FOR PROFESSIONAL ADVISERS ONLY

Our Value Assessment

Realising Ambitions. Securing Futures. We are Brooks Macdonald.

Contents

Our Approach to Value Assessments

For the purposes of Consumer Duty rules, Brooks Macdonald is a manufacturer of the investment services included in this guide.

Under Consumer Duty, the FCA expects a high level of communication and ongoing rapport between manufacturers such as Brooks Macdonald and professional advisers (distributors), to allow parties at all levels of the value chain to be able to assess that the products they create, offer or advise on, and demonstrate that they are delivering good outcomes for clients.

This means sharing all relevant information with you about our products and services such as this value assessment and any other information necessary for you to understand the characteristics of the product, as well as sufficient information for you to understand whether the product is suitable for any potentially vulnerable clients.

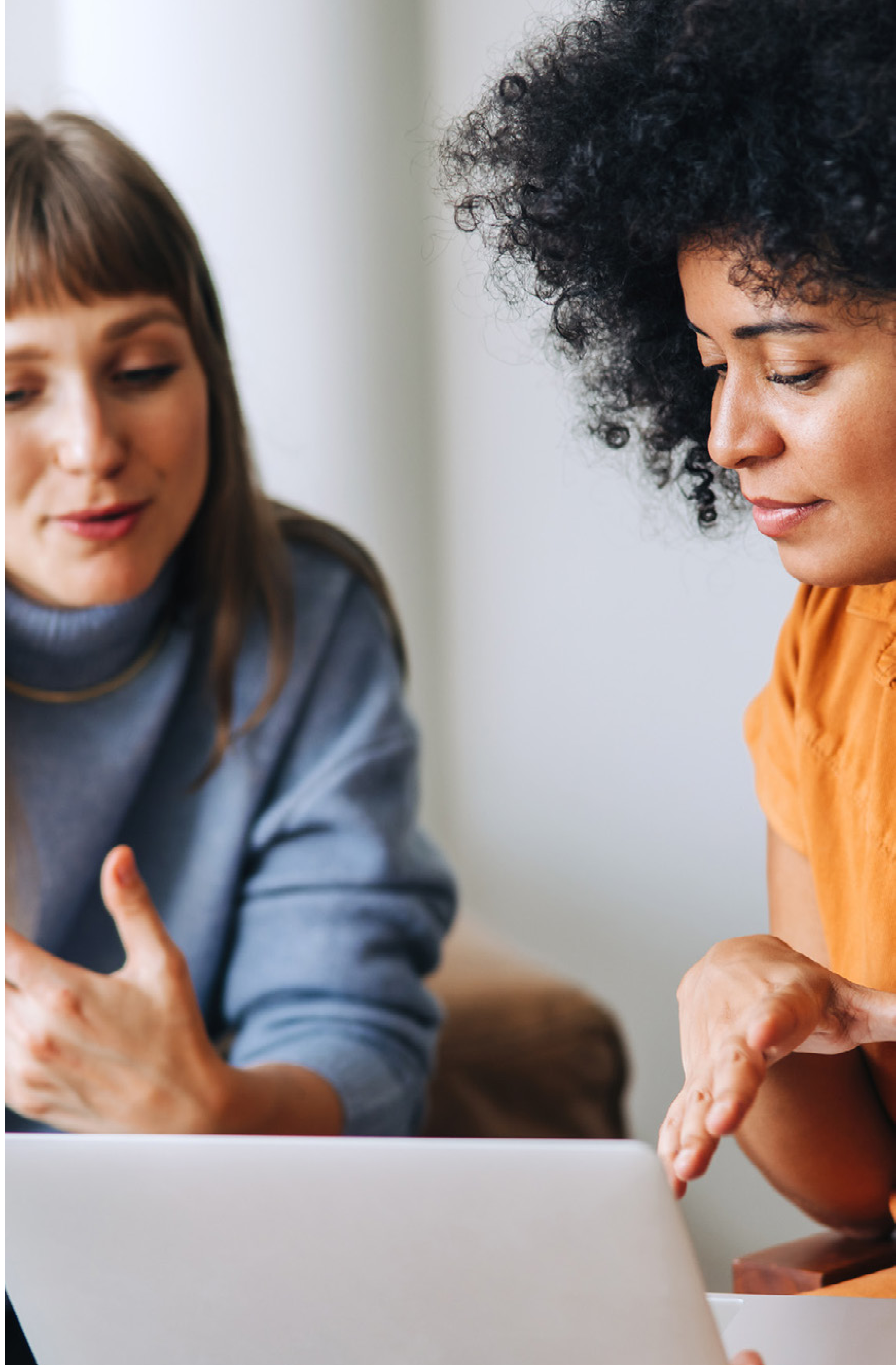
The value assessment is designed to make sure that your clients pay a fair price for our products and services. We will make sure that our prices are fair in relation to the:

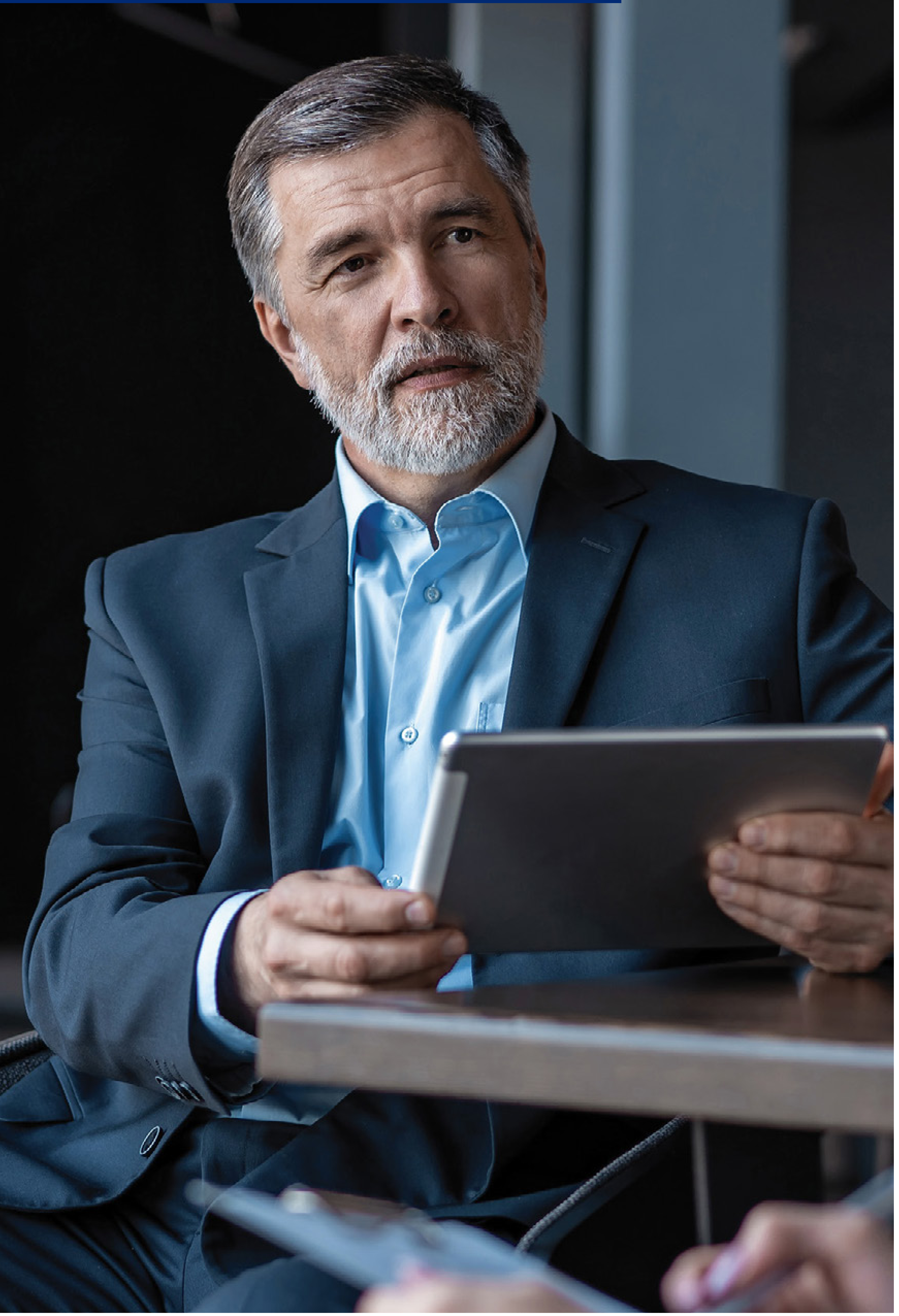
- Key features and benefits of the product or service.
- Quality of service your client receives.
- Performance of the product or service.
- Price of comparable products or services.
- Costs we incur to deliver the product or service.

For distributors utilising Brooks Macdonald Investment Solutions (BMIS), Brooks Macdonald is acting as manufacturer of investment services. As BMIS is a consultation function the additional features and benefits (beyond those detailed in each investment service value assessment) may include support from the dedicated investment solutions team and co-branded marketing materials and factsheets.

Assessment of financial instruments

Where our services invest in third party funds, we assess the compatibility of these with the needs of end clients. Assessments include consideration of the clients' risk appetite, the impact of costs and charges, and the financial strength of any product manufacturers. We also consider manufacturers' defined target markets and the knowledge of our client base. To ensure that financial instruments distributed to clients are fully understood, our investment managers are required to complete detailed due diligence on investments. For all instruments used within our Centralised Investment Process, this due diligence is reviewed and approved by the Asset Selection Committee. For further information on the details of our due diligence processes for financial instruments, please refer to our Standard Due Diligence Questionnaire.





