatives

The size of our holdings plays an important role in determining engagement priorities as it allows us to maximise our influence. Each investment manager can set their own priorities based on holding size and the above themes. Where our holding size is not significant enough, we will look to work collaboratively with other investors and/or stakeholders to contribute to an engagement outcome.

Our engagement escalation approach can be found under Principle 11. We outline how confidential dialogue can be used to achieve progress in a measured way. Examples of escalation pathways we may choose to adopt include writing to the company, dialogue with independent directors, collective engagement, and co-filing or supporting shareholder motions.

Engagement can mean confronting complex issues by looking closely into individual businesses and their intersection with the wider economy, society and government. We engage regularly with different management levels, directors and experts at our investee companies. Many of the stewardship examples in this report discuss direct and collaborative engagement with C-suite management and independent directors. However, due to the specific and technical nature of our engagements, we will also engage with sustainability experts at our investee companies. Examples of our engagement case studies can be found throughout this report, and each engagement has clear objectives and outcomes.

This year, we intend to build out a new investment stewardship engagement template and engagement tracking system to improve our reporting on engagement activity, targets and outcomes for clients and other stakeholders.

NZIF engagement approach

For our in-scope AUM of our fundamental, long-only, developed market equities and Article 8 and 9 products, we have developed a bespoke, in-house engagement plan. This uses scoring criteria to analyse our investee companies' readiness to improve their net zero alignment, based on the NZIF.

The engagement plan helps us to identify the investee companies where we can achieve maximum influence for near-term improvements in their net zero readiness. We encourage these investee companies to set Paris-aligned commitments and develop credible decarbonisation plans to set them on a net zero alignment pathway.

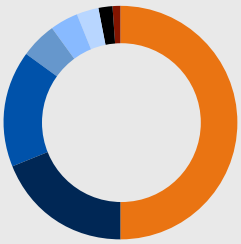
In 2022, five companies were identified in each in-scope investment strategy, totalling 45 investee companies broadly diversified by sector and geographies.

ENGAGEMENT ACROSS DIFFERENT ASSET CLASSES AND GEOGRAPHIES

In 2022, we continued to collaborate with our network of organisations and stakeholders. We contributed to conversations with IIGCC to help steer and develop better understanding of the role of asset managers in supporting industry collaboration on climate guidance.

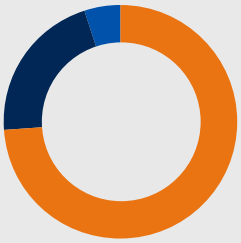
Whilst most of our engagement has been in the UK as a reflection of our asset base, we continue to engage across geographies.

Primary company contact



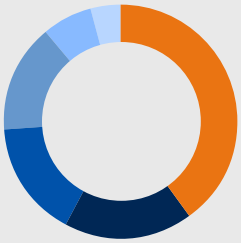
Executives (CEO/CFO/CIO/COO)	50%
Investor Relations	19%
Chairman	16%
Corporate Specialist	5%
Independent Director	4%
Other	3%
Corporate Treasurer	2%
Company Secretary	1%

Resulting sentiment



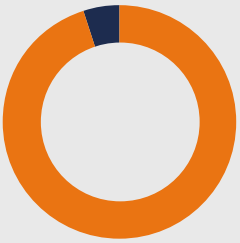
No change	74%
More positive	21%
More negative	5%

Engagement themes



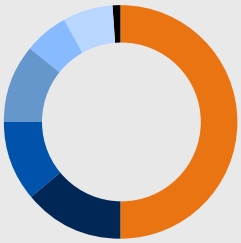
Strategy & performance	40%
Environmental including (climate and biodiversity)	18%
Human rights, workforce, and social impact	16%
Governance & leadership	15%
Trust reputation & regulation	7%
Audit & corporate reporting	4%

Split between direct and collaborative dialogue



Direct	95%
Collaborative	5%

Regions engaged



UK	50%
Asia Pacific ex Japan	14%
North America	11%
Europe	11%
Emerging Markets	6%
Japan	7%
Rest of World	1%

CASE STUDY

CHEMICAL COMPANY

- **Industry: Chemicals**
- **Issue: Human rights**
- **Type of engagement: Direct engagement**
- **Outcome: Investment**

Context

A Jupiter-owned small-cap fund was asked to participate in providing new equity to finance a proposed acquisition of a chemical company in the same sector as a current holding. Pre-investment, we conducted an ESG due diligence on the transaction to ensure we were comfortable supporting the acquisition.

Activity

As part of our ESG due diligence, we identified media reports of an investigation into alleged criminal activity and human rights violations in the company's supply chain in Mexico. The reports were gathered using a third-party data provider that scrapes ESG-related material from various publications and news sources. We subsequently raised these reports with the CEO during a call and queried the status of the investigation.

During a follow-up call, the company confirmed that a probe by Mexican authorities had been reviewed during its due diligence process. The acquisition target had previously conducted several internal investigations and a probe by an external law firm into the issue, following previous allegations of malpractice in its supply chain. These investigations did not uncover any evidence of inappropriate conduct or criminality, and there had been no subsequent dialogue with the Mexican authorities. We continued dialogue with the company and completed our ESG due diligence to gain further reassurance about the acquisition.

Outcome

We considered the proposed equity placing considering these factors and subsequently decided to participate. Our decision was influenced by the following factors:

1. Neither company's due diligence had uncovered evidence of irregularities in the supply chain.
2. The assets were being acquired from a US-listed multinational company, providing a degree of comfort regarding the management of these issues.
3. There has been no further follow up by the authorities.
4. The local assets were a small unit within the acquired business, with only marginal contributions to group revenue and profit.

Since the acquisition was completed, no further media reports regarding the alleged supply chain issues haven been identified. Our due diligence process helped us to establish that it was appropriate for the fund to provide equity financing for the transaction and highlighted the importance of ESG-integrated due diligence.

