

FOR PROFESSIONAL ADVISERS ONLY

Due Diligence Information

Brooks Macdonald
Asset Management Limited



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Introduction

This document is intended to provide UK financial advisers with comprehensive information to assist with their due diligence reviews of Brooks Macdonald Asset Management Limited, and its investment products and services.

The document is split into three headline sections:

Section 1	Section 2	Section 3
Background company information contains information on our company structure, culture and personnel.	Investment philosophy and approach contains detailed information about our core investment research process, which is leveraged by our investment products and services.	Investment products and services contains information summarising the way in which this investment process is applied, however the two sections should be read in conjunction when reviewing any investment product/service.

We recommend that you make use of the dynamic ‘Contents’ table adjacent when navigating the document. Clicking on the relevant heading automatically takes you to that section of the document – alternatively, ‘CTRL-F’ opens a dynamic search box.

Section 1

Background company information



1.1 Firm details

This section contains information on our company structure, culture and personnel.

Company name	Brooks Macdonald Asset Management Limited, a subsidiary of Brooks Macdonald Group plc. Brooks Macdonald is a trading name of Brooks Macdonald Group plc used by various companies in the Brooks Macdonald group of companies.
Telephone	020 7499 6424
Website	www.brooksmacdonald.com
Email	info@brooksmacdonald.com
FCA Number	184918

Office locations

London – Head Office

London
40 Leadenhall Street, London, EC3A 2BJ

South East

Southampton
Mountbatten House, 1 Grosvenor Square
Southampton SO15 2JU

Tunbridge Wells
Pluto House, 6 Vale Avenue
Tunbridge Wells, Kent TN1 1DJ

Wales and West

Birmingham
Somerset House, 37 Temple Street,
Birmingham B2 5DP

Wales
3 Ty Nant Court , Morganstown
Cardiff, CF15 8LW

Exeter
Broadwalk House,
Southernhay West, Exeter EX1 1TS

Nuneaton
Eliot Park Innovation Centre,
4 Barling Way, Nuneaton CV10 7RH

North

Leeds
Yorkshire House, Clockwise
Greek Street, Leeds LS1 5SH

Manchester
24 Mount Street
Manchester M2 3NX

Scotland

Edinburgh
2nd Floor Suite, Hobart House,
80 Hanover Street, Edinburgh EH2 1EL

Glasgow
1 West Regent Street
Glasgow G2 1RW

Company description and history

Proudly serving clients since 1991, Brooks Macdonald is a UK-focused wealth manager with strong distribution via internal and external independent financial planners and advisers.

We provide a comprehensive range of innovative investment solutions tailored to clients’ specific needs, helping them achieve their financial objectives. We offer a range of investment management services to private high-net-worth individuals, pension funds, institutions and trusts. The Group also provides financial planning and acts as fund manager to regulated open-ended investment companies providing a range of risk-managed multi-asset funds.

We have an industry-leading Centralised Investment Process (“CIP”), which powers the services and products we provide to our clients. This process creates a robust framework for our investment professionals to work together, sharing ideas and challenging each other’s views. Our CIP is built on model-based solutions where decision-making responsibility and authority is shared by colleagues. This approach provides market-leading performance as well as consistency of outcomes reflecting stronger alignment and collaboration for investment managers, whilst continuing to allow for the tailoring of specific individual client needs.

We have a client-centric business model, with our purpose of ‘Realising ambitions and securing futures’ guiding our culture and strategy. We want to make a positive difference through the services we provide, the way we provide them and the way we run the Group. Our team of experienced professionals are dedicated to delivering superior results and building long-term partnerships inspired by our guiding principles: we do the right thing, we are connected, we care and we make a difference. We are committed to staying at the forefront of the industry, leveraging our expertise to navigate market complexities and achieve our clients’ financial objectives.

The Group began trading on AIM in 2005 and was admitted to trading on the Main Market of the London Stock Exchange on 24 March 2025.

Ownership

The following shareholders held over 3% of the Company’s shares as at 30 June 2026

Shareholder	30-Jun-26	% IC
Gresham House (London)	3,913,706	24.65
Aberforth Partners (Edinburgh)	2,822.558	16.52
Liontrust Asset Management (London)	1,678.812	10.57
Jupiter Asset Management (London)	1,434.401	9.03
Brooks Macdonald Asset Management (London)	1,013.404	6.38
Artemis Investment Management (London)	729,575	4.60
Interactive Investor (Manchester)	424,622	2.67
Brooks Macdonald Group Employee Benefit Trust (London)	358,953	2.26
aberdeen (London)	329.015	2.07
Octopus Investments (London)	256,038	1.61

Source: Brooks Macdonald

Corporate activity

We show below a timeline of coporate events for Brooks Macdonald. Further Information relating to corporate activity can be found here: www.brooksmacdonald.com/investor-relations/rns



Source: Brooks Macdonald

Funds under management and advice

We manage client assts of £21.7bn (as of 30 June 2026). Our total funds under management and advice (FUMA) over the past five years is shown below:

Historical FUMA

	Jun-22	Jun-23	Jun-24	Jun-25	Jun-26
Total FUMA (£bn)	13.2	15.3	16.4	19.2	21.7
12-month FUMA growth (%)	(3.6)%	15.9%	7.2%	17.1%	13.0%

Source: Brooks Macdonald

Key personnel



Andrea Montague
Chief Executive Officer

Andrea is the CEO of Brooks Macdonald Group, one of the UK's leading wealth management firms.

She brings an impressive track record of delivering results with experience at Board and Executive level across the UK long-term savings and asset management sector.

She joined Brooks Macdonald in August 2023 as Chief Financial Officer. Her prior senior leadership roles include Group Chief Risk Officer and Group Chief Financial Controller at Aviva, Deputy Group Chief Financial Officer at Royal London, and Group Chief Internal Auditor at Standard Life plc. She is a qualified chartered accountant and worked for many years at Pricewaterhouse Coopers.



Karen Charlery
Chief Operating Officer

Karen brings over 20 years of experience in the financial services sector with significant expertise in the areas of technology, operations, and regulatory change from her time with BlackRock most recently as EMEA Head of Regulatory Change.



Neil Cowell
Group Director of Investment Management and Distribution

Neil Cowell joined Brooks Macdonald in February 2025 and is a member of the Executive Committee. He is the Distribution Director and is responsible for Brooks Macdonald's adviser distribution across the UK, supported by the breadth and depth of our Investment Management team.

With almost 30 years' experience in UK financial services and extensive experience in Independent Financial Adviser (IFA) sales. He was previously Head of UK Distribution Vanguard Investments UK and prior to that he was Head of UK Retail Bank and Wealth Manager Distribution at Standard Life.

Key personnel continued...



Andy Robinson
Chief People Officer

Andy joins Brooks Macdonald from Alantra, where he was Global Head of Human Capital and led the transformation of the function to drive the firm's culture and support the business in delivering its strategic objectives. Previous Executive Leadership roles include Head of HR at Jupiter Asset Management Ltd., Head of HR (UK) at UniCredit, and Head of HR at Henderson Global Investors.



Jared Harris
Interim Chief Risk Officer

Jared joined Brooks Macdonald in 2023. In his previous role as Senior Director of Operational Oversight and Governance he was responsible for leading all aspects of Oversight and Governance, Client Operations, and Market Dealing, ensuring robust frameworks and controls were in place to manage risks and maintain compliance.

Prior to Brooks Macdonald his 35 year career included previous roles in Risk, Governance and Oversight at Bank of New York, Columbia Threadneedle, Citigroup, Barclays Capital, and Morgan Stanley.



Katherine Jones
Chief Financial Officer

Katherine joined Brooks Macdonald in November 2024 as Chief Financial Officer, responsible for leading the overall strategic and financial performance of the business

Katherine has over 20 years of experience in Financial Services leading high-performing strategic financial planning, reporting and tax teams, finance transformation, investor relations and complex corporate transactions.

Before joining Brooks Macdonald, Katherine was most recently Group Finance Director at Phoenix Group, and prior to that, she held senior finance roles including Group Head of Financial Performance at Prudential Plc and Director of Investor Relations at Partnership Plc (now Just Group plc).

Katherine is a chartered accountant and qualified at KPMG in Insurance and Asset Management Audit and Transaction Services.

Key personnel continued...



Will Hobbs
Chief Investment Officer

Will brings extensive experience in global portfolios, equities, sector allocations, investment strategies and investment management for UHNW and HNW clients. He began his career with Barclays more than 20 years ago as a senior global equity analyst/vice president in the consumer sector and held roles of increasing seniority throughout his career including Head of Global Equity Strategy, Head of Investment Strategy and most recently, Chief Investment Officer and Head of UK Multi Asset Wealth.



Josh Lewsey
Group Strategy and Corporate Development Officer

Josh is an experienced executive working for more than 20 years across the financial, professional services, and private investment industries in the UK and Asia-Pacific. Most recently, he was based in Asia where he has been an Operating Partner advising on Private Equity Transactions and prior to that a Regional CEO of a Private Equity portfolio company and a Strategy & Transactions Partner for Ernst & Young.

He has held leadership positions in Partnerships, Corporate and Privately owned companies and has led multinational Strategy and Transformation projects in Financial Services. His experience also extends to Investment Banking and across Operational and Board roles with growth stage businesses.

Josh is a Senior Advisory Board Member and Visting Professor of Leadership at the University of Law Business School and a Board Director with Hong Kong China Rugby. He is also a former Wasps, England and British and Irish Lions Rugby Union Player and Officer in the British Army.



Catherine Steele
Group Communications & Marketing Director

Catherine joined Brooks Macdonald in November 2024 and is a member of the Executive Committee. She leads corporate communications and branding, developing strategies to enhance the company's reputation and visibility, and oversees marketing initiatives to drive sales growth.

With over 30 years of experience, she has led global teams in communications, crisis management, and change management. Before Brooks Macdonald, Catherine was Group Director of Corporate Affairs at Vodafone and held senior roles at Biogen, Novartis, and Roche. She also served as a Non-Executive Director at the Financial Times in 2018.

A dual citizen of the UK and Canada, Catherine's career spans government, pharmaceuticals, biotechnology, telecommunications, and financial services across Canada, Switzerland, the US, and the UK.

Investment personnel

Brooks Macdonald Group as at 30 June 2026

First name	Surname	Job title	Certified person*	At Brooks Macdonald since
Scott	Allen	Investment Associate		01/02/2025
David	Appleton	Senior Investment Director	Yes	01/03/2020
Francis	Atkins	Investment Director – Multi Asset Team Head	Yes	01/02/2010
Harry	Baker	Research Analyst		02/01/2020
Tom	Ball	Investment Solutions Director		29/07/2019
Colin	Barrett	Senior Investment Director	Yes	01/02/2010
Andrew	Bennie	Senior Investment Director – Investment Team Head	Yes	04/10/2010
Annie	Borg	Portfolio Manager	Yes	06/06/2022
Alistair	Cannings	Investment Director		01/07/2025
Ed	Channing	Senior Investment Director	Yes	18/02/2002
Ophelie	Cheung	Associate Investment Manager	Yes	06/09/2023
Joseph	Capaldi	Investment Director	Yes	17/10/2022
Priscilla	Cheung	Investment Specialist		17/04/2023
Alexander	Chittenden	Investment Manager	Yes	25/07/2011
Dan	Clarke	Assistant Portfolio Manager	Yes	21/06/2021
William	Clarkson	Investment Director	Yes	12/10/2020
Michael	Craig	Assistant Portfolio Manager	Yes	26/07/2010
Nicholas	Dunn	Investment Director	Yes	20/05/2019
Alexander	Ford	Senior Investment Director	Yes	04/01/2016
Lee	French	Head Dealer	Yes	03/05/2011
Richard	Gadd	Senior Investment Director	Yes	11/06/2007
Mark	Godwin	Senior Investment Director	Yes	20/02/2012

Investment personnel

Brooks Macdonald Group as at 30 June 2026 cont...

First name	Surname	Job title	Certified person*	At Brooks Macdonald since
David	Griffiths	Portfolio Manager	Yes	02/06/2025
Richard	Hathaway	Portfolio Director	Yes	31/10/2011
Paul	Heath	Portfolio Director	Yes	10/06/2019
Ceri	Hill	Head of the Decumulation Investment Service	Yes	04/10/2024
William	Hobbs	Chief Investment Officer	Yes	07/04/2026
Tracey	Holmes	Portfolio Director	Yes	05/12/2007
Jonathan	Horsfield	Senior Investment Director, CAM Funds		27/10/2025
Stuart	Hutchinson	Senior Investment Director – Investment Team Head	Yes	08/11/2017
Jean-Paul	Jaegers	Head of Asset Allocation		18/05/2026
Louis	Jenden	Assistant Portfolio Manager	Yes	04/01/2021
Rhian	Jenkins	Investment Manager		12/05/2025
Harry	Kaushal	Investment Manager		12/05/2025
Jonathan	Keates	Assistant Portfolio Manager	Yes	13/11/2017
Alexandra	Keep	Investment Director	Yes	01/03/2020
Nick	Kesley	Investment Manager		06/01/2025
Daniel	King	Portfolio Manager	Yes	24/07/2023
Andrew	Lewis	Senior Investment Director – Head of Wales and South West	Yes	17/07/2017
Philippa	Lyons	Portfolio Director	Yes	03/02/2020
Rachael	Marsden	Senior Investment Director – Investment Team Head	Yes	25/09/2019
Stephen	Martin	Senior Investment Manager	Yes	01/07/2025
Daniel	Masters	Senior Investment Director	Yes	30/03/2009

Investment personnel

Brooks Macdonald Group as at 30 June 2026 cont...

First name	Surname	Job title	Certified person*	At Brooks Macdonald since
Michael	McKenzie	Investment Manager	Yes	01/03/2020
Laura	McLelland	Senior Manager Investment Research		08/10/2012
Thomas	Meredith	Senior Investment Director – Investment Team Head	Yes	09/03/2015
David	Michael	Investment Director		03/12/2024
Tobias	Milfull	Investment Director	Yes	09/10/2017
Ewan	Millar	Senior Investment Director, Head of AIM	Yes	01/03/2020
Ryan	Mitchell	Market Dealer	Yes	24/01/2022
Jack	Nichols	Market Dealer	Yes	02/09/2019
Harry	O'Connor	Head of Research		03/09/2018
Oscar	Parkman	Associate Research Analyst		10/01/2022
Liam	Pryce-Jones	Senior Investment Director – Head of South	Yes	08/04/2019
Mariella	Rice-Jones	Responsible Investment Lead		22/11/2021
Alan	Riddell	Senior Investment Manager	Yes	01/07/2025
Stephen	Ritchie	Investment Director	Yes	01/03/2020
Andrew	Rockey	Head of Investment Solutions		21/08/2017
David	Rose	Senior Investment Director	Yes	05/01/2009
James	Rowbury	Portfolio Director	Yes	09/05/2022
Adam	Rowland-Jones	Investment Team Leader		01/02/2025
John	Sadgrove	Senior Investment Director – Investment Team Head	Yes	31/10/2011
David	Scammell	Senior Investment Director	Yes	04/01/2021
Guy	Scott-Dalgleish	Investment Director	Yes	21/09/2015
Mark	Shields	Investment Director – Multi Asset Investment Head	Yes	22/01/2007

Investment personnel

Brooks Macdonald Group as at 30 June 2026 cont...

First name	Surname	Job title	Certified person*	At Brooks Macdonald since
James	Smith	Investment Director	Yes	04/01/2021
Ruaidhri	Smith	Assistant Portfolio Manager		02/09/2024
Lucy	Sparrow	Associate Research Analyst		06/09/2023
Richard	Spencer	Senior Adviser to the Investment Committee	Yes	12/09/1991
Richard	Stark	Portfolio Manager	Yes	01/03/2020
Mark	Stephens	Portfolio Director	Yes	03/05/2022
Simran	Supra	Associate Investment Manager		06/09/2023
Adam	Temple	Senior Investment Director - Head of London	Yes	05/09/2007
Joseph	Tobin	Responsible Investment Analyst		11/11/2024
Michael	Toolan	Senior Investment Director	Yes	01/11/1999
Matthias	Turner	Portfolio Manager	Yes	13/06/2023
David	Williams	Portfolio Manager		19/08/2024

Source: Brooks Macdonald. *Certified person is a classification under the FCA’s Senior Manager and Certified Regime, see more on this link www.fca.org.uk/firms/senior-managers-certification-regime

Company culture

Our Inclusive by Design philosophy fosters an inclusive culture that inspires people to do their best work, build strong and valuable relationships, and achieve success for our clients, our partners and each other.

We are proud of our culture, which is articulated through our guiding principles:



We focus on making a difference for our clients and each other. We do the right thing and strive to achieve the best outcomes for our clients. We work together, collaborating with our clients, our business partners and each other. We are respectful towards our colleagues, clients and partners, and support one another.

Our People Strategy is aligned to our Business Strategy and is focused on driving success for our clients, our partners and each other. The Board monitors our culture and staff engagement metrics through regular reports from our CEO and Chief People Officer. Our non-executive directors engage with our people through informal feedback sessions. We also engage our people through regular staff surveys, the output from which is also reviewed and discussed at Board meetings.

Recruitment and retention

Trainee recruitment & development

As part of our early talent strategy, we partner with external firms like Investment 20/20 to recruit trainees across our business. Many go on to secure permanent roles with us. We also recruit graduates who work through a structured two-year programme, gaining experience from on-the-job training as well as studying for recognised, professional qualifications. Within our Financial Planning business, trainees in our academy go through a structured, rotational, on-the-job training programme over 5 years to become Chartered Financial Planners. Young people across our business, from finance and client-facing roles to compliance and operations, study for professional qualifications via the apprenticeship levy.

Experienced recruitment

We aim to recruit experienced talent who are aligned to our culture and values, and can help us achieve success for our clients, our partners and each other. We take a structured approach to hiring, focusing on culture and values, as well as technical excellence. We expect qualified investment managers to be able to demonstrate a track record of achieving success for their clients through their expertise in asset allocation and active portfolio management.

Existing employees

We provide a structured career path and an inclusive work environment where emphasis is placed on delivering service excellence for our clients. We pay for performance and financial progression is dependent on working hard to achieve objectives and striving to live and breathe our guiding principles.

Source: Brooks Macdonald

Nurturing our employees to reach their full potential is central to our success as a business and a clear focus in our commitment to our people. Our performance management approach is focused on driving high performance and we regularly assess the potential of our people to identify their development needs. We invest in talent through apprenticeships, flagship development programmes, external professional programmes, coaching, mentoring and industry events.

We recognise that our business relies on the commitment of our people and we strive to be a responsible employer. We work with a number of external partners as we continue to focus on:

- **Diversity, equity and inclusion:** we are committed to our *Inclusive by Design philosophy*, through which we aim to provide an inclusive culture that values a balanced and diverse workforce.
- **Employee wellbeing:** we strive to be a responsible employer with a strong focus on employee wellbeing.
- **Learning and development:** we encourage employees to take ownership of their own career and professional development. We focus on driving leadership and management excellence so that our people managers have the tools they need to lead our people to success.

Remuneration

Brooks Macdonald Group is subject to the MIFIDPRU remuneration code and operates a fully independent remuneration committee to oversee the design and implementation of its remuneration policy, ensuring:

- The composition of pay components is correctly balanced.
- Any conflicts of interests are identified and appropriately mitigated.
- The remuneration policy directly supports effective risk management and positive long-term customer and shareholder outcomes.

Currently, the regular components of pay offered to Investment Managers (IM) are base salary and discretionary bonus. In exceptional recognition or contribution circumstances, an IM may become eligible for an exceptional deferred share award. A competitive pension and insured benefits package is also offered.

Succession planning

The board has established a Nominations Committee to lead the process for appointments, ensure plans are in place for orderly succession to both the board and senior management positions, and oversee the development of a diverse pipeline for succession.





1.2 Core investment products and services summary

Bespoke Portfolio Service

Our Bespoke Portfolio Service (BPS) is a discretionary portfolio management service. Individual investment portfolios are constructed according to each client's individual requirements. Three investment strategy options are available – Core, Responsible Investment (Advance) and Responsible Investment (Avoid).

Retirement Strategies

Our Retirement Strategies are a range of solutions which offer retirement income for different segments of an adviser's client base – including those required to operate on third-party platforms. Each solution is founded on the management of both short-term and longer-term income requirements. The short-term component is structured to mitigate the impact of sequencing risk, while the longer-term component is designed to generate capital growth, which can be used for income in later years.

AIM Portfolio Service

Our AIM Portfolio Service (APS) provides access to a carefully selected portfolio of companies that are members of the London Stock Exchange's Alternative Investment Market (AIM). It invests in companies that are judged to meet the current qualifying criteria for Business Relief, with preference given to companies that are judged to have attractive long-term investment potential.

Platform Managed Portfolio Service

Our Platform Managed Portfolio Service (PMPS) offers a choice of 22 discretionary model portfolios, available on third party platforms across five different risk levels and five investment strategies – Active, Passive, Responsible Investment Advance, Volatility Managed and Risk Controlled.

