

Cautious Income Portfolio

31st May 2022



INTELLIGENT INTUITIVE INVESTING

Investment Objective

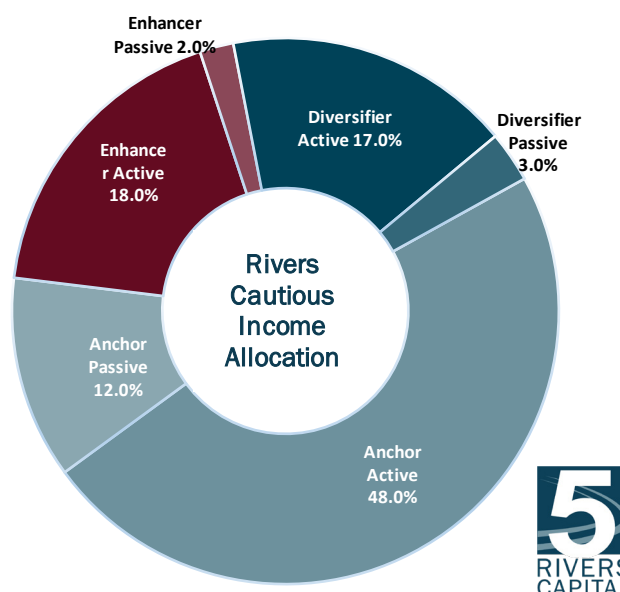
The Rivers Cautious Income Portfolio targets income of 3.5% by diversifying across a broad range of assets with differing return and volatility profiles. The portfolio is expected to maintain real value, net of income, after inflation while minimising the possibility of the investment falling in value. The portfolio may be somewhat exposed to global equity and interest rate market cycles. The portfolio's investment value will fluctuate in the short term, but we would not expect significant falls in value over a sustained period.

Market Comment

Inflation and interest rate risk continued to dominate markets throughout May. Widely predicted interest rate increases from the Bank of England and the US Federal Reserve pushed benchmark interest rate higher, at least initially, and lowered medium term inflation expectations. This resulted in high volatility in fixed income as well as equity markets. Equity markets saw energy and material sectors continue to gain ground while technology struggled overall. Following further falls in valuations, on May 10th the portfolio was rebalanced to decrease the current underweight risk allocation. The tactical asset class was adjusted to lower overall interest rate exposure and to add to better valuation equity sectors. In the final week of May many equity regional indices rebounded as inflationary fears diminished. This helped the portfolio overall although the gold and property allocations suffered.

| Model Characteristics | Target | Current |
|---|----------|---------|
| Annualised Return ¹ | 4.0-5.0% | 2.6% |
| Portfolio Volatility ² | <7.0% | 6.1% |
| Maximum Loss ³ | <6.0% | -12.2% |
| Ongoing charge of underlying ⁴ | <0.75% | 0.61% |
| Number of holdings | <25 | 19 |
| Last rebalance date | - | Jan-22 |
| Current expected portfolio yield ⁵ | - | 3.63% |
| Classified 'Passive' investments ⁶ | N/A | 17.0% |
| Since Inception Total Return | - | 16.1% |

| Allocation | Strategic | Current | Tactical |
|--------------|-----------|---------|----------|
| Anchors | 43.0% | 60.0% | 17.0% |
| Enhancers | 40.0% | 25.0% | -15.0% |
| Diversifiers | 17.0% | 15.0% | -2.0% |



| Performance (%) ¹ | 1m | 3m | YTD | 1yr | 3yr | 5yr |
|------------------------------|-------|-------|-------|------|------|------|
| Rivers Cautious Income | -0.94 | -1.19 | -4.39 | -1.9 | 5.1 | 7.6 |
| IA Mixed 0-35% Shares | -0.74 | -2.24 | -6.23 | -4.4 | 4.2 | 6.6 |
| IA Global Equity Income | -0.24 | 3.32 | -1.56 | 8.2 | 30.9 | 39.8 |

| Quarterly | Q1 | Q2 | Q3 | Q4 | Total |
|-----------|--------|------|------|-------|-------|
| 2016 | - | - | 3.6% | 0.5% | 4.1% |
| 2017 | - | 0.4% | 0.2% | 1.0% | 1.5% |
| 2018 | -2.3% | 2.3% | 0.4% | -3.5% | -3.1% |
| 2019 | 4.4% | 2.5% | 1.5% | 1.0% | 9.9% |
| 2020 | -12.2% | 9.1% | 0.7% | 5.1% | 1.5% |
| 2021 | -0.4% | 2.3% | 0.7% | 1.2% | 3.8% |
| 2022 | -2.0% | - | - | - | - |

