

## The Jupiter Global Fund – Jupiter European Growth (the “Fund”).

### Summary

The Fund promotes environmental or social characteristics but does not have as its objective sustainable investment.

The Fund promotes:

1. the transition to a low carbon economy in seeking to promote the goal of net zero greenhouse gas emissions by 2050 or sooner; and
2. the upholding of responsibilities to people and planet in seeking compliance with the UN Global Compact Principles.

The Fund measures the attainment of its promotion of the transition to a low carbon economy through the use of climate and environmental data, including (but not limited to) investee company disclosures relating to matters such as carbon emissions, environmental targets and associated capital allocation etc set out in annual reports, sustainability reports, stock exchange announcements and proxy filings, as well as third-party data and other publicly available information. This data is analysed in-house by Jupiter Asset Management Limited, the Fund’s investment manager (the “**Investment Manager**”), who assesses holdings within the Fund’s portfolio on the basis of their alignment with the goal of net zero greenhouse emissions by 2050 or sooner using the Net Zero Investment Framework (“**NZIF**”), a publicly available industry initiative published by the Institutional Investors Group on Climate Change (“**IIGCC**”).

The Fund measures the attainment of its promotion of the upholding of responsibilities to people and planet in seeking compliance with the UN Global Compact Principles. The Investment Manager’s investment due diligence process includes an initial evaluation and ongoing monitoring of companies’ compliance with the UN Global Compact Principles using third party ESG risk data. Where a company has been determined by the Investment Manager as having breached the UN Global Compact Principles, investment in that company will only be considered to be aligned with the social characteristic promoted by the Fund where the Investment Manager is satisfied that appropriate remedial actions have been implemented to reduce the likelihood of a future breach.

The promotion of the above environmental and social characteristics is conducted through the Investment Manager’s stewardship of portfolio companies and its investment decision making process.

The minimum share of investments aligned with the environmental and social characteristics promoted by the Fund is 50%. The remaining portion of the Fund’s investment portfolio will consist of other investments.

The approach to ensure investee companies follow good governance practices is embedded in the Investment Manager’s due diligence and monitoring processes, which include (but are not limited to) consideration of global norms, sound management structures, employee relations, corporate governance, remuneration of staff and tax compliance.

The Fund’s reference benchmark is used of performance comparison purposes only and is not designated for the purposes of attaining the environmental and social characteristics promoted by the Fund.

The Investment Manager monitors all portfolio holdings on an ongoing basis as part of its usual investment process. This monitoring is conducted in multiple ways, including through news flow monitoring, reading company reporting, engagement meetings, analysis of third-party research reports and the assessment of other, credible information relevant to the delivery of the investment objective and strategy.

The investment management of the Fund is overseen by Jupiter’s Investment Oversight Committee, which receives regular updates on the management of the Fund. Jupiter’s Risk and Compliance functions provide objective, second-line oversight, monitoring and challenge to the Investment Manager. The Risk and Compliance functions are functionally and hierarchically independent from the Investment Manager.

Jupiter's Responsible Investment Policy sets out details of Jupiter's approach to active ownership and environmental and social matters.

## No sustainable investment objective

This financial product promotes environmental or social characteristics, but does not have as its objective sustainable investment. The Fund does not commit to make any sustainable investments.

Environmental or social characteristics of the financial product

The environmental and social characteristics promoted by the Fund are:

1. the transition to a low carbon economy in seeking to promote the goal of net zero greenhouse gas emissions by 2050 or sooner; and
2. the upholding of responsibilities to people and planet in seeking compliance with the UN Global Compact Principles.

Such environmental and social characteristics may develop over time.

## Investment strategy

The Fund aims to achieve long term capital growth by exploiting special investment opportunities in Europe.

The investment strategy is implemented through fundamental security analysis in line with the Fund's active management approach, including pre-investment research, ongoing monitoring and corporate engagement on areas of improvement. The strategy follows a bottom-up quantitative and qualitative analysis of individual companies, aiming to select those with a good record and a proven product and business model, combined with evidence of entrepreneurial endeavour and the prospect of above average growth opportunities.

The Investment Manager focuses on investing in companies with business models that are sustainable in the long-term. If significant ESG risks are identified in respect of a potential investment, that would bring the long-term sustainability of that company into question. The Investment Manager has therefore embedded consideration of material ESG factors throughout the investment process, from consideration of investment proposals to monitoring of current investments.

Engagement is a key part of the ESG approach and is Investment Manager led. The Investment Manager meets with management, which can include independent directors, of companies within the Fund's portfolio. ESG risks are kept under review and changes in the Investment Manager's view of ESG risks are appropriately incorporated in investment decisions. The investment team will seek to influence company management of ESG risks where it feels these are not being appropriately addressed. Where necessary, the Investment Manager will escalate engagement via voting against management at shareholder meetings.