Direct Custody Managed Portfolio Service

Our Direct Custody Managed Portfolio Service (MPS) offers a choice of 17 discretionary model portfolios held in Brooks Macdonald's custody, across five risk levels and three investment strategies – Active, Passive and Responsible Investment Advance.

Blueprint Multi-Asset Fund Range

Our Blueprint Multi-Asset Fund (MAF) range consists of four multi asset funds. They are available to access via all major third party platforms and directly from the Authorised Corporate Director (ACD), Tutman Fund Services Limited.

Global Managed Portfolio Service

Our Global MPS range consist of 10 portfolios, five active and five passive, each aligned to a distinct risk profile, from Low Risk through to High Risk. The range is designed to provide advisers with a globally diversified solution. They are available exclusively to advisers via third-party wrap platforms.

Cornelian Risk Managed Fund Range

The Cornelian Risk Managed Fund Range (RMF) consists of 11 multi asset funds, across five risk levels and two investment styles – active, and passive. They are available to access via all major third party platforms and directly from the ACD, Tutman Fund Services Limited.

Awards and ratings

Brooks Macdonald services have achieved a Gold Service Rating for Discretionary Fund Management (DFM) and a 5 Star Rating for DFM Bespoke, DFM MPS Direct and DFM MPS on Platform produced by Defaqto.

Past performance is not a reliable indicator of future results.



1.3 Adviser support

We seek to build strong relationships with our supporting advisers to ensure that they can focus on adding value through financial planning services, and endeavour to create solutions that will consistently meet our clients' needs in an increasingly complex world.

We aim to provide the highest level of service to all our partners and clients.

We produce a wide range of material to support advisers in their client discussions, including: performance and trading reporting and commentary, portfolio holdings and market commentaries. Dependent on the solution, bespoke meetings or small presentations with a member of the investment management team may be arranged. Advisers are also supported by the dedicated Business Development Manager within their geographic area.

For details of the information we provide to meet regulatory obligations such as Consumer Duty, please see section '[Regulatory](#)'.

Throughout the year, we hold various events that generally involve education or training, both in-person and online. We also publish investment and regulatory insight and educational content via our website.

Much of this is qualified under the Continuing Professional Development (CPD) Scheme.

In addition, we have various digital and technical capabilities that can be used to facilitate client service, such InvestBM – our secure online portal for solutions in our custody, and CRM connectivity.

Brooks Macdonald Strategic Partnerships

Brooks Macdonald Strategic Partnerships (BMSP) extends beyond a traditional outsourced investment proposition.

It combines investment capability with strategic advisory support for IFA firms that are seeking to:

- Grow organically or through acquisition
- Consider a liquidity event or succession planning
- Evaluate their broader strategic options, including remaining independent

As part of the partnership relationships we forge, we provide guidance, knowledge and practical support to help firms:

- Accelerate growth
- Improve EBITDA margins
- Prepare for a potential transaction or succession event
- Enhance the long-term value of their business

For more information, please see:

[**Brooks Macdonald Strategic Partnerships**](#)

Key strengths

Trusted partner – We have more than 30 years’ experience managing portfolios for clients and advisers, building long-term relationships founded on professionalism, accountability and trust. Our focus is simple: disciplined investment management, high-quality service and good outcomes for clients.

Compelling investment proposition – We offer a broad range of investment solutions designed to meet different client needs, objectives and risk profiles. Our bespoke services are complemented by model-based and unitised fund solutions, giving clients and advisers choice without compromising on quality or discipline.

Expertise and disciplined investment process – Our investment solutions draw on the depth and scale of expertise across Brooks Macdonald, combining specialist knowledge, active judgement and a centralised investment process that provides consistency, rigour and oversight across portfolios.

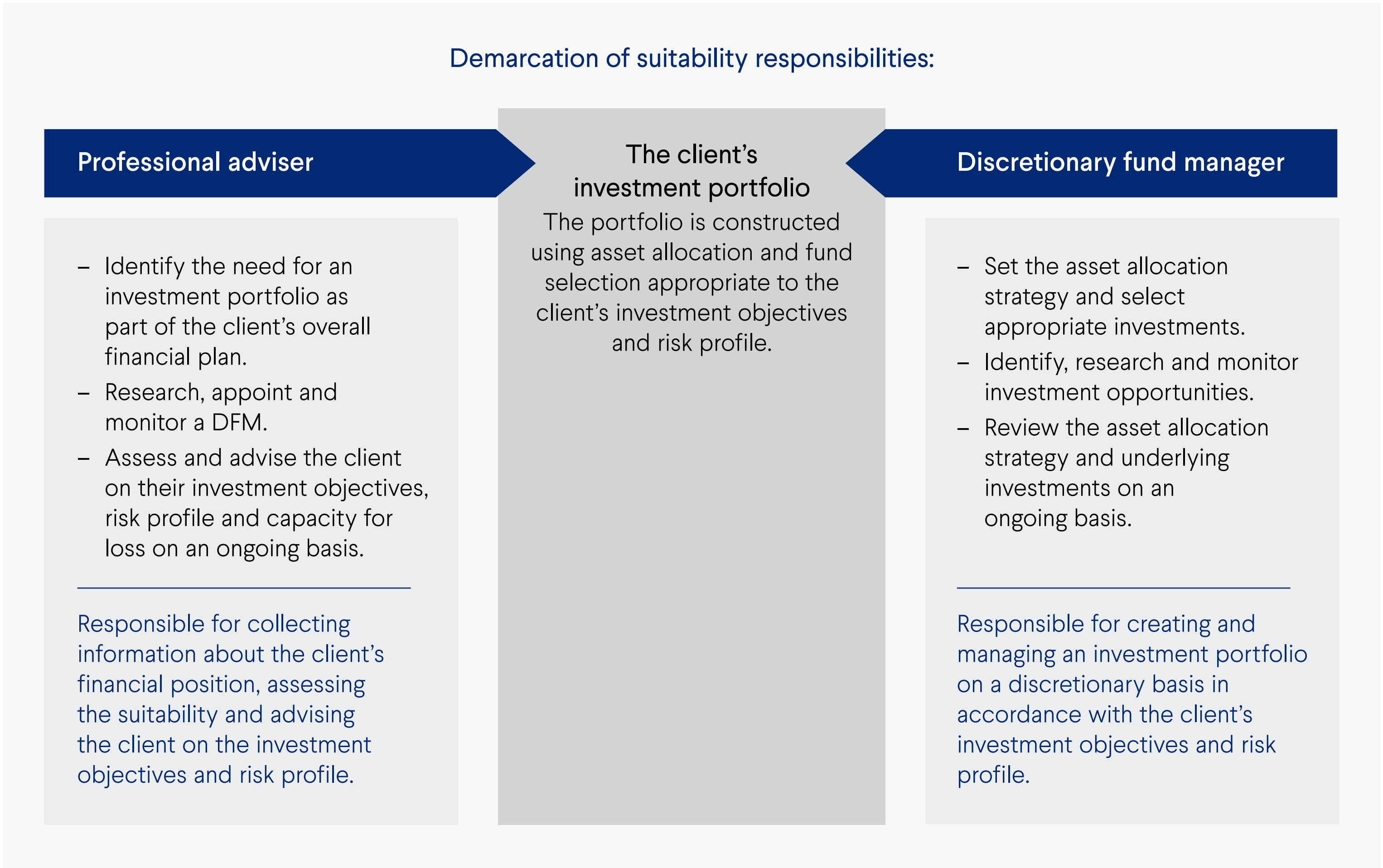
High quality service - We are committed to doing the right thing for clients, with service shaped around responsiveness, clarity and strong outcomes. We continue to focus on improving consistency, resilience and the experience we deliver to clients and advisers.

People - Our people are central to our success. We are focused on attracting, developing and retaining talented colleagues, building capability across the organisation and equipping our teams to deliver for clients, advisers and each other.

Culture - Our client-centred culture is anchored in our Guiding Principles: we do the right thing, we are connected, we care and we make a difference. These principles shape how we work, how we lead and how we deliver sustainable value for clients and the business.

Suitability

Professional advisers and DFMs have different, yet complementary, roles with regard to suitability. This is illustrated below:



Source: Brooks Macdonald



1.4 Governance

Board and committee structure

The Brooks Macdonald Board is committed to maintaining a strong governance framework to support our mission to protect and enhance our clients' wealth.

As such, the Board has responsibility for promoting the long-term strategy and success of the Group by providing leadership, shaping the Group's culture, and agreeing the risk appetite and the appropriate systems of control for risk management. The Board is also focused on ensuring that the risk and compliance framework is appropriately embedded within the Group's day-to-day activities.

The Board delegates the day-to-day management of the Group to the CEO, who is supported by an Executive Committee. As well as having operational oversight of the Group's day-to-day activities, the Executive Committee focuses on the formation and implementation of the Group's strategy and makes decisions that are not otherwise reserved for the Board. The Executive Committee meets regularly, with a mixture of formal and informal scheduled meetings, together with ad hoc meetings as required.

The Board delegates certain responsibilities to the Committees shown below:

Audit Committee

The Audit Committee assists the Board in meeting its responsibilities for the integrity of the Group's internal financial controls and its financial reporting. In particular, this involves reviewing and challenging the Group's accounting policies and significant judgement areas and the integrity of its financial reporting. It also provides oversight and monitoring of the internal and external audit functions and works in conjunction with the Risk and Compliance Committee to review the effectiveness of the Group's risk management framework and internal controls.

Risk and Compliance Committee

The Risk and Compliance Committee assists the Board in meeting its risk management, regulatory, compliance and internal control responsibilities. In discharging these governance responsibilities, the Committee Chair liaises closely with the Chair of the Audit Committee to ensure a clear allocation of responsibilities between the two Committees, ensuring governance completeness across the risk landscape.

Remuneration Committee

The Remuneration Committee exercises independent judgement in the determination, implementation and operation of the overall Remuneration Policy for the Group. It provides oversight of the design and application of the Remuneration Policy and makes recommendation to the Board of the overarching principles for all Group employees, it ensures the policy is consistent with the risk appetite of the Group and its strategic goals and it reviews and approves the remuneration policies and remuneration for the Executive Directors, members of the Executive Committee, Material Risk Takers and any other employees for whom enhanced oversight is either appropriate, or a regulatory requirement.

Nominations Committee

The Nominations Committee is responsible for recommending Board and Committee appointments and reviewing the composition of the Board and the Board Committees to ensure they are suitably constituted, with an appropriate balance of skills, experience, knowledge and diversity. This includes conducting the annual Board effectiveness review. The Committee also monitors succession planning at the Group's leadership levels to ensure the Group's continued ability to implement its strategy and operate effectively. The Committee is also responsible for reviewing and recommending to the Board any material changes to the structure, size and composition of the Group's regulated subsidiary company boards.

Board independence

The Board, on the recommendation of the Nominations Committee, considers that all of the Non-Executive Directors are independent. While it can vary through the year, typically, the Company would expect each Non-Executive Director to devote around two days per month to the Group's business. All Board members are required to disclose any external positions or interests, which might conflict with their directorship of Brooks Macdonald, prior to their appointment and thereafter on a continuous basis so that any potential conflict can be properly assessed. If any conflicts of interest do arise, then they can generally be managed by due process.

Corporate Social Responsibility

Corporate Social Responsibility (CSR) has always been an important value at Brooks Macdonald. We take very seriously our responsibility to our clients, employees and shareholders to build a strong, profitable and sustainable business. We also believe that we hold a wider responsibility towards each other and towards the natural environment.

Our vision

We want to make a positive difference through the services we provide, the way we provide them and the way we run the Group as a whole. We aspire to go above and beyond to create a sustainable future that will benefit employees, clients, shareholders and the wider environment for current and future generations.

Our business

The importance we place on CSR shapes how we run our business. We implement various policies, procedures and processes to ensure that we act as a responsible business.

For more information, please see our [Corporate Social Responsibility](#) webpage.

The Group follows the UK Corporate Governance Code (the Code). A copy of the Code can be found on the Financial Reporting Council's website at www.frc.org.uk.

Brooks Macdonald is proud to be a signatory to the United Nations PRI. Adhering to the PRI is an important and positive step forward in our company wide ESG efforts. As a PRI signatory, we include ESG criteria within our investment processes, supporting our ambitions to further promote responsible investment practices.

Financial strength

The latest AKG Assessment is online in our [Consumer Duty Toolkit](#).

Insurance

We have in place a comprehensive program of insurance which has been approved by the Group Board and which the Group Board has determined is adequate having regard to the size and complexity of our business, and to meet our regulatory requirements.

Brooks Macdonald Group holds Professional Indemnity Insurance, which includes Brooks Macdonald Asset Management Ltd. Further details are available on request.

Investor protection

Bespoke portfolio services and Direct Custody MPS

Retail Clients are covered by the Financial Services Compensation Scheme (FSCS) in the event of insolvency of Brooks Macdonald.

Financial Conduct Authority (FCA) Rules require us to ensure our assets are kept entirely separately from those of our clients. As such, clients' investments are typically registered either in the name of the client or else Brooks Macdonald Nominees Ltd (or a third-party nominee company, as permitted by FCA Rules). Brooks Macdonald Nominees Limited is a wholly owned subsidiary that exists for the sole purpose of holding client investments.

Likewise, client money received by Brooks Macdonald is segregated from its own funds and is safeguarded in accordance with the FCA's Client Money Rules. Client money is held with Approved Banks (as defined under FCA Rules).

The above means that clients' investments would be safeguarded, and kept entirely separate, from Brooks Macdonald's own assets in the event of the insolvency of Brooks Macdonald.

Brooks Macdonald is subject to annual external audits and performs daily calculations to ensure compliance with the FCA Rules pertaining to client assets and money are rigorously adhered to.

Platform MPS

To the extent that clients access Brooks Macdonald's Model Portfolio Services via a Platform, then we will not hold client investments or client money at all. Rather, assets and money will be held on behalf of clients by the relevant Platform Provider. This means that, in the event of Brooks Macdonald's insolvency, clients' investments and money will be unaffected. Advisers should review terms of business in place between themselves and Platform Providers to understand the steps taken by Platform Providers to ensure the safekeeping of assets.

Funds

With regard to funds, the Authorised Corporate Director (ACD) is covered by the FSCS. The FSCS may pay compensation if the ACD is unable to meet its financial obligations.

Group risk management framework

Risk management starts with oversight through appropriate governance; an efficient board and committee structure, with individual and collective roles and delegated authorities and a set of core policies to provide guidance to staff. Effective risk management relies on insight through robust and timely management information.

We manage our risks by learning lessons from past events, such as, errors, breaches, near misses and complaints, by conducting point-in-time risk assessments and attempting to predict what the future risk landscape might look like through our suite of key indicators.

The risk management methodology within the Group's risk management framework consists of the following six interlinked steps:

Risk identification. This takes place through regular business monitoring and periodic reviews, including risk mapping exercises and the risks arising from change or new products and services.

Risk appetite. Once we have identified risks, we set an appetite for each material risk. This defines the amount of risk that the Board is prepared to accept in order to deliver its business objectives. Risk appetite reflects culture, strategic goals and the existing operating and control environment.

Risk analysis. Having set the risk appetite, we can assess the impact and probability of each material risk against the agreed risk appetite. This can include the quantification of capital risk as part of the Internal Capital Adequacy and Risk Assessment (ICARA).

Controls assessment. We also assess the effectiveness of controls in reducing the probability of a risk occurring or, should it materialise, in mitigating its impact.

Additional actions. Where differences exist between our risk appetite and the current residual risk profile, we take action to either accept, avoid or transfer part or all of those risks that are outside our risk appetite, or to reconsider the risk appetite.

Reporting. Ongoing reporting of risks to senior management provides insight to inform risk-based decision-making and allocation of resources to achieve business objectives.

Information security

GDPR

Full details which set out the basis on which we process personal data, are available in our [Privacy Policy](#).

Brooks Macdonald is committed to protecting the privacy of the people that we receive information about. This means that we take steps to lawfully, fairly and transparently process any personal data that is made available to us, in accordance with the United Kingdom General Data Protection Regulation (Regulation (EU) 2016/679) and the Data Protection Act 2018 (the “Data Protection Laws”).

Cyber security

At Brooks Macdonald we take security seriously. We do our utmost to protect our systems, employees and clients.

We have invested in market leading security products from the most established and respected security services in the world to ensure our websites, email domains, endpoints (servers, PCs and mobile phones) and data receive the best protection available.

To demonstrate our commitment to protecting our clients, we have worked hard to gain certification in the National Cyber Security Centre’s ‘Cyber Essentials Plus’ accreditation. This involves an on-site technical assessment by a licenced auditor. This government program is designed to help organisations achieve a high level of cyber and data protection against a wide range of cyber threats. We are also currently working towards the ISO27001 certification.

Email and web security – our cloud security platform actively protects against advanced threats, such as business email compromise and credential phishing. We employ multiple layers of email protection against malware, ransomware and phishing. All email transport channels are encrypted. All staff use multi-factor authentication. We employ various threat intelligence tools and services which monitor and protect our estate against current threats.

Endpoint security – all servers are monitored closely and adhere to strict patching processes to ensure vulnerabilities are quickly remediated. All desktops, laptops and servers are monitored and protected 24/7 by our cloud security tools. All staff laptops are encrypted. We use enhanced security policies and threat data to stop unusual or high risk access attempts on devices and accounts. Data protection policies limit data access outside of corporate devices.

Third party security management – we perform a detailed security risk assessment on every third-party vendor we work with to ensure their security standards are consistent with ours. We dynamically monitor the security for our key third parties on an ongoing basis.

Staff training – all of our staff undertake annual cyber security training courses as well as at induction. Monthly security simulations are also conducted, again with mandatory training.

Data security – all data is stored in secure data centres with full multi-site resilience. Annual tests are scheduled, and data integrity checked. Our servers are hosted across mirrored data centres at geographically separate locations, and are regularly backed up by our hosting suppliers.

Continuity – desktop and laptop PCs have no contingency for disaster recovery, however, we stress to users to save data to allocated network drive space that is backed up and can easily be restored to a point in time at the individual file level. However, if a PC is unrecoverable, we can rebuild a new machine with the required software within 4 hours.

Business continuity

Business continuity plans exist centrally, covering all Group locations and are tested annually and as a part of operational resilience and disaster recovery testing. A Groupwide crisis management plan (CMP) also exists and overarches all the respective operational resilience, business continuity and disaster recovery plans detailing the necessary processes and responsibilities to invoke business continuity and manage incidents impacting the Firm’s ability to deliver its services to its clients, as well as managing disruptions end-to-end with the primary goals of limiting harm to our clients and to the firm and ensuring clear, timely and consistent communication to our clients and stakeholders.

Operational resilience

Brooks Macdonald have an established Operational Resilience framework, oversighted by Operational Governance and relevant committees. The Framework links directly with relevant business processes: such as incident management, business change and third party risk management; and is fully supported by bespoke Operational Resilience software built to meet the FCA’s requirement, of preventing intolerable harm to our clients, the Firm and the market as a whole.

Major service providers to the company

Operations

SS&C provides operations technology support. This includes the provision of middle and back office activities, in addition to IT support for a number of technology platforms that support the Brooks Macdonald infrastructure. Brooks Macdonald has an in-house client services team, data management team and an oversight team, whose role is to provide oversight of SS&C activities and controls over client money and client asset allocation (CASS).

Cash

We are not a bank or licensed deposit taker. The firm is not permitted to use client money to run its own operations, and we are not permitted to lend our clients' money to other clients. FCA rules require that we keep our assets entirely separate to those of our clients and we make daily Client Money calculations to ensure that this is rigorously enforced. In the event of our liquidation, assets belonging to our clients cannot be used to satisfy our own creditors.

Cash belonging to our clients is held in client money bank accounts under the name of Brooks Macdonald Asset Management General Client account. The client money bank accounts are diversified across eight appointed Client Money Bank account providers. As per the CASS 7 rules we hold CASS acknowledgement letters for each active client money bank account.

The firm performs annual due diligence over the credit institutions we are placing client money with to check credit worthiness and stability.

Major business relationships

We maintain strong links with many third-party product providers, including offshore bond providers, SIPP providers and investment platforms. Most of these are able to facilitate the provision of our investment management services.

Major service provider/key supplier due diligence

We conduct regular reviews of our suppliers and key relationships. We follow a selection process and ensure that suppliers comply with our agreed standards and external audit controls. This will differ depending on the service provided. All key suppliers follow our Supplier Management framework. We meet regularly for service reviews. We carry out regular due diligence on our main service providers and custodians. This will differ depending on the service provided.





1.5 Regulatory

Brooks Macdonald Asset Management Limited is regulated by the Financial Conduct Authority and meets the regulatory obligations required to operate as a Discretionary Investment Manager in the UK.

Brooks Macdonald Asset Management is an ‘enhanced’ SMCR firm. We have implemented all the requirements of the Senior Managers Regime including the allocation of Senior Management Functions, Prescribed Responsibilities, Overall Business Responsibilities, Responsibilities Maps and handover procedures. Brooks Macdonald’s MiFID II status is a MIFIDPRU firm.

Compliance and financial crime

Our dedicated compliance department is comprised of the following specialised teams:

- Compliance Advisory
- Compliance Monitoring
- Financial Crime
- Risk and Complaints.