CASE STUDY

FINTECH COMPANY

- **Industry: Diversified financials**
- **Issue: Human capital**
- **Type of engagement: Direct engagement**
- **Outcome: Remain invested**

Context

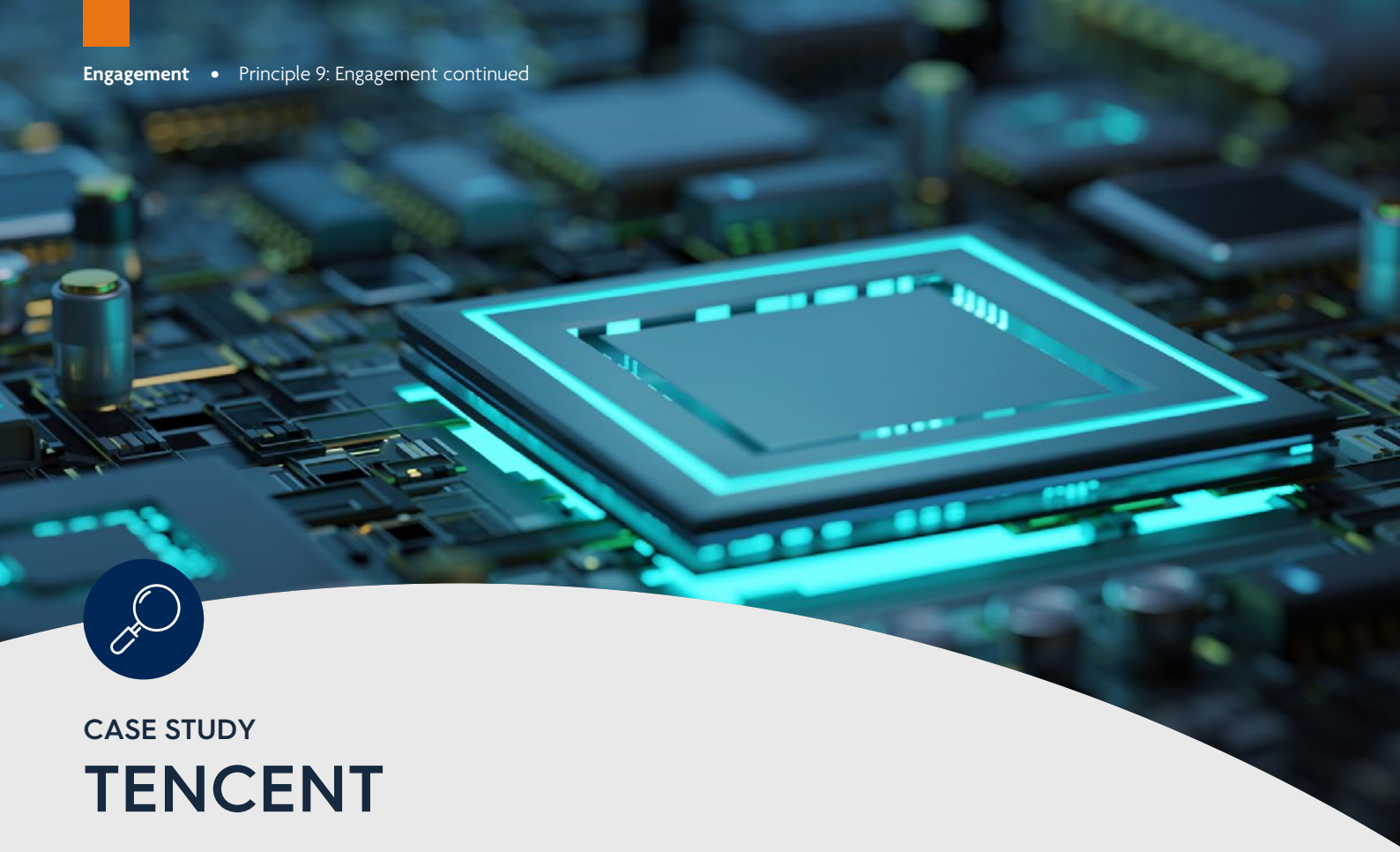
In February 2022, the UK Small & Mid Cap Equities team undertook a review of a fintech company which has grown rapidly since the team's initial investment. We explored corporate culture at the group, which is known for a results-oriented sales culture and operates in a sector where regulatory sanctions for conduct breaches can be material. We also wanted to understand whether the company could recruit new sales team members at a rate required to sustain its revenue growth.

Activity

Our engagement took two forms: a series of interviews with former employees arranged via an expert network service, and a site visit to the group's head office. Prior to these engagements, we also read employee reviews on Glassdoor to gain insight into how past and present employees rated the company. The ex-employee feedback provided useful colour but did not indicate specific evidence of cultural issues at the group. During our site visit, we met the CEO, who emphasised his own long-term outlook as the group's largest shareholder and interviewed members of the company's in-house recruitment team. Our conversation covered the wide range of channels the team uses to recruit team members from outside the industry, how the group trains and integrates new recruits, and the continued challenge of building a diverse workforce.

Outcome

While we recognise that engagement of this type can only provide a glimpse into the inner workings of a business, we believe it is very important to test our assumptions periodically in this manner. We came away reassured by our engagement, and we remain invested in the group.



CASE STUDY

TENCENT

- **Industry: Software & services**
- **Issue: Global norms**
- **Type of engagement: Direct**
- **Outcome: Divest**

Context

Tencent is one of China's largest technology firms, making it subject to significant oversight and scrutiny by the Chinese government. Over time, this scrutiny has extended to allowing the Chinese government access and censorship of private personal data on Tencent's WeChat messaging platform.

We were not supportive of the degree of data Tencent shared with the Chinese government and the government's ability to censor dissidents. We believe in freedom and personal data privacy, and compliance with global norms, particularly those set by the UN Global Compact on human rights. We only invest in companies which do not violate UN Global Compact principles.

Action

We engaged with Tencent numerous times to raise our concerns. The company's response was that it is required by law to provide this level of access to the Government. We reiterated our message that we believe they have a responsibility to act in the interests of users and that this approach was did not align with global norms. The company acknowledged our concerns but stated it was unable to change its approach due to the need to comply with local laws. Escalating our engagement, we spoke with Tencent's largest shareholder, Prosus, to understand whether it could also encourage change. Prosus' view was similar to Tencent's: Tencent is following Chinese law, and this is a condition of doing business in the country.

Outcome

We reluctantly divested in late 2022. We could see no viable path forward for change at the company on this issue, given demands from the Chinese government. Consideration of social issues such as this, including alignment with UN Global Compact principles, is a core part of our investment process. It improves stakeholder outcomes but is also indicative of a company that understands and manages its risks, a key factor that we believe contributes to the sustainability of a business's competitive advantage. While we believe Tencent is well run, the degree of government censorship and intervention gives us concerns about its long-term outlook, particularly against a backdrop of increasing geopolitical tension between China and the US.

These situations are a reality of doing business in emerging markets, where rules and norms can be vastly different from developed markets. We continue to encourage companies to adopt global best practice, but we are likely to encounter similar situations in the future, where companies are compelled to comply with local rules and regulations, but where these may be misaligned with global norms and could be a condition of doing business in a country. When a company flags through our third-party data provider for a potential violation of global norms, we validate this through thorough internal review (including fundamental research and engagement where applicable). If there has been a violation, we take a zero-tolerance approach. To mitigate these risks as an investor, we continue to analyse the ESG risks facing a company very early on, with full reassessment throughout ownership.

CASE STUDY

JUBILEE METALS

- **Industry: Precious metals**
- **Issue: Board independence**
- **Type of engagement: Direct engagement**
- **Outcome: Remain invested**

Context

Jubilee Metals focuses on the recovery of metals from historical mine waste material and tailings. It is a fast-growing and profitable business, with significant opportunities to deliver positive sustainability outcomes by recovering metals needed to enable the energy transition with a lower environmental impact than new mining projects, and by rehabilitating environmentally hazardous tailings sites in Sub-Saharan Africa. Given the fast-growing nature of the business, we felt it was important to engage with the company about its corporate governance, in particular the independence and diversity of its board.

