

## Jupiter Asset Management Series plc

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### Jupiter Merian World Equity 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 a level of carbon emissions intensity that is lower than the market rate (determined based on the weighted average carbon emissions intensity of the constituents of the Index, which is a broad market index and not a designated sustainability reference benchmark).

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 environmental and social characteristics promoted by the Fund, based on currently available data and estimates is 60%. (The actual share of investments aligned with either one of the environmental and social characteristics promoted by the Fund will be more than 60%).

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 the 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.

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

A broad market index is used to determine the relevant market score for which securities are analysed against in relation to 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 Fund is to seek to achieve asset growth through investment in a well-diversified portfolio of securities of issuers worldwide.

The Fund will aim to achieve its investment objective by investing not less than 70% of its Net Asset Value directly in securities including ordinary shares or common stock, ADRs, GDRs, preference shares and warrants, provided that any investment in warrants shall not comprise more than 5 per cent. of the Net Asset Value of the Fund.

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);
- 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).

For the purposes of these exclusions, an investee company shall be deemed to “derive revenue” from particular activities if that investee company is shown to and identified by the Investment Manager to generate revenue from those activities: (i) in its own capacity; or (ii) from a Relevant Subsidiary (as defined below).

A Relevant Subsidiary is a subsidiary of the investee company whose revenue is reflected in the investee company’s financial statements on a consolidated basis (in accordance with the relevant listing and/or accounting rules). A subsidiary of the investee company whose revenue is reflected in the investee company’s financial statements solely for any other reason is not a Relevant Subsidiary.

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 tilt the portfolio towards companies with better governance practices and away from 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 does not use financial derivative instruments specifically for the purpose of attaining the environmental and/ or social characteristics it promotes. Rather, financial derivative instruments may be used by the Fund for efficient portfolio management purposes (including hedging) only.

## Proportion of investments

The minimum share of investments aligned with the environmental or social characteristics promoted by the Fund, based on currently available data and estimates is 60%. (The actual share of investments aligned with either one of the environmental and social characteristics promoted by the Fund will be more than 60%). The remaining portion of the Fund's investment portfolio will consist of investments which are not aligned to the environmental or social characteristics 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 the 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 a level of carbon emissions intensity that is lower than the market rate (determined based on the weighted average carbon emissions intensity of the constituents of the MSCI World Index, which is a broad market index).

#### *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 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. This assessment also includes a reference against the benchmark to assess the impact on returns.

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.

A broad market index is used to determine the relevant market score for which securities are analysed against in relation to the environmental and social characteristics promoted by the Fund.

Version	Release Date	Description
Version 1	December 2023	Initial version.
Version 2	May 2024	General amendments and updates, and additional clarification relating to 'Investment Strategy' section.