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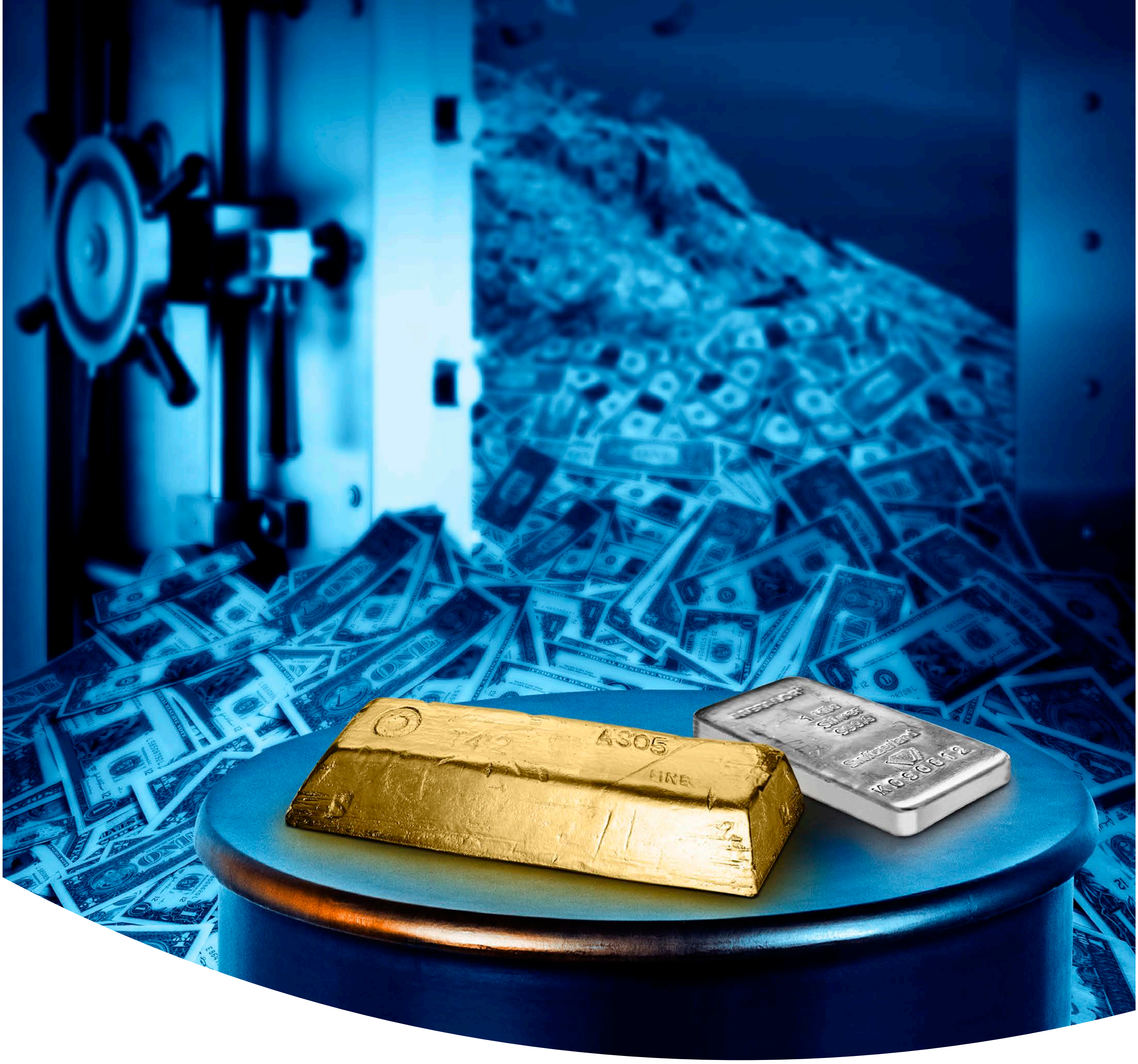

CENTRAL BANKS CAN'T PRINT **GOLD AND SILVER**

JUPITER GOLD & SILVER STRATEGY

Central banks have been printing apparently limitless amounts of cash. Whether this will ultimately translate into persistent levels of inflation remains to be seen. But if it does, having some exposure to gold and silver might look like a sensible decision.