We will obtain detail from manufacturers on the outcome of their value assessment to be satisfied that the investments included in our portfolios provide fair value.

In instances where adequate information is not publicly available from the manufacturer, we undertake additional due diligence to ensure that the target market can be determined with sufficient granularity.

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.
- 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 our 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/ faceto- 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.

Our Methodology

Key features and benefits

We have considered the key features and benefits of our discretionary investment management services as they relate to four key areas, and the extent to which the service has the capacity to deliver individually for a client.

- **Investment mandate:** breadth of options and degree of flexibility for clients in terms of their required investment objective(s), risk profile, and specific investment preferences restrictions.
- **Investment universe:** nature and scope of economic and securities research and analysis required to deliver the investment mandate.
- **Client updates and information:** regular reporting, digital access, contact with our investment personnel/teams, and approach to ad-hoc queries that your clients can expect.
- **Custody and administration:** extent to which we undertake such activities on your client's behalf.

Our findings

To learn about our findings and conclusions from our analysis in the above categories, please refer to the relevant information for each individual investment service in the 'Our findings' section.

Quality of service

We greatly value our clients' satisfaction, and all feedback helps us to keep refining the services we provide.

Market research services, such as Defaqto, carry out detailed independent assessments of many of our services. Defaqto also conduct an annual satisfaction survey of financial advisers who use our products and services and we will regularly work with other providers to carry out equally detailed satisfaction surveys with our private clients.

We also consider a variety of internal metrics as an indicator of client satisfaction including the number and nature of client complaints, client tenure and asset flows.

Performance

While investment returns are not guaranteed, we believe it is reasonable for your clients to expect us to deliver competitive performance over the medium to long term.

We believe the value we add is in the outperformance of our investment services relative to market benchmarks or peer groups.

We have assessed rolling five-year historic returns on a quarterly basis for the available track record, and have reviewed the proportion of data points where our portfolios have outperformed to evidence consistency. We have used total returns, net of fees.

Where applicable we have relied on independent data and analysis from providers such as Asset Risk Consultants (ARC), who create Private Client Indices and publish quarterly reports, and Morningstar.

For additional data and information about the historic performance of our investment management products and services, please refer to the factsheets and literature available on our website.

The bespoke nature of some services means that some clients will also benefit financially from tax efficiencies through our discretionary active management of product wrappers and tax allowances.

Price

We have considered the total cost of our discretionary investment management services to clients with reference to key components:

- **Investment service fees:** the fees we charge for providing clients with the investment service. This includes any initial fee, annual management charge, transaction charges, foreign exchange charges (for non-sterling transactions).
- **Underlying product charges:** the costs of manufacturing and managing the underlying investments, e.g. funds, where costs are taken directly from these investments, includes one-off charges, ongoing charges, transaction charges, incidental costs.
- **Other administrative charges:** associated with specific administrative activities, includes for stock transfers, chaps payments, historic valuations and probate services, Lifetime ISA withdrawals.

Whilst we have not included any costs associated with advice, we have taken into consideration in our value assessments that our discretionary services are sold via financial advisers who will charge fees for advice in addition to our fees.

We have also considered our investment service fees and the total cost to clients of our services in the context of the fees and costs charged by a selection of other UK discretionary investment management firms who provide similar services.

Where available we have relied on data and analysis conducted by independent research agencies such as Platforum. Where independent research is not available to us, we have undertaken our own analysis based on publicly available information sourced from providers' websites.

We have also assessed the rates that our existing clients are currently paying and how that aligns withexpectations based on our published pricing approach and rate cards.

For full details on our charges for our services, please contact your Brooks Macdonald representative or email us at info@brooksmacdonald.com.

Costs

We have considered both the direct and indirect costs that Brooks Macdonald incur to deliver our discretionary investment management services to clients.

These include:

- People who work exclusively to deliver the service e.g. Investment Managers, Portfolio Assistants and Administrators.
- People who support the provision of the range of services, e.g. Investment research and analysis, risk oversight and management, sales and marketing.
- Standard business overheads such as outsourced administration activities, technology and office costs, and other ancillary costs required to deliver our services.

Our ongoing commitments

As part of our robust approach to product oversight and governance, we will continue to assess the value for money offered to clients by our range of investment services on a regular basis.

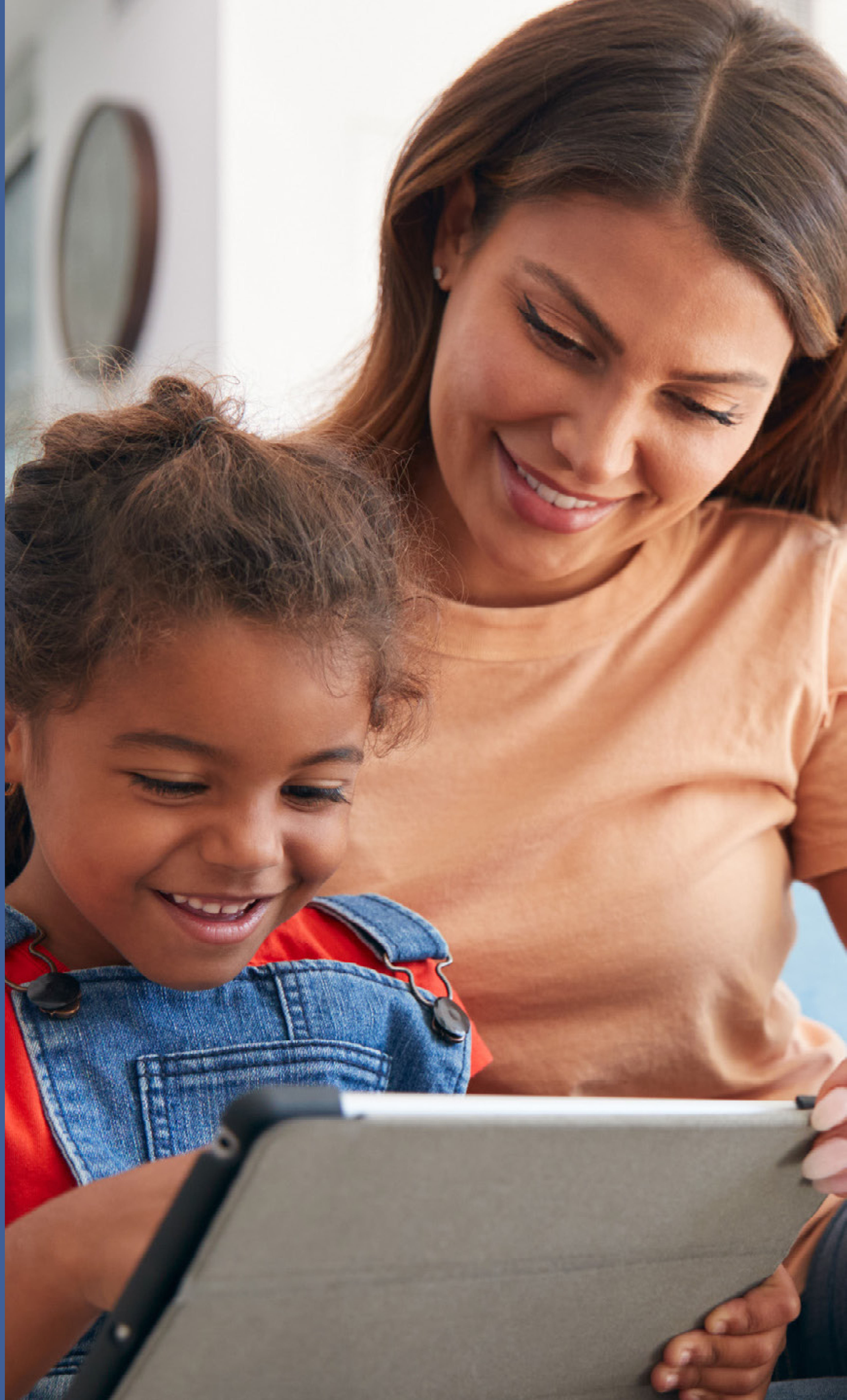
We recognise that each of our clients has their own distinct needs and desired outcomes, and with this in mind, we are continually looking for ways to enhance our investment products and services.

To achieve this, we will continue to undertake a range of activities including:

- Seeking feedback to better understand what you and your clients value most in your relationship with Brooks Macdonald, and how we can adapt our services and product offering to best meet your needs.
- Reviewing the range of management information we collate so we can provide the best quality of service to clients.
- Testing our operational and marketing materials with clients and professional advisers to ensure that our documentation is relevant, clear and appropriate.
- Regularly reviewing our charges and fee structures to ensure they are reasonable and appropriate for clients.

Bespoke Portfolio Service (BPS)

This service is designed for clients who want an individual investment portfolio tailored to their personal requirements. It is offered on a discretionary basis, which means that a dedicated investment manager will make investment decisions on your client's behalf, using their knowledge and expertise.



Key features and benefits

- **Investment mandate:** your client's investment mandate will be tailored to meet their individual requirements. Your client's portfolio will be optimised, making use of appropriate tax wrappers and allowances.
- **Investment universe:** your client's portfolio is actively managed by an investment manager who leverages our centralised investment process which involves research and analysis across multiple asset classes and geographies to inform our house view and securities buylists.
- **Client updates and information:** your client will receive a comprehensive personal portfolio valuation on a quarterly basis, an annual review, and access to InvestBM, an online portal, which provides up to date portfolio valuations, a record of all transactions and tools to analyse and understand specific holdings. Your client also has direct access to their investment manager and a local support team who are responsible for all ongoing administration of your client's portfolio and are available to respond to any of your clients' questions or requests.
- All new clients are provided with a personal investment proposal which considers their individual circumstances and requirements.
- **Custody and administration:** your clients' assets will be held in our custody and we will be responsible for all administration activity associated with their portfolio.

