

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.

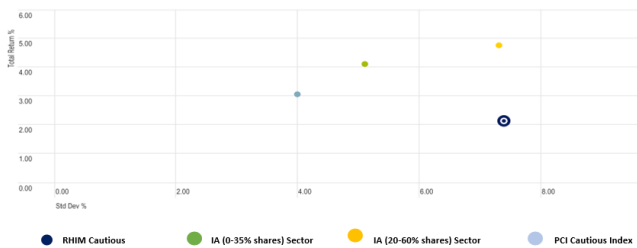


Commentary

September 2020 UPDATE

The Cautious model declined 0.6% in September as recent trends reversed. With the old stimulus package expiring in the US and lawmakers unable to agree to a new programme, the US dollar strengthened and US equities fell. Asian and European markets were higher on the back of more monetary support but the UK's FTSE 100 index was down 1.5% and the pound weakened as the UK government drafted a Brexit bill to override the European Withdrawal agreement. The fixed income funds were mixed as well with some rising and some falling. The Jupiter Strategic Bond fund was up 0.4% but the Janus Henderson Strategic Bond fund was down 0.5%. The gold fund should have struggled as the dollar strengthened but it was only down 1.1% in September. The infrastructure and real asset funds which produce a high, inflation-protected income yield were down 1.5% on average as the energy sector was weak and the inflation rate dropped. We expect more stimulus to come in the U.S.A. before the election. This should be good for equities but bad for the dollar. The weaker dollar should be good for precious metals and emerging markets.

Risk Return (5 years) as at 30th September 2020

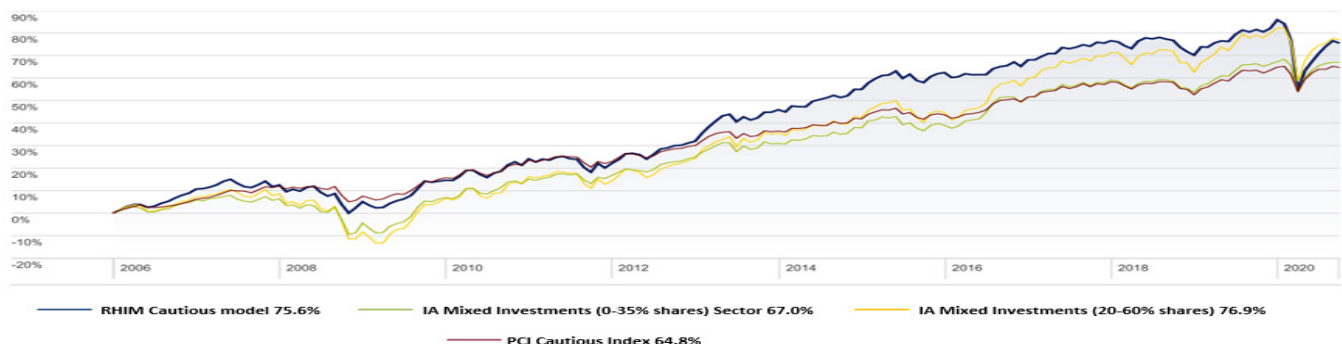


*For illustrative purposes only.

Performance (Cumulative) as at 30th September 2020

	1 year	5 years	10 years	Since Inception
RHIM Model	-3.34%	11.08%	44.66%	75.59%
PCI Return	0.76%	16.27%	36.42%	64.79%
IA Sector	-0.44%	24.19%	52.03%	71.99%

Performance Chart since inception

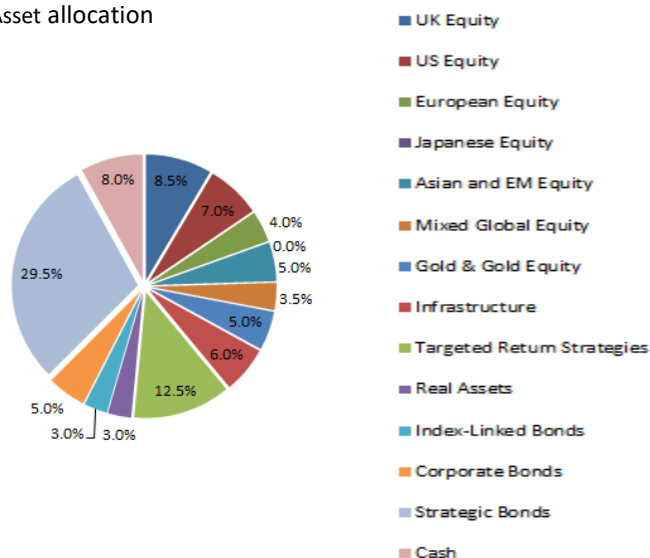


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INVESTMENT MANAGEMENT

Key Facts	RHIM Cautious
Launch Date	1 st 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%
No. Holdings	19
Historical Yield	2.36% (as at 30.09.20)

Asset allocation



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.

Risk Statistics-Data as at 30th September 2020 Annualised Return Annualised Volatility Worst Peak to Trough

RHIM Model – 3 years	0.26%	9.30%	-16.82%
<i>IA Sector</i>	1.99%	7.20%	-10.86%
RHIM Model – 5 years	2.12%	7.40%	-16.82%
<i>IA Sector</i>	4.43%	6.22%	-10.86%
RHIM Model – since inception	3.89%	5.92%	-16.82%
<i>IA Sector</i>	3.74%	6.26%	-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.