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JUPITER
ASSET MANAGEMENT

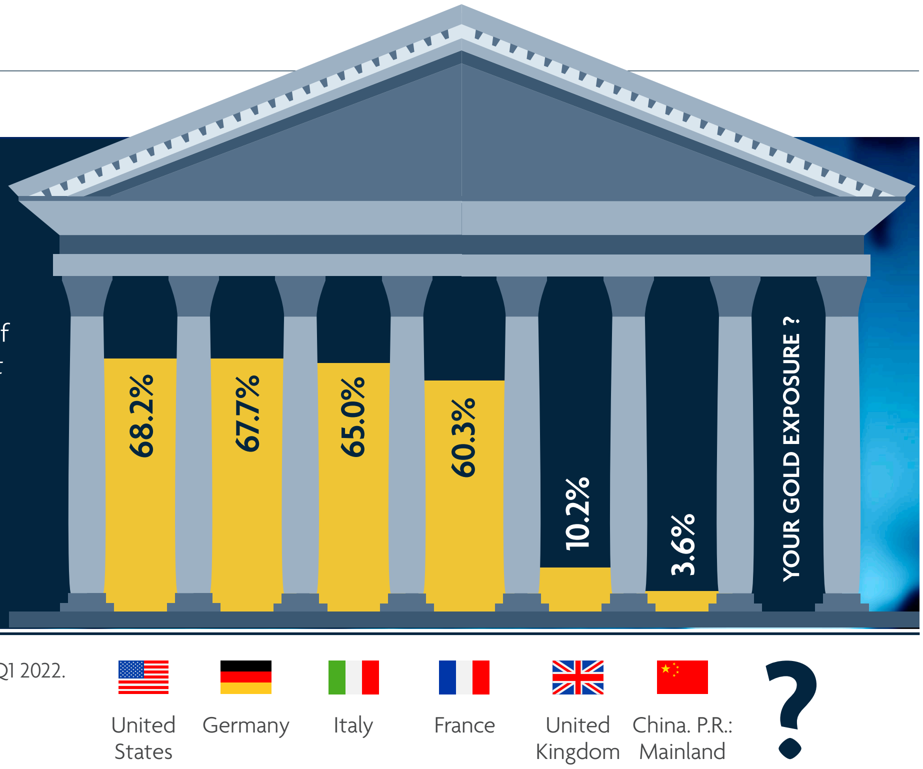
IS THERE A PIECE MISSING FROM YOUR PORTFOLIO?

The role of gold and silver in investment portfolios is often misunderstood but these monetary metals have an essential role to play in a well-diversified portfolio.

We believe an allocation to gold and silver is best achieved through an **actively managed approach, combining allocations to gold, silver, and the shares of mining companies**.