Given the range of benefits and bespoke nature of this service, we believe it can meet a broad variety of needs, providing a comprehensive investment solution and ultimate peace of mind for clients.

Quality of service

For 2024, Defaqto has assessed and awarded our Bespoke Portfolio Service a five star rating, the highest available. In addition, Defaqto's annual satisfaction survey showed Brooks Macdonald ranked as a top performing DFM by financial advisers across a range of categories including Service, Accessibility and Quality of Staff.

The number of client complaints we have received remains very low, though there has been a slight rise following a recent digital upgrade within the business. Ultimately this digital transformation will strengthen our business and provide an improved service for our clients, but we appreciate the stress that change can cause, and we are working to make the transition across to our new systems as smooth as possible, for all involved.

The majority of our BPS clients have been with us for at least seven years and over two thirds have been with us for at least five years. We believe that clients' satisfaction with this service is good. We will continue to closely monitor our management information so we can provide a high quality of service to clients.

Performance

Assessment of the performance of BPS portfolios relative to the ARC Private Client Indices shows:

- Client portfolios with a high risk allocation have consistently outperformed the peer group average on a five year rolling basis.
- Client portfolios with low to medium, medium and medium to high risk allocations have outperformed the peer group average on a five year rolling basis over 75% of the time.
- Client portfolios with a low risk allocation have outperformed the peer group average on a three year rolling basis over 70% of the time.

We acknowledge that sometimes portfolios will underperform during points in the investment cycle given their particular investment style. For additional data and information about the historic performance of our investment management products and services, please refer to the factsheets and literature available on our website.

The bespoke nature of this service means that some clients will also benefit financially from tax efficiencies through our discretionary active management of product wrappers and tax allowances.

Source: Brooks Macdonald and Asset Risk Consultants (ARC), as at March 2024

Price

The service has a flexible pricing structure to accommodate the breadth of the offering and to ensure individual clients pay a fair rate.

Given the bespoke nature of the service, the current pricing approach means that clients will pay an appropriate investment service fee rate for their circumstances, on the basis of volume of both assets and anticipated transactional activity. For example, clients with large portfolios will not pay high nominal fees that cannot be justified by a commensurately larger management burden for Brooks Macdonald, and portfolios with less frequent or less voluminous trading are not paying unjustifiable costs associated with dealing activity.

Entry and exit fees are not typically charged for this service. Additional administrative costs are only levied when specific events that warrant them occur.

As this service invests significantly in third party funds, a material part of the total cost to clients will be the underlying product charges levied and collected by the fund manager. We actively monitor these costs and endeavour to ensure we get competitive rates.

In the context of Brooks Macdonald's full range of investment products and services, this service has a higher cost to clients than others offered by Brooks Macdonald.

We have compared the total cost to clients of this service with other firms offering a similar service and found ours to be in line with our peers.

Given the bespoke nature of the service, it is expected that clients will pay different levels of fees. We have reviewed the actual rates paid by clients of the service to ensure the degree of dispersion amongst clients is in line with our expectations. Where we have identified any outliers paying higher than expected fees, we have taken action.

We regularly review our charges and fee structures to ensure that they are reasonable and appropriate for clients.

Costs

A significant proportion of the total cost to Brooks Macdonald of delivering this service is the staff costs associated with providing clients with a comprehensive range of investment benefits with individual portfolio tailoring, and full servicing and administration. In the context of Brooks Macdonald's full range of investment products and services, the service has a higher cost to deliver.

Effective management of costs is a key requirement for providing value to clients. We will continue to closely monitor the costs we incur to deliver this service and will seek to pass on any savings or reinvest back into our business to enhance the investment services we provide to clients.

Conclusion

We believe the total cost to clients of the Bespoke Portfolio Service is proportionate and fair in the context of its total benefits and that the service represents value for money for clients.

Bespoke Retirement Strategy

(formally Decumulation Service)

This is a specialist service designed for clients who want an individual investment portfolio tailored to their personal requirements and who are approaching a particular phase in life where they are no longer accumulating wealth and are relying on their investments and savings to generate a required level of income, for example retirement. This service is offered on a discretionary basis, which means that a dedicated investment manager will make investment decisions on your client's behalf, using their knowledge and expertise.

Key features and benefits

- **Investment mandate:** your client's investment mandate will be tailored to meet their individual requirements. This will involve delivering a regular income from their portfolio, at the yield and frequency required by the client. Your client's portfolio will be optimised, making use of appropriate tax wrappers and allowances.
- **Investment universe:** your client's portfolio is actively managed by an investment manager who leverages our centralised investment process which involves research and analysis across multiple asset classes and geographies to inform our house view and securities buylists.
- **Client updates and information:** your client will receive a comprehensive personal portfolio valuation on a quarterly basis, an annual review, and access to InvestBM, an online portal, which provides up to date portfolio valuations, a record of all transactions and tools to analyse and understand specific holdings. Your client also has direct access to their investment manager and a local support team who are responsible for all ongoing administration of your client's portfolio and are available to respond to any of your clients' questions or requests.
- All new clients are provided with a personal investment proposal which considers their individual circumstances and requirements.
- **Custody and administration:** your clients' assets will be held in our custody and we will be responsible for all administration activity associated with their portfolio.

Given the range of benefits and bespoke nature of this service, we believe it can meet a broad variety of needs, providing a comprehensive investment solution and ultimate peace of mind for clients.

Quality of service

While Defaqto do not specifically review the Bespoke Retirement Strategy, for 2025, they have assessed our DFM services generally and awarded us a gold rating, the highest available. In addition, Defaqto's most recent satisfaction survey showed Brooks Macdonald ranked in the top 5 as preferred provider for DFM services amongst financial advisers.

No complaints have been received from clients about this service in the last 12 months.

This is a relatively new service, launched in 2017, and has attracted positive net flows over the last three years.

We believe that clients' satisfaction with this service is good. We will continue to closely monitor our management information so we can provide a high quality of service to clients.

Performance

Due to the separate, bespoke short-term portfolio in this service we are unable to provide benchmarked performance at an overall service level. The long-term portfolio in our Bespoke Retirement Strategy and our standard BPS are managed to the same overall risk levels.

Assessment of the performance of BPS portfolios relative to the ARC Private Client indices shows:

- Client portfolios with a high risk allocation have outperformed the peer group average on a five year rolling basis over 90% of the time.
- Client portfolios with low to medium, medium and medium to high risk allocations have outperformed the peer group average on a five year rolling basis around 80% of the time.
- Client portfolios with a low risk allocation have outperformed the peer group average on a five year rolling basis around 70% of the time.

We acknowledge that sometimes portfolios will underperform during points in the investment cycle given their particular investment style.

For additional data and information about the historic performance of our investment management products and services, please refer to the factsheets and literature available on our website.

The bespoke nature of this service means that some clients will also benefit financially from tax efficiencies through our discretionary active management of product wrappers and tax allowances.

Source: Brooks Macdonald and Asset Risk Consultants (ARC), as at December 2024

Price

The service has a flexible pricing structure to accommodate the breadth of the offering and to ensure individual clients pay a fair rate.

Given the bespoke nature of the service, the current pricing approach means that clients will pay an appropriate investment service fee rate for their circumstances, on the basis of volume of assets. For example, clients with large portfolios will not pay high nominal fees that cannot be justified by a commensurately larger management burden for Brooks Macdonald.

Entry and exit fees are not typically charged for this service. Additional administrative costs are only levied when specific events that warrant them occur.

As this service invests significantly in third party funds, a material part of the total cost to clients will be the underlying product charges levied and collected by the fund manager. We actively monitor these costs and endeavour to ensure we get competitive rates.

In the context of Brooks Macdonald's full range of investment products and services, this service has a higher cost to clients than others offered by Brooks Macdonald.

Given the specialist nature of this service, there are limited comparable products in the market. We have compared the total cost to clients of our standard BPS service with other firms offering a similar service and found ours to be in line with our peers.

Given the bespoke nature of the service, it is expected that clients will pay different levels of fees. We have reviewed the actual rates paid by clients of the service to ensure the degree of dispersion amongst clients is in line with our expectations.

We regularly review our costs and fee structures to ensure that they are reasonable and appropriate for clients.

Costs

A significant proportion of the total cost to Brooks Macdonald of delivering this service is the staff costs associated with providing clients with a comprehensive range of investment benefits with individual portfolio tailoring, and full servicing and administration. In the context of Brooks Macdonald's full range of investment products and services, the service has a higher cost to deliver.

Effective management of costs is a key requirement for providing value to clients. We will continue to closely monitor the costs we incur to deliver this service and will seek to pass on any savings or reinvest back into our business to enhance the investment services we provide to clients.any savings or reinvest back into our business to enhance the investment services we provide to clients.

Conclusion

We believe the total cost to clients of the Bespoke Retirement Strategy is proportionate and fair in the context of its total benefits and that the service represents value for money for clients.

BPS Responsible Investment Service (RIS)

Advance and Avoid Strategies

This service is designed for clients who want an individual responsible investment portfolio tailored to their personal requirements. It is offered on a discretionary basis, which means that a dedicated investment manager will make investment decisions on your client's behalf, using their knowledge and expertise.

