

### What's the aim of our Ethical Cautious Plan and who is it for?

The aim of our Ethical Cautious Plan is to achieve returns above the UK inflation rate while aiming to avoid investments in harmful activities such as tobacco, gambling, weapons and adult entertainment. Our Ethical Cautious Plan will also actively invest in companies that demonstrate the highest environmental, social and governance practices. It can contain up to 25 mutual funds and exchange traded funds (ETFs) from regions around the world, mostly made up of shares and bonds. Some thematic funds will focus on themes such as gender equality (companies that strongly champion these issues) or green energy.

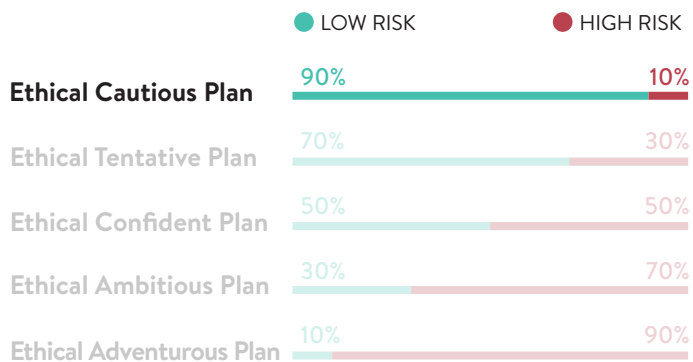
Investing always involves some level of risk and movement up and down in value is to be expected. With our Ethical Cautious Plan, we aim to limit the extent of these movements, but there is still a risk that you may get back less than invested.

The Ethical Cautious Plan is suitable for investors who aim to grow their money slowly and steadily and are happy to take on small amounts of risk, as they are more focused on preventing losses than making large gains.

Investing should be part of a long-term savings strategy and whilst money can be withdrawn at any time, investing for less than 5 years is unlikely to be appropriate.

### What makes the Ethical Cautious Plan different?

The example below shows a typical mix of high and low risk investments used in our Ethical Plans. The Ethical Cautious Plan can hold between 0% and 20% of high risk investments (Shares & Property) with the remainder in low risk investments (Bonds, Cash, Cash Equivalents), but this can vary.



### Benchmarking

Our Ethical Cautious Plan performance is measured against the UK Consumer Prices Index EU Harmonized Index. This measures UK inflation through the cost of goods and services to consumers. There may be times when UK inflation is very high and if this happens the Ethical Cautious Plan may significantly underperform against its benchmark.

### Risk of loss

With investing, there's always a chance that investments can go down in value. In a one-year period, there's a 5% chance you may lose more than 6% of the value of an Ethical Cautious Plan. This is not a maximum loss and losses in the future may be greater.

(Source: Wealthify Cautious Plan, VaR calculation 29/02/2016 – 28/02/2018)

### Typical Investments in an Ethical Cautious Plan

This is an example of the typical investments you might see in an Ethical Cautious Plan. We use a blend of passive and active funds. Some funds may exclude companies that profit from harmful activities, whilst others may invest in companies provided they earn no more than 10% of their profits from the activity. So we cannot guarantee that our Plans won't contain some degree of the activities we aim to exclude.

Investment	Type	% of Plan
Cash	Cash	2%
Vanguard US Government Bonds	Government Bond	22%
HSBC UK Gilts	Government Bond	25%
Vanguard Euro Government Bonds	Government Bond	3%
Lion Trust Sustainable Corporate Bond	Corporate Bond	1%
Kames Ethical Corporate Bond	Corporate Bond	1%
Royal London Sustainable Managed	Corporate Bond	9%
Royal London Ethical Bond	Corporate Bond	9%
EdenTree Amity Sterling Bond	Corporate Bond	9%
UBS US Most Liquid Corporates	Corporate Bond	9%
Royal London Sustainable Leaders	Shares	1%
LionTrust Sustainable Growth	Shares	1%
LionTrust Sustainable Euro. Growth	Shares	2%
Stewart Sustainable Asia Pacific	Shares	0%
Stewart Sustainable Emerging Markets	Shares	2%
Ishares MSCI Japan SRI	Shares	1%
L&G UK Ethical Trust	Shares	0%
EdenTree Amity International	Shares	1%
UBS Gender Equality	Thematic	2%

# CAUTIOUS ETHICAL PLAN FACTSHEET



### Foreign currency

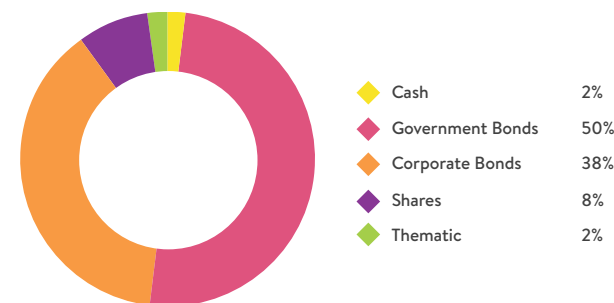
An Ethical Cautious Plan could contain up to 25% in overseas investments which are held in a foreign currency.



Typically, the more foreign currency held in a Plan, the greater the risk and potential volatility.

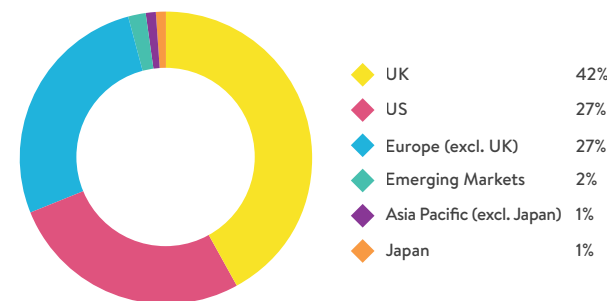
### Investment Mix

This is a typical example of the mix of investments in an Ethical Cautious Plan.



### Regional Mix

This is a typical example of investments by region in an Ethical Cautious Plan.



The Investment Team at Wealthify review and adjust the investment and regional mix on an ongoing basis to try to optimise the performance of our Plans.