In selecting investments to attain the environmental and social characteristics promoted by the Fund, the Investment Manager will exclude companies where the main business activity (defined as revenue from such activity exceeding 30% of the company's total revenues) is linked to controversial weaponry or to coal or tobacco. These exclusions may be updated by the Investment Manager from time to time. In such a case, the revised exclusions will be available on the website (<https://www.jupiteram.com/board-and-governance/#sustainable-finance-disclosures>) and the Fund's prospectus will be updated accordingly at the occasion of the first update that will follow. Details of the Fund's exclusion policy are available from the Investment Manager upon request.

In addition, the Investment Manager may, over time add further restrictions or prohibitions on other industries or sectors which it feels are not consistent with or appropriate for the sustainability approach of the Fund.

In such a case, the Fund's prospectus will be amended accordingly at the occasion of the first update that will follow. Details of any further such restrictions will be available from the Investment Manager upon request.

The Investment Manager conducts research and performs due diligence in order to ensure that companies that the Fund invests in follow good governance. The assessment of good governance practices of the investee companies is conducted through some or all of the following:

- the initial due diligence conducted by the Investment Manager prior to investment;
- the ongoing monitoring of investee companies by the Investment Manager; and
- active engagement with investee companies by the Investment Manager and demonstration of responsible investment in accordance with Jupiter's Responsible Investment Policy.

This assessment of good governance practices includes consideration of factors including some or all of the following:

- compliance with global norms, including the UN Global Compact and OECD Guidelines for Multinational Enterprises;
- investee companies' stakeholder relations, including assessment of any issues identified in relation to, for example, regulatory matters, employee remuneration and relations and tax compliance; and
- compliance with applicable corporate governance standards, taking into account local market best practice, company size, ownership structure, management structure, development stage and business circumstances.

## Proportion of investments

The minimum share of investments aligned with the environmental and social characteristics promoted by the Fund is 50% of the Fund's assets. The remaining portion of the Fund's investment portfolio will consist of investments which are not aligned to the ESG characteristics promoted by the Fund, investments for which relevant data is not available and/or deposits at sight, deposits, money market instruments and money market funds held on an ancillary basis.

## Monitoring of environmental or social characteristics

The monitoring of the environmental and social characteristics is made through the analysis of indicators which are described in the section on "Methodologies for environmental and social characteristics" below to measure the meeting of each of environmental and social characteristics promoted by the Fund.

In addition, and as part of its usual investment process, the Investment Manager monitors all portfolio holdings on an ongoing basis. This monitoring is conducted in multiple ways, including through news flow monitoring, reading company reporting, engagement meetings, analysis of third-party research reports and the assessment of other, credible information relevant to the delivery of the investment objective and strategy.

Any issues in relation to the Fund's environmental and social characteristics identified by the Investment Manager from its monitoring will be investigated further and could lead to specific engagement with the company on the issue and could, ultimately, lead to a decision to sell the investment.

Regarding internal controls and oversight, members of the Investment Risk team meet the investment team on a regular basis to discuss the Fund's portfolio structure in the context of the investment objectives, recent changes, and the investment team's outlook. Metrics presented include market risk, liquidity, performance and ESG.

The Investment Manager's management of the Fund is overseen by Jupiter's Investment Oversight Committee. Jupiter's Investment Review Forum receives regular updates on the management of the Fund and reports into Jupiter's Investment Oversight Committee. Jupiter's Risk and Compliance functions provide objective, "second-line" oversight, monitoring and challenge to the Investment Manager. The Risk and Compliance functions are functionally and hierarchically independent from the Investment Manager. The Risk and Compliance functions are consulted on an ongoing basis where eligibility questions arise around assets to be held within the Fund or their compliance with the environmental or social characteristics promoted by the Fund.

The Fund excludes investment in companies where the main business activity (defined as revenue from such activity exceeding 30% of the company's total revenues) is linked to controversial weaponry or to coal or to tobacco.

Investment limits and restrictions are coded into Jupiter's electronic order management system ("OMS"). The system will produce a warning of a potential breach of the Fund's investment limits or restrictions pre-trade (in the case of a proposed new investment) or on an ongoing basis (in the case of an existing investment). The coding and monitoring of the Fund's investment restrictions and limits in the OMS is the responsibility of the Portfolio Compliance Group, which is part of the Compliance function. Alerts of potential breaches are monitored daily by the Compliance function and any identified breaches are escalated to the Investment Manager and rectified in a timely manner. Any investment restrictions that cannot be coded into the OMS and require further interpretation or oversight are monitored manually by the Investment Manager and overseen by the Compliance function.

The effectiveness of Jupiter's control environment, including its investment and stewardship activities as well as regulatory compliance, are assessed as part of regular thematic monitoring reviews in addition to performance of ongoing monitoring and surveillance activity.