Key features and benefits

- **Investment mandate:** your client's investment mandate will be tailored to meet their individual requirements. Your client's portfolio will be optimised, making use of appropriate tax wrappers and allowances. The investment manager will follow a responsible investment strategy, either investing in actively managed funds that aim to advance businesses that provide solutions to sustainability issues, or have strong corporate policies and outputs relating to ESG criteria (Advance) or that restrict investment into sectors that do not align with client values e.g. exclusionary criteria for armaments, gambling, tobacco, alcohol and pornography (Avoid).
- **Investment universe:** your client's portfolio is actively managed by an investment manager who leverages our centralised investment process which involves research and analysis across multiple asset classes and geographies to inform our house view and securities buylists.
- **Client updates and information:** your client will receive a comprehensive personal portfolio valuation on a quarterly basis, an annual review, and access to InvestBM, an online portal, which provides up to date portfolio valuations, a record of all transactions and tools to analyse and understand specific holdings. Your client also has direct access to their investment manager and a local support team who are responsible for all ongoing administration of your client's portfolio and are available to respond to any of your clients' questions or requests. All new clients are provided with a personal investment proposal which considers their individual circumstances and requirements.
- Dedicated Responsible Investment Service information is available on our website and we also publish a RIS report on a bi-annual basis.
- **Custody and administration:** your clients' assets will be held in our custody and we will be responsible for all administration activity associated with their portfolio.

Given the range of benefits and bespoke nature of this service, we believe it can meet a broad variety of needs, providing a comprehensive investment solution and ultimate peace of mind for clients.

Quality of service

While Defaqto do not specifically review the BPS Responsible Investment Service, for 2026, they have assessed our DFM services generally and awarded us a gold rating, the highest available. In addition, Defaqto's annual satisfaction survey showed Brooks Macdonald ranked in the top five as preferred provider for DFM services amongst financial advisers.

The number of client complaints we have received remains very low, but there has been a slight rise following a recent digital upgrade within the business. Ultimately this digital transformation will strengthen our business and provide an improved service for our clients, but we appreciate the stress that change can cause, and we are working to make the transition across to our new systems as smooth as possible, for all involved.

This is a relatively new service, launched in 2018, and has attracted positive net flows over the last three years.

We believe that clients' satisfaction with this service is good. We will continue to closely monitor our management information so we can provide a high quality of service to clients.

Performance

Assessment of the performance of RIS portfolios relative to the IA indices shows:

- In the RIS strategy, our Medium risk model portfolio has outperformed its benchmark on a five year rolling basis 42% of the time.

While underlying investments are different, the RIS portfolios and our standard BPS are managed to the same overall risk levels. Assessment of the performance of BPS portfolios relative to the ARC Private Client indices shows:

- Client portfolios with a high risk allocation have consistently outperformed the peer group average on a five year rolling basis.
- Client portfolios with low, low to medium, and medium risk allocations have outperformed the peer group average on a five year rolling basis over 70% of the time.
- Client portfolios with a medium to high risk allocation have outperformed the peer group average on a five year rolling basis around 50% of the time.

We acknowledge that sometimes portfolios will underperform during points in the investment cycle given their particular investment style.

For additional data and information about the historic performance of our investment management products and services, please refer to the factsheets and literature available on our website.

The bespoke nature of this service means that some clients will also benefit financially from tax efficiencies through our discretionary active management of product wrappers and tax allowances.

Source: Brooks Macdonald and Asset Risk Consultants (ARC), as at December 2022

Price

The service has a flexible pricing structure to accommodate the breadth of the offering and to ensure individual clients pay a fair rate.

Given the bespoke nature of the service, the current pricing approach means that clients will pay an appropriate investment service fee rate for their circumstances, on the basis of volume of both assets and anticipated transactional activity.

For example, clients with large portfolios will not pay high nominal fees that cannot be justified by a commensurately larger management burden for Brooks Macdonald, and portfolios with less frequent or less voluminous trading are not paying unjustifiable costs associated with dealing activity.

Entry and exit fees are not typically charged for this service. Additional administrative costs are only levied when specific events that warrant them occur.

As this service invests significantly in third party funds, a material part of the total cost to clients will be the underlying product charges levied and collected by the fund manager. We actively monitor these costs and endeavour to ensure we get competitive rates.

In the context of Brooks Macdonald's full range of investment products and services, this service has a higher cost to clients than others offered by Brooks Macdonald.

Given the specialist nature of this service, there are limited comparable products in the market. We have compared the total cost to clients of our standard BPS service with other firms offering a similar service and found ours to be in line with our peers.

Given the bespoke nature of the service, it is expected that clients will pay different levels of fees. We have reviewed the actual rates paid by clients of the service to ensure the degree of dispersion amongst clients is in line with our expectations.

We regularly review our costs and fee structures to ensure that they are reasonable and appropriate for clients. We are currently in the process of conducting a separate, comprehensive review of pricing across our range of discretionary products and services. Our findings from this value assessment will be considered as part of that work.

Costs

A significant proportion of the total cost to Brooks Macdonald of delivering this service is the staff costs associated with providing clients with a comprehensive range of investment benefits with individual portfolio tailoring, and full servicing and administration. In the context of Brooks Macdonald's full range of investment products and services, the service has a higher

cost to deliver.

Effective management of costs is a key requirement for providing value to clients. We will continue to closely monitor the costs we incur to deliver this service and will seek to pass on any savings or reinvest back into our business to enhance the investment services we provide to clients.

Conclusion

We believe the total cost to clients of the BPS Responsible Investment Service is proportionate and fair in the context of its total benefits and that the service represents value for money for clients.

Alternative Investment Market (AIM)

Portfolio Service

This is a specialist service that provides clients with exposure to a carefully selected portfolio of AIM listed companies. Your clients can derive potential Inheritance Tax (IHT) benefits from the service via the UK's Business Relief for Inheritance Tax policy, which seeks to encourage investment in certain qualifying companies by providing investors with an IHT exemption after two years of ownership. It is offered on a discretionary basis, which means that a dedicated investment manager will make investment decisions on your client's behalf, using their knowledge and expertise.

Key features and benefits

- **Investment mandate:** your client's investment mandate will be specifically focussed on supporting their inheritance planning financial objectives.
- **Investment universe:** your client's portfolio is actively managed by a team of discretionary investment managers who undertake specialist research in AIM-listed companies which are eligible for Business Relief.
- **Client updates and information:** your client will receive a comprehensive personal portfolio valuation on a quarterly basis and access to InvestBM, an online portal, which provides up to date portfolio valuations, a record of all transactions and tools to analyse and understand specific holdings.
- **Custody and administration:** your clients' assets will be held in our custody and we will be responsible for all administration activity associated with their portfolio.

Quality of service

While Defaqto do not specifically review the AIM Portfolio Service, for 2025, they have assessed our DFM services generally and awarded us a gold rating, the highest available. In addition, Defaqto's most recent satisfaction survey showed Brooks Macdonald ranked in the top 5 as preferred provider for DFM services amongst financial advisers.

The number of complaints we receive from clients in our AIM service remains very low, but there has been a slight rise following a recent digital upgrade within the business.

Ultimately this digital transformation will strengthen our business and provide an improved service for our clients, but we appreciate the stress that change can cause, and we are working to make the transition across to our new systems as smooth as possible, for all involved.

The majority of AIM clients have been with us for at least five years and over two thirds of our clients have been with us for at least three years.

We believe that clients' satisfaction with this service is good. We will continue to closely monitor our management information so we can provide a high quality of service to clients.

Performance

Assessment of the performance of AIM portfolios relative to the Numis Alternative Market Index shows that they have outperformed the Index on a five year rolling basis over 75% of the time.

Additional financial benefit is provided by this service as assets benefit from IHT relief if held for a minimum of two years - after two years, qualifying AIM shares will attract 50% relief from IHT.

Source: Brooks Macdonald and Numis Alternative Market Inc, as at 31st May 2026.

Tax treatment depends on your clients' 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.

Price

The service has a flexible pricing structure to ensure individual clients pay a fair rate.

Given the standardised nature of the service, the current pricing approach means that clients will typically pay a similar investment service fee rate. There is a degree of flexibility to ensure clients with large portfolios will not pay high nominal fees that cannot be justified by a commensurately larger management burden for Brooks Macdonald, and portfolios with less frequent or less voluminous trading are not paying unjustifiable costs associated with dealing activity.

Entry and exit fees are not typically charged for this service. Additional administrative costs are only levied when specific events that warrant them occur.

As this service invests directly in equities the additional underlying product costs associated with investment in third party funds does not apply.

In the context of Brooks Macdonald's full range of investment products and services, this service has a higher cost to clients than others offered by Brooks Macdonald.

We have compared the total cost to clients of this service with other firms offering a similar service and found ours to be in line with our peers.

Given the standardised nature of the service, it is expected that clients will pay a similar level of fees. We have reviewed the actual rates paid by clients of the service to ensure the dispersion is in line with our expectations. Where we have identified any outliers paying higher than expected fees, we have taken action.

We regularly review our costs and fee structures to ensure that they are reasonable and appropriate for clients.