PRIMARY CENTRAL BANK RESERVES

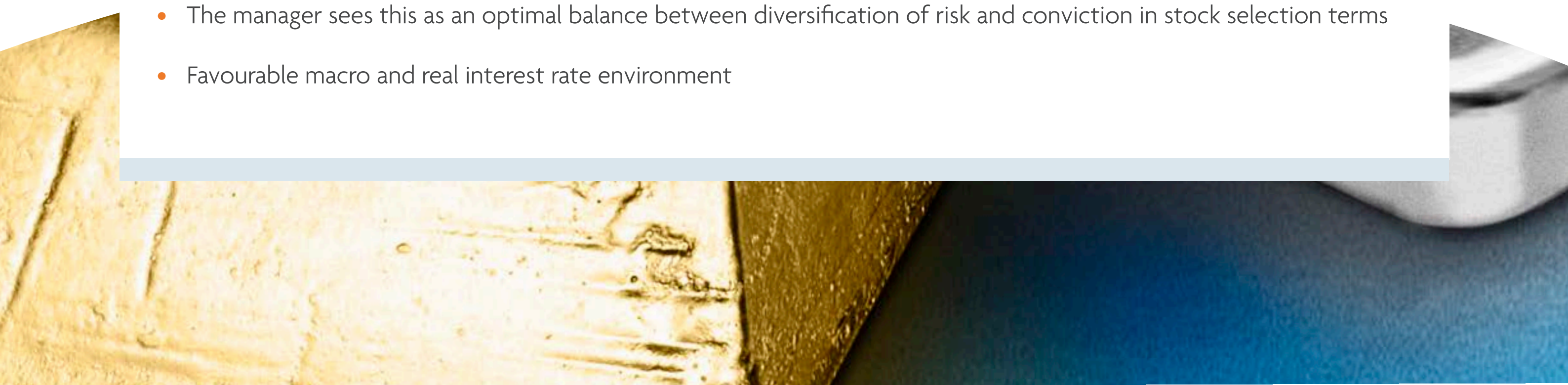
The world's most important central banks hold a significant proportion of their total reserves in gold. Shouldn't you be thinking about taking a leaf out of their book?



Source: IMF and World Gold Council as at Q1 2022.

JUPITER GOLD & SILVER STRATEGY

- The strategy aims to outperform gold to help allocators generate meaningful attribution
- Flexible, dynamic and de-risked approach to allocating to listed bullion funds for exposure to physical metal, and gold and silver mining equities
- The manager sees this as an optimal balance between diversification of risk and conviction in stock selection terms
- Favourable macro and real interest rate environment



WHAT ARE MONETARY METALS?

Gold and silver are both metals that have historically served as money. They both trade as bullion, and trade in FX and futures markets.

XAU

"Gold is money and nothing else."

John Pierpont Morgan (JP Morgan)

Gold is the **traditional hedge**, used by central banks and institutions to protect against inflation and risk in markets. Unlike fiat money, **monetary metals can't be created out of thin air** – this is the source of their value!

XAG

Gold's high beta, volatile sibling. Historic money (pound sterling/dollar/plata)

Silver has **dual importance** as a monetary store of value and as an industrial component. Silver prices tend to follow gold... but because silver markets are smaller, the price of silver traditionally rallies faster than gold when the prices of both metals are rising.

GROWING INDUSTRIAL USE

GROWING INVESTMENT DEMAND

FALLING MINE SUPPLY

3 REASONS TO CONSIDER AN ACTIVELY MANAGED ALLOCATION TO GOLD AND SILVER NOW

1. POLITICAL UNCERTAINTY

In the present era of political uncertainty, **gold is "apolitical" money**, in that it is not issued by a central bank or government. In contrast, the US dollar is highly politicised – the spectre of de-dollarisation hasn't gone away, and the US dollar's privileged role in the global financial system is increasingly being questioned.

Central banks have injected vast amounts of stimulus into the system, swelling their balance sheets to extreme levels. And unlike in 2008, **this money is flowing into the real economy.**

History tells us the result could be **inflation** – with **negative real interest rates** and a **devaluing of fiat currencies.**

US FEDERAL RESERVE BALANCE SHEET

If the Federal Reserve were to enact even more **extreme monetary policy**, such as Modern Monetary Theory or 'helicopter money' to support government spending plans, that would be further bullish for gold as a tool to hedge against inflation.

2. INFLATION

Many investors are underweight monetary metals. When inflation rises meaningfully holding some gold may help defend your portfolio.

The gold price typically moves inversely to 'real' interest rates – the rate of interest paid on a bond after taking into account inflation. In this way, an allocation to monetary metals can help to defend a portfolio against the effects of inflation.

Real interest rates in the US have turned negative, meaning that many US Treasury bondholders face losses in post-inflation terms, revealing gold and silver as the stores of true value. We see this trend continuing, and it is an ideal environment for monetary metals.

