

## Value Statement for year ending 31 March 2023

### The outcomes for Jupiter UK Growth Fund - by individual unit class:

- I - Unit Class ★★ Has demonstrated value, although not consistently
- J - Unit Class ★★ Has demonstrated value, although not consistently
- L - Unit Class ★★ Has demonstrated value, although not consistently

### Your guide to the ratings for each individual unit class:

- ★★★★ Has consistently demonstrated strong value
- ★★★ Has demonstrated value
- ★★ Has demonstrated value, although not consistently
- ★ Has not demonstrated value

### What have we concluded?

The Board has concluded that this fund has demonstrated value, although not consistently for investors in the I, L and J classes. Whilst performance has been challenged, we continue to believe that this strategy can deliver on the investment objectives communicated to investors. To help achieve this, we are continuing to review how we manage the fund. Furthermore, Jupiter regularly reviews all aspects of the products and services which it provides, to continuously improve its offering to investors and will report on any such initiatives in future Value Assessments.

### The Assessment of Value for your Fund

For more information about this report, and how we have evaluated each component of value click: [here](#)

#### Investment Objective

To provide a return, net of fees, higher than that provided by the FTSE All Share Index over the long term (at least five years).

#### Fund Performance

Returns for all unit classes trailed those of the benchmark, at the time of assessment, and therefore did not meet the investment objective.

The fund, which invests predominantly in UK equities, continues to overcome the legacy impact of the prolonged political uncertainty which affected UK markets. **Growth** companies – those companies with faster growing and higher quality earnings, broadly outperformed the market during the period 2013 – 2020. This reversed in Q4 2020 as positive vaccine news and inflation expectations began to influence equity markets. Thereafter, **Value** companies – those lower valued companies but with often slightly weaker and more cyclical growth prospects, began to outperform. By far the main driver of the UK market's return during the period under review was the strength of the Oil Majors, Shell PLC, and BP PLC.

Against this backdrop, the fund's performance slightly trailed that of the benchmark. All of the fund's underperformance versus the benchmark during the period under review can be explained by the fund not holding one stock, oil company BP PLC, which was the largest detractor to performance. BP does not meet the fund's distinct 'Growth' investment

process and philosophy, but it is a significant component of the UK benchmark with highly cyclical earnings. BP and Shell therefore can and do have a significant impact on returns relative to the benchmark. The portfolio was repositioned by the new manager in July 2020, resulting in a marked improvement in performance, achieving a 2<sup>nd</sup> quartile rank in performance versus peers over the year as of the reference date.

Whilst performance has been challenging, we continue to believe that this strategy can deliver on the investment objectives communicated to investors. To help achieve this, we have undertaken an initial review of how we manage the fund. The calibre of the team and robustness of the investment process underpin our confidence that the fund is well placed to deliver good performance outcomes for our clients in the future.

The Board fulfils an oversight role with regular investment updates provided by the senior management team, and we look forward to providing a further update in our next value statement.

Find out more about this fund by: [clicking here](#).

#### Quality of Service

The services we provide to manage, operate, and administer the fund were evaluated as part of the 2023 Value Assessment, and have demonstrated a high quality of service over the period of review.

#### Costs of the Authorised Fund Manager (AFM)

We have evaluated the costs borne by the AFM for providing services to the fund and concluded that these are fair and reasonable in respect of providing investment, operational and administrative services.

## Economies of Scale

We have found that the majority of costs within Jupiter, specific to the management of investors' assets, vary with the level of assets held in a particular fund and do not indicate economies of scale attributable to individual funds. However, it is possible that economies of scale may be realised by the Group within the fixed costs it incurs. We have reviewed, for each fund, the amount of these fixed costs, the level of assets, and how these have increased or decreased during the year to identify if any economies were realised by the firm. The outcome of this year's assessment does not currently indicate economies of scale attributable to individual products that can be shared with investors.

## Comparable Market Rates

We analysed the extent to which the fund has comparable market rates when compared with an appropriate peer group and concluded that the fees for the I and J unit classes were moderately high but judged to be appropriate. Whereas the fees for the L unit class are at the high end when compared with the fund's peer group. However, they are, on balance, judged to be appropriate. This is in the context of our value and service proposition as an active, high-conviction investment manager and the opportunities we seek to provide for our investors.

## Comparable Services

We have found that there are currently no Comparable Services for the fund or other products that Jupiter Group provides.

## Class of Units or Shares

Having assessed the classes of units available in the fund, we have concluded that investors currently can and do access the fund through the most appropriate unit class available to them.

Should you have any questions or require further information about the contents of this document, please call our Customer Services team on 0800 561 4000 between 9:00 a.m. and 5:30 p.m., Monday to Friday excluding public holidays in England. For your protection, we'll ask for your unitholder number so please have this to hand when you call. Please note that calls are recorded for your security and may be used for monitoring purposes. You can obtain further information about your Jupiter investments using our online valuation service at [www.jupiteram.com](http://www.jupiteram.com)

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