

Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: Jupiter Merian Global Equity Absolute Return Fund **Legal entity identifier:** 5493004U5U0PV5FQL651

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

☐ **Yes**



☒ **No**

☐ It will make a minimum of **sustainable investments with an environmental objective**: ____%

☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy

☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

☐ It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of ____% of sustainable investments

☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy

☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

☐ with a social objective

☐ It will make a minimum of **sustainable investments with a social objective**: ____%

☒ It promotes E/S characteristics, but **will not make any sustainable investments**



What environmental and/or social characteristics are promoted by this financial product?

The environmental and social characteristics promoted by the Fund are: (i) the promotion of portfolio carbon efficiency; and (ii) the upholding responsibilities to people and planet in seeking compliance with the UN Global Compact Principles. Such environmental and social characteristics may develop over time. The Fund has not designated a reference benchmark for the purpose of attaining the environmental and social characteristics promoted by the Fund.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

● ***What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?***

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).

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 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.

More information on the sustainability indicators used by the Fund can be found on the website: <https://www.jupiteram.com/board-and-governance/#sustainable-finance-disclosures>.

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) and that information or data may be incomplete, inaccurate or inconsistent.

● ***What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?***

Not applicable as the Fund does not commit to make sustainable investments.

● ***How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?***

Not applicable as the Fund does not commit to make sustainable investments.

- — — *How have the indicators for adverse impacts on sustainability factors been taken into account*

Not applicable

- — — *How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

Not applicable

The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.



Does this financial product consider principal adverse impacts on sustainability factors?

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.



Yes, principal adverse impacts on sustainability factors are factored into the Fund's portfolio construction and rebalancing processes. A list of the key principle adverse impact indicators considered by the Fund can be found on the website: <https://www.jupiteram.com/board-andgovernance/#sustainable-finance-disclosures>. These principal adverse impact indicators are factored into the Fund's portfolio construction and rebalancing process, which together with other investment considerations, in aggregate, may lead to a decision not to invest in a particular investment. Relevant information on principal adverse impacts on sustainability factors will also be disclosed in due course in the Fund's annual report.

Further information regarding the consideration of principal adverse impacts will be provided in the Fund's annual report.



No



What investment strategy does this financial product follow?

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 will exclude investments in companies that derive revenues from specific controversial business activities as described in detail below.

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

● ***What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?***

The Investment Manager 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);
- produces tobacco and/or tobacco products (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).

These exclusions are binding elements and are embedded into the Fund's portfolio construction and rebalancing processes.

The Fund's portfolio construction and rebalancing process shall provide that the Fund's portfolio of investments shall have, 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).

● ***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?***

Not applicable.

● ***What is the policy to assess good governance practices of the investee companies?***

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:
 - 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
 - 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:

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

- 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
- monitor all portfolio companies for UNGC compliance. This scrutiny is aligned to the principles of good governance concerning labour rights and business ethics..



What is the asset allocation planned for this financial product?

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

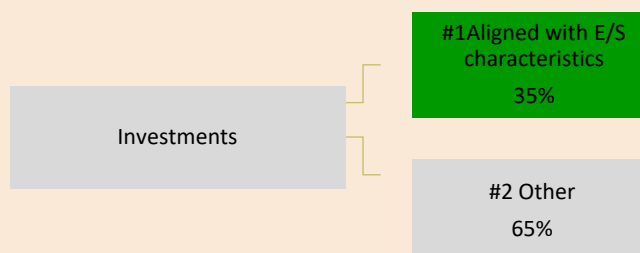
When determining the minimum share of investments aligned with the social characteristic promoted by the Fund:

- 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 ("#2Other") 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.

The environmental characteristic promoted by the Fund (portfolio carbon efficiency) is measured 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.



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

Asset allocation
describes the share of
investments in
specific assets.

● **How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?**

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.



To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

The minimum commitment to sustainable investments with an environmental objective aligned with the EU Taxonomy is 0%.

● **Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy¹?**

☐ Yes:

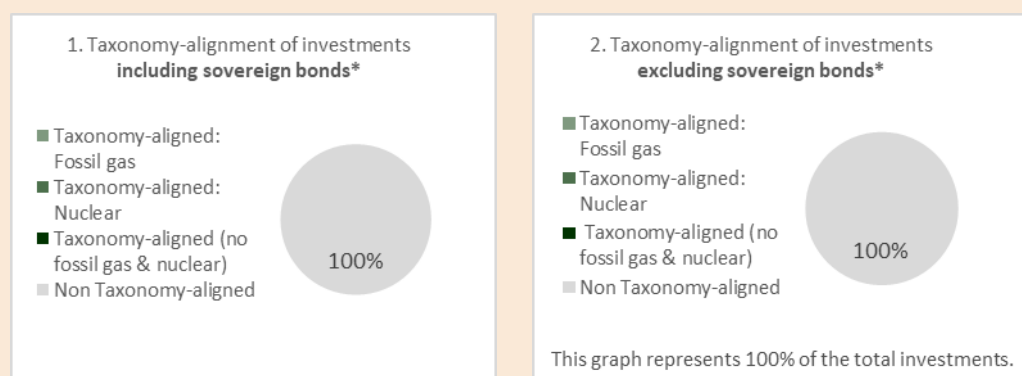
☐ In fossil gas ☐ In nuclear energy

☒ No

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.*



* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.

¹ Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.



are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

● **What is the minimum share of investments in transitional and enabling activities?**

There is no commitment to a minimum proportion of investments in transitional and enabling activities and therefore the minimum share of such investments is 0%.



What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

There is no commitment to a minimum proportion of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy and therefore the minimum share of such investments is 0%.



What is the minimum share of socially sustainable investments?

There is no commitment to a minimum proportion of socially sustainable investments and therefore the minimum share of such investments is 0%.



What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?

All of the Fund's investments are held with a view to achieving the Fund's investment objective, including any which are not aligned to both of the environmental and social characteristics promoted by the Fund.

In addition to investments made by the Fund in pursuit of its investment strategy, the Fund may hold cash and cash equivalents as set out in the Investment Objective and Policies section of the Supplement. No minimum environmental or social safeguards will be in place in relation to such holdings.

This category also includes net short positions and may also include investments for which relevant data is not available.



Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

Not applicable.

● **How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?**

Not applicable

● **How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?**

Not applicable

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- ***How does the designated index differ from a relevant broad market index?***
Not applicable
- ***Where can the methodology used for the calculation of the designated index be found?***
Not applicable



Where can I find more product specific information online?

More product-specific information can be found on the website:
<https://www.jupiteram.com/board-and-governance/#sustainable-finance-disclosures>