INFLATION IS OFTERN HIDDEN - MAKING TIMING AN ALLOCATION TO GOLD DIFFICULT

'Shrinkflation,' where products become smaller but cost the same, is a well-known phenomenon. It is harder to track than simple price rises but is a good example of how inflation can appear from 'out of the blue.'

INFLATION VS DEFLATION? BOTH CAN EXIST AT ONCE

Deflation exists in the monetary sphere, as the end result of about 40 years of policy decisions that have supported states and corporates at the expense of repressing the consumer. But if you asked people on the street about their experiences with inflation, you would struggle to find anyone who thought their cost of living was going down. **Academic studies show that 2-5% in gold, as a fixed allocation, is optimal for portfolio diversification purposes.**

Inflation is upon us so you may want to consider allocating to gold. Inflation is often described as behaving like tomato ketchup in a bottle - you slap the bottle for what feels like ages, and nothing comes out...before suddenly you have a whole plateful, and a problem on your hands!

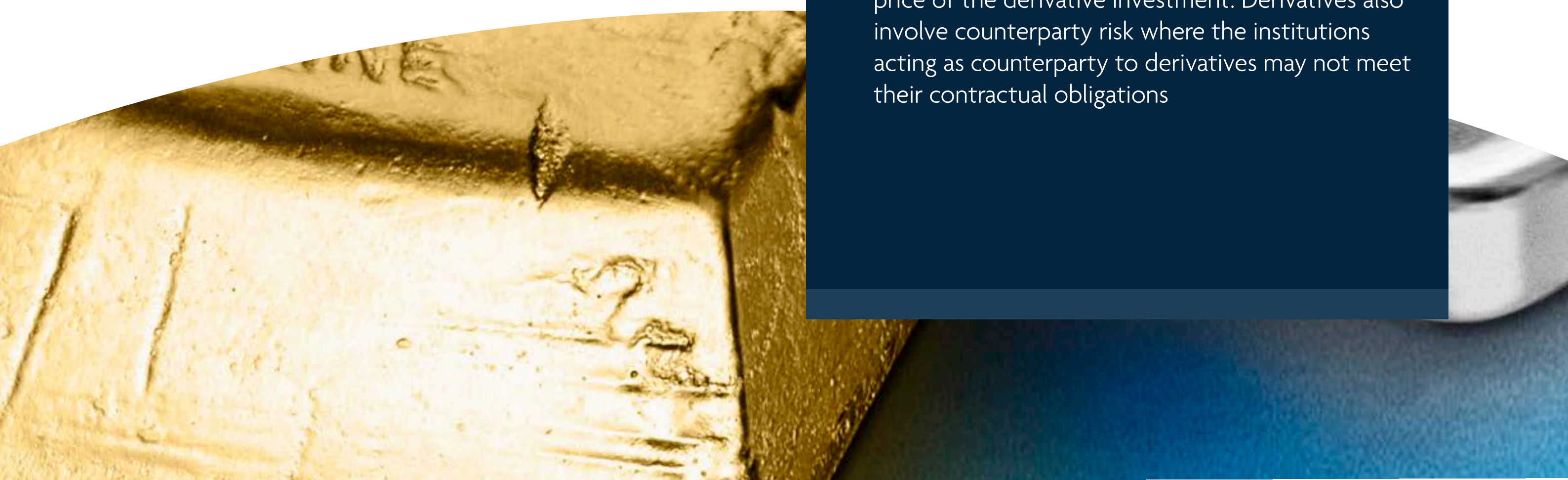
3. OUR DIFFERENCE

An actively managed approach may mean a small allocation to the Jupiter Gold & Silver Strategy could offer similar potential benefits to a portfolio as would a larger holding in pure gold in, for example, an exchange-traded fund (ETF).

The manager aims to **outperform gold**, as measured by a 50%/50% split of the gold price (XAU) and the FTSE Gold Mines Index, over rolling 3 year periods.