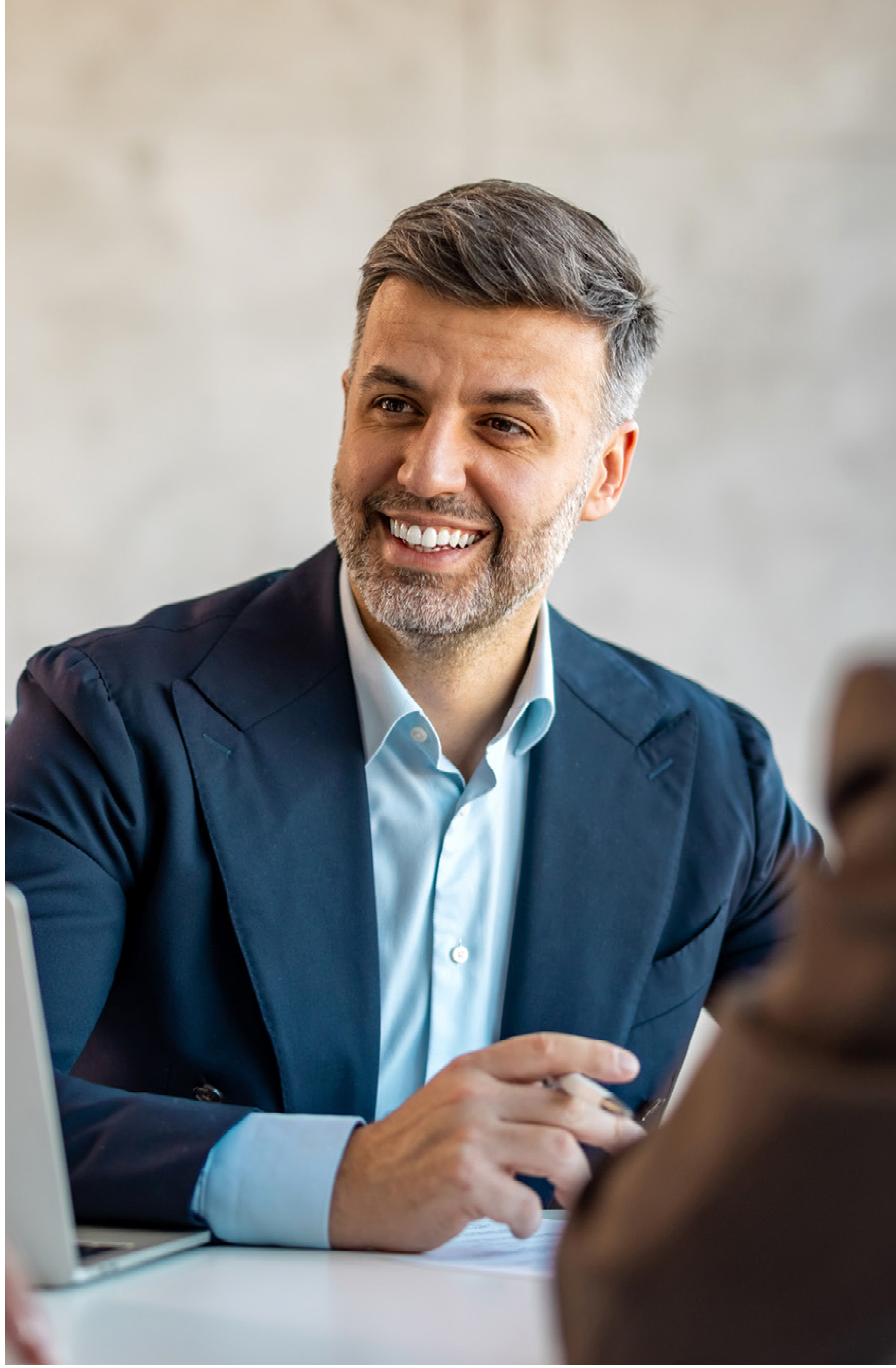
Costs

A significant proportion of the total cost to Brooks Macdonald of delivering this service is the staff costs associated with providing clients with specialist investment benefits, and full servicing and administration. In the context of Brooks Macdonald's full range of investment products and services, the service has a moderate cost to deliver.

Effective management of costs is a key requirement for providing value to clients. We will continue to closely monitor the costs we incur to deliver this service and will seek to pass on any savings or reinvest back into our business to enhance the investment services we provide to clients.

Conclusion

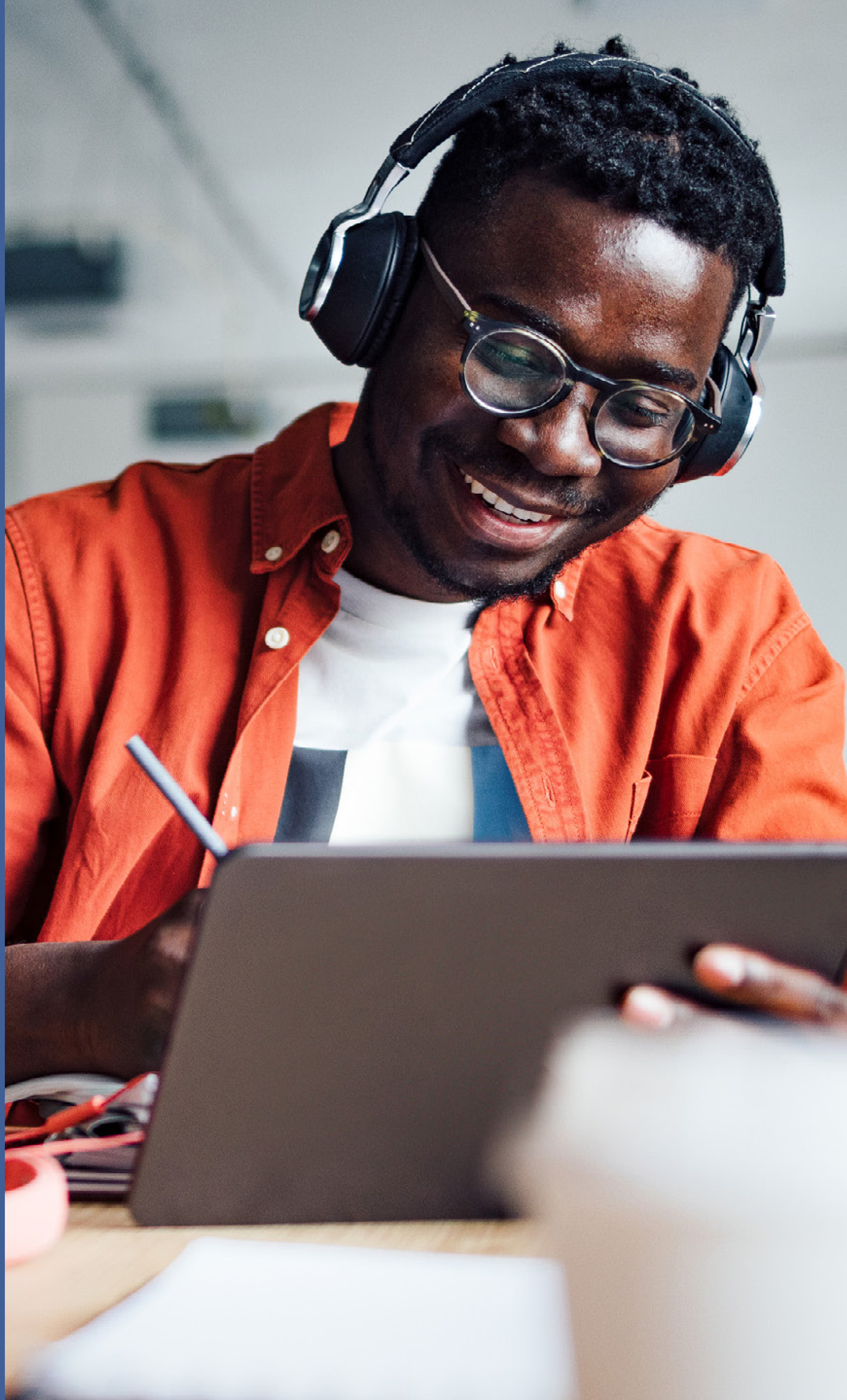
We believe the total cost to clients of the AIM Portfolio Service is proportionate and fair relative to the overall benefits delivered, and that the service provides good value for money to clients.



Managed Portfolio Service (MPS)

Active, Passive and Responsible Investment Strategies

This is a managed portfolio service that provides clients with a choice of 17 model portfolios that are managed to specific investment objectives and risk levels, and using active, passive or responsible investment strategies. It is offered on a discretionary basis, which means that a team of investment managers will make investment decisions at a model level, using their knowledge and expertise.



Key features and benefits

- **Investment mandate:** each model portfolio has a specific investment objective and risk profile, the range of models available meet a variety of client needs including growth and/or income over five risk levels. The investment managers will follow the associated investment strategy of the model, investing in either actively managed funds, passively managed funds, or actively managed funds that aim to advance businesses that provide solutions to sustainability issues, or have strong corporate policies and outputs relating to ESG criteria.
- **Investment universe:** each model portfolio is actively managed by a team of discretionary investment managers who leverage our centralised investment process which involves research and analysis across multiple asset classes and geographies to inform our house view and securities buylists.
- **Client updates and information:** your client will receive a comprehensive personal portfolio valuation on a quarterly basis and access to InvestBM, an online portal, which provides up to date portfolio valuations, a record of all transactions and tools to analyse and understand specific holdings. Individual factsheets are published monthly for each model to provide updates on performance and portfolio composition and additional insights including market commentary is available on our website.
- Dedicated Responsible Investment Service information is available on our website and we also publish a RIS report on a bi-annual basis.
- **Custody and administration:** your clients' assets will be held in our custody and we will be responsible for all administration activity associated with their portfolio.

Given the range of common investment benefits and the individual client servicing and administration provided by the service, we believe it can meet a variety of needs, providing a professional investment solution for clients.

Quality of service

For 2026, Defaqto has assessed and awarded our MPS Direct service a five star rating, the highest available. In addition, Defaqto's annual satisfaction survey showed Brooks Macdonald ranked as a top performing DFM by financial advisers across a range of categories including Service, Accessibility and Quality of Staff.

The number of client complaints we have received remains very low, but there has been a slight rise following a recent digital upgrade within the business.

Ultimately this digital transformation will strengthen our business and provide an improved service for our clients, but we appreciate the stress that change can cause, and we are working to make the transition across to our new systems as smooth as possible, for all involved.

The majority of our MPS clients have been with us for at least seven years and over three quarters have been with us for at least five years.

We believe that clients' satisfaction with this service is good. We will continue to closely monitor our management information so we can provide a high quality of service to clients.