The team conducts monitoring key areas of the business to ensure regulatory compliance and compliance with in-house policies. This is achieved through a risk-based compliance monitoring plan, incorporating a range of thematic reviews and undertaking regular surveillance monitoring including anti-money laundering and market abuse.

Our Group risk team conducts periodic risk assessments to help identify and quantify risks. The Compliance team also completes horizon scanning on regulatory developments and implements and embeds new regulations.

The business operates a ‘three lines of defence’ model in regard to risk management. The Business Assurance team conducts first-line oversight and reports to the managing director of investment management. Operational risk, investment risk, financial crime and compliance operate as four separate units, providing a second line of defence, and external advisers and auditors are used to provide independent assurance that our controls are functioning robustly, providing a third line of defence.

We have a set of policies that sets out the minimum standards and requirements expected of all employees.

These include:

- Personal account dealing
- Gifts and hospitality
- Conflicts of interest
- Market abuse
- Fraud
- Anti-Money Laundering and sanctions
- Financial Promotions
- Risk management

All staff are required to attest to having read, understood, and will follow the policies and we undertake ongoing web-based and face to face training to complement this activity.

The Compliance team also completes horizon scanning on regulatory developments and implements and embeds new regulations.

External compliance assessments

The latest assessment reports are available here in our [Consumer Duty Toolkit](#).

Know your client

Having sufficient Know Your Client (KYC) information on clients minimises the risk of Brooks Macdonald being used for illicit activities and protects against fraud. It also enables suspicious activity to be recognised.

Our Customer Due Diligence (CDD) process ensures Brooks Macdonald is reasonably satisfied that clients are who they say they are, to know whether they are acting on behalf of another, and that there is no legal barrier (e.g. government sanctions) to providing them with the product or service requested. The CDD process also enables Brooks Macdonald to assist law enforcement, by providing available information on clients or activities being investigated.

Prior to entering into any business relationship with a client, Brooks Macdonald will ensure that it has obtained sufficient information on the client, i.e. there is evidence on file to confirm that, firstly, the client's identity has been verified and, secondly, that the nature of the business the client is expected to undertake has been recorded, including the expected or predictable pattern of transactions. This will enable Brooks Macdonald to identify suspicious clients and transactions and for these suspicions to be reported to the appropriate authorities.

For the purposes of Brooks Macdonald's anti-money laundering/counter terrorist financing (AML/CTF) procedures, a client is any person or entity who is engaged in, or who has contact

with Brooks Macdonald with a view to engaging in, any transaction (which includes giving investment advice, managing investments and any other business or service undertaken in the course of carrying on a regulated activity) with Brooks Macdonald.

Brooks Macdonald will carry out an electronic identity verification check on all UK resident clients before any investment advice is given or investment management services are provided. This check will attempt to confirm the client's full name, residential address and date of birth against various electronic data sources such as the electoral roll, telephone records, UK Passports etc. Where electronic identify verification checks fail, certified ID documents must be provided in order to verify identity. In addition, the client's information is cross referenced against a number of other national and international databases to identify those individuals considered to be Politically Exposed Persons (PEP) or subject to sanctions to ensure that Brooks Macdonald is not providing financial services to persons that it should not be doing business with.

For all non-UK resident individuals, alongside electronic PEP/SAN/SIP screening, certified ID documents must be provided in order to verify identity.

Brooks Macdonald's CDD procedures are applied using a risk-based approach, based on the essential features of the client. Our clients fall into three categories – High Risk, Medium Risk and Low Risk. This follows a one year, three year and trigger based periodic review process.

High risk clients are subject to Enhanced Due Diligence and approval by Senior Management via our Client Approval Forum.

Product governance approach

As a manufacturer of investment products and services, appropriate governance arrangements have been put in place to ensure products and services are designed to meet the needs and objectives of customers in the target market.

Our Governance Committees provide effective management and oversight of matters relating to the initiation, development and regular reviews of products, services, and distribution channels. The products and services that we manufacture and distribute undergo periodic reviews. These reviews consider risks that could materially affect the identified target market and also ensure that the product or service remains consistent with the needs of its target market.

We produce a Target Market Document, containing information that is intended to aid professional advisers in completing target market assessments. However, professional advisers should ensure their own target markets assessments are conducted and all their regulatory obligations, including those related to MiFID II, PROD and Consumer Duty, are adhered to.

In line with the Consumer Duty requirements, we publish value assessment reports for each of our discretionary investment services. Value assessment reports for the UCITS funds we manage are published on the Authorised Corporate Director (ACD) website.

Vulnerable clients

Across all our products and services, we have processes in place to ensure clients with characteristics of vulnerability are not disadvantaged.

We have policies in place to ensure:

- the needs of vulnerable clients are taken into account, and that they receive fair outcomes;
- a consistent approach to consumer vulnerability is understood and embedded across all areas of the business; and
- staff receive the required training, guidance and support to identify vulnerable clients and provide them with the additional levels of care required.

We appreciate that vulnerable clients may have needs that are more challenging and complex than the average client. Where vulnerabilities are identified, our staff will respond in a considered and tailored way and facilitate the necessary arrangements to assist them.

For example:

- Flexibility in the applications of our policies and procedures where appropriate.
- Flexibility around appointment locations (for example, a client's home), times of day and meeting duration. We also consider accessibility of the Group office for those clients with health conditions/disabilities.
- Providing clients with a choice of ways of communicating. This could relate to the method of communication (e.g. audio/ face-to-face/ digital) or the service delivery (e.g. agreement to talk at a particular time of day depending on carers and medication / providing information in advance of meetings).
- Providing clients with accessible and simple communications to support the client to understand product and services.
- Offering clients, the option of having a third party to support them at a meeting.

We also have provided resources on our website to help advisers tackle the issues behind client vulnerability.

Financial advisers are equally responsible for identifying, recording and supporting client vulnerability and we proactively ask for information on client vulnerability to ensure we can support clients facing difficult circumstances alongside their advisers.

Court of Protection

We have a dedicated Court of Protection service which is specifically focussed on the administration and investment management of these accounts. All contact will take place with the Court Appointed Attorney or Deputy and the Investment Management team will manage the accounts in line with their understanding of the specific needs and requirements for the protected individual.

We will treat all our cases in the same manner from an administrative perspective, but clearly our service is tailored to each individual client and this applies whether that individual has newly appointed Brooks Macdonald, or if they are an existing client who were to find themselves in a position of requiring an LPA or COP order.

We have managed assets on behalf of injured clients and their legal representatives for over 15 years. The service is underpinned by our Vulnerable Client Policy.

Section 2

Investment philosophy and approach





2.1 Investment philosophy

Investment Philosophy

Brooks Macdonald (BM) was founded in 1991 as a private client investment manager. From the outset, its investment managers collaborated closely in research and portfolio construction to meet clients' needs within their respective liquidity requirements, attitude to risk, flexibility needs and time horizons. BM has long worked closely with Independent Financial Advisers to deliver investment solutions aligned with clients' broader planning objectives. We believe successful investment outcomes are built first on a foundation of sound financial planning.

An investment philosophy provides the foundation for a consistent and disciplined investment process. It articulates what we believe about markets, informs decision-making and helps maintain discipline through periods of uncertainty. Without a clear philosophy, an investment process lacks direction; without a robust process, an investment philosophy remains theoretical. Together, they explain how we believe strong client outcomes can be achieved consistently over time.

Diversification as fundamental principle

Markets are broadly efficient. In efficient markets, asset prices incorporate the relevant information available at a given point in time, including historical data and public disclosures. As a result, shorter-term price movements are inherently difficult to predict with consistency.

For that reason, rather than relying on concentrated, high-conviction positioning, we believe a broader, well-diversified portfolio offers a stronger foundation for long-term investing. Diversification across asset classes, geographies and sectors is, in our view, one of the most effective ways to manage risk. The selection of assets should therefore be grounded in long-term risk premia that complement each other and informed by valuation discipline.

Strategic Asset Allocation

Strategic asset allocation (SAA) is central to managing portfolios in line with clients' risk tolerances and long-term objectives. It provides the framework for disciplined decision-making, supports the pursuit of attractive risk-adjusted returns and encourages regular review and rebalancing to maintain alignment with financial plans over time. Through regular review and updating the SAA will evolve gradually over time.

We do not believe it is possible to predict the future consistently with a level of confidence that would justify relying heavily on precise forecasts. Our investment process therefore reflects humility about what can be known in advance and focuses instead on building robust portfolios capable of performing across a wide range of possible outcomes.

Tactical Asset Allocation

Tactical asset allocation (TAA) involves adjusting portfolio weights around the strategic asset allocation in response to changing market conditions. Asset prices are influenced not only by economic developments, but also by investor sentiment, positioning and risk appetite. These forces can create periods in which market pricing moves away from longer-term fundamentals. Typically, these tactical adjustments aim at a horizon somewhere between 3 to 12-months. By making measured, research-led adjustments, we believe it is possible to improve client outcomes while maintaining the integrity of the long-term strategic framework.

Because SAA is designed to reflect long-term risk tolerance, TAA should not materially alter portfolio risk over a multi-year horizon. Where appropriate, we therefore seek to implement TAA consistently across model portfolios so that clients can expect a comparable investment experience.

Active and Passive Strategies

BM believes there is a place for both active and passive investments within portfolios, and that a thoughtful blend of the two can support strong risk-adjusted returns. Passive strategies provide efficient exposure to markets and indices, while active strategies offer the potential to add value through selective positioning away from benchmarks. The relative merits of each approach vary across asset classes and through different stages of the investment cycle.

This principle also extends to investment style. Different sectors and market environments may favour value or growth approaches at different times, and

portfolios can benefit from an appropriate balance of styles rather than dependence on a single factor or market regime.

It is here in asset selection, that our principles surrounding responsible investing are implemented in our funds and portfolios. To us, acting as a responsible investor means we act as responsible stewards of our clients' capital by integrating the consideration of Environmental, Social and Governance (ESG) factors into our investment processes and active ownership practices. ESG integration is the explicit and systematic inclusion of ESG issues into investment analysis and decision making. We believe that by incorporating an assessment of ESG risk and opportunities we have a more holistic understanding of investment risk which can help informed decision-making and improved client outcomes.

Context

The investment philosophy is grounded in the belief that the compounding of returns from a well-structured, diversified portfolio over time should be the primary driver of clients' financial outcomes. Delivering on that belief requires patience, humility and a disciplined approach to risk management.

We also recognise that markets are dynamic and that both their structure and their drivers evolve over time. Our investment process should therefore remain adaptable, while continuing to reflect the enduring principles set out in this philosophy.

We regard the stewardship of client capital as a significant responsibility and are committed to acting with care, discipline and integrity in pursuit of strong long-term outcomes.



2.2 Investment process

Diversification

Diversification is the process of investing in different assets to reduce risk. Each individual asset has its own properties, which cause it to react in certain ways to changes in economic and market conditions.

A portfolio may be diversified in several ways:

- **Asset class diversification:** a portfolio that owns investments in different asset classes is less likely to be affected by price declines in any single asset class.
- **Geographic diversification:** investing in assets in, or with exposure to, different parts of the world may reduce exposure to risk surrounding specific currencies, regional economic differences and geopolitical issues.
- **Industry diversification:** different types of businesses react to economic circumstances in different ways. For example, lower oil prices will be detrimental to oil producers but may benefit oil consumers, such as airlines and manufacturers.

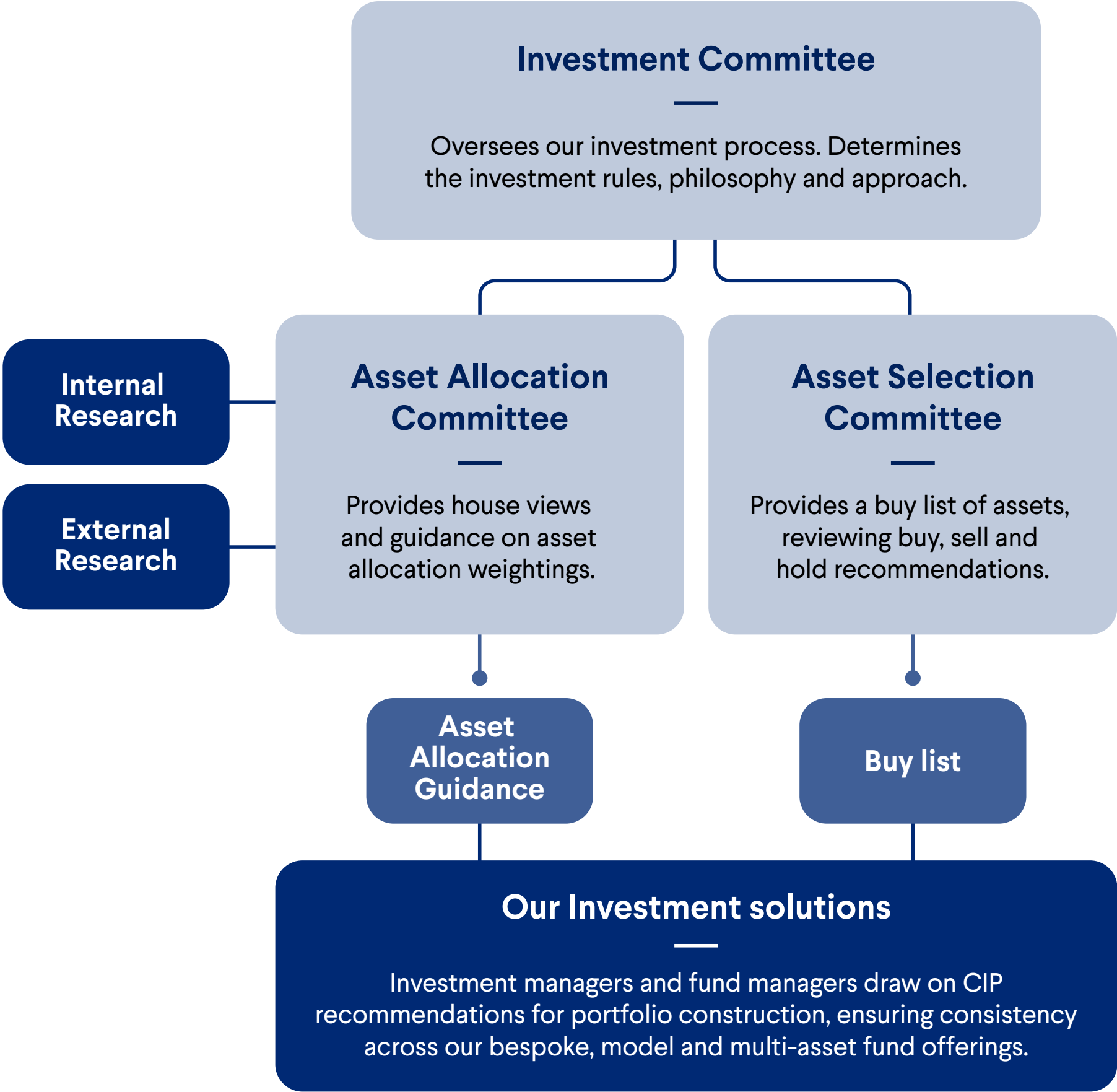
Brooks Macdonald’s investment service offers a centralised investment approach based around a buylist and guidance portfolios which is implemented, on a bespoke or model basis, by an investment manager.

Our approach is to create balanced portfolios, composed of the best investments from all investment media, across all asset classes, in order to provide strong and consistent long-term risk-adjusted returns. Brooks Macdonald has established specific investment parameters, yet offers a degree of flexibility within the framework that enables an investment manager to exercise a degree of discretion and, within the bespoke services, have the capability to tailor the portfolio to a client’s unique needs.

Centralised Investment Proposition

Our Centralised Investment Proposition is designed to ensure that our investment solutions leverage the broad and varied expertise of our asset allocation committee, asset selection committee, investment committee and specialist sector research teams.

The process combines an asset allocation strategy (or a ‘top-down’ approach), with individual security selection (or a ‘bottom-up’ approach). It incorporates a number of processes designed to ensure that investment portfolios are adequately diversified and that investment risk is appropriately managed. All core investment solutions leverage this Centralised Investment Proposition.



Source: Brooks Macdonald

Investment process governance

Investment Committee

The Investment Committee supports the CIO in delivering effective management and oversight of the Brooks Macdonald Investment Process. This includes responsibility for establishing and monitoring a framework for research, investment management and risk management. The investment committee meet as frequently as necessary to fulfil its duties and responsibilities, but no less than six times a year.

Asset Allocation Committee

The Asset Allocation Committee (AAC) reviews and sets the house view and asset allocation for guidance portfolios. The AAC is chaired by the CIO and typically meets six weekly but can do so on an ad hoc basis if needed.

Asset Selection Committee

The Asset Selection Committee (ASC) provides a buylist of assets which is used, alongside asset allocation guidance, to build investment portfolios. The ASC reviews buy, hold and sell recommendations brought to it by the head of each sector team. The ASC is chaired by one of the CIO, and typically meets weekly but can do so on an ad hoc basis if needed.

Asset allocation

Our asset allocation strategy is established and managed by our Asset Allocation Committee, which consists of a number of highly experienced investment professionals. In setting asset allocation strategy, the committee evaluates investment research to make short-term (tactical) and longer-term (strategic) assessments of the prevailing global economic and financial conditions. The research used by the committee is

both generated internally and sourced from external research providers. The committee quantifies its assessments and communicates asset allocation strategy through a number of ‘guidance portfolios’. These provide a framework for the construction of investment portfolios, each of which have a specific risk profile. Each guidance portfolio consists of recommended allocations to various asset classes.

Although guidance portfolios provide explicit asset allocations to various asset classes, the committee has also established tolerance ranges around these levels. Individual investment managers hold discretion to allocate the assets of client portfolios within these tolerance ranges. This provides each investment manager with flexibility in constructing their portfolios, thereby ensuring that they can be effectively managed to their individual mandates.

The common asset classes in which we invest include equities, bonds, property, structured notes, alternatives (commodities, private equity, hedge funds etc.), and cash and deposits.

While we have considered optimisation tools that are designed to provide optimal asset allocations along a theoretical efficient frontier, these are backward looking, and we believe they are unduly influenced by market volatility. By considering a wide range of economic indicators and using multiple sources of research, we feel our asset allocation committee is able to provide a superior approach.

Investment selection

Our investment managers are organised into sector research teams, each of which specialises in a particular area of the market.

This structure allows investment managers to pool their knowledge and experience. We have sector research teams covering the following areas:

- UK direct equity
- International direct equity
- UK equity funds
- North American equity funds
- Europe ex UK equity funds
- Japanese equity funds
- Far East and Emerging Markets funds
- International funds
- Thematic funds
- International direct bonds
- Fixed Income funds
- Alternatives
- Structured or defined return assets
- Property
- Responsible Investment

It is the responsibility of each sector team to produce a list of recommended investments pertaining to their area of specialisation. The Asset Selection Committee reviews the firm’s research output and formally approves buy, hold and sell recommendations.

When combined, these lists form a central Buy List that consists of a range of different types of investments.

The table below provides details surrounding our sectoral research capabilities.

Sector	Number of analysts	Number of buy list assets
Equities Team	16	-
UK funds	-	21
European funds	-	12
North American funds	-	22
Japan funds	-	8
Asia Pacific ex-Japan & emerging market funds	-	12
Thematic funds	-	14
International funds	-	18
Fixed Income Team	6	-
Fixed Income funds	-	42
Direct Government Bonds (UK & US)	-	43
Alternatives	2	9
Structured products	7	61
Real Assets (Property & Infrastructure)	5	24
Responsible investment strategy funds	8	60
Direct UK equities	10	57

Source: Brooks Macdonald

Each sector team undertakes due diligence in relation to prospective investments. These procedures are specifically designed to consider the characteristics of the asset class that is being researched.

Whilst asset due diligence is undertaken by sector teams, Brooks Macdonald has a central research team that also contribute to the process and provide support to sector teams. They have access to several databases including Morningstar, Bloomberg, AssetQ, Door and Refinitiv Datastream that can be used in asset due diligence.

Collective investment schemes

For collective investment schemes, the first stage in the process is for our specialist sector research teams to use informational tools, such as Morningstar, Financial Express and Bloomberg, to screen the investment universe based on number of criteria, including, but not limited to:

- Liquidity assessments
- Relative performance
- Length of track record
- Type of fund
- Volatility
- ESG considerations (see section [‘Responsible Investment’](#))
- Consumer Duty – value for money

The purpose of the screening process is to identify investments within our investable universe that are suitable for further qualitative research.

Once the screening process is complete, the investments that are deemed most attractive are subjected to further research. This involves assessments of a number of additional criteria.

For example, our fund due diligence process typically involves assessment of the “Seven P’s”:

- The fund’s investment **Philosophy**.
- Its investment **Process**.
- The **People**, and resources, involved in its management.
- Its **Performance** (understanding how it has generated returns in the past and what to expect in the future, in absolute terms and in its peer group context).
- Its current **Positioning** (understanding the risks it is undertaking and how the manager is positioned)
- Its **Price** (we aim to ensure that any costs we bear in relation to the investments we make are minimised).
- Our ability to **Partner** with them over time (by building strong relationships with fund managers we are able to leverage their resources and benefit our clients further).

