

Sustainability-related disclosures

Jupiter Asset Management Series plc

–

Jupiter Merian Global Equity Absolute Return Fund (the “Fund”)

The Investment Manager of the Fund is Jupiter Investment Management Limited (the “Investment Manager”)

The Manager of the Fund is Jupiter Asset Management (Europe) Limited (the “Manager”)

Summary

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.

The Fund promotes:

1. Portfolio carbon efficiency; and
2. the upholding of responsibilities to people and planet in seeking compliance with the UN Global Compact Principles.

The environmental characteristic promoted by the Fund is the promotion of portfolio carbon efficiency.

The social characteristic promoted by the Fund is upholding responsibilities to people and planet, which is defined as seeking compliance with the UN Global Compact Principles.

The Fund measures the attainment of the environmental characteristic through seeking to invest in a portfolio of investments that has on a net basis, a level of carbon emissions intensity that is lower than zero. The level of carbon emissions intensity of the Fund’s portfolio is determined based on the weighted average carbon emissions intensity of all of the Fund’s holdings as opposed to on the basis of a minimum share of assets aligned with the environmental characteristic.

The Fund measures the attainment of the social characteristic through the monitoring and evaluation of companies against the UN Global Compact Principles (particularly any involvement in violations of one or more of the 10 principles).

The minimum share of investments aligned with the social characteristics promoted by the Fund, is 35%. If net short positions aligned with the social characteristic promoted by the Fund were to be considered, the minimum share of investments aligned with the social characteristic promoted by the Fund would increase from 35% to 70%.

The Investment Manager excludes investments in certain companies, as further detailed in this document.

As further described in the section on “Investment Strategy”, the Fund uses a combination of an ESG factor integration model and independent third-party data to assess good governance practices of investee companies:

The monitoring of the environmental and social characteristics is made through the analysis of indicators which are described in the section on “Measurement 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 by analysing third party data.

The Fund has not designated a reference benchmark for the purpose of attaining the environmental and social characteristics promoted by the Fund.

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 and social characteristics of the financial product

The environmental and social characteristics promoted by the Fund are:

1. portfolio carbon efficiency; 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 objective of the The Fund is capital appreciation while closely controlling risk. In addition, the Fund intends to deliver absolute returns that have a low correlation with equity and bond markets.

The Fund aims to achieve its investment objective by investing primarily in a portfolio of equity securities of companies located worldwide and listed or traded on Regulated Markets and by pursuing the strategy as detailed in the prospectus.

The Fund is managed by the Investment Manager adopting a “systematic” investment process, which uses sophisticated computer models to analyse large volumes of data to select investments. Stocks are assessed in terms of the attractiveness of their valuation, quality, price trends, stable growth prospects, environmental and social characteristics, sentiment and company management. In addition, the Investment Manager takes other criteria, such as expected risk, trading costs and liquidity into consideration when constructing the Fund’s portfolio.

Sustainability risks (defined in SFDR as an environmental, social or governance event or condition that, if it occurs, could cause a negative material impact on the value of the investment) are integrated into the Fund’s portfolio construction and rebalancing processes.

The Fund excludes investment in any company that:

- derives revenues from anti-personnel mines (0% revenue threshold);
- derives revenues from biological weapons (0% revenue threshold);
- derives revenues from chemical weapons (0% revenue threshold);
- derives revenues from cluster munitions (0% revenue threshold);
- derives revenues from depleted uranium weapons (0% revenue threshold);
- derives revenues from non-detectable fragments, incendiary weapons and blinding laser weapons (0% revenue threshold);
- derives revenues from nuclear weapons (0% revenue threshold);
- In relation to long positions held by the Fund only, derives revenues from thermal coal extraction or from thermal coal-based power generation (max. 25% revenue threshold);
- produces tobacco and/or tobacco products (0% revenue threshold).

These exclusions may be updated by the Investment Manager from time to time. 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 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.

Material sustainability risks are integrated into the investment decision making process. The active ownership approach considers material ESG factors and principal adverse impacts on sustainability factors which strengthen the assessment of the risks and opportunities that drive long-term value.

The Investment Manager incorporates an explicit ESG factor into portfolio construction and analysis alongside all other datapoints. The ESG factor is obtained by using independent third-party data. Analysis is conducted on the ranking of specific issuer and time series data on ESG scores. This information is embedded in the process and is linked to the assessment of stock returns and forecasts. This assessment also includes a reference against the benchmark to assess the impact on returns.

The Investment Manager uses a combination of the following to assess good governance practices of investee companies:

- the Fund's quantitative ESG factor integration model which will:
 - o in relation to the long positions held by the Fund, tilt the portfolio towards companies with better governance practices and away from companies with lower governance scores; and
 - o in relation to the short positions held by the Fund, tilt the portfolio away from companies with better governance practices and toward companies with lower governance scores, and
- using independent third-party data to:
 - o screen the universe and will exclude companies which fail to meet a certain threshold determined by the Investment Manager to represent the minimum level for good governance. In the event that a position already held by the Fund fails to meet such threshold, it would be closed under the Fund's regular rebalancing process; and
 - o monitor all portfolio companies for UNGC compliance. This scrutiny is aligned to the principles of good governance concerning labour rights and business ethics.

