RICHMOND HOUSE
INVESTMENT MANAGEMENT

RHIM CAUTIOUS MODEL FACTSHEET

The RHIM Cautious model aims to deliver capital growth over the medium term, with lower volatility than the sector average using collective investment schemes (funds). Asset allocation will be actively managed whilst maintaining a cautious risk profile. This is a multi-asset portfolio which may invest between 25% and 45% in traditional equity funds which will include UK and overseas equities. The remainder will be invested in lower risk funds such as targeted absolute return funds and at least 35% across fixed income and property. The model is also permitted to hold up to 10% in cash when deemed appropriate. In order to deliver returns in excess of cash over the longer term investors must accept that the investment could fall in value, particularly in the short term. The model will sit within risk profile 4 on a scale of 1-10, where 1 is cash and 10 is 100% high risk equity markets. Please see the reverse for historical volatility and peak to trough data.

Risk Rating

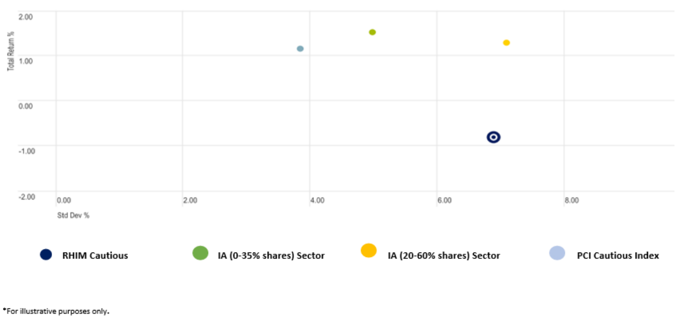
1	2	3	4	5	6	7	8	9	10
100% cash			50% Equity			100% Equity		100% EM Eq	

Commentary

March 2020 UPDATE

Markets were hit by an episode of extreme panic-selling in March and the S&P 500 recorded the fastest 20% fall in history as Covid-19 and the oil price crash struck. Every asset was sold and there were no safe havens. The model's defensive assets like infrastructure and gold were also down even though there was little change to the underlying fundamentals. The infrastructure funds were down 15% in line with equities even though their cashflows have government-like backing and their assets like hospitals are essential. The gold equity fund, which we hold as protection from money-printing by governments, was down 16% in March even though the gold price rose to hit seven-year highs in April. Markets recovered some of their losses towards the end of March as governments announced support measures but the Cautious model was still down 16.8% over the first quarter of the year compared to the fall of 25% for the FTSE All-Share. We have diversified away from government bonds as they are poor value into assets that governments cannot print. This will increase the model's volatility but we believe these assets should protect the real value of our clients' investments far better.

Risk Return (5 years) as at 31st March 2020

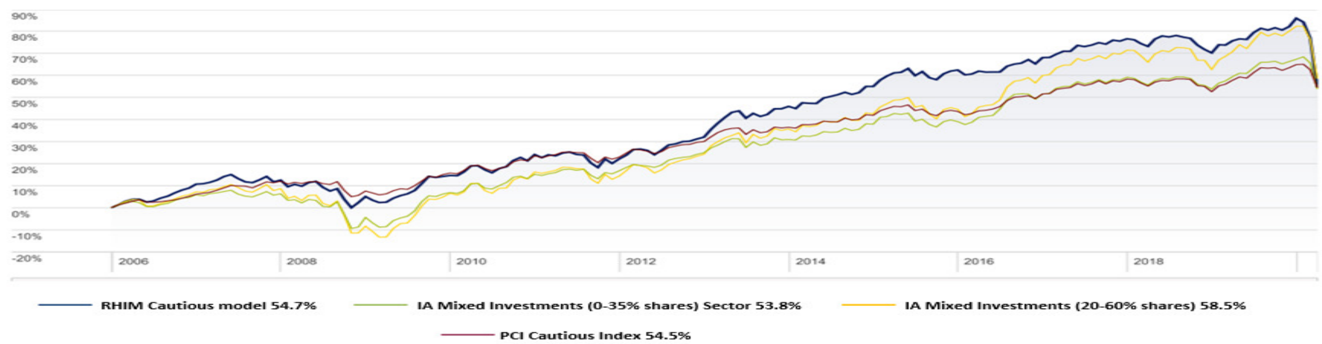


*For illustrative purposes only.