Once complete, the information from these qualitative assessments, together with the quantitative results of the screening process, is formed into an initial assessment of the potential investment. In conducting this analysis, members of our investment team will always meet with the management of the collective investment scheme.

If the initial assessment deems the investment to be of sufficient quality, analysis of the investment is taken further. At this stage, wider discussion is undertaken involving additional members of the investment team. The information from these discussions is formed into a note, along with further in-depth analysis pertaining to characteristics such as the relative and absolute risk-adjusted performance achieved by the collective investment (if applicable), as well as factual elements such as its size and legal structure. The note is intended to fully document the independent thought and analysis undertaken in researching the investment, as well as providing an investment recommendation.

We seek to invest in the lowest cost share classes of collective investment schemes.

Direct UK equities

The UK direct equity investment process is designed to identify robust, profitable and growing companies which are trading on reasonable valuations. Our approach is conservative in nature, with decisions typically being made with a three to five year holding period in mind. We prioritise stable companies offering the prospect of long-term sales, earnings, and dividend growth, as we believe these characteristics to be key drivers of

long-term returns. We also favour companies benefiting from long-term structural growth trends over those that are simply exposed to, and have little scope to defend themselves from, the ‘ups and downs’ of the economic cycle. We also consider ESG factors when making investment decisions, where issues are identified we may look to not invest, disinvest or engage with the company (see section [ESG Integration](#)).

Buylist approval

Investments are only added to the buylist after adequate due diligence by sector research teams has been carried out and approved by the Asset Selection Committee, who holds responsibility for approving the recommendations (alongside the relevant research) of the specialist sector research teams, as well as overall responsibility for all elements of the investment process. It is also comprised of a number of highly experienced investment professionals.

Ongoing review

Buylist investments are regularly reviewed and appraised. The formal review process evaluates whether investments are performing as expected, in consideration of the risk they represent.

They also ensure that changes to the prospects of such investments are understood.

All investment managers are able to access the research that underpins each investment listed on the central buy list. Communication between our investment managers is considered a key facet of our Centralised Investment Proposition. Sector teams are required to

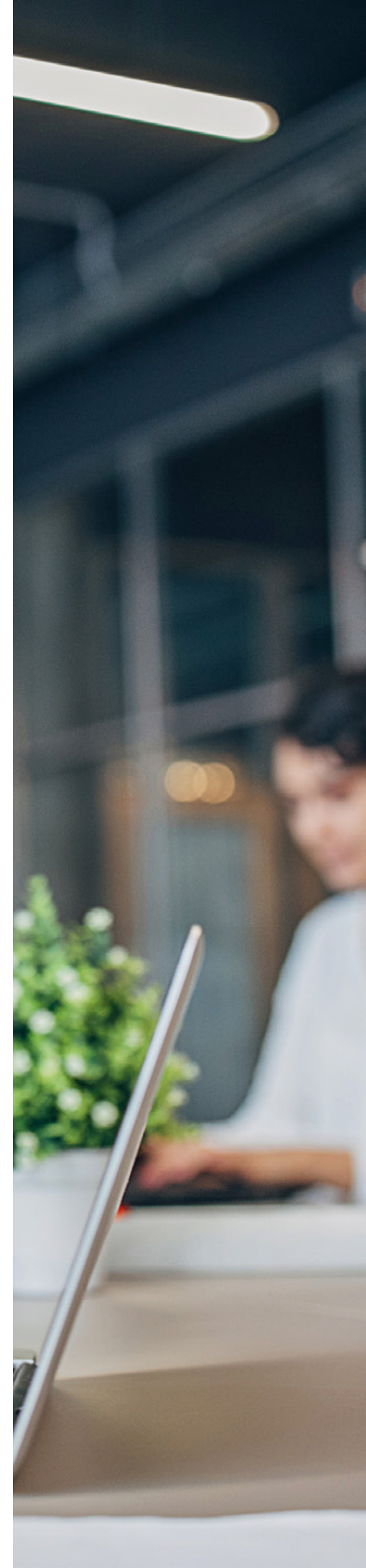
regularly update portfolio managers via presentations outlining the performance, positioning and outlook of buylist assets, while formal notes pertaining to buylist investments are also circulated regularly.

Non-buylist investments

Portfolios are able to invest in non-buylist investments under certain circumstances. Should investment managers wish to deviate from the buylist, they are required to submit a proposal to the asset selection committee detailing why such an investment should be included in a portfolio. The proposal should include a detailed due diligence report and an investment case. The investment manager is only able to purchase the investment if it is subsequently approved by the asset selection committee. The percentage of an investment portfolio that can be invested in non-buylist assets is restricted.

Currency hedging

In some instances, a request from the Asset Allocation Committee (AAC) may require that sector teams use currency hedged share classes for equity assets however the default recommendation is for fixed interest funds to be currency hedged and equity funds to be unhedged.



2.3 Responsible investment

To us, acting as a responsible investor means we act as responsible stewards of our clients’ capital by integrating consideration of Environmental, Social and Governance (ESG) factors into our investment processes and active ownership practices.

ESG integration is the explicit and systematic inclusion of ESG issues into investment analysis and decision making. Increasingly, public policy drivers, regulatory developments and societal demands are progressing the case for implementing a responsible investment approach that considers ESG risks and opportunities in investment processes. We believe that by incorporating an assessment of ESG risk and opportunities we have a more holistic understanding of investment risk which can help lead to informed decision-making and improved client outcomes.

Active ownership means we monitor for ESG risks throughout the life of a buylist investment, exercise ownership rights and engage with companies and fund managers on matters that can have a material impact on our client’s investments.

We are continually looking to improve our approach and therefore incorporate any change as our investment research is periodically reviewed.

Brooks Macdonald is a signatory of, and is committed to implementing, the six principles of the United Nations supported Principles for Responsible Investing (PRI) in our investment management activities.

We also understand the importance of reflecting these beliefs in how we manage our own business. For more information on our corporate sustainability agenda please refer to our [Annual Report and Accounts](#), available on our website.

Governance and oversight

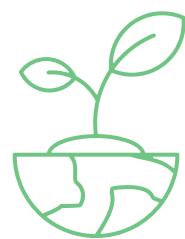
Role	Responsibility
Chief Investment Officer only	Executive responsibility for responsible investment
Investment Committee	Chaired by the External Adviser and responsible for: – Reviewing and approving the firm level responsible investment policy – Providing advice to the CIO on responsible investment matters
Asset Selection Committee	Chaired by the CIO and responsible for: – Monitoring and oversight of policy statement implementation and effectiveness, – Assessing ESG analysis in investment research – Overseeing engagement and proxy-voting activities
Responsible Investment Working Group	Chaired by the Responsible Investment Lead and: – Reviews and continually enhance the firm’s approach to ESG integration, engagement and voting, considering strategic and regulatory developments, – Assesses requirements for implementation (such as third-party data and training requirements)
Responsible Investment Team, Sector Research Teams	– Day-to-day responsibility for assessing ESG factors in asset research and decision-making – Day-to-day implementation of engagement and proxy-voting activities

Source: Brooks Macdonald

ESG integration

ESG integration is the incorporation of ESG factors into an investment process, based on the beliefs that ESG factors can affect the risk and return of investments and that ESG factors may not be fully reflected in asset prices.

ESG integration involves seeking out ESG information, assessing the materiality of that information, and integrating information deemed to be material into investment analysis and decisions.



Environmental

The impact the company has on the environment. Areas of analysis may include carbon emissions, climate related risks, resource depletion (including water, waste management and recycling), pollution or biodiversity loss.



Social

The impact the company has on society. Areas of analysis may include human rights, labour rights and standards, diversity & inclusion, supply chain management, community engagement, conflict, health and safety.



Governance

The process by which a company is managed and overseen. Areas of analysis may include executive pay, board diversity and effectiveness, shareholder protections and rights, tax strategy, transparency, corporate culture.

Asset allocation

ESG factors are considered as part of our assessment of which themes and sectors we allocate our client assets to.

Third-party funds

Funds managed by third-party fund managers make up the majority of our clients' investment portfolios. We expect managers to integrate ESG analysis into their investment decisions and stewardship activities as we believe this enhances the chances of our clients benefitting from improved risk adjusted returns over the longer term.

Our client portfolios are highly diversified and invest in several asset classes. We have developed a core ESG integration framework which forms the basis of our approach; however we have tailored it where appropriate.

This is to ensure our assessment of each asset class focuses on the most informative and material information available and acknowledges that ESG integration is less well developed in certain asset classes.

We use a structured questionnaire format to help us evaluate both the inputs and outputs of a funds process, which includes a focus on ESG. Alongside the qualitative responses to our questionnaire, our research incorporates ESG data from third party data providers and outputs from our meetings with fund managers.

Our fund-level ESG dashboard incorporates quantitative ESG data to help sector research teams identify important areas of consideration.

If certain metrics are below a defined threshold, then an amber light is triggered and there is a formal requirement to assess what is driving the data point, including reviewing company level ESG reports and engagement with the fund manager.

We do not rely on the data to determine alignment to our expectations. Instead, it is used to help highlight areas for further investigation and discussion. We expect fund managers to identify and effectively manage ESG related risks and opportunities and where our research identifies concerns that this might not be the case, we will engage with them, and if we are not satisfied with responses we will not invest.

This approach has broad application across our equity and fixed interest sector teams, whilst also covering elements of our alternatives universe.

We are continuing to review and develop our approach to ESG integration across the asset classes and vehicles that we invest in to ensure we continue to consider the most relevant and material information that can help improve client outcomes.

Direct investments

Although the majority of our client's investment exposure is via third party funds, we also invest directly into several asset classes.

Equities

When investing in direct equities, we take a bottom up approach to considering ESG factors in our due diligence process. We undertake our own research to assess ESG risks and opportunities, in conjunction with utilising a range of external ESG data sources.

In alignment with our fund research approach, we consider third party data. Key metrics are incorporated into our direct equity ESG traffic light dashboard. Where these fall below a defined threshold an amber light is triggered highlighting an area for further investigation.

This quantitative information is considered alongside a company report which provides greater context to the data, sector specific considerations, a review of the company reporting (annual/ sustainability reports), and a governance assessment provided by our proxy-voting service provider, Institutional Shareholder Services (ISS).

In addition, following the principles of our approach to asset research, a fundamental analysis of the investee company is undertaken, including its capital structure. We will also meet with companies where we have a significant holding so as to improve our understanding of their business, their strategy and their commitment and approach to ESG management.

These inputs provide us with a holistic understanding of the material ESG related risks and opportunities attached to potential investments helping to inform our investment recommendations.

Bonds

We have an established partnership with an external research firm who provide our direct corporate bond research team with extensive due diligence information on the issuers that we either hold or that are under consideration. This includes data on ESG factors.

For direct government bonds, in alignment with our fund research approach, we consider the third-party country risk scores.

If below a defined threshold an amber light is triggered and if the analyst wishes to propose the sovereign for buylist inclusion they must address the risk assessment and outline why they believe it is still suitable for inclusion.

Structured return products

We utilise third-party analysis of the banking counterparties that we have on panel for structured return products.

We are continuing to review and develop our approach to ESG integration across the asset classes and vehicles that we invest in to ensure we continue to consider the most relevant and material information that can help improve client outcomes.



Our responsible investment strategies

Whilst we consider ESG factors across all our products and services, we also manage a Responsible Investment Service (RIS) where the two strategies have clearly defined responsible investment objectives alongside financial objectives.

ADVANCE

The Advance strategy is designed for clients with the dual objectives of aligning their portfolio with a defined set of sustainability objectives and return generation. The strategy takes a broad approach to sustainability investing in funds which provide investment exposure to:

Responsible businesses

Businesses that take ownership of their environmental and social footprint and are taking steps to increase their positive impacts and minimise their negative impacts on the planet and society.

Solution providers

Businesses providing products and services that are positively contributing to addressing sustainability challenges.

The strategy is framed in the context of eight core sustainability themes when analysing these businesses:

Cleaner Energy

Health & Wellbeing

Resource Efficiency

Safety

Water & Waste Management

Education

Sustainable Transport

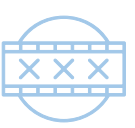
Financial Inclusion

We publish a biannual report which shows the alignment of the Advance strategies to the eight sustainability themes. The report also contains company case studies and insights into sustainability and responsible investment debates.

AVOID

The Avoid strategy is designed for clients with the dual objectives of formally excluding companies involved in the production of certain goods or services and return generation. The strategy has a formal exclusion policy on the following five product areas:

Armaments

Pornography

Tobacco

Gambling

Alcohol

RIS invests in third party funds, and like our core ESG integration work, research is based around questionnaires, third party ESG data and fund manager engagements.

However, there are meaningful differences to reflect that responsible investment characteristics, as defined by

Advance and Avoid, are a formal part of strategy objectives, rather than purely an input into the risk assessment.

We see our RIS as a key growth area due to the increasing client demand. The Advance strategy can be accessed

through our Bespoke and Managed Portfolio Services (platform and custody), and the Avoid strategy can be accessed through our Bespoke Portfolio Service. For more information on RIS please [visit our website](#).

Climate change and the Task Force on Climate-Related Financial Disclosures (TCFD)

We recognise the serious risk climate change presents to the world and view it as a critical investment issue that can materially impact on the long-term value of investments if not managed properly.

We support a transition to a low-carbon economy and the Paris Agreement to limit global warming to well below 2 degrees Celsius above pre-industrial levels, and preferably to 1.5 degrees Celsius.

The asset management industry has an important role to play in mobilising capital to finance the transition to a low-carbon economy and influencing companies to adopt sustainable practices.

We believe the impacts of climate change create both risks and opportunities for the companies we invest in which is why it is an important element of our broader strategy and risk management to integrate ESG factors into our investment decisions.

We are committed to addressing and mitigating climate investment risks by:

- Assessing material risk and opportunities related to climate change when making investment decisions. Through our investment process we look to identify whether potential investments face material risks from the transition to a low-carbon economy, and are continually making enhancements to the quantitative and qualitative research inputs that enable this. Where we identify material climate related risks, we will conduct further analysis to understand how these are being mitigated.
- Encouraging proactive management of climate risks by both our investee companies and third-party fund managers. We support the recommendations of TCFD and expect fund managers and investee companies to be working towards reporting in line with the recommendations.
- Developing a net zero strategy for our investments, in alignment with the UK Government's target of net zero by 2050.

More information on our approach can be found in our TCFD report. Going forward, we will focus on enhancing our implementation of the TCFD recommendations in our investment process and reporting, in line with data and industry developments.

Engagement

How we identify companies for engagement

Engagement activities can be resource intensive and our ability to engage with companies can be limited, as the proportion of shares we hold in companies is generally lower than that of larger asset managers.

In order to maximise effectiveness of any activity, we take a risk-based approach to engagement activity where we consider the:

- Magnitude of risk or the severity of the issue.
- Size of our holding – we are more likely to engage where we own a bigger percentage of the share capital such as the companies held in our AIM portfolio service.

Our engagement approach

For direct equities, Investment Trusts (ITs) and REITs our engagements are focused on improving the company's business practices and long-term performance. Areas where we may engage include but are not limited to situations where:

- We are concerned about the strategic direction or performance of the company is taking
- We have concerns around the financials of a company, including its capital structure.
- Through our research, we identify ESG concerns that could affect the long-term value of an investment.
- We are concerned about a company's remunerations practices.

- We require further information or clarification from the company when making proxy-voting decisions
- We have decided to vote against management on an ESG issue
- There has been an ESG event or controversy at the company that could impact the value of the investment.

Our engagement activity is led by our sector research teams and can take several forms including informal dialogue, formal written correspondence and meetings with management.

Where a company proves unresponsive to these engagement methods, we may escalate engagement activity by voting against a resolution, the board of directors or the annual report. Where we deem it effective, we may also engage with a company on a collective basis with other investors to escalate any concerns we might have. Any such engagement would be on a case-by-case basis.

Finally, we may also consider divestment if it is appropriate.

Voting

Company shares usually carry voting rights, and as a responsible investor we use these rights to vote on items raised at general and extraordinary shareholders meetings.

We employ ISS, a leading proxy-voting service, to provide research on corporate governance issues and voting recommendations for our Cornelian Risk Managed Fund range and for our buy list discretionary clients' holdings in our nominee accounts. Whilst we use ISS voting recommendations, we retain complete discretion to vote against either ISS or management. We manage a variety of additional multi-asset funds, the majority of which have a very limited number of direct investments that carry voting rights. As a result, we do not apply our centralised voting approach to these funds, but each manager retains the discretion to vote where it is in our clients' best interest.

Reporting on our engagement and voting activities

We publish our voting activities on a quarterly basis on our website. We do not typically disclose the identities of the companies we have engaged with, although we may provide case study examples on an ad hoc basis.

Stewardship within third-party funds

We expect our third-party fund managers to establish and apply their own voting and engagement policies.

As part of our due diligence process, we assess these policies, including their records regarding engagement, voting and the transparency of their stewardship activities. Where we identify that a fund manager's stewardship or ESG integration approach is not meeting our expectations we will communicate our views to them. And in instances where we do not see the required improvement, we may reduce exposure, or in more severe instances instruct a mandatory sell of the fund across the business. Our Asset Selection Committee is responsible for governing and overseeing this process.



2.4 Counterparty risk

We assess financial counterparties against four different categories, and our conclusion is guided by a qualitative scoring in each subsection:

- Regulatory outlook
- Business outlook
- Capital structure and spreads
- Balance sheet

We utilise analysis from third parties in our assessment analysis of counterparties.

In addition, for client banking counterparties, ongoing review is performed by our outsourced due diligence provider ‘Your Treasurer’ as well as an annual firm assessment in line with CASS regulations. We use data from a third party research company in conducting this assessment.

Overall, the most important point for us to consider is how banks are able to improve their capital outlook in the current, more stringent, regulatory regime.

The four categories above provide a good impression of the ability of the bank to improve this outlook by any of the named methods and gives us a good grasp of the relative value of each financial counterparty across jurisdictions.

2.5 Concentration and liquidity

Within our concentration and liquidity monitoring the Asset Selection Committee (ASC) has determined two key areas.

Firstly, how much can be owned of an asset at an aggregate firm level and secondly, how much of an asset can be owned within underlying portfolios.

The maximum firm wide holding weight for open ended funds is 20% for those funds which we believe have high levels of liquidity in the underlying portfolio. The ASC reserves the right to increase or decrease this limit in exceptional circumstances.

For all open-ended funds on our Buy List the limit is initially set at a firm wide maximum of 10% of the fund. Unit Trust and OEIC holding weights are determined by daily liquidity and ability to liquidate total holdings without having an adverse impact on the individual client.

All funds are subject to periodic review to check that total exposure does not exceed guidelines.

The maximum weighting for closed ended funds will normally be set at 5% however this can be increased to 10% at the ASC’s discretion. Lower limits may be imposed for less liquid investments. The maximum holding of direct equities is set at 5% of market capitalisation.

With regard to limits on how much of an asset can be owned by an underlying portfolio, we have specific targets and tolerances in place for each asset type.

We consider liquidity an important issue and monitor and limit our exposure to funds that do not offer daily dealing or may have limited liquidity. Liquidity constraints are considered when we allocate weightings to different investment classes and client risk profiles.

However, in the case of individual investments such as Investment Trusts, equities and some Open Ended Property funds further consideration is undertaken and may result in an asset being given a restricted status.

As liquidity can often be a qualitative decision, the Asset Selection Committee takes a variety of factors into account to conclude whether or not an investment is illiquid.

Non-mainstream pooled investments (NMPI)

We do not allow the purchase of non-mainstream pooled investments.



Use of in-house collectives

We have specific policies dealing with the issues surrounding ownership of in-house funds. These are designed to effectively manage any potential conflicts of interest that may arise, while ensuring clients' interests are kept as a priority. They also ensure that our clients' aggregated exposure to our in-house funds remain at acceptable levels.

The limit we have established regarding internal exposure to our in-house funds (excluding Multi Manager Funds) is that total exposure across portfolios is limited to a maximum of 5% of assets under management. This rule is monitored by our investment committee and reported to the board and compliance department.

As at 30 June 2026, the breakdown of portfolio investments between internal and external funds is approximately 1.0% internal, 99.0% external.

2.6 Order execution

Under the Markets in Financial Instruments Directive II (MiFID II) we are obliged to put in place a policy and to take all sufficient steps to obtain the best possible result for our clients when executing orders or receiving and transmitting orders for execution.

Our Order Execution Policy is stated within our Product Terms & Conditions document, available [on our website](#).

Section 3

Investment products and services

The Target Market Guide for our investment product and services is available in our [Consumer Duty Toolkit](#).



3.1 Bespoke portfolio services

Our bespoke portfolio services are offered on a discretionary basis, which means that the dedicated investment manager will make investment decisions on the investor’s behalf, using our expertise and knowledge.

The investor has a contractual relationship with Brooks Macdonald and so is treated as our ‘client’ for the purposes of the discretionary investment management services we provide to them.

Each client will have a separate agreement in place with their adviser under which the adviser will agree to provide independent financial advice to them.