The Fund may use net long derivative instruments for the purpose of attaining the environmental and/or social characteristics it promotes.

The underlying companies of these derivative positions will align with the social characteristic promoted by the Fund. Net short positions are not considered, irrespective of whether they align with the social characteristic promoted by the Fund.

In relation to the promotion of the environmental characteristic, derivatives allow the Fund to achieve short exposure to companies with the level of carbon emissions intensity of the Fund's portfolio determined based on the net weighted average carbon emissions intensity of all of the Fund's holdings. The weighted average carbon emissions intensity of the short investments must therefore at all times be higher than the weighted average carbon emissions intensity of the long positions, resulting in a net weighted average carbon emissions intensity that is less than zero.

Proportion of investments

The minimum share of investments aligned with the social characteristic promoted by the Fund, based on currently available data and estimates is 35%.

When determining the minimum share of investments aligned with the social characteristic promoted by the Fund:

- 1) relevant net long derivative positions are considered to align with the social characteristic promoted by the Fund;
- 2) all net short positions are not considered irrespective of whether they align with the social characteristic promoted by the Fund; and
- 3) transactions entered into solely for currency hedging purposes are excluded (i.e. they are not factored into the minimum share of investments figure or into the value of the overall portfolio).

If net short positions aligned with the social characteristic promoted by the Fund were to be considered, the minimum share of investments aligned with the social characteristic promoted by the Fund would increase from 35% to 70%.

The remaining portion of the Fund's investment portfolio will consist of investments which are not aligned to the social characteristic promoted by the Fund, investments for which relevant data is not available and/or cash and cash equivalents held on an ancillary basis.

Monitoring of environmental and social characteristics

The monitoring of the environmental and social characteristics is made through the analysis of indicators which are described in the section on "Measurement 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 by analysing third party data. Any issues in relation to the Fund's environmental and social characteristics identified by the Investment Manager from its monitoring will be confirmed by the systematic and discretionary investment process and would lead to rebalancing of the portfolio and could, ultimately, lead to a decision to sell investments.

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, which receives regular updates on the management of the Fund. The Investment Manager's Risk and Compliance functions provide objective, "second-line" oversight, monitoring and challenge to the investment manager. The Investment Manager's Risk and Compliance functions are functionally and hierarchically independent from the investment manager. The Manager has an established risk management, oversight and monitoring program in respect of the Fund and the Investment Manager. The promotion of the Fund's environmental and social

characteristics is overseen by the Compliance and Risk functions of both the Investment Manager and Manager.

In addition to coding Investment limits and restrictions into the computer models as part of the systematic investment process, the 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). 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.

Measurement methodologies for environmental and social characteristics

Environmental characteristic

The environmental characteristic promoted by the Fund is the promotion of portfolio carbon efficiency. The Fund measures the attainment of this characteristic through seeking to invest in a portfolio of investments that has, on a net basis, a level of carbon emissions intensity that is lower than zero (determined based on the weighted average carbon emissions intensity of the Fund's holdings).

General

The monitoring and evaluation of companies' carbon emissions intensity is factored into the Fund's portfolio construction and rebalancing processes.

Social characteristic

The social characteristic promoted by the Fund is the upholding of responsibilities to people and planet, which is defined as seeking compliance with the UN Global Compact Principles. The UN Global Compact Principles are a voluntary initiative based on CEO commitments to implement universal sustainability principles and to take steps to support UN goals.

The Fund measures the attainment of this characteristic through the monitoring and evaluation of companies against the UN Global Compact Principles (particularly any involvement in violations of one or more of the 10 principles). This is factored into the Fund's portfolio construction and rebalancing processes. Where an investee company has been identified by the Investment Manager as being in breach of the UN Global Compact Principles, this holding will be considered to be not aligned with the upholding of responsibilities to people and planet.

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.

Data sources and processing

The Investment Manager incorporates an explicit ESG factor into portfolio construction and analysis alongside all other datapoints. The ESG factor is obtained by using independent third-party data. Analysis is conducted on the ranking of specific issuer and time series data on ESG scores. This information is embedded in the process and is linked to the assessment of stock returns and forecasts.

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.

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 the only definitive indicator but rather as one of the many dimensions the Investment Manager would consider in the investment decision making process.

Due diligence

The Investment Manager's management of the Fund is overseen by Jupiter's Investment Oversight Committee, which receives regular updates on the management of the Fund. The Investment Manager's Risk and Compliance functions provide objective, "second-line" oversight, monitoring and challenge to the investment manager. The Investment Manager's Risk and Compliance functions are functionally and hierarchically independent from the investment manager. The Manager has an established risk management, oversight and monitoring program in respect of the Fund and the Investment Manager. The promotion of the Fund's environmental and social characteristics is overseen by the Compliance and Risk functions of both the Investment Manager and Manager.

Engagement policies

The fund's systematic process is described within the Investment Strategy section. This quantitative driven approach results in a different engagement profile compared to a fundamental equity strategy due to the different trading and holding patterns.

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. For the Jupiter World Equity Fund as a systematic driven strategy Jupiter uses an external service provider to provide third-party shareholder voting recommendations.

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

The Fund has not designated a reference benchmark for the purpose of attaining the environmental and social characteristics promoted by the Fund.