

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

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 lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Product name:
AMG Gold, Minen & Metalle

Legal entity identifier:
506700NG1FN1K0466X67

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 will make a minimum of **sustainable investments with a social objective**: ___%



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



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

No reference value has been named to achieve the environmental or social characteristics advertised with the fund. Rather, the two approaches "ESG integration" and "exclusion principle" described below are considered for this purpose.

a) ESG integration

In the ESG integration approach, ESG risks and opportunities are considered in the conventional financial analysis and investment decision process on the basis of systematic processes. Company-specific "**ESG Risk Ratings**" from the ESG data provider "**Sustainalytics**" are used for the comprehensive qualitative ESG assessments. "Sustainalytics is a leading global independent ESG and corporate governance research, rating and analysis firm that helps investors around the world develop and implement responsible investment strategies.

Sustainalytics' "ESG Risk Ratings" provide information on the ESG risks and their financial impact on a company. Each company is classified into five ESG risk classes: "Negligible", "Low", "Medium", "High" and "Severe".

The fund may invest up to a maximum of 10% of its assets in companies that do not have an "ESG Risk Rating" from "Sustainalytics". A qualitative ESG assessment of such companies is nevertheless carried out, but primarily based on the investment managements own data and information. The necessary information and data are requested directly from the target companies (e.g. discussions with management, sustainability reports, sustainability strategy or policy) and assessed in terms of credibility.

b) Exclusion principle

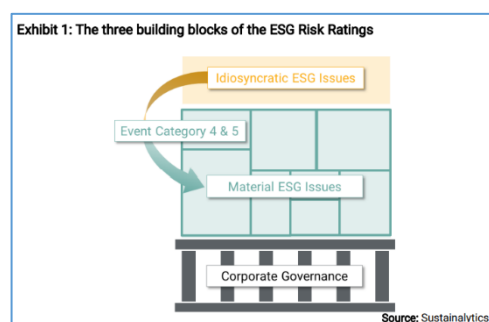
The fund follows the recommendations for exclusion of the **SVVK-ASIR** (Swiss Association for Responsible Investments). This means that investments in manufacturers of controversial weapons are excluded. The excluded companies or issuers from the arms sector are companies whose products violate Swiss laws and internationally recognised conventions, namely the Ottawa and Oslo Conventions as well as the international Nuclear Non-Proliferation Treaty. These agreements, ratified by Switzerland, prohibit the development, production, stockpiling and distribution of cluster munitions, anti-personnel mines and nuclear weapons. Further information on the SVVK-ASIR can be found on its website <https://www.svvk-asir.ch/ueber-uns/>. This exclusion is observed at all times.

In addition, companies or issuers that violate the principles of the **UN Global Compact** are excluded. These principles cover the areas of human rights, labour standards, environmental protection and corruption prevention. Further information on the UN Global Compact can be found on its website <https://www.unglobalcompact.org/>. Up to 10% of the companies may be subsequently classified as "non-compliant" by "Sustainalytics". In the case of these companies, clarifications are made with the companies concerned and there are intentions on the part of the management of these companies that this exclusion will be respected again.

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

a) ESG integration

With regard to sustainability indicators, the investment manager relies predominantly on **quantitative and qualitative analyses by "Sustainalytics"**. The **"ESG Risk Rating"** from Sustainalytics determined from these analyses **measures the extent to which the economic value of a company is endangered by ESG factors or the extent to which a company's ESG risks are not managed.**



This graph "Exhibit 1" from "Sustainalytics" shows that the "ESG Risk Rating" consists of three blocks. **1. Corporate governance** is a fundamental element of the ESG Risk Rating and reflects the belief that poor governance is a significant risk for companies. It assesses, among other things, the quality and integrity of the board of directors and management, ownership and shareholder rights, remuneration policies, financial reporting and conduct towards various stake-

holders. **2. The Material ESG Issues** focus on issues that require management initiatives. These include, for example, issues such as employee recruitment/development/diversity, occupational health and safety, carbon emissions, resource use or fraud and corruption. The identification of material ESG issues is done at the sub-industry level. **3. Idiosyncratic ESG issues** are "unpredictable" or unexpected in the sense that they are not related to the specific industry and business model of the company. Typically, such issues are event-driven and can cover the whole spectrum of ESG issues.

The **"ESG Risk Rating"** of a company consists of a **quantitative score** and a risk category. Based on the quantitative scores, companies are classified into one of five **risk categories** ("**Negligible**", "**Low**", "**Medium**", "**High**" and "**Severe**").