Activity

Since December 2021, we have been engaging with the company's management, with the goal of ensuring that its corporate governance arrangements keep pace with its growth. Over the last year, we have specifically engaged on two key areas: board composition, including independence and diversity, and ESG disclosure.

At our first meeting of 2022 with the company, we encouraged the nominating committee of the board to appoint an independent Chairman to increase the amount of independence on the board. The company acknowledged our shareholder concerns and began to source new candidates.

Given the nature of its operations, the group has a range of direct environmental and social impacts which it must manage effectively. We noted that the group's ESG disclosure framework was nascent, and we encouraged the company to provide sufficient transparency for investors to gain confidence in its status as a sustainable mining company. We discussed and encouraged the company to address the oversight of ESG disclosure to ensure greater transparency.

Outcome

Since our engagement, Jubilee Metals has announced the appointment of its first independent Chairman, a highly experienced former mining executive, in June 2022. Furthermore, after engaging on ESG disclosure and transparency, the company subsequently appointed the former Group Head of Sustainable Development at Anglo American plc as an Independent Director and Chair of a newly created Safety and Sustainability Committee. She is also the group's first female Director, improving diversity on the board. The group's ESG disclosure framework has significantly improved, and we are pleased with the progress being made. We remain active shareholders and continue to monitor developments.

PRINCIPLE 10: COLLABORATION

Collaboration can facilitate conversations with diverse opinions, allowing for educated debate and expansion of views, whilst also providing an amplification of collective views.

Effective stewardship through collaboration has allowed us to learn from peers and share common objectives. We have been able to contribute more widely to industry debates and engage with stakeholders on new levels due to the influence of a collaborative investor group.

The following are examples of our collaborative engagement in 2022.

Institutional Investors Group on Climate Change (IIGCC)

As members of the IIGCC, we have actively engaged with their Paris Aligned Investor Initiative's (PAII) net zero surgeries to discuss the most pressing topics related to climate transition, and we are members of their banks' working group activities. We provided practical feedback during consultation on the draft Net Zero Standard for Banks and Assessment Framework. Given our robust in-house application of the NZIF to our long-only developed market equities strategies, we were able to proactively engage with their programme managers, providing feedback on improvements to the industry NZIF. We were also able to test our sovereign climate analysis approach.

Principles for Responsible Investment (PRI)

We took part in the Net Zero Listed Equity Practitioners working group, sharing best practices, and learning more about net zero target setting and data challenges for decision making.

Investment Association (IA)

We collaborated with the members of the IA, and we provided feedback to the IFRS's exposure drafts on the new sustainability and climate disclosure standards released under ISSB. In addition, a member of our Stewardship team was elected to chair the UK Investment Association's SFDR Implementation Forum, an industry forum which offers guidance and advice to asset managers on SFDR implementation.

Financial Reporting Council (FRC)

We participated in the FRC Lab's project on Net Zero Disclosures. We discussed investors' practical needs to see improved but relevant climate (specifically net zero) disclosures on organisational commitments, business models, decarbonisation strategy, and associated transition risk. We highlighted our own net zero alignment target-setting process and how this fed into our investment strategies' engagement plans, as well as current best practice and areas for improvement. It was re-affirming to see that the report presented many of our suggestions as key findings in this study.

Finance for Biodiversity Foundation

We continue to actively participate within the Engagement with Companies Working Group. We contributed to its published April 2022 guide on engagement with companies on biodiversity topics.

FAIRR

We participated in several of FAIRR's collaborative engagement streams, across sustainable aquaculture, biodiversity, waste and pollution, and sustainable proteins.

FRC Stakeholder Insight Group (SIG)

Jupiter was represented in the SIG, which was newly formed in 2022. The SIG meets quarterly, representing preparers, investors, audit committee chairs and other key stakeholders including reporting framework owners and civil society groups. The group provides perspectives on key opportunities for the FRC and provides input into the UK Stewardship Code and UK Corporate Governance Code.

UK Sustainable Investment & Finance Association (UKSIF) Policy Committee

Jupiter was represented on the UKSIF Policy Committee. We have been active participants in the committee, whose focus in 2022 has been the proposed UK Sustainable Disclosure Regime (SDR) and the need to ensure the regime is well-structured and balanced to deliver good outcomes to consumers.

CASE STUDY

DRAX

- **Industry: Utilities**
- **Issue: Supply chain**
- **Type of engagement: Collaborative**
- **Outcome: Remain invested**

Context

Drax is a UK-based energy company, which runs the UK's largest power station, based near Selby, North Yorkshire. Over the course of our investment in Drax, we have continued to engage with the company on a range of topics, including regulatory and environmental issues.

In 2022, a BBC Panorama investigation focused on Drax's sourcing for renewable energy production. It claimed that while the company had received billions of pounds in green energy subsidies from the UK government, the wood pellets it was burning at its power station were not as sustainable as claimed. Drax has maintained that all the practices reported in Panorama are consistent with British Columbia forestry standards and its own sourcing policies.

Activity

Understanding the basis of biomass sustainability is critical to any investment in Drax. Our UK Equities team, which holds Drax's shares, believes that biomass, when sourced from waste material such as sawmill residues, managed forests or reforested areas, has a role in the energy mix as a source of renewable energy, but it is critical to ensure that a company's supply chain is fully audited and can be held to account. This is a complex area, and we believe it will take further collaboration between industry, regulators, investors and the company to make clear progress on these issues. Nevertheless, it is clearly the responsibility of the company to better communicate its strategy and provide transparency around areas which may be considered contentious by stakeholders.

Following the documentary, we increased our engagement with the company, holding five meetings focused on sustainability. In conjunction with the Stewardship team, our investment team scrutinised Drax's actions, particularly its acquisition of Canada of Pinnacle. We spoke with Drax's Director of Sustainability on more than one occasion, as well as with the respective managers of its Canadian and US upstream operations.

We also spoke at length to the company's key competitor in biomass production about sustainability issues. These discussions gave us a more detailed understanding of how Drax's business processes are governed both internally and externally by the relevant authorities.

The Panorama investigation understandably triggered many questions from investors and clients. The Investor Forum (IF) was a useful tool for engagement, through which we sought to understand the company's challenges. Engagement then paused, as the company confirmed it would address the Panorama issues through its corporate announcements. Nevertheless, the IF and Drax have continued to communicate, and further engagement has been arranged ahead of the 2023 AGM to discuss biomass and wider governance matters.

Outcome

Following the Panorama broadcast, we were pleased to see that the UK and Canadian governments have considered in parliament Drax and its operations in biomass.