Flexible and dynamic strategy that allocates to **listed gold and silver bullion funds, and mining equities.**

De-risked approach to investing in bullion and mining equities.



Before making an investment it's important to consider investment risk: there is no guarantee that the strategy's investment approach will achieve its objective. A capital loss of some or all of the amount invested may occur. There are other risks to consider as well:

- **Sector concentration risk** - the strategy's investments are concentrated in natural resource companies, and may be subject to a greater degree of risk and volatility than a strategy following a more diversified strategy. Silver tends to outperform gold in a rising gold price environment and it tends to underperform gold when sentiment moves against the sector
- **Smaller companies risk** - smaller companies are subject to greater risk and reward potential. Investments may be volatile or difficult to buy or sell
- **Company shares (i.e. equities) risk** - the value of Company shares (i.e. equities) and similar investments may go down as well as up in response to the performance of individual companies and can be affected by daily stock market movements and general market conditions. Other influential factors include political, economic news, company earnings and significant corporate events
- **Currency risk** - the strategy can be exposed to different currencies. The value of your shares may rise and fall because of exchange rate movements
- **Derivative risk** - the strategy may use derivatives to generate returns as well as to reduce costs and/or the overall risk of the strategy. Using derivatives can involve a higher level of risk. A small movement in the price of an underlying investment may result in a disproportionately large movement in the price of the derivative investment. Derivatives also involve counterparty risk where the institutions acting as counterparty to derivatives may not meet their contractual obligations

ACTIVELY BLENDING SILVER WITH GOLD TO INCREASE RETURN POTENTIAL

When market conditions are right, **silver behaves like gold on steroids.** Including silver in the portfolio offers the potential for higher returns than a pure gold allocation.

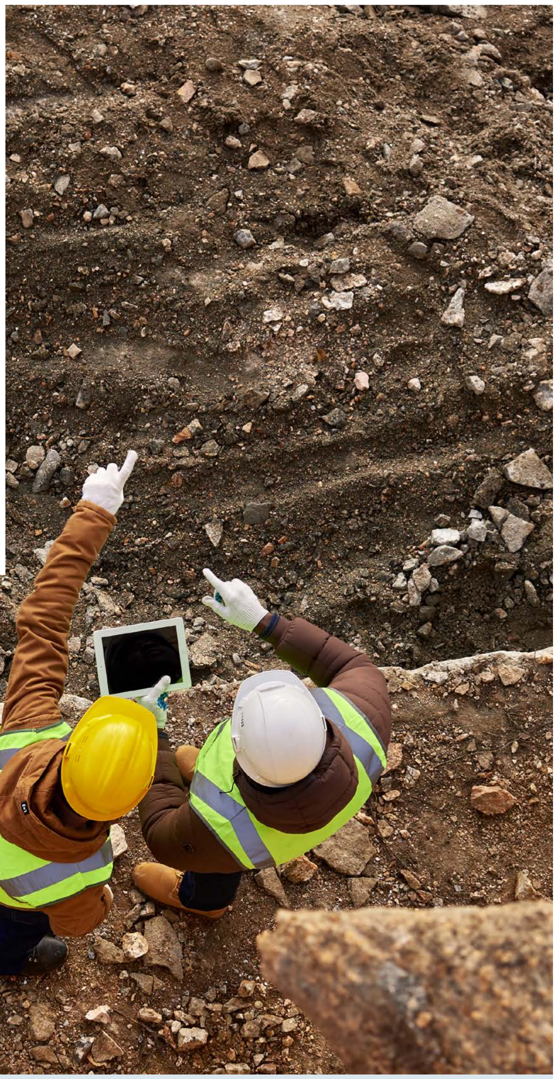
Silver typically increases in value faster than gold when precious metal prices are rising, although it declines faster when prices are falling.

The strategy aims to add value by increasing exposure to silver when prices are rising, and reducing it when they are falling.