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

b) Exclusion principle

Finally, with its exclusion principle, the fund does not allow any investments that violate the principles of the **UN Global Compact**. These principles include 10 principles on human rights, labour, the environment and anti-corruption. These, in turn, are derived from the Universal Declaration of Human Rights (UN), the International Labour Organization's Declaration on Fundamental Principles and Rights at Work (ILO), the Rio Declaration on Environment and Development (UN) and the United Nations Convention against Corruption (UN). Up to 10% of the companies may be subsequently classified as "non-compliant" by Sustainalytics. In the case of these companies, clarifications are made with the companies concerned and there are assurances from the management of these companies will respect this exclusion again.



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

- Yes
- No

What investment strategy does this financial product follow?

The investment objective of AMG Gold, Minen & Metalle is principally to achieve capital growth together with reasonable returns by investing globally in securities of companies from the mining sector and in (physical) gold and other precious metals.

The investments are selected according to the following qualitative aspects, among others

- valuation of the company relative to internal value: share price in proportion to the in-the-ground reserves (proven and provable), calculated by reference to the current price of gold;
- quality of the reserves: gram of gold per ton (less = low grade = higher costs; more = high grade = lower costs) and geographical location of reserves (how far beneath the surface);
- reflection of performance of management: (extent of experience of management, transparency of company, accessibility of management, roadshow activities, continuity).

The physical gold is invested in curante form. The custody of the assets of the fund in the form of physical gold is ensured by the custodian bank exclusively in Switzerland, whereby the separation of the assets in favor of the fund (non-fungibility) is guaranteed. The gold is held in minted bars of the standard unit of 12.5 kg or 1 kg with a fineness of 995/1000 or better. The market price is determined by the fineness multiplied by the weight.

This investment fund invests at least two-thirds of fund assets in:

- equities and other equity-type securities and rights (stocks, dividend-right certificates, shares in cooperatives, participation certificates, etc.) issued by companies from the mining sector throughout the world;
- units in collective investment schemes investing in precious metals and indices consisting of companies from the mining sector;
- physical gold;
- precious metals in metal accounts.

And up to a maximum of one-third in:

- equities and other equity-type securities and rights of issuers that do not meet the business sector requirements specified above;
- debt securities and claims (incl. convertible bonds, warrant issues, etc.), of companies from the mining sector throughout the world denominated in any currency;
- units in other collective capital investment funds (target funds) that do not meet the requirements set forth in (a) above;
- derivatives (including warrants) of investments the investment fund is permitted to acquire.

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.

Asset allocation describes the share of investments in specific assets.

The fund management company must comply with the following restrictions:

- holdings of shares/units in other collective investment funds must not exceed a maximum of 10% of fund assets;
- debt securities and claims maximum 10%;
- investments in gold (physical, metal accounts and/or units in collective investment schemes, totally maximum 30%.

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

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?**

In order to fulfil the advertised environmental or social objectives, the asset manager applies the two aforementioned approaches "ESG integration" and "exclusion principle". The following mandatory elements apply to the selection of investments:

a) **Exclusion of companies that violate international and national standards such as the UN Global Compact, the Ottawa and Oslo Conventions or the International Nuclear Non-Proliferation Treaty;**

b) **Investments without an "ESG Risk Rating" from "Sustainalytics" are limited to 10% of the fund assets.**

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

There is no binding minimum rate that would limit the scope of the investments considered.

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

Environmental protection, human rights, labour standards and, above all, corporate governance are important components of sustainability. Therefore, these topics are firmly integrated into the sustainable investment process.

Corporate governance issues can be identified promptly through ongoing controversy monitoring. Good corporate governance practices are assessed through compliance with the 10 principles of the UN Global Compact. The fund does not invest in any company that violates these principles. By respecting these 10 principles of the UN Global Compact, companies not only fulfil their fundamental responsibility towards people and the environment, but also create the conditions for long-term success.



What is the asset allocation planned for this financial product?