Under this arrangement Brooks Macdonald may also make use of the ‘Reliance on Others’ provisions, meaning that we are able to rely on information provided to us by suitably regulated advisers who act as intermediaries between us and our shared clients.

A third agreement is also in place between each adviser and Brooks Macdonald. This documents each’s respective duties and responsibilities in relation to investment management and advice (and mirrors the division of responsibilities, as explained to the client within their agreement with us).

Bespoke Portfolio Service (BPS)

Our Bespoke Portfolio Service is a discretionary portfolio management service for investors that require an individual investment portfolio constructed to meet their specific requirements.

Individual portfolios are constructed to each client’s personal investment profile, which considers factors including their investment objectives, investment horizon, attitude to risk and tax status.

It provides a means for investors to access Brooks Macdonald’s proven investment process, investing across the full spectrum of asset classes through a wide range of investment vehicles.

The service offers five risk levels for investors to choose from, based on their risk profile:

- Low
- Low to Medium
- Medium
- Medium to High
- High

Three investment strategy options are available:

- Core
- Responsible Investment (Advance)
- Responsible investment (Avoid)

The Bespoke Portfolio Service has a minimum initial investment amount of £500,000.

BPS portfolio construction

Our BPS portfolios are constructed and managed to meet the specific requirements of each client.

Investment managers are responsible for selecting the individual securities that are purchased for the portfolio from investments listed on our Central Buy List, choosing the mix of investments that best meet the portfolio’s specific requirements whilst remaining within the asset allocation tolerance ranges provided by the Asset Allocation Committee (see ‘Investment Process’). We consider, among other things, investments in equities, fixed income, structured products, property and other alternative assets both in the UK and internationally.

The tolerance ranges are dependent on the overall allocation to each asset class:

Guidance asset allocations as at 30 June 2026

0% – 19.99% total guidance exposure: +/- 3%

20%+ total guidance exposure: +/- 5%

	Low	Low-to-medium	Medium	Medium-to-high	High
UK Fixed Income	50	32	18	5	0
International Fixed Income	14	9	3	2	0
UK Equities	6	12	17	22	26
North American Equities	2	8	13	18	22
European Equities	0	0	2	2.5	3
Japan, Far East & Emerging Markets Equities	0	3	7	11	14
International & Thematic	7	13	20	28.5	30
Alternatives	8	9	7	2	0
Property	0	3	3	3	3
Structured Return	10	9	8	4	0
Cash	3	2	2	2	2
	100	100	100	100	100

Source: Brooks Macdonald

Once constructed, risk management tools are used to monitor and control the level of risk in a portfolio, the asset allocation and exposure to any single stock, fund or investment house to ensure a portfolio remains aligned to the agreed investment mandate (see [‘Monitoring and oversight’](#) and [‘Investment risk management’](#)).

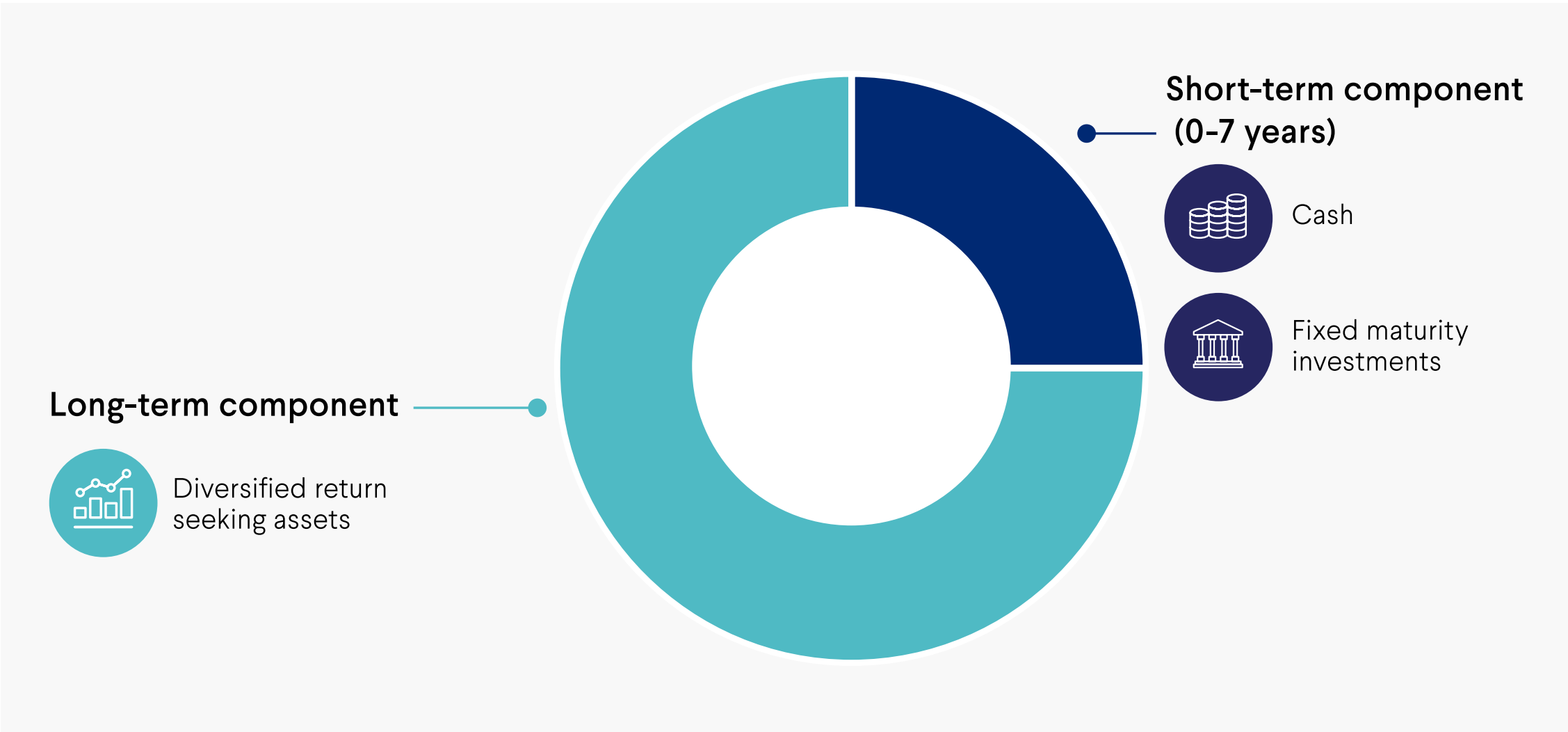
Investment managers typically meet BPS clients (and/or their advisers) to review portfolios on a six monthly or annual basis (frequency dependent on client/professional adviser). The client’s investment objectives and risk profile would be discussed at the meeting and amended if appropriate. Should the client’s objectives change, the portfolio will be altered to ensure it is representative of the new agreed investment mandate.

Assets that fall outside of our investment parameters, for example some cherished holdings, may be held outside of the portfolio in an execution only account.

Retirement Strategies

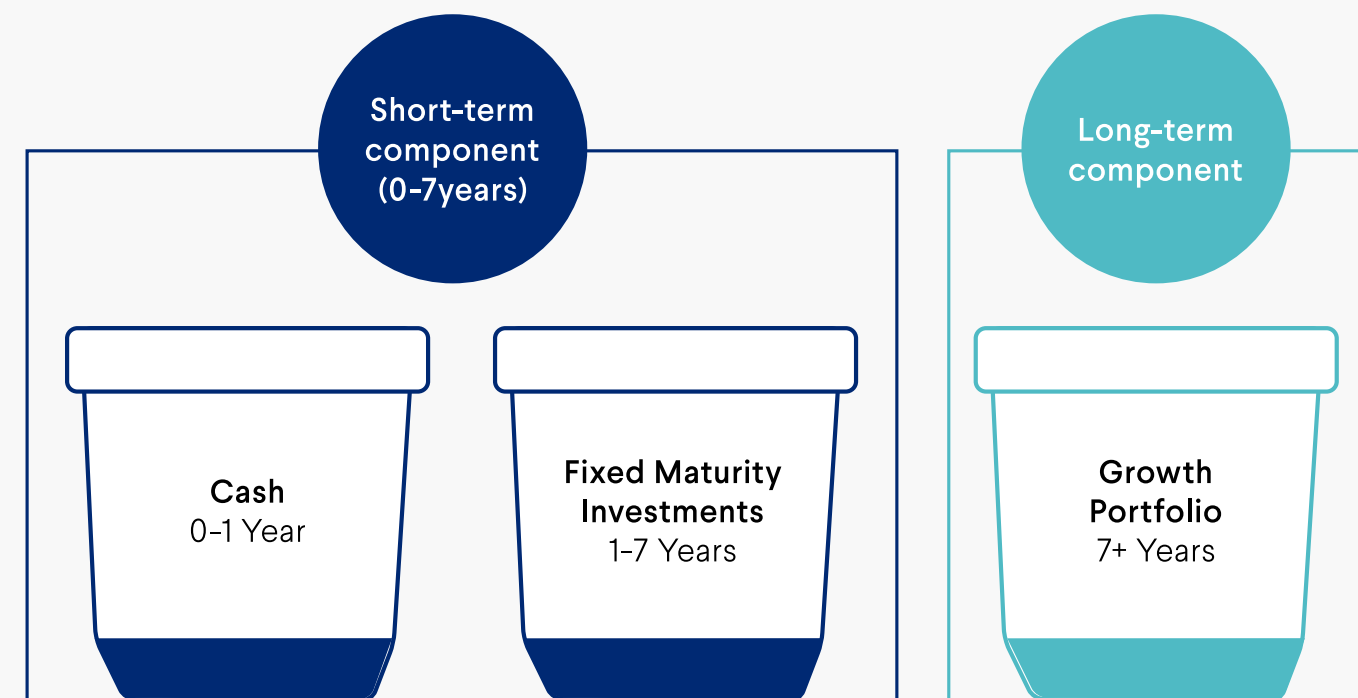
Brooks Macdonald was one of the first discretionary investment managers to launch a dedicated and defined approach to managing client assets in the decumulation stage of their life.

This approach was built on the principle that a drawdown early in the client’s retirement journey can have a significant impact on the destination – our approach is focussed on managing sequencing risk.



Source: Brooks Macdonald

Our approach is built on two distinct components that recognise the need to manage sequencing risk. The first is a short-term component with duration-matched risk assets to satisfy income needs in the early years, while the second is a long-term component designed to generate capital growth, which can be used for income in later years.



We have been implementing this strategy within our Bespoke Portfolio Service since **2018**

Source: Brooks Macdonald

We have offered this approach for several years now within a Bespoke Portfolio Service for clients with retirement funds greater than £500,000. More recently, we now offer this two-component approach via our Tailored solution for clients with relatively straightforward affairs and sums from £250,000 available to them, or a fully fund-based solution called Modelled for client portfolios operating on platforms.

Modelled Strategy

The Modelled Strategy is the solution we are able to offer via third-party platform, which allows advisers to maintain the operational efficiency and consistency of reporting across their client bank by using their platform of choice. It can be used for clients with single accounts who have income needs and a risk profile that is covered by one of our predefined withdrawal capacities and risk mandates.

Tailored Strategy

The Tailored Strategy is only available under Brooks Macdonald's custody at a single account level and would be used for clients who wish to set an income level more specifically aligned to their individual requirements but do not require a more complex portfolio construction and hence is offered at a lower management fee than Bespoke.

As newer solutions to our proposition range, more detailed information for our [Tailored](#) and [Modelled](#) strategies can be found in our product-specific Adviser Due Diligence Information documents.

Bespoke Strategy

The Bespoke Strategy is designed to assist clients who have a need for a more complex portfolio construction and operates under Brooks Macdonald's custody. This may involve the need for varying income levels over different years, managing a portfolio across several different account types, the need to actively manage the tax efficiency of the portfolio, or for those who desire specific changes to the composition of the longer-term component.

Sequencing Risk

How we seek to mitigate the impact of sequencing risk across each of our three solutions is explained in our [Sequencing Risk](#) document for advisers. Our [What is a Fixed Maturity Investment guide](#) explains the types of instruments we use within each solution to match the income requirements of the client in the first seven years.



Bespoke Strategy – portfolio construction

As part of our Retirement Strategies range, portfolios within our Bespoke Strategy are constructed and managed to meet the specific requirements of each client. Investment managers are responsible for selecting the individual securities that are purchased for the portfolio from investments listed on our central buylist, choosing the mix of investments that best meet the portfolio's specific requirements.

The short-term portfolio in our Bespoke Strategy uses a combination of cash, gilts and structured products to cover potential income withdrawals for up to seven years¹.

The term 'structured product' describes investments that are designed to provide predefined returns which are dependent on an underlying asset (often a market index), over a set period. They are typically issued by banks.

Within our Bespoke Strategy (and also our Tailored Strategy), we use a specific type of structured product, commonly known as a 'synthetic zero' or a 'defined return' product. They are designed to mature at a known date, subject to certain conditions being met.

We create a new structured product every six months. At the point of creation, this will mature in 6.5 years' time, subject to neither of the underlying indices being 40% lower than they were at the point of the product's creation.

There may be a number of factors that influence the return, and these may be complex. Structured products may be difficult to compare to other assets. For structured products linked to market indices, market movements are likely to affect returns

and may do so to a significant extent. Market movements cannot be forecast with accuracy, and may be affected by political, economic and other risks.

If the underlying index is not above the barrier at the point of maturity, the investor will not receive the full value of the contract. In this scenario they will receive a proportion of the value based on how much the underlying index has fallen.

In our Bespoke Strategy, we use structured products with barriers that are at fairly conservative/defensive levels. Prior to maturity, the value of a structured product will be determined by market pricing which will be influenced by a variety of factors including current index levels and volatility.

Structured products also involve counterparty risk (the risk of the issuer not being able to pay back the capital as promised under the terms of the products). Credit ratings of issuers can be useful indicators of their level of risk, but other factors should also be taken into account.

Credit ratings are assigned by independent bodies. Issuers' credit ratings and risk levels may change over the lifetime of the structured product and there is no guarantee that the issuer will be able to pay back the anticipated amount. We undertake in-depth counterparty due diligence to minimise counterparty risk and undertake proprietary analysis, which focuses on each counterparty's ability to repay its debts.

We take a holistic view of a counterparty, considering multiple internal and external factors including balance sheet strength, capital structure and business/profitability outlook (see section '[Counterparty Risk](#)' for full details).

In the construction of the long-term portfolio we consider, among other things, investments in equities, fixed income, structured products, property and other alternative assets both in the UK and internationally.

Once constructed, risk management tools are used to monitor and control the level of risk in a portfolio, the asset allocation and exposure to any single stock, fund or investment house to ensure a portfolio remains aligned to the agreed investment mandate (see '[Monitoring and oversight](#)' and '[Investment risk management](#)').

Investment managers typically meet Bespoke Strategy clients (and/or their advisers) to review portfolios on a six monthly or annual basis (frequency dependent on client/professional adviser). The client's investment objectives and risk profile would be discussed at the meeting and amended if appropriate. Should the client's objectives change, the portfolio will be altered to ensure it is representative of the new agreed investment mandate.

Assets that fall outside of our investment parameters, for example some cherished holdings, may be held outside of the portfolio in an execution only account.

¹ *In order to meet the client's income requirements in the early years of this service, the investment manager will purchase a number of "structured products" that are scheduled to pay out at varying dates. These products are not guaranteed and should any of these products not pay out in full or in the event of the financial failure of the bank (counterparty) issuing the structured product, the income needs would need to be met by realising monies from elsewhere within the portfolio.*

Alongside our core Bespoke Portfolio Service, our investment managers can leverage a range of solutions to meet specific client needs.

Gilt Portfolio Service

A low-risk option using short-dated UK government bonds to preserve capital while generating tax-efficient returns. Offers liquidity, predictability, and flexibility in income planning.

Often used to provide a consistent annual cashflow to meet arising school fees by using a tailor-made portfolio of five UK gilts with maturities spanning the next five years – free from CGT and minimal income tax if using low coupon rates.

Liquid Reserve Portfolio

Ideal for short-term, low-risk investments, this portfolio balances liquidity and returns by investing in high-quality money market instruments and fixed-income securities, targeting returns above the Bank of England Base Rate and removing the administrative burden of shopping around and switching bank deposit accounts to maximise returns.

Portfolio lending provided by Firenze

For clients with a lifestyle event requiring access to a capital sum and keen to avoid encashing their investment portfolio, particularly at a point when markets are depressed, Brooks Macdonald can offer clients access to a portfolio lending facility.

Through our partnership with Firenze, a specialist provider of what is known as Lombard Lending, eligible clients may be able to borrow against the value of their investment portfolio while remaining fully invested and aligned to their objectives.

Funds Portfolio Service

Separate to our Bespoke Portfolio Service, our Funds Portfolio Service offers a multi-asset investment solution to enable clients to gain access to the same investment expertise, enjoy the same level of diversification, and benefit from the highlevel reporting that is available to our Bespoke Portfolio Service clients.

It is ideally suited for clients with less to invest than is normally required to obtain the breadth of exposure to global markets and asset classes that larger portfolios can achieve via a segregated discretionary portfolio.

In contrast to our Bespoke Portfolio Service, the Funds Portfolio Service provides investors with the tax efficiency of holding their investments in a fund structure – enabling the fund manager to be as active as required without incurring a tax liability within the funds.

The funds can be held in full range of tax wrappers including General Investment Accounts, ISAs, SIPPs and offshore investment bonds (subject to the agreement of the product provider). Investors can place money into either our Blueprint Multi-Asset Funds or our range of Cornelian Risk Managed Funds.



AIM Portfolio Service

Brooks Macdonald's AIM Portfolio Service, which was launched in July 2011, is an actively managed discretionary portfolio that provides access to 30-40 carefully selected companies that are members of the London Stock Exchange's (LSE) Alternative Investment Market (AIM).

It invests companies that are judged to meet the current qualifying criteria for Business Relief (BR), with preference given to companies that are judged to have attractive long-term investment potential.

As AIM portfolios will typically be fully invested in a concentrated group of small to medium-sized UK companies, we consider the AIM Portfolio Service to be high risk.

The AIM Portfolio Service has a minimum investment threshold of £50,000.

Please note we are not tax specialists and cannot offer tax planning advice. Please seek independent tax advice and note tax treatment depends on individual circumstances and may be subject to change in the future.

Lead managers



Ewan Millar
*Senior Investment Director,
Head of AIM Portfolio Service*

Ewan joined Brooks Macdonald in 2020 and sits on our Direct Equities research team.

Previously, Ewan was a Senior Investment Manager at Cornelian Asset Managers before its acquisition by Brooks Macdonald. Prior to that Ewan spent ten years at Kempen Capital Management (UK), working in their Small Cap team where he was the co-lead manager of their flagship European Small Cap fund. Ewan is a Chartered Financial Analyst (CFA) Charterholder.



Joe Capaldi
Investment Director

Joe joined Brooks Macdonald in 2022 and sits on our Direct Equities research team.

Prior to joining Brooks Macdonald, Joe worked at CS Investment Managers (formerly known as Charlotte Square Investment Managers) in Edinburgh for eight years where he was an Investment Director and head of the AIM IHT Service.

Joe managed a variety of private client mandates but specialised in tax efficient AIM portfolios. Joe attained a first-class honours degree in Management & Business Enterprise from the University of Strathclyde in 2011 and is a Chartered Financial Analyst (CFA) Charterholder.

Portfolio construction – investment selection

Each portfolio within the Service is comprised of 30 to 40 AIM listed companies, based on a guided model portfolio.

Individual holdings that offer sound investment potential are selected using a conservative, long-term investment process.

Our investment process is fairly conservative in nature and as such we have a bias towards (but not a contractual obligation to restrict ourselves to) companies with strong balance sheets, robust cash flows and demonstrable track records of profitability. We are also attracted to companies with attractive but secure, sustainable and growing dividends. In terms of qualitative factors, we look for companies boasting high market shares in niche industries with defensible and sustainable competitive advantages and benefitting from structural (rather than cyclical) growth tailwinds. We believe that these qualities lead to attractive and sustainable profitability. Valuations are clearly also important.

All new investments also undergo a rigorous investment research process culminating in a detailed due diligence report which is reviewed for approval by the Asset Selection Committee (ASC) as per our investment process.

Changes to the portfolios are decided upon within the AIM team and approved by the head of AIM Portfolio Services.

Risk management

We have a number of strategies in place to ensure that we appropriately manage the risk that investing in AIM companies presents. Whenever we add an investment to the portfolios, we always consider how much risk we are taking and whether the potential additional investment return adequately compensates the client for the risk being assumed.

The AIM market is associated with reduced liquidity. We will not own more than 3% company's share capital within the Service. This rule is in place to support liquidity considerations and our ability to buy and sell shares at our own discretion. In addition, at an individual portfolio level, our maximum individual holding size is 10% of the portfolio value with no more than 5% of the portfolio invested into a single holding at the outset.

The investment managers must adhere to these specific policies, and are subject to regular formal oversight by Investment Risk in addition to standard monitoring (see section '[Bespoke portfolio services – investment risk management](#)').