ACTIVE EXPOSURE TO GOLD AND SILVER MINING COMPANY SHARES, ALONGSIDE BULLION

Taking exposure to shares in companies that mine gold and silver also offers the potential to generate superior returns when gold and silver prices are rising, as **mining company shares tend to rise (and fall) more than the prices of the metals themselves.**

As with the blending of gold and silver, the mix of exposure to mining shares and the metals themselves is actively managed with a view to adding value as market conditions evolve.



GOVERNANCE MATTERS

In the world of precious metals, knowing what you own is extremely important. Do you?

Through an active approach and rigorous research, the strategy aims to take exposure to **bullion that is stored and traced to the highest global standards.** There's a big difference between a piece of paper that represents gold or silver, or gives a claim against a company, and the security of physical monetary metals! Our years of experience mean we know the difference.

Similarly, **the strategy will only take exposure to mining companies operating with the highest standards of governance and employee welfare.** Analysing Environment, Social and Governance (ESG) risk factors is critical to our process of investing in well-run gold and silver mining equities. **We don't believe that an ETF can offer such assurances.**

When ESG factors are well-managed, this increases the chance of the company creating long-term, sustainable values.

When ESG factors are poorly managed, they substantially increase business risk.

KEY CONSIDERATIONS

1. Adherence to the principles of the UN Global Compact: As a minimum

2. Accountability: Transparency on ownership and structure is key. We are pragmatic about smaller companies but need evidence that governance and strategy will evolve

3. Environmental impact: Mining companies are particularly exposed to environment issues. If managed poorly, these can become a material financial risk. We look for the highest level of risk management

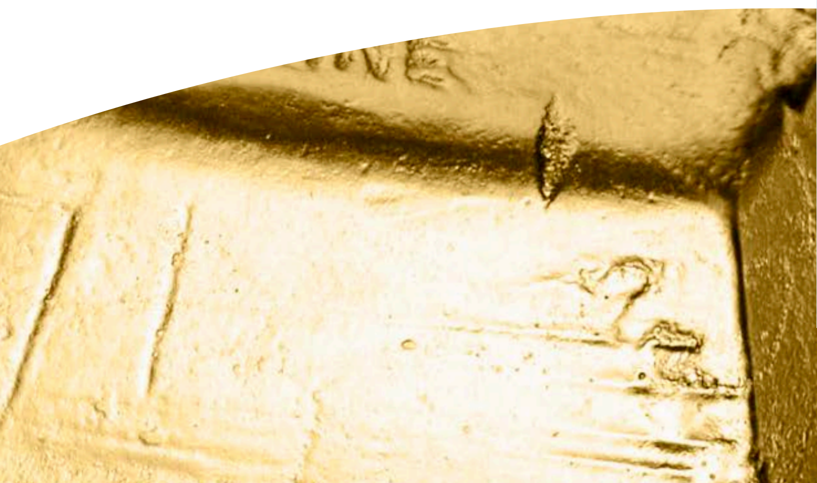
4. Stakeholder relations: Mining is a high health risk occupation. We expect companies to target "Zero Harm". We aim to invest in companies that respect and prioritise labour and community relations

5. Social licence to operate: We expect companies to maintain a constructive relationship with local governments and regulators, and to leave a positive impact on the societies in the areas in which they operate

6. Disclosure and engagement: We seek ongoing disclosure and engagement on key risks, management practices and performance against KPIs

"Bullion that is stored and traced to the highest global standards"

"Mining companies with the highest standards of governance and employee welfare"