Performance

Assessment of the performance of MPS portfolios relative to the Investment Association (IA) indices shows:

- In the active strategy, our Medium risk model portfolio has outperformed its benchmark on a five year rolling basis 52% of the time.
- In the passive strategy, our Medium risk model portfolio has outperformed its benchmark on a five year rolling basis 58% of the time.

In the RIS strategy, our Medium risk model portfolio has outperformed its benchmark on a five year rolling basis 42% of the time. We acknowledge that sometimes portfolios will underperform during points in the investment cycle given their particular investment style.

For additional data and information about the historic performance of our investment management products and services, please refer to the factsheets and literature available on our website.

Source: Brooks Macdonald and Investment Association (IA), as at December 2025. MSCI: please see important information.

Price

The service has an appropriate pricing structure to ensure individual clients pay a fair rate.

Given the standardised nature of the service, the current pricing approach means that clients will typically pay a similar investment service fee rate. There is a degree of flexibility to ensure clients with large portfolios will not pay high nominal fees that cannot be justified by a commensurately larger management burden for Brooks Macdonald.

Entry fees only apply for in-specie transfers, exit fees are not typically charged for this service. Additional administrative costs are only levied when specific events that warrant them occur.

As this service invests significantly in third party funds, a material part of the total cost to clients will be the underlying product charges levied and collected by the fund manager. We actively monitor these costs and endeavour to ensure we get competitive rates.

In the context of Brooks Macdonald's full range of investment products and services, this service has a higher cost to clients than others offered by Brooks Macdonald.

We have compared the total cost to clients of this service with other firms offering a similar service and found ours to be in line with our peers.

Given the standardised nature of the service, it is expected that clients will pay a similar level of fees. We have reviewed the actual rates paid by clients of the service to ensure the dispersion is in line with our expectations. Where we have identified any outliers paying higher than expected fees, we have taken action.

We regularly review our costs and fee structures to ensure that they are reasonable and appropriate for clients.

Costs

A significant proportion of the total cost to Brooks Macdonald of delivering this service is the staff costs associated with providing clients with a specific range of common investment benefits, with full servicing and administration. In the context of Brooks Macdonald's full range of investment products and services, the service has a moderate cost to deliver.

Effective management of costs is a key requirement for providing value to clients. We will continue to closely monitor the costs we incur to deliver this service and will seek to pass on any savings or reinvest back into our business to enhance the investment services we provide to clients.

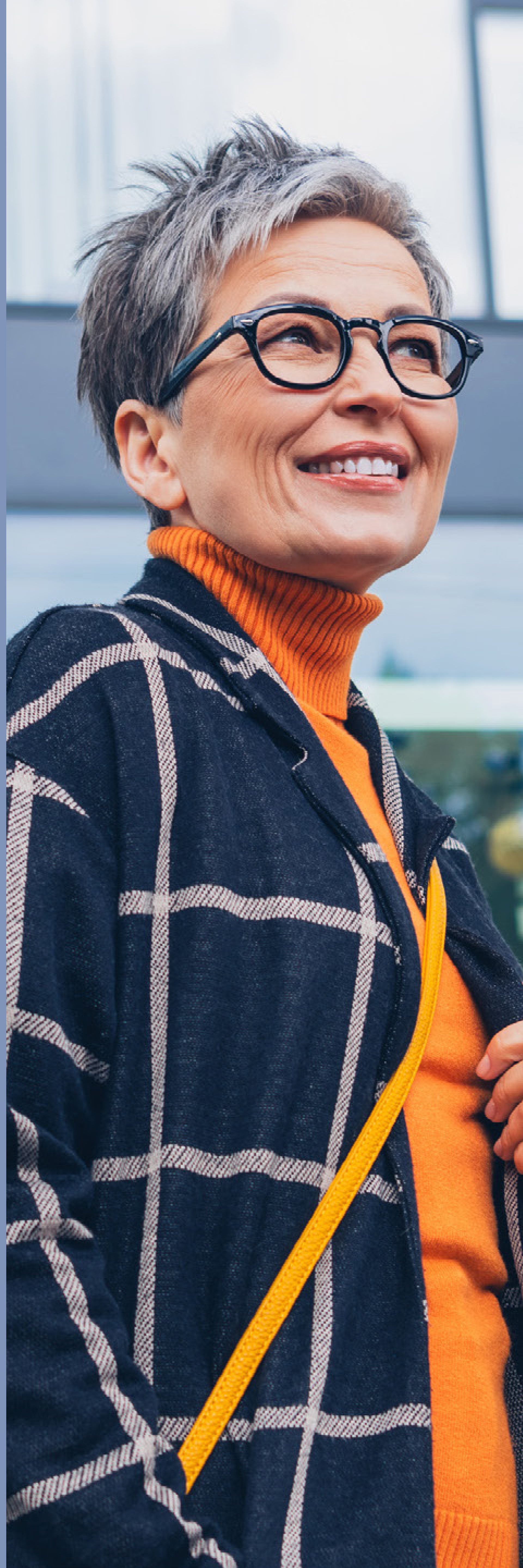
Conclusion

We believe the total cost to clients of the Managed Portfolio Service is proportionate and fair in the context of its total benefits and that the service represents value for money for clients.

Platform Managed Portfolio Service (PMPS)

Active, Passive, Volatility Managed, Responsible Investment and BMIS Strategies

This is a managed portfolio service that provides clients with a choice of 49 model portfolios that are managed to specific investment objectives and risk levels, and using active, passive, Volatility Managed portfolios, Risk-Controlled portfolios. It is offered on a discretionary basis, which means that a team of investment managers will make investment decisions at a model level, using their knowledge and expertise.



Key features and benefits

- **Investment mandate:** each model portfolio has a specific investment objective and risk profile, the range of models available meet a variety of client needs including growth and/or income over five risk levels.
- The investment managers will follow the associated investment strategy of the model, investing in actively managed funds, passively managed funds, or actively managed funds that aim to advance businesses that provide solutions to sustainability issues, or have strong corporate policies and outputs relating to ESG criteria.
- **Investment universe:** each model portfolio is actively managed by a team of discretionary investment managers who leverage our centralised investment process which involves research and analysis across multiple asset classes and geographies to inform our house view and securities buylists.
- **Client updates and information:** individual factsheets are published monthly for each model to provide updates on performance and portfolio composition, and additional insights including market commentary is available on our website.
- Dedicated Responsible Investment Service information is available on our website and we also publish a RIS report on a bi-annual basis. – Custody and administration: your clients'
- **Custody and administration:** your clients' assets will be held in custody and administered by a thirdparty, Brooks Macdonald has no involvement from this perspective.

Given the range of common investment benefits and the individual client servicing and administration provided by the service, we believe it can meet a variety of needs, providing a professional investment solution for clients.

Quality of service

For 2026, Defaqto has assessed and awarded our MPS on Platform service a five star rating, the highest available. In addition, Defaqto's annual satisfaction survey showed Brooks Macdonald ranked as a top performing DFM by financial advisers across a range of categories including Service, Accessibility and Quality of Staff.

No complaints have been received from clients about this service in the last 12 months.

As client assets are custodied by third parties, we have limited visibility of day to day flows and client level detail. We rely on regular management information from third party platforms that allows us to monitor this. Over the last three years the service has attracted strong positive net flows.

We believe that clients' satisfaction with this service is good. We will continue to closely monitor our management information so we can provide a high quality of service to clients.

Performance

Assessment of the performance of our PMPS portfolios relative to the Investment Association (IA) indices shows:

- In the active strategy, our Medium risk model portfolio has outperformed its benchmark on a five year rolling basis 62% of the time.
- In the passive strategy, our Medium risk model portfolio has outperformed its benchmark on a five year rolling basis 58% of the time.
- In the volatility managed strategy, our Medium risk model portfolio has outperformed its benchmark on a five year rolling basis 48% of the time.
- In the RIS strategy, our Medium risk model portfolio has outperformed its benchmark on a five year rolling basis 42% of the time.

We acknowledge that sometimes portfolios will underperform during points in the investment cycle given their particular investment style. Due to the short track record of the model portfolios in the Replace with Global Active and Global Passive we are unable to provide benchmarked performance. For additional data and information about the historic performance of our investment management products and services, please refer to the factsheets and literature available on our website.

Source: Brooks Macdonald and Investment Association (IA), as at December 2025. IA: please see important information.

Price

The service has an appropriate pricing structure to ensure any individual client pays a fair rate.

Given the standardised nature of the service, the current pricing approach means that clients will typically pay a similar investment service fee rate.

As this service invests significantly in third party funds, a material part of the total cost to clients will be the underlying product charges levied and collected by the fund manager. We actively monitor these costs and endeavour to ensure we get competitive rates.

In the context of Brooks Macdonald's full range of investment products and services, this service has a lower cost to clients than others offered by Brooks Macdonald.

We have compared the total cost to clients of this service with other firms offering a similar service and found ours to be in line with our peers.

Given the standardised nature of the service, it is expected that clients will pay a similar level of fees. This service is only available to clients through professional advisers authorised to give financial advice and we may agree a discount for certain firms to reflect economies of scale.

We regularly review our costs and fee structures to ensure that they are reasonable and appropriate for clients.

Costs

The total cost to Brooks Macdonald of delivering this service is associated with providing clients with a specific range of common investment benefits, without individual tailoring or servicing and administration. In the context of Brooks Macdonald's full range of investment products and services, the service has a lower cost to deliver.