Business Relief (BR)

BR essentially allows a reduced value of an asset to be used when calculating how much Inheritance Tax (IHT) has to be paid on its transfer. Currently, after two years BR qualifying AIM shares attract 50% relief from IHT. Investments in qualifying AIM member companies are eligible for BR once they have been owned for a minimum of two years.

To obtain this benefit, the shares need to have been held directly, rather than through an intermediate structure such as a collective fund. If the shares are sold before the two-year qualifying period has elapsed, any IHT relief accrued may be preserved if the sale proceeds are re-invested into other qualifying AIM member shares.

When selecting our holdings we refer to the tax statute governing BR. For example, stocks must be defined as 'trading companies' to qualify, therefore we will avoid certain businesses such as, property companies, cash shells and investment companies. However, we cannot be certain that each company will ultimately qualify for BR, as this remains at the discretion of HMRC on the death of the investor. We

typically meet companies we invest in twice a year, sometimes more frequently as we are constantly monitoring our holding companies, which will normally flag any changes.

We also use a leading accountancy practice to annually review and provide further independent oversight for BR qualification purposes.

The BR regime itself could be subject to change (or withdrawal) in the future. It is also important to note that BR qualification remains at the discretion of HMRC and is only tested upon the transfer of inheritance. Accordingly, BR is not guaranteed and as such there is a risk that a holding may not ultimately qualify. We do, however, endeavour to ensure that our investment universe is restricted to those companies that we believe qualify for BR.

Monitoring and oversight

We have implemented a sophisticated Risk Monitoring System (RMS) to assist in the monitoring of risk in client portfolios. The RMS is used to assist in the construction of portfolios and to monitor their ongoing rebalancing, ensuring that they remain compliant with their individual mandates. It also provides information to investment managers that enables them to ensure that portfolios abide by our investment policies.

Furthermore, the system provides information to enable the firm's Investment Risk and Business Assurance teams to ensure that investment portfolios are managed appropriately given our clients' investment profiles. Business Assurance, which performs a first line risk function, reports directly to the managing director, provides oversight of the first line and conducts various monitoring tasks, which are submitted in monthly management information reports.

All first and second-line teams are tasked with designing and implementing procedures and guidelines to provide the business with additional risk controls. As part of our risk monitoring strategy, the Compliance Monitoring team acts as an independent oversight department carrying out regular monitoring on both first and second-line controls, as well as undertaking thematic reviews of the business where appropriate.

Investment risk management

We consider risk management to be a key component of our investment philosophy. We have embedded a number of controls into our investment process that are designed to ensure sufficient diversification is built into client portfolios.

Specifically, our asset allocation strategy considers risk at the overall portfolio level, while investment managers consider it when selecting individual investments. Furthermore, our investment committee has established a number of policies that assist in ensuring that portfolios reflect the client's investment objectives and risk profile. Investment managers must abide by the investment policies established by the investment committee in regard to managing investment risk.

We have implemented BITA (Better Investment Through Analysis) Risk Management software to review our bespoke discretionary content holdings. BITA provides traffic light reports that enable investment managers to identify investment policy exceptions, and promptly bring flagging accounts into line. The second line Investment Risk team produce and distribute weekly BITA management information highlighting any non-compliance.

The BITA reporting covers:

- **Asset allocation limits:** portfolios must reflect the asset allocation guidance specified within the relevant guidance portfolio, within allowed tolerance limits.

BPS portfolios are actively managed, as such trades are made as regularly as required to ensure that portfolios are well positioned and aligned with the client's overall investment profile and objective. Each portfolio is reviewed and amended individually.

- **Volatility bands:** volatility is a measure of the variation in an investment's performance over time. The volatility of an investment portfolio is reflective of the volatility of the individual investments within it. Our investment committee has assigned a volatility band for each risk profile.

The band is based on allowable volatility deviation from the target guidance portfolio and Investment managers must ensure that portfolio volatility remains within the relevant band at all times.

- **Unit size restrictions:** there are limitations on the proportion of a portfolio's assets that can be invested in any single investment. These limits are partly dependent on the nature of the investment itself.

- **Non-buylist requirements:** investment managers are allowed to retain a small proportion of investments that are not on the buylist under certain circumstances, although any such investments must be thoroughly researched and approved by the Asset Selection Committee prior to purchase.

The percentage of an investment portfolio that can be invested in non-buy list assets is restricted.

- **Concentration limit:** as well as unit size restrictions, there are limits as to the maximum percentage of a particular security that can be held by our discretionary clients in aggregate (for example, maximum ownership of an individual company's outstanding shares).

The investment committee reviews firm wide exposure to particular types of assets to ensure there is clarity on our overall holding.

Once an agreed threshold is reached, investment managers can no longer purchase that asset for any discretionary client.

Administration and servicing

Initial investment

We accept adviser information to produce an initial investment proposal, but require the client to complete and sign our application form to open an account. The adviser is able to pre-populate the application forms, however the client must check all information given is correct and sign the declaration confirming so.

For all applications where a professional adviser is assessing suitability, they must also sign the completed application pack to confirm that they have undertaken this process.

We also require documents that help us to verify client identity, including proof of address, proof of identification, source of wealth and source of funds all in accordance with UK regulatory standards (see section '[Know Your Client](#)').

The different types of documents we require are listed in the relevant application packs. Clients must read the application pack carefully and complete it with as much detail as possible. FCA rules mean that we will not be able to accept an application if the application form is incomplete or due diligence is not satisfied.

New portfolios will typically take two forms, either a new cash funded portfolio or a transferred in-specie portfolio.

When investment managers take on a new instruction for a bespoke portfolio, they have scope to phase its construction over a period of up to six months. This allows them to take market conditions into account. After six months, the portfolio will be fully invested within the tolerance ranges of the relevant guidance portfolio.

For clients in the AIM Portfolio Service, we would normally expect 50% of the portfolio to be invested fairly promptly and fully invested four weeks after the first investment is made. Under the terms of our AIM Service rules each new portfolio must be fully invested (i.e. less than 5% cash) within six weeks of the initial starting date.

Combined accounts

Clients can combine individual accounts either by completing a combined accounts form (if all portfolios being merged are currently open) or by linking a new account with an existing established one, which can be done through the new account forms. We can also accept an IFA instruction to combine portfolios as long as the IFA in question has control over suitability for that client.

Registered entity accounts, e.g. charities and trust accounts, are not able to be combined with any other accounts. The same applies for our AIM Portfolio service accounts.

All accounts that are being combined must have the same investment profile. Combined accounts forms can be used by spouses to combine their accounts, or individuals to combine different accounts such as individual investment accounts, ISAs and SIPPs.

ISAs will always be combined with the main individual investment account unless the client specifically chooses a different investment profile for it.

Portfolio closure

Upon receipt of instruction the investment manager will sell the holdings within the portfolio (for SIPP's and Offshore Bonds) and the client will be advised of the anticipated settlement dates. For investment accounts and ISAs the funds will be

transferred to an account nominated by the client in their formal instruction. For SIPPs, SSASs and Offshore Bonds the funds will be returned to the provider, for them to either return to the client or transfer to a new product as applicable.

For clients leaving In Specie, we will need to receive instruction from the client confirming that they wish to transfer their entire portfolio away from Brooks Macdonald. This letter of instruction needs to:

- Be an original signed instruction
- Confirm that the holdings are to be transferred in specie and where they are to be transferred to
- Confirm the bank details that are to be used for the available cash in the portfolio

Once the instruction is received, a dealing block will be applied to the portfolio and Brooks Macdonald will send written confirmation to the client informing them that the instruction has been received.

The new Investment Manager should be in contact regarding this transfer out and Brooks Macdonald will send the new Investment Manager a current valuation of the portfolio. The new Investment Manager must confirm to Brooks Macdonald as soon as possible if there is a holding that cannot be transferred in specie and therefore it will need to be sold and transferred as cash. Charges will be levied for in-specie transfers out, please refer to the [fees and charges](#) section.

All clients will receive a closing letter which will include a final valuation to confirm the balance of their portfolio as zero. The letter also confirms that the account will remain open for at least three months to allow for any residual dividends to be paid, which will be returned to the client or provider as appropriate.

Client interaction and servicing

The level of client communication we undertake is at the discretion of the client and their adviser. Investment managers will typically meet with each client's professional adviser at least annually and the adviser will then report to the client with an update letter, having received input from the investment manager. Additional review meetings can be arranged if required.

We understand that there may be a need for a higher level of contact with the client at the outset to ensure their portfolio is established to their exact specifications. The investment manager will contact both the adviser and client on an ad hoc basis should there be any developments which are of consequence or interest.

To ensure continuity of service, all Brooks Macdonald investment managers work in teams, ensuring that there is always an investment manager available to meet with the client and/or their professional adviser.

The client and their professional adviser will have direct access to the investment manager and their team, which will include other investment managers and their executive support staff. Retirement Strategies clients are allocated two investment managers and an administrator. This team will deal with the portfolio's management and will be responsible for communicating all developments pertaining to the account. Your investment manager will be available to discuss the portfolio, although all of the members of their team will also be able to assist if required.

Since a team of managers will be involved in the management of the portfolio, there will always be cover in place should the dedicated investment manager be absent.

Ratio of clients to investment managers

Our investment managers are organised into teams, ensuring that there is always an investment manager available to meet with the client and/or their professional adviser. We have not established limits surrounding the maximum number of clients or assets a team or individual can manage. Portfolio complexity and size are the main factors considered when determining each investment manager's workload.

Furthermore, the majority of clients in our Bespoke Portfolio Service have been introduced by a financial adviser, for whom the responsibility of ongoing client suitability rests with them. This enables our investment managers to focus solely on the management of client portfolios and by leveraging the output of our Centralised Investment Proposition, affords the ability to deliver a service and individual investment portfolio that is constructed to meet each client's specific requirements.

Adviser back office integration

We offer back-office integration through several third-party systems. Examples of systems that we support are Intelliflo, Sammedia (moneyinfo), Enable and Plum Software. Other system providers can be set up on request.

This will provide daily valuation feeds for client portfolios and for further details please contact our Business Development Support team at businessdevelopmentsupport@brooksmacdonald.com

Tax planning

We do not provide tax advice, and independent professional advice should be sought. Tax treatment depends on each individual's circumstances and may be subject to change in the future.

We are able to consolidate assets held across multiple wrappers into one portfolio managed on a combined basis if the client and their adviser wish (excluding the AIM Service). Wherever possible, we will hold assets in the most appropriate tax wrapper to utilise available tax efficiencies e.g. income-producing assets in an ISA. We are able to automatically use the client's annual ISA allowance (if available), if the client has given consent to do so via the ISA application form. The client can specify whether they would like us to utilise their maximum allowable ISA subscription or a specified amount.

As well as Investment Accounts and ISAs clients can have Offshore Bonds (in or outside of trust) and SIPPs. Third party trustees are used for bond and SIPP/SSAS wrappers – these would be selected by the adviser for the client.

As part of our Retirement Strategies, we are able to take into account the client's Capital Gains Tax (CGT) position when considering the sale of assets held in the portfolio, and minimise CGT liabilities where appropriate. We work closely with adviser and client, and are able to consider existing CGT arrangements (outside of the portfolio we manage on the client's behalf) and take these into account.

Our priority is to ensure that the portfolios of our clients meet their investment requirements. As a result, it is not always possible to utilise a client's entire CGT allowance.

There is no guarantee that the tax efficient nature of any investment will remain and Investors should be aware of the additional risks associated with funds investing in smaller companies.

Fees and charges

Bespoke portfolio services – fees and charges

For our bespoke portfolio services we will agree an annual investment management charge based on you and your clients’ individual circumstances and requirements. The investment management charges shown below are our partnership rates and the rate paid by your client may vary. To discuss specific rates, please contact your Brooks Macdonald representative.

Figure 3.1a: Investment management charge (partnership)

Value of investment portfolio	Rate (per annum)
First £1,000,000	0.80% + VAT
Next £1,500,000	0.65% + VAT
Next £2,500,000	0.55% + VAT
Thereafter	0.45% + VAT

Source: Brooks Macdonald

This service has a tiered annual management charge where the rate your client pays will depend on the value of their portfolio and will be calculated based on the above structure. For example, a client with a £3 million portfolio would pay an effective rate of 0.68% plus VAT. Brooks Macdonald does not charge a management fee on cash holdings within discretionary portfolios that are part of our Bespoke Portfolio Service.

Alternative charging structures may apply to clients with legacy fee arrangements.

In addition to the annual investment management charge, administration and ancillary charges apply.

Figure 3.1b: Additional administration and ancillary charges

Charge type	Typical fee
Administration charge (on assets are held in our nominee)	£15 per transaction
Transfer of holdings to another institution (by CREST, electronically or into a paper share certificate)	£25 per security + VAT
CHAPS payments	£10 per transaction
Same day transfer	£2.75 per transaction
Historic valuation and Probate services	0.2% of the value of the portfolio (min £100/ max £250) + VAT
FX commission	0.60% reflected within net FX rate

Source: Brooks Macdonald

Charges relating to specific product wrappers and security types, including regulatory fees, may also apply. For full details about our costs and charges, please refer to our Fee Schedule.

Investment product costs

In additional to our management and administration charges, investment product costs may apply.

Underlying investments such as funds will be subject to additional costs applied by the third-party manager. The cost to your client will depend on the composition of their individual portfolio.

For an illustration of the total ongoing costs of this service, please see Figure 3.2 on the following page.

Initial charge

We will agree an initial charge based on your client’s individual circumstances and requirements. This charge will be subject to VAT. To discuss specific rates, please contact your Brooks Macdonald representative.

Exit costs

We will not charge an exit fee for this service, however clients will be subject to any relevant administration cost and charges that arise from transactional activity to close accounts. For full details about our costs and charges, please refer to our Fee Schedule.



Bespoke portfolio services – annual charges illustration

Due to the individual nature of client portfolios in our bespoke portfolio services it is difficult to provide a general total cost. The example below is provided for illustrative purposes only and estimates charges for year two and beyond based on various assumptions and averages.

Figure 3.2a: Illustrative annual charges

	Cost	Effective rate
Annual management charge ¹	£20,500	0.68%
VAT	£4,100	0.14%
Dealing administration charges ¹	£993	0.03%
Underlying product costs ²	£13,500	0.45%
Total costs	£39,093	1.30%

Source: Brooks Macdonald

1 Based on illustrative portfolio assumptions, please see Figure 3.2b, includes administration and regulatory costs where applicable.

2 Based on composition of illustrative portfolio, please see Figure 3.2c, includes ongoing, transaction and incidental costs associated with fund holdings.

Figure 3.2b: Illustrative portfolio assumptions

	Notes
Portfolio size	£3,000,000
Risk level	Medium
Average turnover	20%
No of holdings	65
No of trades	26

Source: Brooks Macdonald

Figure 3.2c: Composition of illustrative potfolio

Assets	Portfolio weight (%)	Cost contribution (%)
UK Equity funds	20.0	0.00
International equity funds	42.0	0.28
UK gilts	9.0	0.00
Fixed income funds	9.0	0.04
Property funds	2.0	0.02
Structured products	8.0	0.00
Alternatives funds	8.0	0.08
Cash	2.0	0.00

Source: Brooks Macdonald

AIM Portfolio Service

The standard AMC on AIM portfolios is 1.75%. In certain circumstances this may vary. The AMC includes dealing charges and is exempt from VAT. There is no initial charge for this service. For full details, please contact your Brooks Macdonald representative.

Adviser fee payments

A professional adviser may charge fees in addition to those we charge. We can, if instructed to do so in the application pack, facilitate the payment of such fees from the client’s portfolio. Any fees paid to the professional adviser from the client’s portfolio will appear in their transaction statement.

Cash holdings

Where client money is held in a Client Money Bank Account and interest is received on such money, Brooks Macdonald will pay interest on the balance to the client’s Account. Any interest exceeding £10 will be credited to your Account within 10 business days of each quarter end date. Quarter end dates are the last working day of each of March, June, September and December. Rates of interest paid will be published on the [client section of our website](#) and can be confirmed on request.

Uninvested money (which may include cash pending investment and other money not immediately required for settlement) may attract interest at different rates depending on the service.

Interest rates payable on accounts may be below interest rates which clients may be able to achieve in deposit accounts and below the Bank of England base rate then in force.

Brooks Macdonald may be able to obtain better interest rates but the interest rate payable to clients may be lower than such rates. Brooks Macdonald is entitled to retain any resulting benefit.

Equally, in certain circumstances, it is possible that Brooks Macdonald may need to apply negative credit interest resulting in a debit being applied to money held on behalf of clients. In some cases, the debit applied may be higher than the debit charged to Brooks Macdonald.





3.2 Managed portfolio services

Platform Managed Portfolio Service

Our Platform Managed Portfolio Service (PMPS) is a discretionary portfolio management service, available to access on third party platforms.

Our PMPS offers a choice of 22 discretionary managed portfolios across five different risk levels and four different ranges – Active, Passive, Responsible Investment Advance and Volatility Managed.

Our PMPS is operated under the agent-as-client arrangement. We do not have a direct relationship with the underlying investor. Instead, the underlying investor has a direct contractual relationship with their adviser rather than Brooks Macdonald. The adviser, in turn, has a direct contract with Brooks Macdonald and so is treated as being our ‘client’.

In order to facilitate the Managed Portfolio Service via a platform, we also have separate agreements in place with each platform provider. These set out the dealing functions, custody of assets and client monies, etc, that the platform provider shall provide.

Advisers enter into a direct agreement with the provider of each platform, too, and this sets out the platform provider’s duties to them.

Availability and minimum investment amounts vary by platform provider.

[Platform availability on our website.](#)

Liquid Reserve Managed Portfolio Service (MPS)

The Liquid Reserve MPS is an actively managed investment portfolio designed for clients seeking higher returns than those typically available from cash held in bank or building society short-term deposits.

The Liquid Reserve MPS aims to generate a consistent, gross annualised return equal to or greater than Bank of England base rate, by investing in funds which provide investment exposure to high quality short-term money market instruments and fixed income securities.

The Liquid Reserve MPS is available on the following platforms:

- Aberdeen Wrap
- Aegon ARC
- AJ Bell
- Aviva
- Quilter
- Transact

Active range

The range of seven portfolios is an actively managed multi asset solution that is predominantly constructed from actively managed funds and is available across a range of five different risk profiles. Each portfolio is managed to remain within its Brooks Macdonald equity risk band:

PORTFOLIO	EQUITY RISK BAND
Low Risk	0% – 30%
Low to Medium Risk – Income	30% – 55%
Low to Medium Risk – Income & Growth	30% – 55%
Medium Risk – Income	55% – 75%
Medium Risk – Income & Growth	55% – 75%
Medium to High Risk – Growth	75% – 95%
High Risk – Growth	90% – 100%

Source: Brooks Macdonald

Passive range

The range of five portfolios is an actively managed multi asset solution that is predominantly constructed from passive underlying investments and is available across a range of five different risk profiles. Each portfolio is managed to remain within its Brooks Macdonald equity risk band:

PORTFOLIO	EQUITY RISK BAND
Low Risk	0% – 30%
Low to Medium Risk – Income & Growth	30% – 55%
Medium Risk – Income & Growth	55% – 75%
Medium to High Risk – Growth	75% – 95%
High Risk – Growth	90% – 100%

Source: Brooks Macdonald

Responsible Investment Advance range

The range of five portfolios is an actively managed multi asset solution that has the dual objective of aiming to generate income and/or growth over the longer term within the agreed risk profile, while following the Responsible Investment Advance approach (see ‘Our Responsible Investment Strategies’). Each portfolio is managed to remain within its Brooks Macdonald equity risk band:

PORTFOLIO	EQUITY RISK BAND
Low Risk – Income & Growth	0% – 30%
Low to Medium Risk – Income & Growth	30% – 55%
Medium Risk – Income & Growth	55% – 75%
Medium to High Risk – Growth	75% – 95%
High Risk – Growth	90% – 100%

Source: Brooks Macdonald

Volatility Managed Range

Our Volatility Managed range is an actively managed multi asset solution consisting of five portfolios that aim to target the volatility boundaries of five Dynamic Planner risk levels. Adherence is independently assessed and verified by Dynamic Planner each quarter.

PORTFOLIO	EQUITY RISK BAND
Portfolio 3	3
Portfolio 4	4
Portfolio 5	5
Portfolio 6	6
Portfolio 7	7

Source: Brooks Macdonald



Global

The range consists of 10 portfolios: five active and five passive each aligned to a distinct risk profile, from Low Risk through to High Risk. The range is designed to provide advisers with a globally diversified solution, combining the benefits of a global benchmark equity exposure with an active asset allocation overlay.

PORTFOLIO	EQUITY RISK BAND
Low Risk	0% – 30%
Low to Medium Risk	30% – 55%
Medium Risk	55% – 75%
Medium to High Risk	75% – 95%
High Risk	90% – 100%

Source: Brooks Macdonald

Modelled range (part of Retirement Strategies)

The range consists of a series of six portfolios launched each year, across two risk profiles. Each portfolio is divided into shorter-term and longer-term components. The shorter-term component aims to mitigate sequencing risk over the subsequent 7 years by investing in cash and fixed maturity products that align with specific time horizons. The longer-term component aims to mitigate longevity risk investing in a diverse range of asset classes.