We continue to engage regularly with Drax, especially given its ambitions to grow its biomass operations to drive negative emissions technology in the US. We continue to encourage the company to give full visibility and disclosure about the provenance of biomass, to share scientific data about carbon sinks and the impact that properly managed forestry with biomass can have on emissions and nature, and to develop a biodiversity strategy that is informed by science, with a goal of preserving and enhancing biodiversity within the regions in which it operates.

PRINCIPLE 11: ESCALATION

Escalation is a useful tool to support our engagement activity and bring about change, reinforcing accountability and alignment with shareholders and other stakeholders.

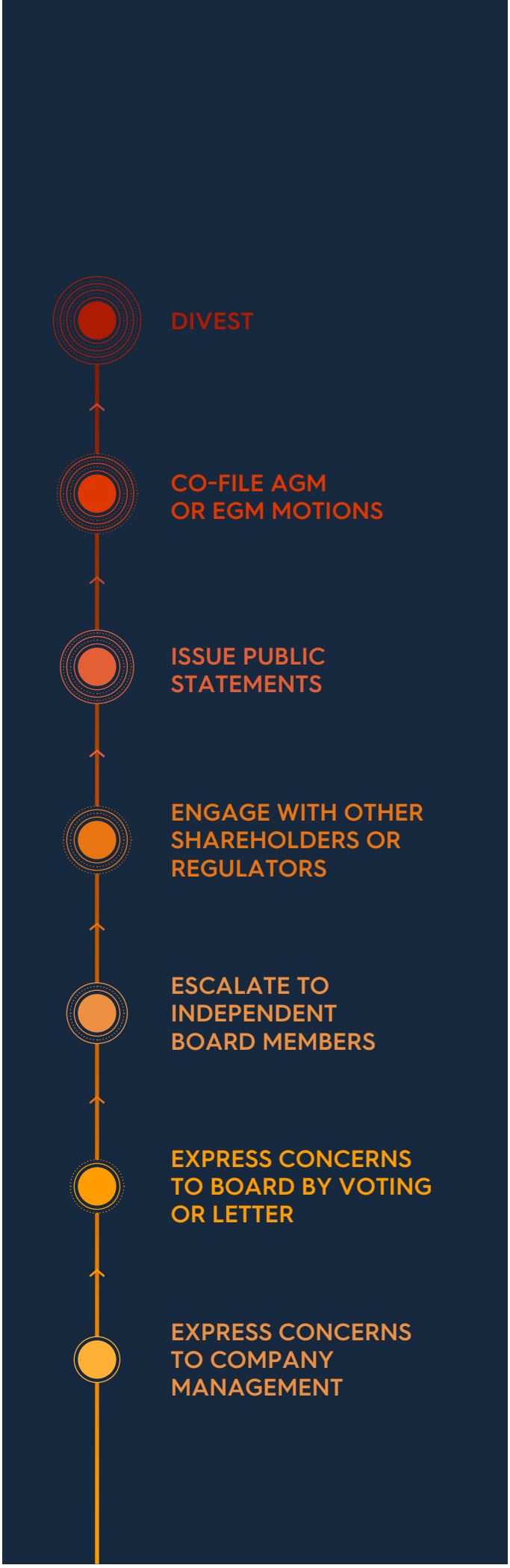
Our approach to escalation is unchanged. We aim to invest in companies where we believe in their strategies, management teams and business models. However, market conditions may mean that strategic execution has faltered, or management decisions have led to value destruction. We may also have concerns that a company's longer-term sustainability agenda is off track. In these cases, our stewardship responsibilities require us to monitor and escalate our concerns. Our preferred approach is through confidential dialogue, whereby we seek to achieve progress in a measured way.

Escalation may differ across markets

We have various options when considering escalation, all of which are explored below and evidenced in this report. Escalation can differ across markets due to factors such as corporate ownership structures, access to boards and independent directors, and market maturity. However, this does not deter us from escalation where necessary. The use of collective engagement can also help us to expand our influence and gain more momentum.

Escalation pathways

This image illustrates our escalation pathways, though not every stage always applies because each engagement situation is unique.



CASE STUDY

DE GREY MINING

- **Industry: Precious metals**
- **Issue: Board diversity**
- **Type of engagement: Direct engagement**
- **Outcome: Remain Invested**

Context

In 2021, the managers of the Jupiter Gold & Silver Fund engaged with De Grey Mining, a summary of which featured in last year's Stewardship Code submission. During 2022, we continued to proactively engage with the company to improve governance arrangements and build capability across the organisation.

De Grey Mining is listed on the Australian Securities Exchange and wholly owns one of the largest unmined gold deposits in Australia. The growth of the Hemi gold discovery has resulted in a further increase in market value and entry into the ASX200 Index. This has created greater visibility on corporate governance and has further highlighted potential areas of concern, which we had already begun to discuss with the company the year before.

Due to increased publicity and rapid growth, various governance improvements were introduced by the company. This included the adoption of the International Council on Mining and Metals (ICMM), which aligns with the UN Sustainable Development Goals. The company also report and disclose against the Task Force on Climate-Related Financial Disclosures (TCFD) requirements. In 2022, the company published a pre-feasibility study on the Hemi gold deposit, which demonstrated its ability to integrate modern practices and standards into the development of a new mining operation.

Activity

Indigenous rights are an important issue in the mining sector and need to be addressed prior to any exploration and development of a mineral deposit. Tangible progress was made in 2022 to formalise the relationship with the traditional owners of the land on which the Hemi gold deposit is located. A native title agreement with the Kariyarra people was announced, which provides pathways for employment, training and contracting, while supporting Aboriginal cultural heritage. This development fulfils a key expectation of the fund's Responsible Investment Charter, which is for local communities and stakeholders to benefit from the success of the mine. We aligned our charter with the Aboriginal Cultural Heritage Act 2021, which establishes a new system that requires mining companies to negotiate agreements with traditional owners for activities that may harm Aboriginal cultural heritage. Therefore, it was important that our engagement with the company addressed this issue in detail.

Following our engagement in 2021, De Grey Mining's board continues to search for an independent chairman, and in 2022 it added two additional independent directors to replace two directors who resigned due to a conflict of interest after DGO Gold, the largest shareholder of De Grey Mining was acquired by Gold Road Resources. During the year, we decided to engage separately with the chairman, senior independent director, and the two outgoing directors from DGO Gold. As a result of the gold discovery, we felt it important to engage on the complexities of creating a well-functioning Board to advise the company and have shareholders' interests in mind. Due to the rarity of this discovery, it was a great opportunity as shareholders to encourage the company to recruit specific board members with the skillset to move the company from exploration to development.

After being appointed earlier in the year, the only female independent director on the board resigned in 2022 to pursue other interests. The absence of a female director on the board resulted in the company being highlighted as one of four firms on the ASX200 Index that lacked board diversity. Following this news, we continued to express our concerns over the lack of diversity at the board level. The company explained that it was high on its agenda to elect another female director and that diversity is an important issue it wished to address.

