



# Response to ESG Questionnaire Jupiter

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## Introduction

The issue of defining ESG and how individual companies express their specific values is now at the forefront of many of our clients' minds. We have researched SRI funds for many years now and have a separate rating category, but we acknowledge that this is now a mainstream strategy for an increasing number of investors and ESG issues are impacting all funds, not just those designated responsible or SRI.

In order to understand each company's stance on ESG factors at the corporate level, and how this is built into the investment managers' research and process we ask all our rated fund managers four questions:

- Please provide an overview of any Responsible Ownership/Stewardship strategy that your business follows.
- Please provide an overview of how ESG is integrated into your business.
- Does your business have a policy of excluding any companies or sectors from all strategies managed? If yes, please provide further details.
- What improvements (if any) have been made over the past 12 months within your business to the points highlighted in the previous questions?

The responses given by Jupiter are shown here.

### **1. Please provide an overview of any Responsible Ownership/Stewardship strategy that your business follows.**

Jupiter Fund Management (Jupiter) is a specialist, high-conviction, active asset manager committed to helping our clients achieve their long-term investment objectives. At Jupiter, we believe that responsible investment is not only a societal responsibility, but also an important element of longterm value creation. Our approach to responsible investment means that we consider material ESG issues for every investment strategy, identifying extra-financial information to enable our investment teams to make better-informed investment decisions. Jupiter's investment teams are independent from each other and are not subject to a 'house view'. Consideration of material ESG issues is integrated into both investment analysis and decisionmaking. The form this integration takes is tailored according to each team's asset class, management style, investment process, and the information available to us. We recognise that systemic issues such as climate change and the gradual depletion of natural resources pose significant risks to the economy, society and the environment, but also offer many opportunities for innovation and adaptation. We provide details of the ESG issues we have identified as most material to our investments in this policy. We expect our investee companies to manage their material ESG risks and opportunities effectively, acknowledge the challenges and opportunities posed by sustainability issues, and to adopt a proactive and strategic approach to address them. We recognise that companies operate in distinct regulatory environments according to local jurisdictional norms, among many other factors. We believe such differences, including resource availability, create both risks and opportunities from an investment perspective for Jupiter's funds so long as they remain within their investment restrictions. Within our fundamental investment strategies, we engage with companies we invest in, or consider

investing in, to communicate our expectations, to encourage best practices, to influence their strategies and to monitor their progress. We use our voting rights as shareholders and bondholders to support our engagement activities and to hold companies accountable.

#### Process and responsibilities

Our investment teams analyse material ESG issues identified by their investment processes, which includes the use of our centralised specialist resources, to ensure that we protect and enhance the value of our client's investments to deliver risk-adjusted returns in line with mandates. The investment management teams are supported by dedicated stewardship and ESG research and integration (R&I) teams that assist with asset monitoring, company research, and proxy voting as well as direct and collaborative engagement. In Jupiter's Sustainability Policy, we identify material sustainability issues relevant to Jupiter's corporate and investment footprints. The Responsible Investment Policy describes how we approach these issues as an active investor.

## **2. Please provide an overview of how ESG is integrated into your business.**

Jupiter is a specialist, high-conviction, active asset manager committed to helping our client achieve their long-term investment objectives.

As active owners and long-term stewards of the assets in which we invest on behalf of our clients, our investment teams are at the core of our responsible investment approach. The investment teams analyse holdings on a range of material ESG issues to ensure that we protect and enhance the value of our client's investments to deliver returns in line with their objectives. Where we identify opportunities to improve the ESG performance or reduce the ESG risk of an investment, we actively engage and make use of our shareholder vote with the objective of improving stewardship outcomes.

The investment management teams are supported by a dedicated Sustainability & Stewardship team that assists with asset monitoring, company and credit research, and proxy voting as well as direct and collaborative engagement.

In Jupiter's [Sustainability Policy](#), we identify material sustainability issues relevant to Jupiter's corporate and investment footprints.

The [Responsible Investment Policy](#) describes how we approach these issues as an active investor, setting out:

- Our sustainability governance and oversight
- Our approach to ESG integration and materiality
- Core material ESG issues

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

## **3. Does your business have a policy of excluding any companies or sectors from all strategies managed? If yes, please provide further details.**

Yes. Jupiter is aligned with the aims of the international conventions on cluster munitions and antipersonnel mines. We operate an exclusion policy towards companies involved in the production of these weapons. Jupiter's Anti-Money Laundering and Counter-Terrorist Financing Policies may also include restrictions on investments with cannabis product involvement and financial sanctions imposed by various regimes, these include but are not limited to the UN, UK, EU and US.

Please refer to our [Responsible Investment Policy](#) for more information.

## **4. What improvements (if any) have been made over the past 12 months within your business to the points highlighted in the previous questions?**

We made changes to our committees in 2023 to enhance the focus and efficiency of governance and management structures. As part of this re-structure, we considered the roles and responsibilities of each Committee and how sustainability matters were considered across the Group. Further to this review and reflecting the fact that sustainability matters are now integrated across the Group's activities, we have transferred the responsibilities of the Sustainability Committee to various governance and management

committees, aligned with each committee's core activities. For example, sustainability reporting will be reviewed by the Group's Audit and Risk Committee, our Operating Committee will take responsibility for the decarbonisation of our operations and our Strategy and Management Committee responsibility for the Group's sustainability strategy.

Sustainability matters will continue to be challenged and overseen by the Board of Jupiter Fund Management plc and, where appropriate, subsidiary Boards across the Group.

Jupiter also has a corporate sustainability team, which works across the wider business including with investment management, human resources, facilities, audit, risk, and compliance to deliver against our corporate sustainability priorities and objectives.

Further to this, Jupiter formed a Sustainability Advisory Council (SAC) which 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 investment strategies.

We have invested in both new data sets as well as personnel to strengthen our ESG analysis capabilities. In September 2023, Jupiter created a new Research and Integration team. The team consists of six people, led by the Head of Research and Integration, Michael Posnansky, and supported by a Senior Research and Integration Manager and four ESG analysts. The purpose of the team is to enable material ESG factors to be simply and systematically integrated into Jupiter's investment processes in a way that reflects our fund mandates and benefits client outcomes.

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 providers, providing analysis and feedback on an ongoing basis. Our Data Science team plays a pivotal role in both assessing the quality of the data, in addition to integrating new datasets and building advance research systems to assist the Investment Management and Stewardship teams. 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. Data is reviewed to ensure consistency across data providers, ESG analysts play a role in validating, sorting and filtering third-party data to ensure data is relevant and appropriate for the analysis being conducted. Where discrepancies occur, the team will feedback and work with data providers to ensure data is credible and accurate.

As an example, last 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.

### **Important Notice**

This document is aimed at Investment Professionals only and should not be relied upon by Private Investors.

Our comments and opinion are intended as general information only and do not constitute advice or recommendation. Information is sourced directly from fund managers and websites. Therefore, this information is as current as is available at the time of production.

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