At each risk level, there are three options (denoted by A, B and C) which are each aligned with different withdrawal capacities.

The portfolios available for investment are:

EQUITY RISK PARAMETERS	BM LOW TO MEDIUM RISK	BM MEDIUM RISK
Modelled Retirement Strategy		Portfolio A
Modelled Retirement Strategy		Portfolio B
Modelled Retirement Strategy		Portfolio C

Source: Brooks Macdonald

Direct Custody Managed Portfolio Service

Our Direct Custody Managed Portfolio Service (MPS) is a discretionary portfolio management service, with the assets held in Brooks Macdonald’s custody.

Our MPS offers a choice of 17 discretionary managed portfolios across five different risk levels and three different ranges:

- Active, Passive and Responsible Investment Advance.
- Under Direct Custody MPS the investor has a contractual relationship with Brooks Macdonald and so is treated as our ‘client’ for the purposes of the investment management services we provide to them.
- Each client will have a separate agreement in place with their adviser under which the adviser will agree to provide independent financial advice to them.
- Under this arrangement Brooks Macdonald may also make use of the “Reliance on Others” provisions, meaning that we are able to rely on information provided to us by suitably regulated advisers who act as intermediaries between us and our shared clients.

A third agreement is also in place between each adviser and Brooks Macdonald. This documents each’s respective duties and responsibilities in relation to investment management and advice (and mirrors the division of responsibilities, as explained to the client within their agreement with us). There is a minimum initial investment threshold of £20,000.

Active range

The range of seven portfolios is an actively managed multi asset solution that is predominantly constructed from actively managed funds and is available across a range of five different risk profiles. Each portfolio is managed to remain within its Brooks Macdonald equity risk band:

PORTFOLIO	EQUITY RISK BAND
Low Risk	0% – 30%
Low to Medium Risk – Income	30% – 55%
Low to Medium Risk – Income & Growth	30% – 55%
Medium Risk – Income	55% – 75%
Medium Risk – Income & Growth	55% – 75%
Medium to High Risk – Growth	75% – 95%
High Risk – Growth	90% – 100%

Source: Brooks Macdonald

Passive range

The range of five portfolios is an actively managed multi asset solution that is predominantly constructed from passive underlying investments and is available across a range of three different risk profiles. Each portfolio is managed to remain within its Brooks Macdonald equity risk band:

PORTFOLIO	EQUITY RISK BAND
Low Risk – Defensive Income	0% – 30%
Low to Medium Risk – Income & Growth	30% – 55%
Medium Risk – Income & Growth	55% – 75%
Medium to High Risk – Growth	75% – 95%
High Risk – Growth	90% – 100%

Source: Brooks Macdonald

Responsible Investment Advance range

The range of five portfolios is an actively managed multi asset solution that has the dual objective of aiming to generate income and/or growth over the longer term within the agreed risk profile, while following the Responsible Investment Advance approach (see Our Responsible Investment strategies). Each portfolio is managed to remain within its Brooks Macdonald equity risk band:

PORTFOLIO	EQUITY RISK BAND
Low Risk – Defensive Income	0% – 30%
Low to Medium Risk – Income & Growth	30% – 55%
Medium Risk – Income & Growth	55% – 75%
Medium to High Risk – Growth	75% – 95%
High Risk – Growth	90% – 100%

Source: Brooks Macdonald

MPS team



Frank Atkins
Investment Director

Frank joined Brooks Macdonald in 2010 and co-manages our Managed Portfolio Service and Multi-Asset Fund range. Prior to joining Brooks Macdonald, Frank worked at Barclays Wealth.

He has over 15 years' experience in financial services. Frank holds the Investment Management Certificate (IMC) and the Certificate in Private Client Investment Advice & Management (PCIAM).



Mark Shields
Investment Director

Mark joined Brooks Macdonald in 2007 and co-manages the Managed Portfolio Services and Multi-Asset Fund range. Prior to joining Brooks Macdonald, Mark worked at Private Equity Intelligence for a year.

He has over 16 years' experience in financial services. Mark is a Chartered Member of the Chartered Institute for Securities & Investment (Chartered MCSI) and holds the Investment Management Certificate (IMC).

Mark heads up our thematic research team, as well as being a member of our UK funds research team.



Alex Chittenden
Investment Manager

Alex joined Brooks Macdonald in 2011 and assists with the management of our Managed Portfolio Services and Multi-Asset Fund range. This includes acting as a secondary dealer and providing market research. Prior to joining Brooks Macdonald, Alex worked for Martin Place Securities (Sydney) as a Corporate Administrator.

He has worked in financial services since 2009. Alex holds the Chartered Institute for Securities & Investment (CISI) Chartered Wealth Manager Qualification and the CISI Investment Advice Diploma (IAD). Alex sits on our responsible investment research team.

Investment awards and ratings

Our PMPS and MPS have the Defaqto star ratings which can be [viewed on our website](#). Our Responsible Investment Advance portfolios are Defaqto ESG reviewed.

Risk mappings

The PMPS and MPS are mapped by several external risk profilers: Distribution Technology, Defaqto, Oxford Risk, Synaptic and eValue. The ratings can be found on our website or on your preferred risk profilers' website.

Portfolio construction

The portfolios are managed centrally by a dedicated team of experienced investment managers, who leverage the global investment expertise of the Brooks Macdonald Group (see section [‘Investment Process’](#)).

Our asset allocation views and best investment ideas across a broad universe are analysed, debated and refined before being reflected in the portfolios by their dedicated management team. The Asset Allocation Committee determine the asset allocation for the models, based on in-house and external research.

The MPS team then construct the portfolios to meet their specific objectives and risk level by selecting investments from our central buylist. The portfolios typically invest in a broad range of asset classes, including regional and global/thematic equities, UK/ international fixed income, and alternative assets.

The portfolios are actively managed on an ongoing basis. The portfolios do not have fixed rebalancing dates – rebalancing occurs on an ad hoc basis and at the discretion of the MPS team. PMPS and MPS portfolios are not subject to any phasing in process. All funds are invested as soon as possible after their receipt (in line with the relevant portfolio's efficient management).

Investment risk management

We consider risk management to be a key component of our investment philosophy. We have embedded a number of controls into our investment process that are designed to ensure sufficient diversification is built into client portfolios.

Specifically, our asset allocation strategy considers risk at the overall portfolio level, while investment managers consider it when selecting individual investments. Furthermore, our investment committee has established a number of policies that assist in ensuring that portfolios reflect the client's investment objectives and risk profile.

Investment managers must abide by the investment policies established by the investment committee in regard to managing investment risk.

Asset allocation limits: portfolios must reflect the asset allocation guidance specified within the relevant guidance portfolio, within allowed tolerance limits. MPS portfolios are actively managed, as such trades are made as regularly as required to ensure that portfolios are well positioned and aligned with the client's overall investment objective.

Volatility bands: volatility is a measure of the variation in an investment's performance over time. The volatility of an investment portfolio is reflective of the volatility of the individual investments within it. Our investment committee has assigned a volatility band for each risk profile. The band is based on allowable volatility deviation from the target Guidance portfolio and Investment managers must ensure that portfolio volatility remains within the relevant band at all times.

Unit size restrictions: there are limitations on the proportion of a portfolio's assets that can be invested in any single investment. These limits are partly dependent on the nature of the investment itself.

Concentration limit: as well as unit size restrictions, there are limits as to the maximum percentage of a particular security that can be held by our discretionary clients in aggregate (for example, maximum ownership of an individual company's outstanding shares). The investment committee reviews firm-wide exposure to particular types of assets to ensure there is clarity on our overall holding. Once an agreed threshold is reached, investment managers can no longer purchase that asset for any discretionary client.

Non-buy list requirements: investment managers are allowed to retain a small proportion of investments that are not on the Buy List under certain circumstances, although any such investments must be thoroughly researched and approved by the asset selection committee prior to purchase. The percentage of an investment portfolio that can be invested in non-buy list assets is restricted.

Illiquid investments: there are limitations on the proportion of a portfolio's assets that can be invested in illiquid assets. An illiquid investment cannot easily be immediately sold without a substantial loss in value, especially during periods of market turmoil. We no longer invest in non-mainstream pooled investments (NMPI) such as unregulated collective investment schemes (UCIS).

Administration and servicing

Direct Custody MPS – initial investment

The adviser is able to pre-populate the application forms, however the client must check all information given is correct and sign the declaration confirming so.

For all applications where a professional adviser is assessing suitability, they must also sign the completed application pack to confirm that they have undertaken this process.

We also require documents that help us to verify client identity, including proof of address, proof of identification, source of wealth and source of funds all in accordance with UK regulatory standards (see section '[Know Your Client](#)'). The different types of documents we require are listed in the relevant application packs. Clients must read the application pack carefully and complete it with as much detail as possible. FCA rules mean that we will not be able to accept an application if the application form is incomplete or due diligence is not satisfied.

Direct Custody MPS – combined accounts

In our Direct Custody MPS, we are able to consolidate assets held across multiple wrappers into one portfolio managed on a combined basis if the client and their adviser wish. We are able to automatically use the client's annual ISA allowance (if available), if the client has given consent to do so via the ISA application form. The client can specify whether they would like us to utilise their maximum allowable ISA subscription or a specified amount.

As well as Investment Accounts and ISAs clients can have Offshore Bonds (in or outside of trust) and SIPP's. Third party trustees are used for bond and SIPP/SSAS wrappers – these would be selected by the adviser for the client.

Direct Custody MPS – portfolio closure

Upon receipt of instruction the investment manager will sell the holdings within the portfolio (for SIPP's and Offshore Bonds) and the client will be advised of the anticipated settlement dates. For investment accounts and ISAs the funds will be transferred to an account nominated by the client in their formal instruction. For SIPP's, SSASs and Offshore Bonds the funds will be returned to the provider, for them to either return to the client or transfer to a new product as applicable.

For clients leaving In Specie, we will need to receive instruction from the client confirming that they wish to transfer their entire portfolio away from Brooks Macdonald. This letter of instruction needs to:

- Be an original signed instruction
- Confirm that the holdings are to be transferred in specie and where they are to be transferred to
- Confirm the bank details that are to be used for the available cash in the portfolio

Once the instruction is received, a dealing block will be applied to the portfolio and Brooks Macdonald will send written confirmation to the client informing them that the instruction has been received.

The new Investment Manager should be in contact regarding this transfer out and Brooks Macdonald will send the new Investment Manager a current valuation of the portfolio.

The new Investment Manager must confirm to Brooks Macdonald as soon as possible if there is a holding that cannot be transferred in specie and therefore it will need to be sold and transferred as cash.

Charges will be levied for in-specie transfers out, please refer to the [fees and charges](#) section.

All clients will receive a closing letter which will include a final valuation to confirm the balance of their portfolio as zero.

The letter also confirms that the account will remain open for at least three months to allow for any residual dividends to be paid, which will be returned to the client or provider as appropriate.

Direct Custody MPS – adviser back office integration

We offer back-office integration through several third-party systems. Examples of systems that we support are Intelliflo, Sammedia (moneyinfo), Enable and Plum Software. Other system providers can be set up on request. This will provide daily valuation feeds for client portfolios, for further details please contact our Business Development Support team at businessdevelopmentsupport@brooksmacdonald.com.

Client interaction and servicing

Advisers are supported by the dedicated Business Development Manager within their geographic area, who is the primary contact. Bespoke meetings or small presentations with a member of the MPS team may be arranged.

We produce a wide range of material to support advisers in their client discussions, including: performance and trading reporting and commentary, portfolio holdings and market commentaries.

Tax planning

We do not provide tax advice, and independent professional advice should be sought. Tax treatment depends on each individual's circumstances and may be subject to change in the future.

There is no guarantee that the tax efficient nature of any investment will remain. Brooks Macdonald does not provide tax advice and independent professional advice should be sought. Investors should be aware of the additional risks associated with funds investing in smaller companies.

As individual PMPS and MPS investment accounts produce capital gains or losses when investments are sold within them, clients may utilise some, or all, of their CGT allowance through our PMPS and MPS. They may also realise more capital gains than their allowance. However, as our PMPS and MPS is not tailored to individual clients, it is not possible to accommodate individual client CGT requirements.

In our Direct Custody MPS, we are able to consolidate assets held across multiple wrappers into one portfolio managed on a combined basis if the client and their adviser wish. We are able to automatically use the client's annual ISA allowance (if available), if the client has given consent to do so via the ISA application form.

The client can specify whether they would like us to utilise their maximum allowable ISA subscription or a specified amount. As well as Investment Accounts and ISAs clients can have Offshore Bonds (in or outside of trust) and SIPPs. Third party trustees are used for bond and SIPP/SSAS wrappers – these would be selected by the adviser for the client.

Reporting

We produce a wide range of material to support advisers in their client discussions, including: performance and trading reporting and commentary, portfolio holdings and market commentaries. Reporting for PMPS clients is undertaken by the platform.

Direct Custody MPS only

Our secure online client portal (InvestBM), accessed [via our website](#), provides clients and their advisers with an account summary that lists their Brooks Macdonald portfolios.

Each portfolio valuation is priced on a daily basis and provides cash balance and transaction details for all investments.

Clients receive valuation reports on a quarterly basis in January, April, July and October. Reports include a formal custody statement. Ad hoc valuation reports are provided on request. A comprehensive year-end tax report is also sent out annually at the end of the tax year.

[Visit our Factsheet Platform to view Factsheets](#)

Fees and charges

Direct Custody MPS fees and charges

Portfolio type	Initial charge (cash investment)	Initial charge (in-specie transfer)	AMC	Dealing charges	ISA charge
Active	Nil	0.50% +VAT	0.75%	Nil	Nil
Responsible Investment Advance	Nil	0.50% +VAT	0.75%	Nil	Nil
Passive	Nil	0.50% +VAT	0.50%	Nil	Nil

Source: Brooks Macdonald

Our Annual Management Charge (AMC) is calculated on a monthly or quarterly basis and is debited in arrears from client portfolios in the following month. Brooks Macdonald does not charge a management fee on cash holdings within portfolios that are part of our Direct Custody MPS.

MPS total costs

For direct custody MPS costs and charges, please see ‘Custody Managed Portfolio Service Costs & Charges’ in our [Document Library](#).

PMPS fees and charges

Portfolio type	Initial charge (cash investment)	Initial charge (in-specie transfer)	AMC	Dealing charges	ISA charge
Platform Active	Refer to platform*	Refer to platform*	0.25%	Refer to platform*	Refer to platform*
Platform Responsible Investment Advance	Refer to platform*	Refer to platform*	0.25%	Refer to platform*	Refer to platform*
Platform Passive	Refer to platform*	Refer to platform*	0.20%	Refer to platform*	Refer to platform*

Source: Brooks Macdonald

*Please see your preferred providers website for specific charges.

PMPS total costs

For Platform MPS costs and charges, please see the MPS costs and charges document on our [website here](#).

Charges as at June 30, 2026 and based on the Aberdeen Wrap platform costs (other platforms may vary).



Ancillary charges (Direct Custody only)

Charge type	Typical fee	Plus VAT
Transfer of holdings to another institution (by CREST, electronically or into a paper share certificate) (per stock)	£25	✓
Foreign exchange (per transaction)		
Below £1000	Current banker's prevailing rate	
Over £1000	£40	
CHAPS payments (per transaction)	£10	
Same day faster payments (per transaction)	£2.75	
Historic valuation and probate services	0.20% of the value of the portfolio (minimum £100/ maximum £250)	✓

Source: Brooks Macdonald

Professional adviser fees

A professional adviser may charge fees in addition to those we charge. We can, if instructed by the client to do so in the application pack, facilitate the payment of such fees from the client’s portfolio. Any fees paid to the professional adviser from the client’s portfolio will appear in their transaction statement.

Direct Custody MPS – adviser fee payments

A professional adviser may charge fees in addition to those we charge. We can, if instructed to do so in the application pack, facilitate the payment of such fees from the client’s portfolio. Any fees paid to the professional adviser from the client’s portfolio will appear in their transaction statement.

Direct Custody MPS – cash holdings

Where client money is held in a Client Money Bank Account and interest is received on such money, Brooks Macdonald will pay interest on the balance to the client’s Account.

Any interest exceeding £10 will be credited to your Account within 10 business days of each quarter end date. Quarter end dates are the last working day of each of March, June, September and December. Rates of interest paid will be published on the client section of our website and can be confirmed on request.

Uninvested money (which may include cash pending investment and other money not immediately required for settlement) may attract interest at different rates depending on the Service.

Interest rates payable on Accounts may be below interest rates which clients may be able to achieve in deposit accounts and below the Bank of England base rate then in force.

Brooks Macdonald may be able to obtain better interest rates but the interest rate payable to clients may be lower than such rates.

Brooks Macdonald is entitled to retain any resulting benefit. Equally, in certain circumstances, it is possible that Brooks Macdonald may need to apply negative credit interest resulting in a debit being applied to money held on behalf of clients.

In some cases, the debit applied may be higher than the debit charged to Brooks Macdonald.



3.3 UCITS funds

Blueprint Multi-Asset Fund range

Our Blueprint Multi-Asset Fund (MAF) range consists of four actively managed multi asset funds, each managed to remain within a specific equity risk band. The four funds are sub-funds of the SVS

Brooks Macdonald Fund, a UK domiciled UCITS OEIC and the investment manager is Brooks Macdonald Asset Management Limited.

Key facts

Fund	Equity risk band	Investment Association Sector	Launch date
Blueprint Defensive Income Fund	0% – 30%	Mixed 0–35% Shares	20 December 2004*
Blueprint Cautious Growth Fund	30% – 55%	Mixed 20–60% Shares	20 December 2004*
Blueprint Balanced Fund	55% – 75%	Mixed 40–85% Shares	20 December 2004*
Blueprint Strategic Growth Fund	75% – 95%	Flexible	30 October 2013

Source: Brooks Macdonald

*On 1 July 2011 following a shareholder vote, these funds changed name and investment objectives.

Base currency: GBP

Share classes and identifiers

The primary UK platform share classes are listed below. Euro and US dollar hedged share classes also available, which will employ a forward currency exchange contract to reduce currency exposure.

Fund	Share class	ISIN	SEDOL
Blueprint Defensive Income Fund	A Inc	GB00B054QL91	B054QL9
Blueprint Cautious Growth Fund	A Acc	GB00B5T81S44	B5T81S4
Blueprint Balanced Fund	A Acc	GB00B054QF32	B054QF3
Blueprint Strategic Growth Fund	A Acc	GB00BDX8Y871	BDX8Y87

Source: Brooks Macdonald

The Prospectus, Key Investor Information Documents and other documentation are available to access here: tutman.co.uk/literature

Factsheets are available to view in our [Factsheet Platform](#).

Fund management team

Frank Atkins, *Investment Director*
Mark Shields, *Investment Director*
Alex Chittenden, *Investment Manager*

Biographies for the above can be found [on this page](#).

Fund management process

The funds are managed using the same investment approach as Brooks Macdonald's discretionary bespoke and managed portfolio services, benefitting from the full breadth and depth of investment expertise within Brooks Macdonald.

Each Blueprint MAF leverages the broad and varied expertise of our Asset Allocation Committee, Investment Committee and specialist sector research teams (see 'Investment Philosophy and Approach'). Our asset allocation views and best investment ideas across a broad universe are analysed, debated and refined before being reflected in the Blueprint MAF by their dedicated management team.

We consider investments from a broad universe of asset classes for inclusion in our multi-asset funds, including regional equities, fixed interest (including government and corporate debt), and alternatives. Equities are a core 'growth' component of the funds, and within this allocation we seek out investments that we believe will benefit from long-term, structural trends and demonstrate resilience in current and future market

conditions – 'thematic' equities. We have a strong background in thematic investing across our range of investment solutions and produce regular commentary around this. Constructing the funds using a broad spread of different investments ensures that the Blueprint MAF range is widely diversified across geography, sector, and asset type.

As is the case with all our funds and discretionary portfolios, we continually review and actively manage the Blueprint MAF range to ensure it holds the optimal mix of assets that we believe will add the best value for investors over the long term.

The fund management team select from the central Buylist to deliver a range of funds constructed using investments that have followed a rigorous due-diligence process. The composition of each fund is carefully monitored on an ongoing basis. Should the market environment or the underlying fund manager experience a change in circumstances, the team are ready to make any necessary changes.

Rebalancing

The funds are actively managed with daily dealing, and are rebalanced at the managers discretion, on an ongoing basis.

Investment awards and ratings

The funds are managed to remain within their specific equity risk bands; however they are also independently risk profiled by a range of providers: Distribution Technology, Defaqto, Synaptic and eValue. The ratings can be found on our website or on your preferred risk profilers' website.

The Blueprint funds are Defaqto five diamond rated. View all our awards and ratings [on our website](#).

Adviser support

We value the relationships that we have with advisers and aim to provide the highest level standard of service. All advisers have access to our fund management team – whether that be in our interactive, biannual investment webinars or via pre-arranged video conference sessions.

In addition, bespoke meetings or small presentations with a member of the fund management team may be arranged on request. We produce a wide range of material to support advisers in their client discussions, including:

- Monthly reporting for the range, including performance information together with trading commentary
- Detailed market overview and latest investment outlook
- Detailed asset allocation and full holdings 'look-through'

Advisers are also supported by a dedicated specialist fund sales team, with regional representatives across the UK.