Consequently, the company appointed a highly regarded female corporate lawyer to the board. The new appointments resulted in a majority independent board across all board committees.

Outcome

Continued engagement has allowed us to build a strong relationship with De Grey Mining as shareholders, which we believe has resulted in positive outcomes in terms of diversity, board independence and general governance. The fund's managers believe the company is improving and showing intent to listen to advice and act when necessary. We continue to fulfil our duty as an active manager by monitoring and engaging with the company on ESG issues.

We understand the difficulties in creating diversity within the mining industry and empathise with the companies that are attempting to retain and attract talent to an industry that typically is not diverse. This engagement has shown us that Australian mining boards are improving over time, and that they acknowledge the need for change. Our engagement with De Grey Mining will support further engagement with other portfolio companies on similar topics, as we can use our experience to encourage other mining companies to address diversity at a board level.

CASE STUDY

MILK FOOD

- **Industry: Food products**
- **Issue: Governance – related party transaction**
- **Type of engagement: Escalation**
- **Outcome: Remain invested**

Context

Milk Food is a long-term holding in our Indian Equities strategy. We remain a minority shareholder in the company, with an approximate 8% shareholding as of 31 December 2022. The group's promoters are controlling shareholders with defined responsibilities under Indian law.

As reported in our 2020 Stewardship Report, since we first invested in the company, several corporate governance issues have arisen related to minority shareholder rights. In 2020 we contacted SEBI, the Indian capital markets regulator, and BSE, the stock exchange, urging both to investigate and cancel an EGM that the company had arranged, where it was seeking approval for an item not in the interest of minority shareholders. Following our escalation, the company subsequently cancelled the EGM.

In July 2022, the group sought shareholder approval for a scheme of amalgamation involving the merger of Tirupati Infrastructure Private Limited (TIPL) with the company. TIPL is controlled by the promoter of Milk Food, and we had concerns that the merger was disadvantageous to minority shareholders as we believed it to be a related-party transaction. We believed the company was able to pass this motion, and we questioned whether some of the holdings that were designated to be independent and eligible to vote were in fact associated with promoter groupings. We discovered that the rules permitted these outcomes; however, we continue to believe that a well-governed company should adhere to the spirit of good governance, as well as the letter.

Activity

We decided to take a similar escalation pathway in 2022, given our previous success in 2020. We submitted a formal complaint to BSE to disallow the voting rights of the public shareholders who we believed to be related parties.

Outcome

BSE wrote to Milk Food to address our concerns, though Milk Food denied the allegations. The scheme of amalgamation was ultimately passed at the shareholder meeting, although 34% of public shareholders voted against the proposal.

We remain invested as we continue to see long-term value in the business. However, we will continue to escalate if we believe standards of corporate governance are not being upheld.

CASE STUDY

SUPPLY CHAIN

- **Industry: Utilities**
- **Issue: Human capital in supply chain**
- **Type of engagement: Escalation**
- **Outcome: Continued engagement**

Context

Our Environmental Solutions fixed income strategy owned debt issued by a renewable energy company, who sources solar-grade polysilicon, where we identified associated human capital risks within the company's supply chain. Polysilicon is an essential material in the production of solar PV (photovoltaic) panels. Approximately 45% of the world's supply of solar-grade polysilicon is extracted from the Xinjiang region in Northwest China.

The Xinjiang region has been highlighted in recent years by multiple NGOs, governments and international organisations such as the UN OHCHR as an area of severe human rights risks, due to ongoing accusations of forced labour in the production of raw materials.

All four of the Xinjiang region's polysilicon manufacturers have been implicated in Uyghur forced labour allegations, through direct participation in forced labour schemes, and/or their raw material sourcing.

Activity

In response to the systemic supply chain risk posed by the production of polysilicon, we developed a proprietary framework to assess investments involved in solar generation and the production of solar panels. The framework incorporates an assessment of an issuer's exposure to polysilicon-related human right risks and the quality of their related disclosures compared to peers. The framework forms part of the team's ESG integration process, where relevant insights from the framework are used to drive engagements and, where necessary, pinpoint areas for escalation with portfolio companies.

Having identified potential supply chain risks, we escalated these matters to encourage the following:

- Strengthening of its existing supplier code of conduct and ensuring the policy references international norms such as the UN Global Compact.
- Conducting in-person audits of suppliers to ensure adherence to the Code (individually or through a third party).
- Signing the Solar Industry Forced Labour Prevention Pledge.
- Providing a formal policy or written confirmation that it will not use components from the Xinjiang region until these issues are resolved.

The engagement focused on the company's management of its Xinjiang supply chain exposures. The team also used the engagement to recommend enhancements to the business's existing sustainability management processes.

Outcome

The company acknowledged the seriousness of the human rights issues we raised. Following our engagement, they continue to actively engage with supplier monitoring and have produced a supplier Code of Conduct. We continue to actively engage with the company on this issue.

PRINCIPLE 12: EXERCISING RIGHTS AND RESPONSIBILITIES

Exercising our shareholder voice through active proxy voting is central to our responsible investment approach as we strive to represent client interests, hold boards to account, and support investee companies.

Proxy voting

We seek to vote through all eligible proxies, taking account of local market practice such as powers of attorney or share blocking. Our investment managers are accountable for exercising their shareholder votes, supported by the Stewardship team, which is responsible for proxy voting operations, monitoring meeting ballots, and providing an initial assessment of each meeting's agenda, including an assessment of independent proxy advisory research. We do not outsource our voting decisions to an external service provider, nor do we automatically vote in line with third-party recommendations, with the exception of our systematic quant-driven strategy. We intend to update our proxy voting guidelines during 2023.

Our *Responsible Investment Policy* sets out our approach to stewardship and active ownership. Our proxy voting is publicly disclosed and available on our website.

Together with our third-party proxy voting advisor, we endeavour to assess each voting decision based on a culmination of the following characteristics:

- Deviations from best practice
- Disclosures made by the company, or lack of
- Engagement activity including dialogue we have had with the company, commitments made, or irrevocable undertakings
- Our commitment to responsible investment codes and other ESG initiatives
- Client initiatives

Service providers

We continue to subscribe to the services of Institutional Shareholder Services (ISS) and Institutional Investor Advisory Services (IiAS) as proxy research providers. We use these services to help provide an independent assessment, which helps us to make an informed voting decision. We endeavour to vote wherever possible and practicable, taking into consideration local market and third-party requirements, such as powers of attorney and share blocking.

Client authority

Segregated mandates: Our client take-on process factors in requests and policies concerning voting. This includes whether any override is part of the voting agreement.

Investment into pooled vehicles: We are open to voting discussions with institutional clients who are directly invested into pooled funds.