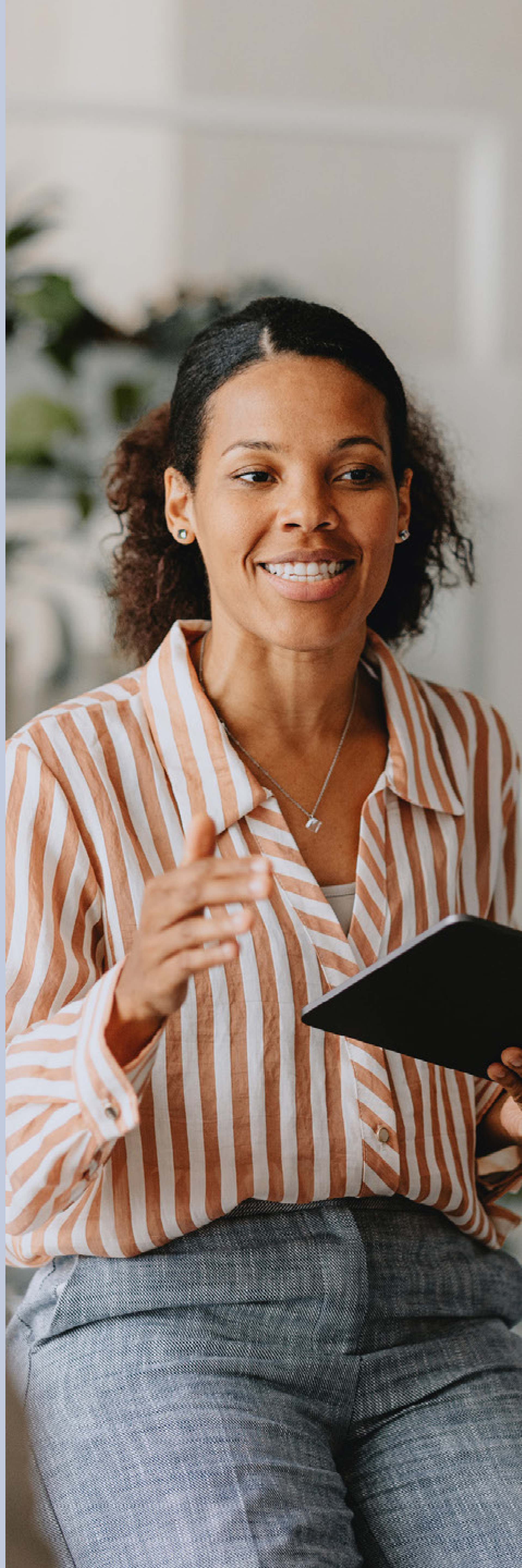
Effective management of costs is a key requirement for providing value to clients. We will continue to closely monitor the costs we incur to deliver this service and will seek to pass on any savings or reinvest back into our business to enhance the investment services we provide to clients.

Conclusion

We believe the total cost to clients of the Platform Managed Portfolio Service is proportionate and fair in the context of its total benefits and that the service represents value for money for clients.

Fund Portfolio Service (FPS)

This is a service that provides clients with a unitised multi-asset portfolio invested in the SVS Cornelian Funds or Bluepint Multi Asset Funds.



Key features and benefits

- **Investment mandate:** your client's portfolio will be invested in one or more of the Cornelian Risk Managed funds or one or more of the Blueprint Multi-Asset Funds. Each underlying fund has a specific investment objective and risk profile, so the range of solutions available will meet a variety of client needs including growth and/or income, over five risk levels and 4 risk levels for Blueprint Multi-Asset Funds.
- **Investment universe:** each underlying fund is actively managed by a team of fund managers who leverage our centralised investment process which involves research and analysis across multiple asset classes and geographies to inform our house view and securities buylists.
- **Client updates and information:** your client will receive a comprehensive personal portfolio valuation on a quarterly basis, an annual review, and access to InvestBM, an online portal, which provides up to date portfolio valuations, a record of all transactions and tools to analyse and understand specific holdings.
- Your client also has direct access to their investment manager and a local support team who are responsible for all ongoing administration of your client's portfolio and are available to respond to any of your clients' questions or requests.
- Individual factsheets are published monthly for each underlying fund to provide updates on performance and portfolio composition; additional insights including market commentary is available on our website.
- **Custody and administration:** your clients' assets will be held in our custody and we will be responsible for all administration activity associated with their portfolio.

Given the range of common investment benefits and the individual client servicing and administration provided by the service, we believe it can meet a variety of needs, providing a professional investment solution for clients.

Quality of service

While Defaqto do not specifically review the Fund Portfolio Service, for 2025, they have assessed the underlying range of funds and awarded them with a five diamond rating, the highest available.

The underlying range of funds are also reviewed and rated by other third-party research firms including RSMR and Square Mile. In addition, Defaqto's most recent satisfaction survey showed Brooks Macdonald ranked in the top 5 as preferred provider for DFM services amongst financial advisers.

No complaints have been received from clients about this service in the last 12 months.

The service was migrated to Brooks Macdonald as part of the Cornelian acquisition in 2020.

We believe that clients' satisfaction with this service is good. We will continue to develop and monitor our management information so we can provide a high quality of service to clients.

Performance

Assessment of the performance of the underlying funds relative to their inflation-based targets shows:

- The majority of the underlying actively managed funds have outperformed their benchmark on a five year rolling basis over 50% of the time.

We acknowledge that sometimes portfolios will underperform during points in the investment cycle given their particular investment style. Historically high inflation levels during 2021-2023 presented a more challenging performance benchmark for the funds.

The fund managers remain confident that the funds can generate attractive returns over the investment cycle and we will continue to monitor via our product governance processes. For additional data and information about the historic performance of our investment management products and services, please refer to the factsheets and literature available on our website. Clients who utilise the optional CGT management feature of this service may also benefit financially from tax efficiencies.

Source: Morningstar, as at December 2024

Price

The service has an appropriate pricing structure to ensure any individual client pays a fair rate.

Given the standardised nature of the service, the current pricing approach means that clients will typically pay a similar rate.

As this service invests significantly in third party funds, a material part of the total cost to clients will be the underlying product charges levied and collected by the fund manager. We actively monitor these costs and endeavour to ensure we get competitive rates.

In the context of Brooks Macdonald's full range of investment products and services, this service has a lower cost to clients than others offered by Brooks Macdonald.

We have compared the total cost to clients of this service with other firms offering a similar service and found ours to be in line with our peers.

Given the standardised nature of the service, it is expected that clients will pay a similar level of fees. We have reviewed the actual rates paid by clients of the service to ensure the dispersion is in line with our expectations.

We regularly review our costs and fee structures to ensure that they are reasonable and appropriate for clients.

Costs

The total cost to Brooks Macdonald of delivering this service is associated with providing clients with a specific range of common investment benefits, with some individual tailoring, and servicing and administration. In the context of Brooks Macdonald's full range of investment products and services, the service has a higher cost to deliver.

Effective management of costs is a key requirement for providing value to clients. We will continue to closely monitor the costs we incur to deliver this service and will seek to pass on any savings or reinvest back into our business to enhance the investment services we provide to clients.

Conclusion

We believe the total costs of the Fund Portfolio Service are proportionate and fair in the context of its total benefits and that the service represents value for money for clients.

Gilts Portfolio Service

This is a discretionary investment management service designed for clients who are seeking a low-risk solution focused on capital preservation, predictable returns and tax efficiency. It is offered on a discretionary basis, which means that a dedicated investment manager will construct and manage a portfolio of UK government bonds (gilts) tailored to your client's individual requirements.

Key features and benefits

- **Investment mandate:** your client's portfolio will be invested in a combination of UK government bonds (gilts), structured across a range of maturities to meet their individual objectives and cashflow requirements.
- **Investment universe:** your client's portfolio will invest in UK government bonds across different maturity profiles, allowing flexibility in meeting specific investment needs.
- **Tax efficiency:** returns are often generated through capital uplift from purchasing gilts below par value, which is typically exempt from capital gains tax for UK individuals.
- **Income and liability matching:** portfolios can be structured to align with known future liabilities, with maturities typically ranging from short term through to five years.
- **Client updates and information:** your client will receive a comprehensive personal portfolio valuation on a quarterly basis and have access to InvestBM, which provides up-to-date portfolio information and a record of transactions.
- **Custody and administration:** your client's assets will be held in our custody and we will be responsible for all administration activity associated with their portfolio.

Quality of service

The number of complaints received in relation to this service remains very low, with no product-related complaints identified since inception. Asset flows into the service have been positive, reflecting continued client demand, although a higher level of turnover may be expected given the shorter-term nature of the investment approach.

As this service is delivered within our bespoke offering, certain management information is monitored at an aggregated level across discretionary services. We consider that this remains appropriate given the consistent approach to service delivery, oversight and client servicing.

We will continue to monitor our management information to ensure we provide a high quality of service to clients. We believe that clients' satisfaction with this service is good.

Performance

Due to the bespoke nature of this service, portfolios are constructed to meet individual client requirements rather than being managed to a single standardised benchmark.

We believe it is reasonable for your client to expect that the service will deliver predictable outcomes aligned to their investment objectives, particularly in relation to capital preservation and income generation.

Performance is therefore assessed based on the extent to which portfolios deliver expected outcomes, including the ability to meet defined cashflow requirements and provide stability of returns over the investment period.

Price

The service has a flexible pricing structure to reflect the bespoke nature of the offering and to ensure individual clients pay an appropriate rate for the level of service provided.

The total cost to clients includes an annual management charge, together with any applicable dealing costs and taxes. We have reviewed the actual rates paid by clients to ensure that pricing remains in line with our expectations, and any outliers have been investigated and addressed as appropriate.

We have compared the total cost of the service with those charged by firms offering similar services and found our pricing to be in line with our peers.