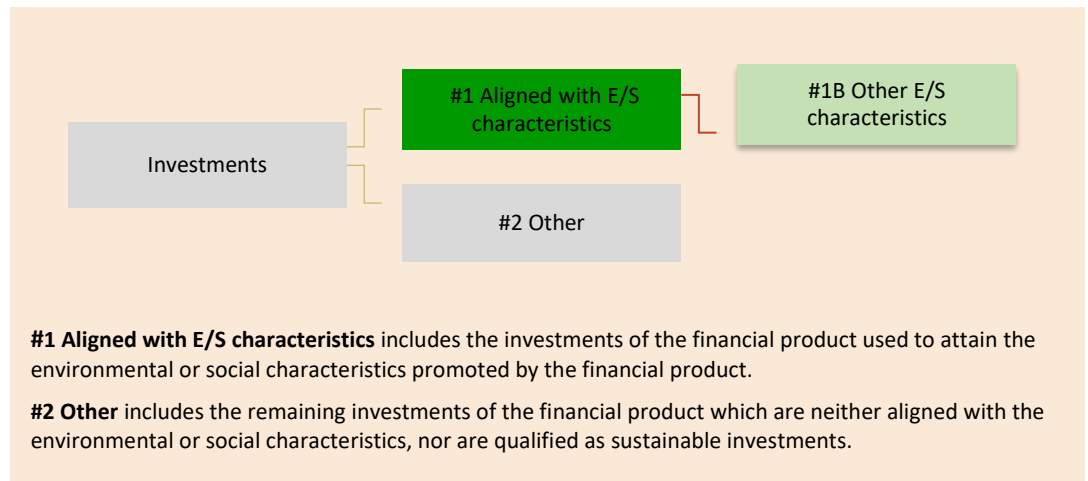
At least 90% of the fund's investments comply with the aforementioned "ESG integration" and "exclusion principle" requirements on an ongoing basis and therefore promote the corresponding environmental and social characteristics (in **graph #1** below). The fund does not hold "sustainable investments" as defined by the Sustainable Finance Disclosure Regulation (SFDR), which is why only environmental or social characteristics are pursued with the fund (in **graph #1B** below).

Finally, the fund can hold up to a maximum of 10% of the fund assets in investments that are subsequently classified as "non-compliant" by "Sustainalytics" with regard to the UN Global Compact. In the case of these companies, clarifications are made with the companies concerned and there are intentions on the part of the management of this exclusion will be respected again (in the following **graph #2**). These investments, even if they are not oriented towards ecological and social characteristics, have to fulfil minimum requirements. These are expressed in the form that compliance with certain conventions and standards (e.g. SVVK-ASIR, Ottawa and Oslo Conventions, International Treaty on the Non-Proliferation of Nuclear Weapons) is always applied to the investments.

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

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

As a matter of principle, **no derivatives with a strategic objective** are used in this fund and thus also not for the promotion of ecological or social characteristics.



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

This fund **does not make sustainable investments**. The fund invests in investments that promote certain environmental and social characteristics.

● **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

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emission and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

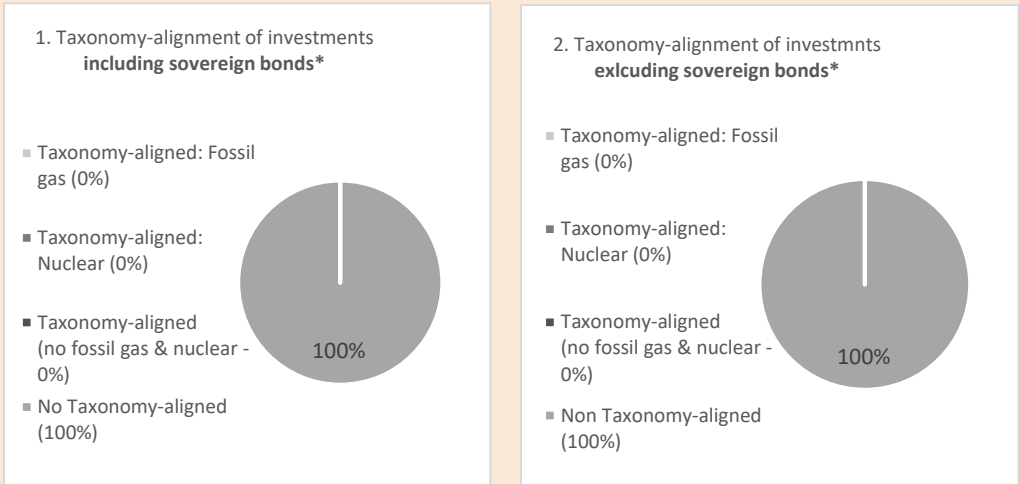
¹ Activities related to fossil gas and/or nuclear energy only comply with the EU taxonomy if they contribute to climate change mitigation ("climate change mitigation") and do not significantly affect the objectives of the EU Taxonomy - see explanation in the left margin. The full criteria for economic activities related to fossil gas and nuclear energy that comply with the EU taxonomy are set out 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.

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

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 investments of the financial product including sovereign bonds, while the second chart graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



* For the purposes of these charts, the term "sovereign bonds" includes all risk positions vis-à-vis sovereigns.

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

No minimum percentage of investment in transitional and enabling activities is foreseen.



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

In the section "What is the asset allocation planned for this financial product?", the investments classified in "#2 Other investments" are described. For these companies, clarifications are made with the companies concerned and there are intentions from the management of these companies that this exclusion will be respected again.



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?

No index was determined as a reference value.



Where can I find more product specific information online?

More product-specific information can be found on the website: www.llbsswiss.ch. For the "Private Label Funds" in the subchapter "Fund Documentation" you will find further product-specific information under the heading "Sustainability Related Disclosure".