

Catalysing Investment in Low-Carbon

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SETTING THE CONTEXT – OVER 23 YEARS OF EXPERIENCE

A record of long-term outperformance against global equity markets funds



- Jupiter Environmental & SRI funds
- Funds launched over 23 years ago
- Typically between 350-450 company meetings / annum
- Fundamental approach to investing in the sector remains unchanged

Source: Financial Express, Bid-Bid, Net, Income reinvested, GBP, 30.04.88, to 30.06.11.



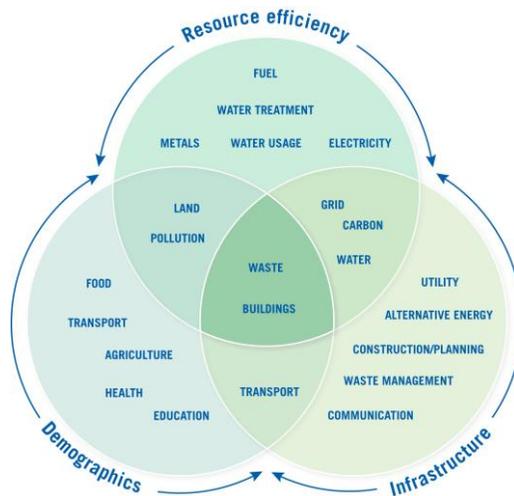
Transitioning of environmental investment

“ As the investable universe within the environmental sector expands, the role of these underlying investment areas becomes increasingly interdependent ”

“ Investable universe ~1000+ ”

“ Not a shortage of innovation ”

“ Changing the traditional silos for environmental investment requires broader understanding of interaction ”



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Observations and Trends in 2011

- Environmental investment areas showing greatest deviation for many years. e.g. Consumer / Agricultural trends strong – Alternative energy weak
- Geopolitical and policy backdrop is generally supportive but concerns are emerging
- Regional dispersion of environmental investment is significant and currently reflects prevailing economic backdrop – will this become permanent?
- Environmental technology leadership no longer the preserve of Europe and North America

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Longer Term Implications for Environmental Investment

- Short term policy budgetary decisions can have far reaching and long term impacts
- Risk capital markets (venture, private & public equity) work equally and successfully for environmental innovation
- BUT fostering innovation and long term stable capital requires underpinning with a stable policy backdrop
- Capital markets not without it own problem (short-termism, discount rates, externalities accounting) and must adapt also
- Growing frustration amongst some leading companies which “get it” and feel policy debate moving too slowly
- Growing belief that “citizens” are approaching an inflection for sustainable consumerism
- Recognising that we will be investing for “adaption” as well as “mitigation”

*“Managing the earth system has largely evolved from an environmental problem to an economic problem”**

*Prof. Dr. Guy Brasseur, Director of the Climate Service Center



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