## Methodologies for environmental and social characteristics

The methodologies used to measure the attainment of the environmental and social characteristics promoted by the Fund are as follows:

### Transition to a low carbon economy

The Fund measures the attainment of its promotion of the transition to a low carbon economy through the analysis of climate and environmental data, including (but not limited to) investee company disclosures relating to matters such as carbon emissions, environmental targets and associated capital allocation etc set out in annual reports, sustainability reports, stock exchange announcements and proxy filings, as well as third-party data and other publicly available information. This data is analysed in-house by the Investment Manager, who assesses holdings within the Fund's portfolio on the basis of their alignment with the goal of net zero greenhouse emissions by 2050 or sooner using the Net Zero Investment Framework ("NZIF"), a publicly available industry initiative published by the Institutional Investors Group on Climate Change ("IIGCC").

Jupiter uses the NZIF asset alignment methodology's five categories for companies as the basis for this assessment and added its own sixth category (see below). These categories represent progression along the pathway to the goal of net zero greenhouse emissions by 2050 or sooner. The Investment Manager analyses publicly available company disclosures on climate and environmental matters and other third party data sources to assess each company on the basis of: i) whether a formal long-term net zero commitment has been made; ii) the transparency of disclosure of its carbon emissions; iii) whether formal medium and long-term decarbonisation targets are in place (and whether the company is measuring its performance against these milestones); and iv) whether the company has disclosed a capital allocation plan and corporate strategy for decarbonisation.

On the basis of this analysis, the Investment Manager determines each holding's alignment to the goal of net zero greenhouse emissions by 2050 or sooner by assigning to one of the following categories:

1. Not aligned
2. Near term commitment to align
3. Committed to align
4. Aligning towards net zero pathway
5. Aligned to net zero pathway
6. Achieving net zero

The NZIF recognises that investors may need to adapt their approach for specific regions, asset classes and sectors which may require net zero emissions earlier or later, consistent with the global goal. To this extent Jupiter has devised and included category 2 in the above, which acknowledges where a company has made a formal near-term commitment to a decarbonisation target but is yet to develop longer-term and strategic goals (which would bring it into category 3). This category 2 has been included principally for smaller or emerging market companies who have made formal near-term commitments to a decarbonisation target.

The above assessment allows the Investment Manager to construct a “baseline” which then guides how portfolio companies are stewarded over time. In addition to this baseline assessment, in accordance with NZIF guidance, the Investment Manager also establishes interim 2025 and 2030 targets for the Fund’s portfolio. These targets anticipate the progression of the Fund’s holdings through the NZIF asset alignment categories and the Investment Manager monitors the progression of the portfolio’s alignment to net zero against these interim targets.

The Fund’s minimum percentage alignment for promoting the environmental characteristic refers to the proportion of investments (by weighting) that is assessed to be in categories 2-6. The Fund’s stewardship approach will seek to increase the proportion of investments that progress through the NZIF scale, towards net zero, over time.

Engagement with companies to monitor and influence climate transition strategies is a fundamental feature of promoting this characteristic. The Investment Manager seeks to identify high impact and priority companies for engagement and dialogue, which may be undertaken directly or in collaboration with other investors or other organisations.

### **Upholding responsibilities to people and planet**

The Fund measures the attainment of its promotion of the upholding of responsibilities to people and planet in seeking compliance with the UN Global Compact Principles.

The Investment Manager’s investment due diligence process includes an initial evaluation and ongoing monitoring of companies’ compliance with the UN Global Compact Principles using third party ESG risk data. The view of a third party data provider on a particular company’s compliance with the UN Global Compact Principles is not regarded as being definitive but is a reference point, triggering further analysis by the Investment Manager (and, where relevant, engagement to encourage better practice or to gain further relevant insights). Where a company has been determined by the Investment Manager as having breached the UN Global Compact Principles, investment in that company will only be considered to be aligned with the social characteristic promoted by the Fund where the Investment Manager is satisfied that appropriate remedial actions have been implemented to reduce the likelihood of a future breach.

The datasets reviewed by the Investment Manager incorporate a third-party view of a company’s behaviours against other ‘global norms’ in addition to the UN Global Compact Principles, including the ILO Conventions and the OECD Guidelines for Multinational Enterprises and the UNGPs. The Investment Manager monitors the Fund’s investments on an ongoing basis for issues connected to these ‘global norms’.

### **Data sources and processing**

The Investment Manager’s assessment of ESG factors is conducted through in-house primary research and relies on analysis of climate and environmental data, including (but not limited to) investee company disclosures, third-party data and other publicly available information such as broker reports and publications by industry bodies, research organisations, consultants and academics. This data is uploaded to Jupiter’s systems (either cloud based or on premises) for use in Jupiter’s proprietary ESG tools which are made available to the Investment and Stewardship teams.

