



Registered Address: Suite 10, 4th Floor, AMP House, 1 Dingwall Road, Croydon, CR0 2LX

YFS Charteris Gold and Precious Metals Fund

Request for proposal response as at 31 May 2025





About Charteris Treasury Portfolio Managers

Founded in 1984, Charteris builds upon an investment discipline and culture that its founders understand and passionately believe in. We are grounded in the belief that core principles are fundamental to how we manage money and behave as a business. These principles are underpinned by a common theme – a complete focus on the long-term management of our clients' money.

Our investment philosophy combines macro-economic and value-based stock research with long-term cycle analysis of all major asset classes. We focus on identifying investment opportunities prioritising long-term capital growth, sustainable income and high liquidity. At the heart of our philosophy is our attitude to risk. We believe carefully managed risk is of paramount importance – preserving and growing clients' wealth is our priority.

YFS Charteris Gold & Precious Metals Fund

The Fund's objective

The Fund seeks to provide capital growth through investment in a diversified portfolio of shares in companies whose core business is involved in the mining, refining, and production of gold and/or precious metals. The majority of the fund invests in gold and precious metals mining companies with a market capitalisation of more than \$500m but we have the flexibility to invest a small percentage in the fund into smaller-cap stocks. The main feature of the fund is the much higher exposure to Silver Miners (circa 65% weighting of the fund) relative to Gold Miners.



Investment Team

Ian Williams, Chartered Wealth Manager has been the lead manager of the fund since it was launched. Mark Williams is part of the investment team that deputise in the lead manager's absence.

Ian Williams, Chartered Wealth Manager

A former member of the London Stock Exchange, Ian has spent the past 35 years as a specialist in Gold, equity and fixed income markets. He acquired Charteris in 2002 having formerly held senior position at Chase Manhattan Bank (now JP Morgan Chase) and Dresdner Kleinwort Benson and Guinness Mahon (now Investec). Ian is lead manager and a Chartered Fellow of the CISI.

Mark Williams

Mark began his investment career with Forsyth Partners as well as doing work experience with brokerage houses RP Martin and WH Ireland before he joined Charteris in 2008 to assist with managing individual private client portfolios and the in-house Charteris funds.

Investment process and strategy

Investment process

Our investment process is driven by a set of investment beliefs which frame our approach to portfolio strategy, stock selection and timing decisions.

The investment process starts with a clear macroeconomic view that is not focused on modelling short or long-term economic variables but is driven by an informed economic interpretation of important global and long-term social, political and macroeconomic policy trends. These views drive our sector preferences, which are unrestricted by explicit risk budgets or index weighting considerations. Within each targeted sector we select stocks based on cyclically flexible screening criteria which include business structure, growth potential, geographic exposure, market capitalisation and liquidity considerations.

Finally, timing of investment decisions is an important part of the manager's overarching investment process. Timing decisions are informed by the technical analysis of longer-term economic, market and metals' price cycles.

Investment strategy

Consistent with the management of all of the Charteris funds, there is a strongly held macroeconomic view that drives the strategy of the *YFS Charteris Gold and Precious Metals fund*.

This top-down driven strategy is embedded in an active management approach with the sector and stock selection decisions based on identifying which businesses are best placed to benefit from the global macro trends we have researched.

Our view and summary

A most important consideration that seems to be a driver of investor sentiment towards gold and silver is the cumulative expansion of geo-political risks that have developed in recent years.

We are at an inflection point for silver relative to Gold. The Gold to Silver Ratio is at a level only seen twice in history (i.e. silver is historically very cheap relative to Gold).

Viewed the other way round, Silver is around 1% of the price of Gold versus the long term average of circa 2%. The outperformance of Gold has been driven by Asian and other Central banks who do not buy silver or mining shares.

Most investors who missed out on the Gold trade are now highlighting and/or focusing on Silver as the catch-up trade.

Silver also has a large physical supply deficit with the annual demand of 1.25 billion ounces and supply around 1 billion ounces. The demand from EVs (electric vehicles), Solar, water purification, industrial etc. is increasing much faster than any supply.