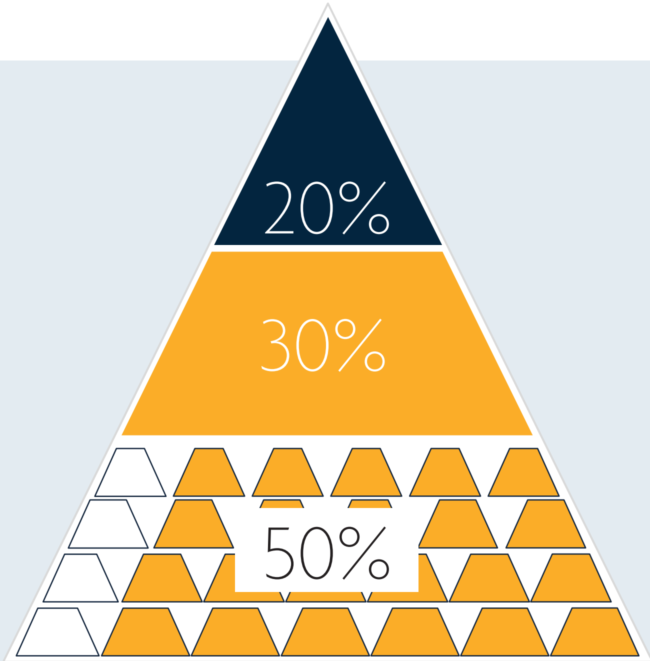


AIMING TO ADD VALUE THROUGH ACTIVE MANAGEMENT AS MARKET CONDITIONS EVOLVE

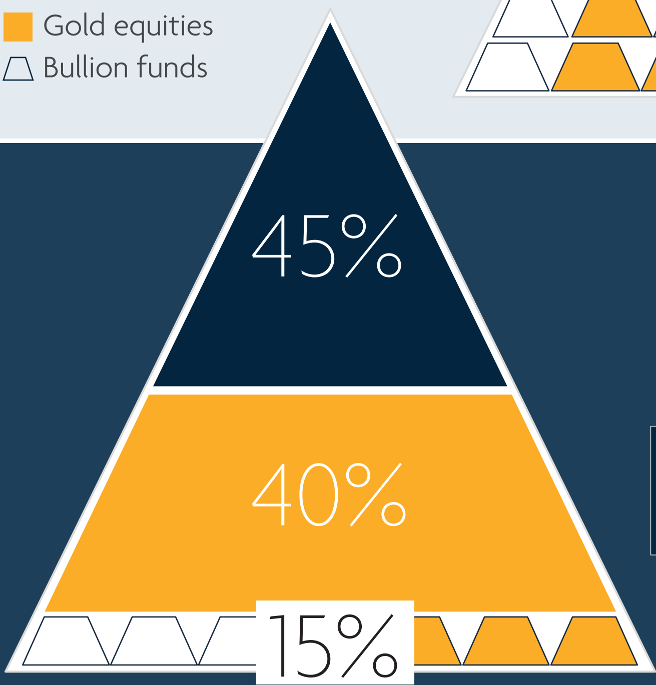
DEFENSIVE SCENARIO

Up to 50% in bullion

UNDERWEIGHT SILVER
OVERWEIGHT BULLION



- Silver equities
- Gold equities
- Bullion funds



BULLISH SCENARIO

Up to 15% in bullion funds

OVERWEIGHT SILVER
UNDERWEIGHT BULLION FUNDS

For illustrative purposes only. This information is intended as a guide to the investment manager's strategy around asset allocation but does not represent hard limits and in practice the strategy's allocations may deviate from this.

MEET THE TEAM

A sector where specialist knowledge is key.

NED NAYLOR-LEYLAND
Investment Manager

JOE LUNN
Investment Manager

CHRIS MAHONEY
Investment Manager

Ned Naylor-Leyland joined the company in 2015. He has over 18 years' investment industry experience, having worked at Smith & Williamson, before founding a dedicated precious metals fund for Cheviot Asset Management. Ned is supported by Joe Lunn and Chris Mahoney. Joe is a mining engineer who worked in the industry in South Africa and Australia before moving into the finance sector as a mining analyst. Chris has both fund management and equity responsibilities.

IMPORTANT INFORMATION

Market and exchange rate movements can cause the value of an investment to fall as well as rise, and you may get back less than originally invested.

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