Monitoring of voting rights

For Jupiter's segregated mandates, we follow a strict institutional investment management agreement (IMA) legal review process during a new client take-on. A review checklist includes investment restrictions, breaches, regulatory items, performance fees, corporate actions and proxy voting. Clients with segregated accounts may determine their own approach to voting and if proxy voting is required, the Stewardship team will complete the necessary set up to ensure that all shares are voted. The Stewardship team applies a daily workflow process to ensure ballots are reconciled and voted.

Voting and significant vote disclosure

Our proxy *voting report* outlines all voting activity and provides rationale for our votes against management. The voting record reflects the majority view of our institutional clients, unit trusts and in-house investment vehicles and may reflect different voting instructions for the same meeting in line with client mandates.

We continue to disclose our significant votes, fulfilling our obligations under the Shareholder Rights Directive II (SRD II), which requires asset managers to provide disclosures around their significant votes. We consider the following as a significant vote:

- Activity where there is a significant holding in the company
- Points of escalation
- Shareholder proposals that are aligned to our ESG goals
- Approval of related-party transactions and M&A activity

Over the period, we voted at 99% of all eligible meetings that were received. Unvoted items were due to decisions taken to not vote in certain markets such as Russia, in addition to instances linked to the absence of powers of attorney (from the client's side).

Significant votes can include actions that support or oppose management; see Appendix A for more details.

Stock lending

We do not engage directly in stock lending. However, our clients are free to enter into such agreements in accordance with their own policies, including the decision to recall stock. These decisions are taken independently of Jupiter.

SUMMARY OF VOTING ACTIVITY

Number of meetings voted globally

2,332

UK: 362

Overseas: 1,970

Percentage of resolutions where the vote was contrary to ISS' recommendation

2%

(365 proposals out of 16,806 eligible resolutions)

Number of meetings where at least one resolution was voted against

887

UK: 43

Overseas: 844

Number of resolutions voted globally

26,917

UK: 5,289

Overseas: 21,628

Number of resolutions voted against management

2,191

UK: 75

Overseas: 2,116

We voted in favour of

45%

environmental shareholder proposals received

We voted in favour of

61%

of governance shareholder proposals received

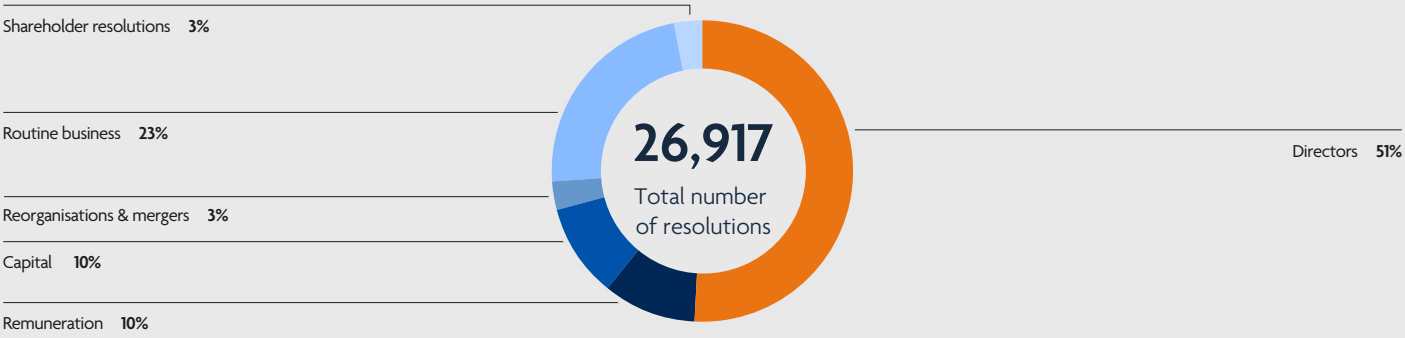
We voted in favour of

48%

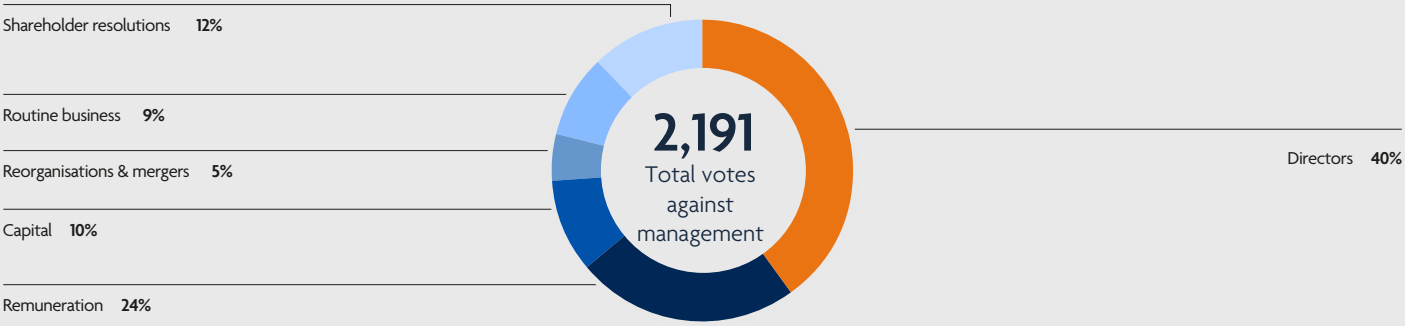
social shareholder proposals received

VOTING STATS BREAKDOWN

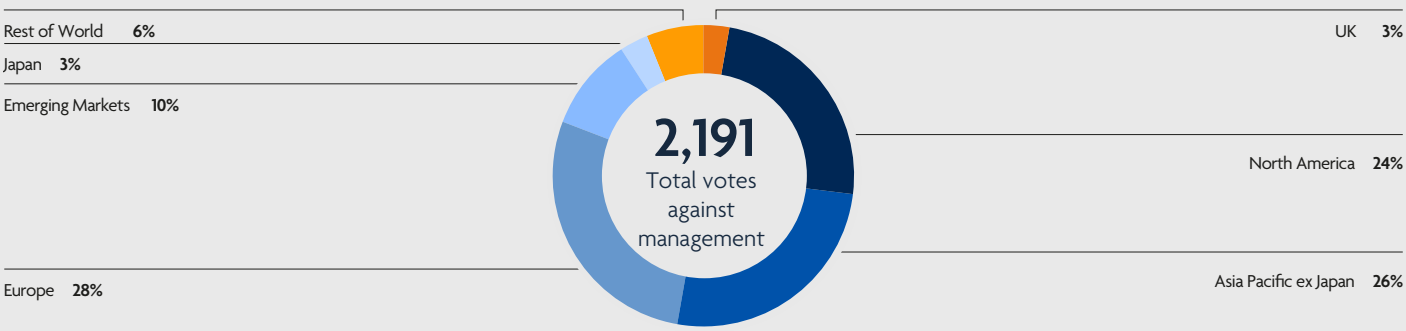
Global breakdown of total votes



Global breakdown of votes against management – Category split



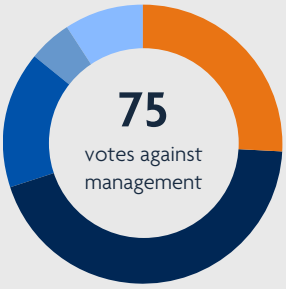
Global breakdown of votes against management – Region split



GEOGRAPHICAL BREAKDOWN OF VOTES AGAINST MANAGEMENT

Votes against management refer to instances where we have submitted instructions to either vote against or abstain. The below data refers to both management and shareholder proposals. See following page for categories key.