Mid-cap opportunity

The fund has an underweight position in the larger names because of better-perceived value towards mid-caps rather than the big gold miners. Blue-chip miners tend to have declining production profiles, while mid-caps often do not and are, therefore, takeover targets. Mid-cap gold and silver mining shares are not expensive relative to the metal itself, so investors today are not paying historically excessive valuations to increase their exposure to the fund. Furthermore, the miners are, perhaps, one of the very few sectors where investors can expect dividends to increase this year as revenue is going up and costs down.

Bullet Points

Structure – UK OEIC – Daily dealing / fund is priced every day at 12 Noon

Investment Manager – Charteris Treasury Portfolio Managers

ACD – Yealand Fund Services Limited

Custodian – CACEIS Bank, UK Branch

Depository – Natwest Trustee & Depository Services Limited

Investment philosophy – Long only. No shorts, no hedges, no derivatives, no leverage

Risk Management, portfolio construction and monitoring

Risk Management

Risk is managed through the fund's underlying exposure to different gold and precious metals equities alongside the fund's ability to hold cash.

Precious metal commodity prices are inherently cyclical and we believe that the risks embedded in this asset class can and should be managed through the cycle.

For example, in a precious metals bull market, we will tend to focus on a balance between gold and silver exposure, alongside an emphasis on mid-cap stocks, which typically have rising production profiles. These stocks will tend to outperform larger mining companies in these sorts of conditions.

In a less favourable phase of the cycle we will look to reduce the risk profile of the fund by holding a greater proportion of the fund's assets in lower beta more defensive streaming companies and correspondingly less exposure to direct miners. (Royalty or streaming companies are specialist mining finance businesses that provide capital to mining businesses in exchange for a preferential right to a percentage of a mine's revenue or physical production).

Risk is also managed and mitigated through the fund's geographic exposure. Currently the manager excludes South African listed mining stocks.

The risk profile of the fund is further managed through a clear stock selection discipline. We have a high-quality threshold and tend therefore to run a fairly concentrated portfolio – typically 20-45 stocks. We believe this is an appropriate spread of risk which avoids the need to compromise on quality merely to achieve further diversification

Idea generation

Ian and his team rely on a combination of internal proprietary analysis and external research to generate ideas for the fund.

Portfolio construction

The construction of the portfolio is the sole responsibility of the lead fund manager, Ian Williams. He is supported in this task by the other members of the investment team who will input into the decision-making process and the implementation of decisions.

Ultimately, the aim of all of our fundamental research efforts is to arrive at an informed judgement about long-term fundamental value. Once we have arrived at

that judgement, using a technical analysis overlay, we can assess whether an investment opportunity is attractive enough to warrant inclusion in the portfolio.

Each stock is included in the portfolio on its own merit – we do not hold positions purely to manage relative risk. Portfolio weightings are determined by the level of conviction in an investment thesis and our judgement of the balance between the potential upside to true inherent long-term value and the risks that may stand in the way of that long-term value being realised.

All of this is balanced against a desire to be sensibly and appropriately diversified at a stock and sector level, with the ultimate aim of building a portfolio that can deliver attractive, long-term, risk adjusted returns.

Portfolio monitoring

Monitoring of portfolio holdings is a continuous process. All portfolios are reviewed daily to ensure appropriateness, consistency and adherence to the mandate.

Individual holdings are assessed and monitored daily by the lead fund manager, who takes primary responsibility, but is assisted by the rest of the investment team as appropriate.

About the Fund

Launch date

1st March 2010*

**Important Information

The information contained within this document does not constitute investment advice or an offer to invest or to provide discretionary investment management services and should not be used as the basis of any investment decision. Any decision to invest should be based on information contained in the prospectus, the relevant key investor information document and the latest report and accounts. All documents are published in English and are available from www.yealand.com or upon request from the AFM

Performance objective

There is no official performance objective detailed in the fund's prospectus; however, the fund aims to offer a superior risk adjusted return over that of a passive holding of gold and silver

Fund Size

£17.6m (as at 30 June 2025)

OCF, charges and TER

	Initial Charge	AMC %	OCF / TER*
I Classes	0%	1%	1.42%

*as at 28 February 2025 (OCF = ongoing charging fee, TER = Total Expense Ratio)

Currently there are no plans to review these charges in the next 12 months. The total expense ratios quoted above are subject to change as the size of the fund fluctuates due to market movement and net inflows / outflows.