Although third party research may be used, the Investment Manager forms its own view on ESG matters on the basis of its in-house analysis and assessment, which includes consultation with Jupiter’s in-house ESG specialists.

The Fund uses data from third parties (which may include providers for research, reports, screenings, ratings and/or analysis such as index providers and consultants). Whilst such data providers are chosen carefully, the information or data from such providers may be incomplete, inaccurate or inconsistent and data errors may occur.

## Limitations to methodologies and data

The principal limitation to the Investment Manager's methodology and data in relation to measuring the attainment of the environmental and social characteristics promoted by the Fund may arise from data availability and coverage and, more particularly, a lack of company reported data.

Corporate disclosures regarding decarbonisation activities are reported around the financial calendar, particularly as part of companies' annual financial results, but updates may be disclosed more frequently. The transition to a low carbon economy and net zero greenhouse emissions is a long-term goal and companies' progression towards this goal will not be linear. Consequently, mapping a company's carbon reduction activities more frequently than annually may not provide meaningful insight on its overall progression towards these long-term goals.

Smaller companies and companies based in emerging markets are subject to different regulatory and disclosure requirements with respect to ESG matters than larger companies in more developed markets. It may therefore not be appropriate to apply the same criteria to all companies in seeking to promote certain environmental and social characteristics. The section "Methodologies" outlines how the Investment Manager has sought to address smaller emerging market companies in its methodology.

Third party data providers adopt different methodologies to monitoring and assessing companies against ESG criteria. Consequently, the view of a third party data provider on a particular issue is not regarded as being definitive but a flag, triggering further analysis by the Investment Manager (and, where relevant, engagement to encourage better practice or to gain further relevant insights).

## Due diligence

The investment management of the Fund (including the Investment Manager's due diligence and investment decision process) is overseen by Jupiter's Investment Oversight Committee, which receives regular updates on the management of the Fund. Jupiter's Risk and Compliance function provides objective, "second-line" oversight, monitoring and challenge to the Investment Manager. The promotion of the Fund's environmental and social characteristics is overseen by the Compliance and Risk functions.

## Engagement policies

As a high-conviction active asset manager, the Jupiter group, to which the Investment Manager belongs, recognises that it has an important role to play in the allocation of capital, both as active owners and long-term stewards of the assets in which it invests on behalf of clients. Jupiter's approach to responsible investment means that the Investment Manager considers material ESG issues for every investment strategy, identifying extra-financial information to enable the Investment Manager to make better-informed investment decisions. The Investment Manager's investment strategies have defined investment processes, and consideration of material ESG issues is integrated into both 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.

As active owners and long-term stewards of the assets in which it invests on behalf of clients, the Investment Manager's investment teams are at the core of Jupiter's responsible investment approach. The investment teams analyse holdings on a range of material ESG issues to ensure that it protects and enhances the value of its client's investments to deliver returns in line with their objectives. Where the Investment Manager identifies opportunities to improve the ESG performance or reduce the ESG risk of an investment, it actively engages and makes use of its shareholder vote with the objective of improving stewardship outcomes.

The Investment Manager takes a materiality approach to integrating ESG into its investment processes. The Investment Manager has identified the following material themes and has discretion to interpret as appropriate for their asset classes and investment processes: climate, biodiversity, human rights, human capital, health and safety and governance (including diversity and inclusion).

Central to Jupiter's active ownership approach is:

- **Engagement** - the Investment Manager's investment teams maintain a dialogue with companies to inform their investment decisions and carry out strategic engagement, based on ESG materiality. To be effective, engagement must be focused and well-defined targets, objectives and outcomes. is led by engagement with the companies in which we invest and the exercise of our shareholder rights by way of active proxy voting is a key element of our approach to ESG integration; and
- **Active proxy voting** - the Investment Manager exercises the shareholder voice through active proxy voting to represent client interests, hold boards to account, and support investee companies. The Investment Manager seeks to vote all eligible proxies, taking account of local market practice such as powers of attorney or share blocking. The Investment Manager is accountable for the exercise of their shareholder votes supported by Jupiter's Stewardship Team, which is responsible for proxy voting operations, the monitoring of meeting ballots and providing an initial assessment of each meeting's agenda, including an assessment of independent proxy advisory research. Jupiter does not outsource the voting decisions to an external service provider and does not automatically vote in line with third-party recommendations, with the exception of our systematic quant-driven strategy.

Further details of Jupiter's approach to active ownership are available on the following website:

<https://www.jupiteram.com/board-and-governance/#our-approach-to-stewardship>.

## Designated reference benchmark

No reference benchmark has been designated for the purpose of meeting the environmental or social characteristics promoted by the financial product.