UK breakdown %



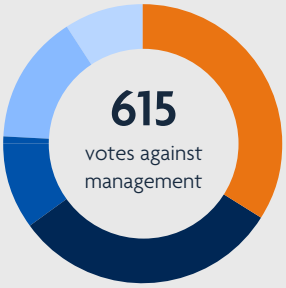
Directors	26%
Remuneration	44%
Capital	16%
Reorganisation & mergers	5%
Routine business	9%
Shareholder resolutions	0%

362 Total meetings voted

5,284 Total management resolutions

5 Total shareholder resolutions

Europe breakdown %



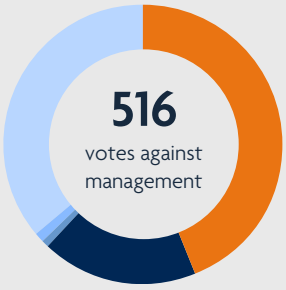
Directors	34%
Remuneration	31%
Capital	10%
Reorganisation & mergers	1%
Routine business	15%
Shareholder resolutions	9%

424 Total meetings voted

6,753 Total management resolutions

116 Total shareholder resolutions

North America breakdown %



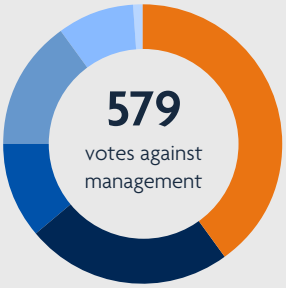
Directors	44%
Remuneration	18%
Capital	0%
Reorganisation & mergers	1%
Routine business	1%
Shareholder resolutions	36%

526 Total meetings voted

5,470 Total management resolutions

345 Total shareholder resolutions

Asia Pacific ex. Japan breakdown %



Directors	40%
Remuneration	24%
Capital	11%
Reorganisation & mergers	15%
Routine business	9%
Shareholder resolutions	1%

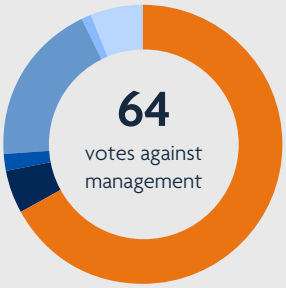
627 Total meetings voted

4,233 Total management resolutions

131 Total shareholder resolutions

GEOGRAPHICAL BREAKDOWN OF VOTES AGAINST MANAGEMENT CONTINUED

Japan breakdown %



Directors	67%
Remuneration	5%
Capital	2%
Reorganisation & mergers	19%
Routine business	1%
Shareholder resolutions	6%

142 Total meetings voted

1,616 Total management resolutions

17 Total shareholder resolutions

Emerging markets breakdown %

Directors	60%
Remuneration	22%
Capital	2%
Reorganisation & mergers	1%
Routine business	11%
Shareholder resolutions	4%

92 Total meetings voted

1,255 Total management resolutions

13 Total shareholder resolutions

Rest of world breakdown %

Directors	28%
Remuneration	10%
Capital	53%
Reorganisation & mergers	2%
Routine business	7%
Shareholder resolutions	0%

159 Total meetings voted

1,673 Total management resolutions

6 Total shareholder resolutions

Categories

Directors: Board and director effectiveness, succession planning, board and committee composition, diversity, independence and election.

Capital: Share buybacks, capital raisings and share issuance mandates.

Routine business: Reports and accounts, dividends, auditors and fixing remuneration, Articles of Association and investment policy.

Remuneration: Executive pay policy and company strategy, new share schemes, retention awards and pay for performance.

Reorganisations & mergers: Mergers and acquisitions activity.

Shareholder resolution: Corporate governance best practice, regulation, environmental, climate and social.

APPENDICES

APPENDIX A - SIGNIFICANT VOTES

The tables below and overleaf show significant votes from the period focused on specific ESG voting items.

Environmental

Company	Resolution	Vote Instruction	Rationale	Outcome	Implication of outcome	Significant criteria
Wizz Air Holdings Date of vote: 22/02/2022	Approve proposed purchase pursuant to the 2021 NEO Purchase Agreement Amendment	For	The company sought shareholder approval for the purchase of up to 117 Airbus A320neo aircraft. This was classified as a Class 1 transaction under UK listing rules. We supported the transaction, which we viewed as being in line with the company's strategy as articulated to shareholders. We also considered the company's view that these aircraft are the most fuel and cost-efficient in their class, and their purchase will support its sustainability goals of reducing CO_2 emissions per passenger kilometre by 25% by 2030 vs an FY 2020 baseline.	Passed	We remain invested.	Potential impact on financial outcome
Rio Tinto Date of vote: 01/04/2022	Climate Action Plan	For	Rio Tinto is outperforming peers in its scope 1 & 2 reduction targets and the ambition of its decarbonisation plan is demonstrated through its capex commitment. It is yet to establish quantitative scope 3 targets, which is viewed as a material gap considering scope 3 emissions account for 95% of its total footprint. However, Rio is transparent on the challenges it faces with decarbonising the steel industry, especially considering the Chinese state-owned companies in its client base, and it has outlined some of the levers it plans to pull to achieve scope 3 reductions despite having no target currently in place.	Passed	We remain invested and continue to monitor Rio Tinto's progress towards achieving its climate-related targets, along with any new targets or updates.	High profile/ controversial vote
Barclays Date of vote: 27/04/2022	Climate strategy, targets and progress	For	Barclays has made significant improvements in terms of its climate strategy. It has produced short-to-medium targets on net zero operations and supply chain emission reduction, and where we noted the gaps in its plan, it seemed genuine in its rationale and responses. We still have some concerns about its approach to financed emissions targets, its policies on thermal coal and the expansion of oil and gas. We continue to monitor and engage with Barclays.	Passed	We remain invested and will continue to monitor its climate strategy when new targets or updates are released.	Potential impact on financial outcome
Exxon Mobil Date of vote: 25/05/2022	Shareholder proposal requesting the company to report on the potential financial impact of the IEA Net Zero 2050 scenario.	For	We supported this shareholder proposal as additional disclosure would allow shareholders to better understand the company's risk of stranded assets.	Passed	The proposal received 52% support from shareholders. We remain invested and anticipate enhanced disclosure from the company.	High profile/ controversial vote