Yield and distribution rates

Distribution: 30 April (Annual) & 31 Oct (Interim)

Legal Structure

UK regulated OEIC – can invest up to 10% of the fund in ETFs (exchange traded funds) and ETCs (exchange traded certificates) at the lead manager's discretion

Third parties associated with the fund

Yealand Fund Services Limited as ACD (Authorised Corporate Director) of the fund has the responsibility of compliance, oversight, apportionment and investment management of the company. YFS delegates the investment management of the

fund through its agreement with Charteris Treasury Portfolio Managers. It is the portfolio management team that manages the investments of the fund within the constraints outlined by the fund's prospectus, its mandate and UK UCITs.

Administration of the fund is undertaken by Yealand Fund Services Limited and the auditors are Moore Kingston Smith LLP being Natwest Trustee & Depository Services Limited

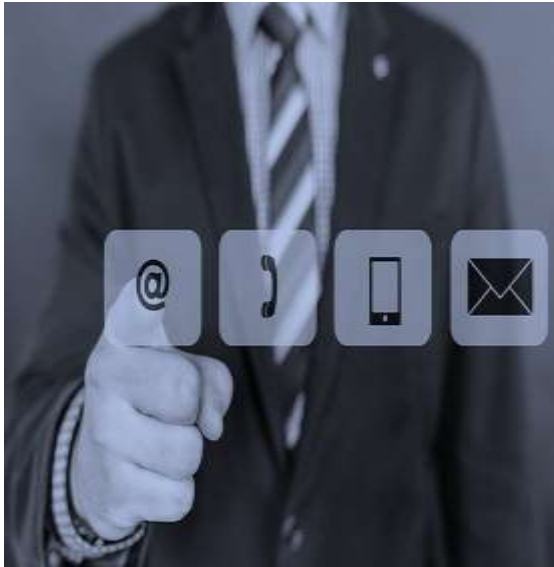
Fund Codes

I Accumulation

Bloomberg: WCHGEIA LN EQUITY
Thomson Reuters LP68418916
MEXID: HTMTF
ISIN: GB00BYQ2JY43
Citicid/FE: ICC2

I Income

Bloomberg: WCHGEII LN EQUITY
Thomson Reuters LP68418917
MEXID: HTMTF
ISIN: GB00BYQ2JZ59
Citicid/FE: ICC3



Get in contact

Sales enquiries

Charteris Treasury Portfolio Managers Ltd
Suite 10, 4th Floor, AMP House, 1 Dingwall Road, Croydon,
CR0 2LX

info@charteris.co.uk

+44 (0)20 7220 9780

www.charteris.co.uk

Fund Manager

Charteris Treasury Portfolio Managers Ltd
Suite 10, 4th Floor, AMP House, 1 Dingwall Road,
Croydon, CR0 2LX

Ian Williams, Chairman & CEO

iw@charteris.co.uk

+44 (0)20 7220 9780

This presentation / request for proposal / due diligence questionnaire is issued by Charteris Treasury Portfolio Managers LTD (CTPM) which is authorised and regulated by the Financial Conduct Authority (FCA) number 114952. Registered and head office: Suite 10, 4th Floor, AMP House, 1 Dingwall Road, Croydon, CR0 2LX, +44 (0)20 7220 9780

The funds mentioned in this document are UK authorised collective investment schemes for the purposes of The Financial Services and Markets Act 2000 of the United Kingdom (the "FSMA") and comply with the UK UCITS directive. This presentation / request for proposal / due diligence questionnaire is only intended for intermediary customers as defined by the rules of the FCA and is for information purposes only. It does not constitute an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not lawful or to anyone to whom it is unlawful to make such offer of solicitation. Unless indicated, the fund information displayed only provides summary information. Investment should be made on the basis of the prospectus and Key investor information document (KIID) both documents are published in English and available from www.Yealnd.com or upon request from the Manager

Past performance is not a guide to future performance and investors may not get back the full amount invested. Investors should note that management fees will be charged to the income of the fund. Thus, on redemption of holdings, investors may not receive back the full amount invested. Professional clients should be aware that this document is intended for their use only and this document is not to be shown or given to any retail investors.