Rivers Asset Classification System:

"Anchors": investments selected for low market correlation, low risk and capital preservation core characteristics. Significant allocation in low risk portfolios.

"Enhancers": selected to increase portfolio long term return but exposed to equity risk. Allocation likely to increase with risk tolerance as returns become more volatile.

"Diversifiers": selected for low correlation to traditional market equity and fixed income risk. Diversifiers are essential for efficiency in all but the lowest and highest risk portfolios.

For a more detailed explanation please contact Rivers Capital Management

Top 10 Holdings

| | | |
|--|-----------------|------|
| Liontrust - Monthly Income Bond B Gr Inc | Anchor Active | 9.0% |
| Templeton - Global Total Return Bond W Inc | Anchor Active | 7.0% |
| Janus Henderson - Strategic Bond I Inc | Anchor Active | 7.0% |
| EdenTree - Amity Sterling Bond B | Anchor Active | 7.0% |
| L&G - Dynamic Bond I Inc | Anchor Active | 7.0% |
| Fidelity - Enhanced Income W Inc | Enhancer Active | 7.0% |
| Artemis - Strategic Bond I Monthly Inc | Anchor Active | 6.0% |
| Schroder - Mixed Distribution Z Inc | Enhancer Active | 6.0% |
| Royal London - Short Term Money Mkt Y Inc | Anchor Passive | 5.0% |
| Vanguard - UK Infl-Linked Gilt A Gross Inc GBP | Anchor Passive | 5.0% |

Notes:

- The performance data shown is indicative only. Rivers Capital Management attempts to replicate accurately the performance of the underlying portfolio using Financial Express data but performances will likely differ from individual accounts due to inflows and timing issues. The performance is net of a 0.25% Rivers Capital Management fee and annualised since inception (June 30th 2016).
- Volatility is calculated as the annualised average weekly standard deviation of return since inception (June 30th 2016).
- The maximum loss is calculated as the total loss from the highest previous month end portfolio value. Intra month or daily data may exceed this.
- The ongoing charge is based on the current portfolio weightings using the latest available OCF data of each fund.
- The yield is the average yield as published by each fund and not guaranteed.
- Rivers investment committee determines a Passive allocation target (20-60%) dependant on the perceived market opportunity.
- Relative risk level determined between 1 and 7 within the tactical constraints of all models with a level 4 considered tactically neutral.

Please contact Rivers directly on 020 3383 0180 or by emailing info@riverscm.com

Disclaimer: Rivers Capital Management is authorised & regulated by the Financial Conduct Authority (FCA) Reference No. 801238. Its registered offices are at 1027a Garratt Lane, SW17 0LN, London, United Kingdom. This factsheet is intended only for use by Financial Advisors and not for distribution to retail investors. This document does not constitute professional advice, or an offer, or a solicitation of an offer, to sell securities and no securities are to be offered or sold other than to persons whose ordinary activities

involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses, or otherwise in circumstances which have not resulted and will not result in an offer to the public within the meaning of the Financial Services and Markets Act 2000. The Model Portfolio is not suitable for all types of investor and investor accounts may only be attached to it by the instruction of a professional Financial Advisor. Past performance is not necessarily a guide to the future performance. Market and

currency movements may cause the value of investments and the income from them to fall as well as rise. Unless otherwise stated, the source of all figures contained herein is Rivers Capital Management. Whilst all reasonable care has been taken in preparing this factsheet, the information contained herein has been obtained from sources that we consider reliable but we do not represent that it is complete or accurate and it should not be relied upon as such.