Social

Company	Resolution	Vote Instruction	Rationale	Outcome	Implication of outcome	Significant criteria
Mitchells & Butlers Date of vote: 19/01/2022	Director elections	Against	Board independence and insufficient board diversity.	Passed	The support of the controlling party meant the resolution was likely to pass; however, we felt it important to use our votes to indicate our view on group governance to management. We remain invested in the company.	Potential impact on financial outcome
Jet2 Date of vote: 01/09/2022	Director election	For	We supported the re-election of board members, taking into account the lack of independence and gender representation on the board. The company had committed to increase board diversity and to hiring an additional independent director, following our earlier engagement with the board, when we requested improvements to its governance standards.	Passed	We remain invested and will monitor its progress in terms of its promised governance improvements.	Potential impact on stewardship outcome
Microsoft Corporation Date of vote: 13/12/2022	Shareholder proposal requesting a report on government use of Microsoft Technology	For	Following concerns raised by Microsoft employees in relation to a military technology contract, we believe this report, through additional transparency, may help mitigate associated reputational risks.	Rejected	We remain invested.	High profile/ controversial vote

Governance

Company	Resolution	Vote Instruction	Rationale	Outcome	Implication of outcome	Significant criteria
Future Date of vote: 03/02/2022	Remuneration Report	Against	Concern over the departing CFO's remuneration arrangements.	Rejected	After the AGM, the board responded to votes against the remuneration report, expressing it was at the discretion of the Remuneration Committee. We disagreed with the board's view that the leaving provisions were in the best interests of shareholders. The company plans to publish an update on its ongoing engagement within six months of the AGM. We remain invested and will continue to engage with the company on remuneration and other matters.	Potential impact on financial outcome
Bayer Date of vote: 14/04/2022	Discharge of Management Board and Supervisory Board	Against	The Management Board and Supervisory Board presided over the acquisition of Monsanto.	Passed	We remain invested.	Potential impact on financial outcome

Governance continued

Company	Resolution	Vote Instruction	Rationale	Outcome	Implication of outcome	Significant criteria
Bayer Date of vote: 14/04/2022	Approve Remuneration Report	Against	We had concerns about pension payments and excessive bonus awards.	Rejected	We remain invested.	Potential impact on financial outcome
DoValue Date of vote: 19/04/2022	Proposed waiver to the 2021 Remuneration Policy concerning the allocation of the CEO's 2021 variable remuneration	Against	We had concerns about the adjustment of the performance target, granting the CEO another opportunity to receive an award payout.	Passed	We remain invested and continue to monitor the CEO's remuneration.	Potential impact on financial outcome
Harley Davidson Date of vote: 11/05/2022	Remuneration Report	Against	We had concerns about the structure and magnitude of the CEO's remuneration package.	Rejected	We remain invested and will monitor the company's response to the item not passing.	High profile/ controversial vote
Intel Date of vote: 12/05/2022	A) Remuneration Report B) Re-election of the Compensation Committee Chair	Against	We voted against CEO compensation due to the potential for an excessive payout. As a result, we also voted against the Chair of the Compensation Committee.	A) Rejected B) Passed	We remain invested and will monitor the company's response to the advisory vote on CEO compensation being rejected.	High profile/ controversial vote
M&G Date of vote: 19/05/2022	Remuneration Report and election of the Remuneration Committee	Against	For the second year in a row, we voted against the Remuneration Report and Remuneration Committee members due to the annual car and driver allowance for the CEO, which we deem to be excessive.	Passed	We remain invested and have shared our view of the CEO's benefits with the company.	Potential impact on financial outcome
S4 Capital Date of vote: 16/06/2022	Chairman election	For	We supported the Executive Chairman's re-election, despite ISS' recommendation to abstain. We think the Chairman is central to the investment case. Prior to the AGM, we shared our view that the Audit Committee should be strengthened with new independent directors following its audit issues earlier this year, along with other governance recommendations.	Passed	The Chairman was duly re-elected. We will monitor the development of group governance, particularly the progress being made in strengthening its audit function.	Potential impact on financial outcome
Capital & Counties Properties Date of vote: 26/07/2022	Merger of Capital & Counties Properties with Shaftesbury	Against all items	While we do not have an issue with the strategic rationale for the merger, we did not agree with issuing equity at a significant discount to NAV to buy a business trading at a lower discount.	Passed	We remain invested.	Potential impact on financial outcome

Governance continued

Company	Resolution	Vote Instruction	Rationale	Outcome	Implication of outcome	Significant criteria
Lux Industries Date of vote: 07/09/2022	Reclassification of shareholders from promoter and promoter group category to public category	Against	We believed the family relationships presented a potential conflict of interest in the sharing of classified information. The company wanted to reclassify family members from promoters to public shareholders. The company outlined that this does not breach listing regulations, and as a collective they are small shareholders.	Rejected	Strong investor opposition. Two directors received 83% of votes against, while the other two received opposition of 57%. We remain invested and continue to monitor corporate governance matters at the company.	Potential impact on stewardship outcome
Milk food Date of vote: 06/07/2022	Scheme of Amalgamation	Against	We had concerns about the merger terms being disadvantageous to minority shareholders and about a misclassification of non-related parties.	Passed	We remain invested and continue to monitor corporate governance at the company. We will engage where necessary to protect the interests of our clients.	Potential impact on financial outcome
AGL Energy Date of vote: 10/11/2022	Election of four directors through shareholder proposals from shareholder Grok Ventures	For	After meeting with Grok Ventures, we felt the director nominees would add value to the board, particularly because of the failed de-merger and recent management changes.	Passed	We continue to monitor the company's performance and corporate governance practices following the election of these four directors.	Potential impact on stewardship outcome

APPENDIX B - KEY SERVICE PROVIDERS

Vendor	Service	
Carbon4	• Carbon Metrics	
Equileap	• Gender Equality	
Fitch	• ESG Ratings Relevance Scores	
ISS	• Proxy Voting & Research	
Maplecroft	• Sovereign Risk Ratings	
Morningstar	• Sustainability Ratings (Jupiter funds)	
MSCI	• ESG Ratings • Product Involvement • Global Norms • Climate Change (inc Carbon Emissions)	• Climate Value-at-Risk (VaR) • Fund Badges (Jupiter funds) • ESG Quality Scores (Jupiter Funds)
RepRisk	• ESG News, Controversies & Violations • Ratings	• UN Global Compact
Sentieo	• JAM Company Engagement Research	
Sustainalytics	• ESG Risk Ratings • Corporate Governance • Product Involvement • Controversies • Carbon Risk	• Carbon Emissions & Risk • Country Risk • Global Norms • SFDR / EU Taxonomy
Truvalue Labs	• ESG Analytics & Research	

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