Throughout the year, we hold various periodic and ad hoc events that generally involve education or training. We also publish investment and regulatory insight and educational content via our website. Much of this is qualified under the Continuing Professional Development (CPD) Scheme.

Costs and charges

Fees and charges for the Blueprint Multi-Asset Funds as at 30 June 2026

Blueprint Multi-Asset Fund	AMC* (%)	OCF* (%)	Transaction costs^ (%)	Total costs (%)
SVS Brooks Macdonald Blueprint Defensive Income A Inc	0.50	0.97	0.04	1.01
SVS Brooks Macdonald Blueprint Cautious Growth Fund A Acc	0.50	0.88	0.04	0.92
SVS Brooks Macdonald Blueprint Balanced Fund A Acc	0.50	0.90	0.06	0.96
SVS Brooks Macdonald Blueprint Strategic Growth Fund A Acc	0.50	0.88	0.06	0.94

Source: Brooks Macdonald

**The OCF represents the direct costs of running a fund, which are deducted from the assets of the fund and provide a comparable number for the cost of investing. Previously, the OCF included expenses incurred by underlying holdings of collective investment schemes in relation to the Fund (the synthetic 'OCF'). Following guidance issued by the Investment Association on 2 July 2020, the synthetic OCF calculation has been expanded to include closed-ended vehicles such as investment trusts.*

^Transaction costs – these costs are incurred when buying and selling underlying investments. These costs are a necessary part of buying and selling a fund's underlying investments in order to achieve the investment objective. Source: Investment Fund Services Limited.



Cornelian Risk Managed Funds

The Cornelian Risk Managed Funds consist of eleven actively managed multi asset funds, across five risk levels and two investment styles.

The Risk Managed Fund Range consist of six funds that invest in predominantly active underlying investments, and the Risk Managed Passive (RMP) Range consist of five funds that invest in predominantly passive underlying investments. The eleven funds are sub-funds of SVS Cornelian Investment Funds, a UK domiciled UCITS OEIC.

The investment adviser is Brooks Macdonald Asset Management Limited.

Key facts

Primary platform share classes (D & G) listed below:

Fund	Launch Date	Share class	ISIN	SEDOL
Cornelian Defensive Fund	4 May 2010	D Acc	GB00B5N17T22	B5N17T2
Cornelian Cautious Fund	11 April 2005	D Acc	GB00B3WCDF03	B3WCDF0
Cornelian Managed Growth Fund	4 May 2010	D Acc	GB00B3KXCP84	B3KXCP8
Cornelian Managed Income Fund	20 March 2015	D Inc	GB00BV9GGB80	BV9GGB8
Cornelian Growth Fund	11 April 2005	D Acc	GB00B3RMNL16	B3RMNL1
Cornelian Progressive Fund	4 May 2010	D Acc	GB00B5LY2097	B5LY209
Cornelian Defensive RMP Fund	30 Nov 2016	G Acc	GB00BD72ZR10	BD72ZR1
Cornelian Cautious RMP Fund	30 Nov 2016	G Acc	GB00BD730136	BD73013
Cornelian Managed Growth RMP	30 Nov 2016	G Acc	GB00BD72ZY86	BD72ZY8
Cornelian Growth RMP Fund	30 Nov 2016	G Acc	GB00BD730466	BD73046
Cornelian Progressive RMP Fund	30 Nov 2016	G Acc	GB00BD72ZV55	BD72ZV5

Source: Brooks Macdonald

Base currency

GBP. All available share classes are GBP.

Investment Association Sector

IA Volatility Managed.

The Prospectus (including full investment objectives and policy), Key Investor Information Documents and other documentation are available to access here: tutman.co.uk/literature

Factsheets are available to view in our [Factsheet Platform](#).

Fund management team



David Appleton
MSc, Chartered FCSI
Senior Investment Director

David manages the SVS Cornelian Risk Managed Fund range at Brooks Macdonald alongside Hector Kilpatrick. He is also responsible for the investment performance of these mandates and promoting an unconstrained, active investment philosophy.

David also leads Brooks Macdonald's Fixed Income and Property sector research teams and is a member of the Alternatives Investment Committee.

David joined Brooks Macdonald in 2020 following the acquisition of Cornelian Asset Managers Ltd, having joined Cornelian in June 2013 from Alder Investment Management, a London based family office, where he was a senior investment analyst and fund manager. He began his career in Edinburgh at Stewart Ivory after gaining degrees in Economics and International Banking & Finance.



Jonathan Horsfield, CFA
Senior Investment Director

Jonathan joined Brooks Macdonald in 2025 and is jointly responsible for managing the risk managed multi-asset fund solutions. Prior to this, Jonathan worked at Chase de Vere, where he was the firm's Chief Investment Officer responsible for all aspects of the investment proposition, including managing the centralised discretionary investment portfolios. Jonathan has worked on risk managed investment solutions for his whole career in financial services, which began in 2006.

Jonathan has a degree in Physics with Astrophysics from the University of Birmingham, is a CFA Charterholder, and is a Chartered Fellow of the Chartered Institute for Securities & Investment (CISI).



Ewan Millar
CFA
*Senior Investment Director,
Head of AIM Portfolio Service*

Ewan leads the AIM Portfolio Service and is a member of Brooks Macdonald's UK Equity Investment Committee alongside Hector. Ewan manages the UK equity portfolio of the SVS Cornelian Risk Managed Fund range and contributes to asset allocation and other investment decisions.

Ewan joined Brooks Macdonald in 2020 following the acquisition of Cornelian Asset Managers Ltd. Previously, Ewan was a Senior Investment Manager at Cornelian Asset Managers, prior to spending ten years at Kempen Capital Management (UK), working in their Small Cap team as co-lead manager of their flagship European Small Cap fund. Ewan is a Chartered Financial Analyst (CFA) Charterholder.

Investment strategy

All eleven Cornelian Risk Managed funds are aligned to a Risk Level, with their expected volatility managed below an upper limit. However unlike most peers, the funds are not constrained by a lower limit that might prevent the managers from taking appropriate defensive action. Further detail is provided within the ‘Risk management’ section.

Risk Level *	SVS Cornelian Fund	
A	Defensive	Defensive RMP
B	Cautious	Cautious RMP
C	Managed Growth, Managed Income	Managed Growth RMP
D	Growth	Growth RMP
E	Progressive	Progressive RMP

Source: Brooks Macdonald. *Risk level A being the lowest and E being the highest risk.

Risk Level	A	B	C	D	E
Upper expected volatility limit (%)	6.30	8.40	10.50	12.60	14.70

Source: Brooks Macdonald

RPI+ return targets

Our goal is to add real value to our clients’ investments over the long term, targeting total returns in excess of the Retail Price Index (RPI). To reflect the fact that greater risk must be taken for potentially greater returns, each RPI+ target increases with the ability of the corresponding fund to take higher levels of risk.

Annual Target*	SVS Cornelian Fund	
RPI + 1.0%	Defensive	Defensive RMP
RPI + 1.5%	Cautious	Cautious RMP
RPI + 2.0%	Managed Growth, Managed Income	Managed Growth RMP
RPI + 2.5%	Growth	Growth RMP
RPI + 3.0%	Progressive	Progressive RMP

Source: Brooks Macdonald. *Net of fees over the long term, which is defined as a five to seven year investment cycle.

Unconstrained investing

The managers leverage resource within the CIP framework to inform their asset allocation decisions, however the funds have an unconstrained approach to asset allocation, with no fixed limits in place for specific asset classes. The managers are free to invest in the asset classes that they believe will add most value for investors, given the objectives of the funds.

Fund management process

Investment decisions are not driven by benchmark considerations – our aim is to achieve our RPI+ net total return performance targets over the investment cycle.

We undertake extensive research in order to determine the optimal mix of asset classes, monitoring economic, corporate and political influences around the world to assess their possible impact on the outlook for global markets and to identify emerging trends.

Our asset allocation decisions are the result of an ongoing assessment of factors such as markets and trading conditions, yield curves, inventory levels and currencies – where the focus of the managers’ immediate attention changes depending on near term concerns and areas of opportunity.

As markets do not run to a timetable, ad hoc asset allocation meetings are called as deemed necessary in order to exploit opportunities as they arise. Having identified an asset class as a target for investment, we research the best approach to gain the desired level of exposure –this might be through quoted companies or funds that offer geographic or thematic opportunities.

We use a very broad selection of underlying investments in our funds, often providing access to asset classes such as infrastructure or private equity. The funds typically hold a wide range of underlying Buy List holdings, which may include direct UK Equities and government bonds as well as well as a range of other investment types, including OEICs, Investment Trusts, ETFs, ETCs, REITs, Private Equity Funds and Absolute Return Funds. We may make several investments in the chosen asset class to ensure diversification.

Although we are always cost conscious, our search for investment is broad and we will utilise active funds where we believe they will deliver value for money for investors.

Unlike many other multi-asset funds, we use our specialist investment expertise and substantial research activity to source direct UK equities in the Risk Managed Fund Range, selecting those which we believe will add the very best value for investors.

The UK equity team has a strong background in UK equity investment and applies a fundamental bottom-up approach to stock selection. We ensure that, prior to investing in a company, we fully understand the company's strategy, business model and competitive positioning. In-house analysis is augmented with best of breed third-party research and meetings with the target firm's senior management (and with the management teams of competitor firms, where possible).

Our investments predominantly focus upon companies which have either strong and sustainable cash flows or where we believe there is likely to be a significant improvement in cash generation in excess of consensus expectations. In all cases, we assess whether the firm's capital structure is robust and can withstand a stringent stress scenario.

We may follow companies for a considerable period of time before deciding the time is right for investment.

Prior to investing we need to believe that the company's share price is materially undervalued and that there are identifiable catalysts which are likely to drive a rerating of the company's valuation.

Our portfolio construction process seeks to combine income-orientated investments with more quantifiable and predictable return expectations such as corporate bonds (investment grade and high yield), infrastructure and real estate, with long term capital growth assets such as equities. The mix of income-focused and capital growth assets depends on the risk profile and return objectives of each strategy and is managed dynamically depending on the investment outlook and an assessment of relative value.

Rebalancing

The funds are actively managed with daily dealing, and as such are rebalanced at the managers discretion on an ongoing basis.

Typical holdings

We adopt an unconstrained approach and can flex the asset allocation significantly over time depending on our view of market conditions. The Cornelian funds typically hold a wide range of underlying holdings. These may include direct UK Equities and government bonds as well as a range of other investment types, including OEICs, Investment Trusts, ETFs, ETCs, REITs, Private Equity Funds and Absolute Return Funds.

Stock and funds holdings reviews

Holdings within funds are subject to in-depth reviews. Team members also discuss any stock or fund ideas they have been reviewing as well as any changes to portfolios which they believe may be appropriate. Portfolio risk is a key consideration and is discussed at the meeting.

Sell disciplines

Decisions to sell specific stocks and funds can be taken for stock/fund specific reasons or for asset allocation purposes.

UK equities: a decision to sell a UK equity stock is usually taken because that stock has either reached a full valuation or the outlook for earnings and cashflow growth has deteriorated relative to our expectations. Such a view may be supported by a trading update from the company itself, a close competitor or following a meeting with management.

Government bonds: A government bond may be sold to effect asset allocation changes or because we believe that the outlook for the price of the debt has deteriorated. This may be due to numerous factors including the outlook for inflation, interest rates, government policy or currency moves.

Funds: a fund could be sold to effect asset allocation changes or because we believe that the fund manager's investment style may increase the risk of underperformance going forward. Should the fund manager's investment positioning and stock selection deviate from the investment philosophy outlined during due diligence, then we will meet with the manager to understand why this has happened and will then determine whether or not to sell/reduce exposure to the fund.

Currency hedging

The funds do not hedge currency at the portfolio level i.e. we do not deploy a currency overlay strategy to augment our asset allocation. Currency risk for credit investments is normally fully hedged through the use of hedged share classes of investment funds. Direct government bonds are usually sterling denominated although on occasion we may hold US Government Bonds.

For equity investment in general we do not seek to hedge currency risk as a matter of routine but can and do use sterling hedged share classes where we have a strong view that sterling may strengthen versus overseas currencies. Currency risk can also be managed through stock selection in the UK equity portfolio, where the Team can increase or decrease exposure to companies with currency translation risk through overseas earnings.

Managing risk within the funds

The upper expected volatility limits of the Cornelian funds currently align with those of Distribution Technology (DT) risk profiles 3–7. Within each fund the asset classes that we select and the weightings given to each asset class produce a level of expected volatility

Although maximum expected volatility levels are set for each fund, no minimum expected volatility is set, which means that our team can de-risk at any time. For example, if we believe that investor sentiment or market conditions present a high level of uncertainty, we can adjust the asset allocation accordingly to reduce the near term risks.

Compliance with the agreed upper risk (expected volatility) limits for each fund is monitored monthly as part of an internal compliance process using Distribution Technology's risk profiling system. We also submit asset allocation data to Distribution Technology on a quarterly basis to enable them to independently verify compliance.

Investment awards and ratings

The Risk Managed Funds are mapped by several external risk profilers: Distribution Technology, Defaqto, and Synaptic. The ratings can be found [on our website](#) or on your preferred risk profilers' website.

The Cornelian Risk Managed Funds are Scopic Research DNA Approved, QuantQual Platinum Rated, RSMR Rated and Defaqto five diamond rated.

The Cornelian RMP Range are Defaqto five diamond rated.

Adviser support

We value the relationships that we have with advisers and aim to provide the highest level of service standard. All advisers have access to our Risk Managed Funds Team – whether that be in our interactive, investment webinars or via pre-arranged video conference sessions.

In addition, bespoke meetings or small presentations with a member of the Team may be arranged on request. We produce a wide range of material to support advisers in their client discussions, including:

- Individual reports for each of our risk-managed funds, containing performance and volatility information together with trading commentary
- Detailed market overview and latest investment outlook
- Ad hoc email notification of trading updates in the funds, as soon as they occur
- Detailed Asset Allocation and full holdings 'look-through'

Advisers are also supported by a dedicated sales team, with regional representatives across the UK.

Throughout the year, we hold various periodic and ad hoc events that generally involve education or training. We also publish investment and regulatory insight and educational content via our website. Much of this is qualified under the Continuing Professional Development (CPD) Scheme.

Costs and charges

Costs and charges for the Cornelian Risk Managed Funds are available to access [on our website](#).

Risk management

Investment risk oversight

All funds managed by the group are subject to a quarterly oversight by the second line investment risk team in the form of Funds Oversight Committee (FOC) meetings. FOC include review of compliance with the relevant fund legislation (such as COLL & UCITs Rules) and fund literature such as Prospectus, KIID and Mandates or Investment Policy Statements.

FOC also monitor adherence to the Brooks Macdonald investment process and limits, performance and risk deviations from fund's benchmark and various risks affecting the funds (market, counterparty, concentration, liquidity and other). An extensive analytics pack is produced to support the discussion for each meeting.

Concentration risk

For our OEIC funds, we monitor compliance with the UCITS investment and borrowing powers set out in the FCA COLL Sourcebook on a monthly basis. These rules set out a number of restrictions designed to ensure a prudent spread of risk.

Liquidity

On a quarterly basis a formal analysis of liquidity of holdings is undertaken by the research/CIO team for all equity positions and stock-exchange traded closed-ended investment funds. Strict criteria have been set that limit exposure to any single security and the proportion of outstanding shares in issue that can be owned by the company.

Liquidity is assessed with reference to observed average daily volume traded in the market. When a holding has reached its liquidity limit it is put on hold and the holding will not be added to, thereafter. The liquidity analysis and any recommendations based on this analysis are presented to the FRMO for discussion.

The proportion of each collective investment scheme owned is assessed at the same time. The FRMO reviews these inputs against limits set by the Investment Committee which are deemed to be appropriate for each investment type. For funds, second line investment risk independently produce a liquidity report which is included into the FOC pack.

Oversight and governance

Authorised Corporate Director (ACD)

The Authorised Corporate Director of the SVS Brooks Macdonald Fund and SVS Cornelian Investment Funds is Tutman Fund Services Limited.

Regular review meetings take place between Brooks Macdonald and Tutman Fund Services Limited, and Brooks Macdonald conducts a formal due diligence assessment of Tutman Fund Services Limited on an annual basis.

Trustee and depositary

The Trustee and Depositary of the SVS Brooks Macdonald Fund and SVS Cornelian Investment Funds is NatWest Trustee & Depositary Services Limited.

The assets of the SVS Brooks Macdonald Fund and SVS Cornelian Investment Funds are ring-fenced and held separately from any assets of the investment manager.

Custodian

The Custodian of the SVS Brooks Macdonald Fund is BNP Paribas Securities Services, London Branch.

The Custodian of the SVS Cornelian Investment Funds is The Bank of New York Mellon, London Branch.

Auditors

The auditors of the SVS Brooks Macdonald Fund and the SVS Cornelian Investment Funds are Johnston Carmichael LLP.

Client money

As required by the FCA's client money rules, the ACD will hold money received from clients or on the client's behalf in accordance with those rules in a pooled client bank account, with an approved bank (as defined in the FCA Rules) in the UK. The ACD will not be liable for any acts or omissions of the approved bank.

The approved bank will be responsible for any acts or omissions within its control. In the event of the insolvency of any party, clients' money may be pooled which means that shareholders may not have a claim against a specific account and may not receive their full entitlement, as any shortfall may be shared pro rata amongst all clients. The ACD is covered by the Financial Services Compensation Scheme (FSCS). The FSCS may pay compensation if the ACD is unable to meet its financial obligations.

European MiFID Template

The most recent European MiFID Template (EMT) for our funds is available upon request from the ACD. As an industry-standard document, the EMT outlines key product information including target market, distribution strategy, and associated costs and charges. To obtain a copy, please contact: info@tutman.co.uk.

Assessment of Value (AOV)

The latest AOV Report can be found with the Report & Accounts on the ACD's website: tutman.co.uk/literature

Accessibility

Our funds are available on most of the major platforms. If you require further details on platform availability, please contact your regional Business Development Manager.

They are also available to access directly from the ACD, Tutman Fund Services Limited (minimum initial investment £1,000).

Dealing frequency

Daily dealing, 12.00 noon (UK time) cut off

Pricing method

Forward single price

Settlement

T+4

Tax planning

The funds can be held in a variety of different tax wrappers. The collective structure is treated as one investment that is directly held by the client.

The changes made by the investment manager to underlying investments held within the collective structure are not subject to CGT and so a potential liability only occurs when the investor sells units of the collective investment itself.

Tax treatment depends on your individual circumstances and may be subject to change in the future. There is no guarantee that the tax efficient nature of any investment will remain. Brooks Macdonald does not provide tax advice and independent professional advice should be sought. Investors should be aware of the additional risks associated with funds investing in smaller companies.

Performance reporting

The most recent performance of the funds is published monthly on our website together with all other reporting for the funds (see 'Adviser support'), and is also available on request.

Pricing and valuation

The ACD values the funds on a daily basis at 12 noon UK time and produces a Net Asset Value (NAV) for each share class.

Fund prices are published daily and are available both from the ACD, and via a number of third party data vendors including Trustnet/Financial Express, Morningstar Direct, Factset and Bloomberg. Prices of Shares may also be obtained by calling 0141 222 1151 during the ACD's normal business hours.

Yield figures are calculated by the ACD and are available on request.

Important information

This document is provided for use exclusively by professional advisers only and is not intended for use by retail clients. No part of this document may be reproduced in any manner without prior permission. The information in this document does not constitute advice or a recommendation and you should not make any investment decisions on the basis of it.

Investors should be aware that the price of investments and the income from them can go down as well as up and that neither is guaranteed. Past performance is not a reliable indicator of future results. Investors may not get back the amount invested. Changes in rates of exchange may have an adverse effect on the value, price or income of an investment. Investors should be aware of the additional risks associated with funds investing in emerging or developing markets. Tax treatment depends on individual circumstances and may be subject to change in the future. Brooks Macdonald does not provide tax advice and independent professional advice should be sought.

The Authorised Corporate Director of the company is Tutman Fund Solutions Limited which is authorised and regulated in the UK by the Financial Conduct Authority. The registered and head office of Tutman Fund Solutions Limited is Exchange Building, St John's Street, Chichester, West Sussex UK PO19 1UP. The specific details of the funds including investment policy, charges and the associated risks are explained in the full Funds Prospectus and in the Key Investor Information Documentation (KIIDs) – a link to these is available via the Brooks Macdonald website.

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Business Relief (BR) is not guaranteed and remains at the discretion of HMRC to be determined on the death of the individual. The individual could die before the two year BR qualification period has been achieved. It is important to note that the BR tax regime itself could be withdrawn by the UK Government at any point in the future.

Brooks Macdonald is a trading name of Brooks Macdonald Group plc used by various companies in the Brooks Macdonald group of companies. Brooks Macdonald Group plc is registered in England No: 04402058. Registered office: 40 Leadenhall, London EC3A 2BJ.

More information about the Brooks Macdonald Group can be found at brooksmacdonald.com