Performance (Cumulative) as at 31st March 2020

	1 year	5 years	10 years	Since Inception
RHIM Model	-11.98%	-4.02%	30.09%	54.69%
PCI Return	-2.12%	5.85%	29.85%	54.48%
IA Sector	-5.36%	7.16%	40.90%	56.18%

Performance Chart since inception



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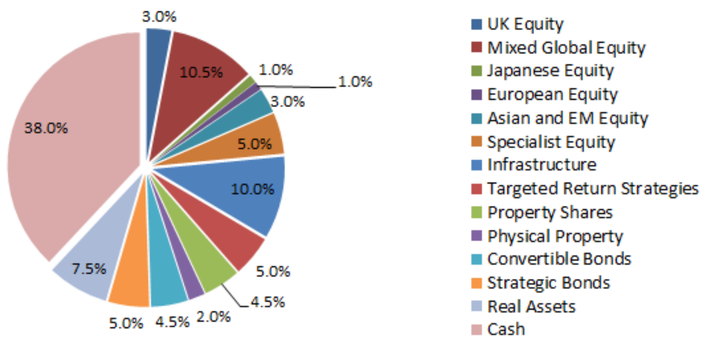
Key Facts	RHIM Cautious
Launch Date	1st January 2006
IA Sector	50% IA 0-35 % Sector 50% IA 20-60% Sector
Private Client Index (PCI)	PCI Cautious Index
RHIM Fee	0.5% + VAT
No. Holdings	18
Historical Yield	2.48% (as at 31.03.20)

The Historic Yield reflects distributions declared over the past twelve months as a percentage of the valuation as at the date shown. Investors may be subject to tax on their distributions.

Asset allocation



Risk Statistics-Data as at 31st March 2020	**Annualised Return**	**Annualised Volatility**	**Worst Peak to Trough**
RHIM Model – 3 years	-3.28%	8.41%	-16.82%
IA Sector	*-0.75%*	*6.53%*	*-10.88%*
RHIM Model – 5 years	-0.82%	6.89%	-16.82%
IA Sector	*1.39%*	*6.04%*	*-10.88%*
RHIM Model – since inception	3.11%	5.78%	-16.82%
IA Sector	*3.18%*	*6.22%*	*-18.85%*

Risk
Higher-risk investments tend to experience greater volatility, which means they are likely to go up and down in value more often and by larger amounts than lower-risk investments. In return, higher-risk investments have the potential to produce higher returns over the long term, although this is not guaranteed. If you do not understand the risks involved with the portfolio it is important that you seek clarification from your Financial Adviser before making an investment.

This Factsheet
This factsheet demonstrates the exposure, characteristics and performance of the named RHIM model. Your actual portfolio may differ depending on your individual circumstances. All features described in this fact sheet are current at the time of publication and may be changed in the future.

Currency
Some funds will hold overseas assets and as a result will also have exposure to overseas currencies. Exchange rates can fluctuate and may cause the value of the investment to rise or fall.

Investment Term
It is generally accepted that equity investments should be regarded as long term investments and should be held for a minimum of five years, ideally longer. Your time horizon and capacity for loss are important considerations when selecting the most appropriate RHIM model.

Property Funds
The value of property is generally a matter of a valuer's opinion which may not be readily realisable. There are liquidity risks associated with investing in property whereby encashments may be delayed waiting for properties to be sold.

Performance
It should be noted that past performance is not necessarily a guide to future performance. The price of shares/units and income from them may fall as well as rise and is not guaranteed. RHIM Performance illustrated is net of fund charges, but does not include Richmond House Investment Management discretionary management fees, nor fees that may be incurred through your Financial Adviser. PCI returns are net of the Discretionary Manager charges and use provisional data.