Costs

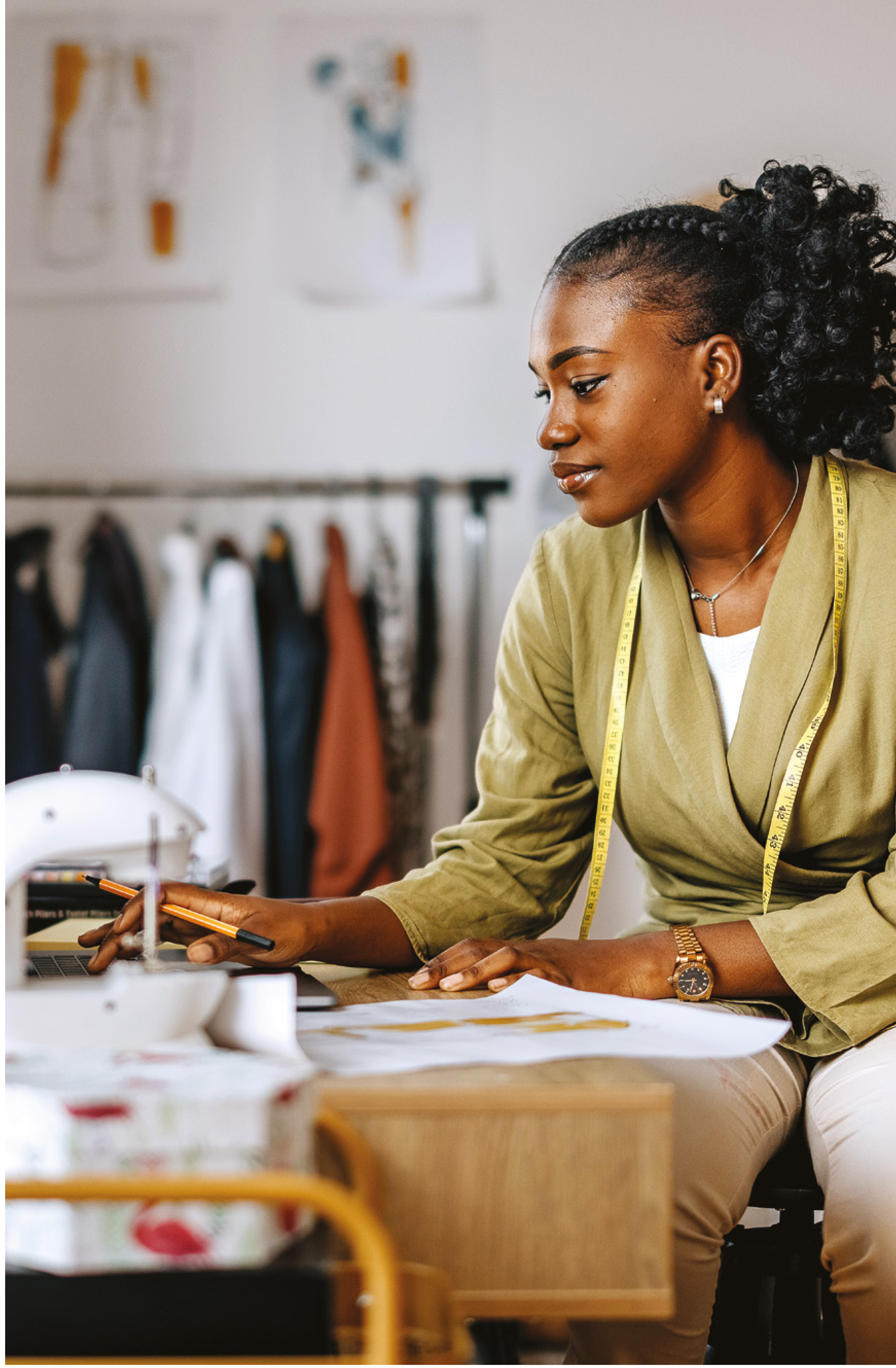
A significant proportion of the cost of delivering this service relates to the bespoke nature of the portfolios and the level of support provided to clients.

This includes: Portfolio construction tailored to individual client requirements, Ongoing monitoring and investment management and Client servicing, reporting and administration

In the context of our wider range of investment services, this service has a higher cost to deliver, reflecting the level of customisation and ongoing support provided. We will continue to monitor these costs to ensure they remain appropriate and support the delivery of value to clients.

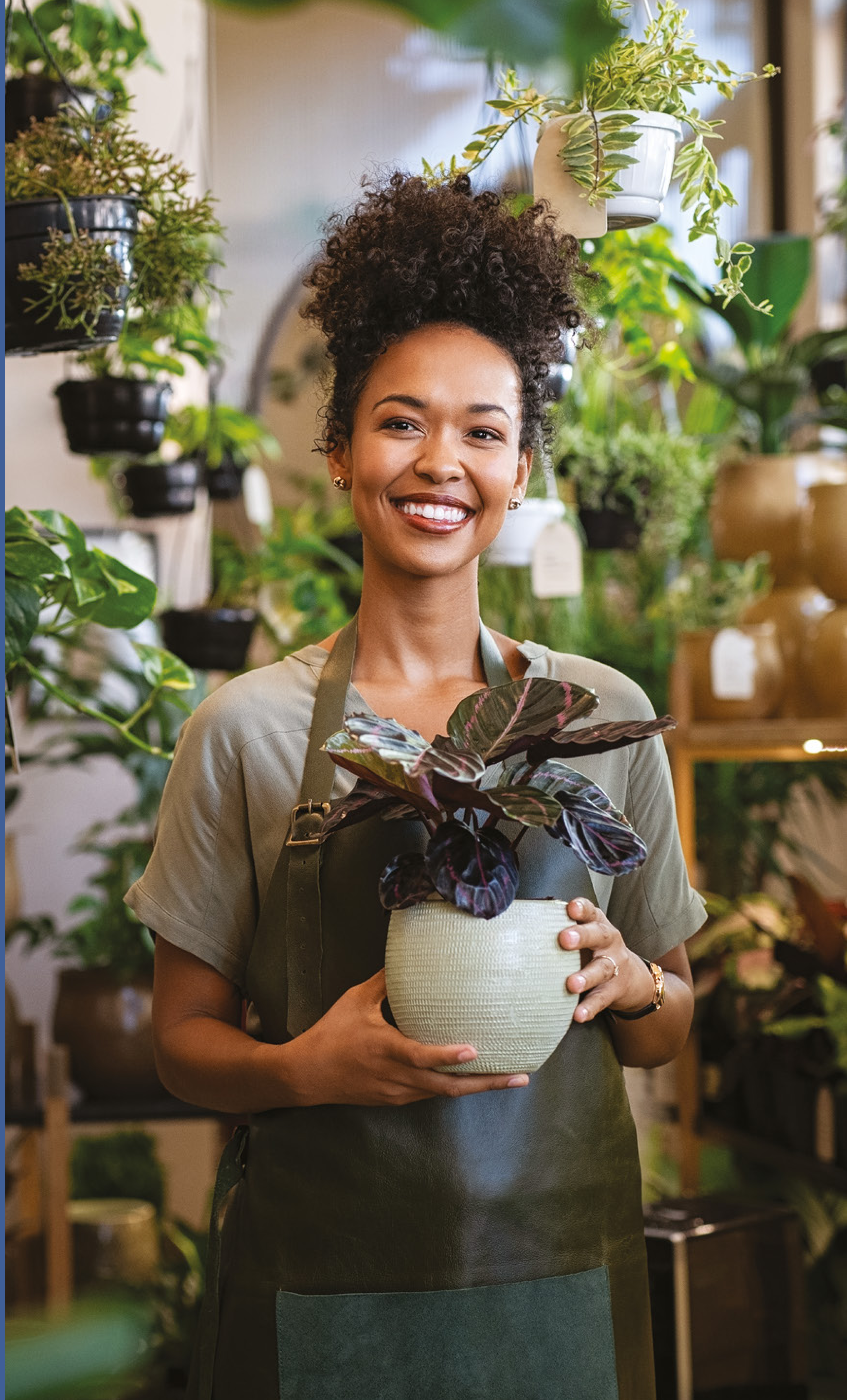
Conclusion

We believe that the total cost to clients of the Gilts Portfolio Service is proportionate and fair in the context of its benefits and that the service represents value for money for clients.



Liquid Reserve Portfolio Service

This is a discretionary investment management service designed for clients who are seeking a low-risk, liquid investment solution that aims to deliver returns in excess of those typically available from cash deposits. It is offered on a discretionary basis, with portfolios managed to a standardised mandate by our investment team.



Key features and benefits

- **Investment mandate:** your client's portfolio will be invested in a diversified mix of short-term money market instruments and short-duration fixed income assets, managed to a standardised mandate.
- **Investment universe:** the service invests in a range of cash and near-cash instruments, including money market funds and short-duration credit assets.
- **Return objective:** the service aims to deliver an annualised return equal to, or greater than, the Bank of England base rate.
- **Investment approach:** portfolios are actively managed by our fixed income research team, allowing for adjustments in response to changing market conditions.
- **Client updates and information:** your client will receive regular reporting and have access to InvestBM, providing up-to-date portfolio information and transaction history.
- **Custody and administration:** your client's assets will be held in our custody and we will be responsible for all administration activity associated with the portfolio.

Quality of service

The number of complaints received in relation to this service remains very low, with no complaints recorded since the service launched. The service has experienced positive net inflows, reflecting increasing client engagement and adviser adoption.

While broader market conditions may influence demand for low-risk solutions, we consider that the continued growth in assets indicates that the service is meeting the needs of clients seeking a liquid, income-generating alternative to cash.

We will continue to monitor our management information to ensure we provide a high quality of service to clients.

We believe that clients' satisfaction with this service is good.

Performance

We believe it is reasonable for your client to expect that the service will deliver competitive returns relative to cash-based benchmarks over the medium term.

The service is managed with the objective of delivering returns in excess of the Bank of England base rate while maintaining a low-risk profile and preserving capital. Performance is monitored against this objective on an ongoing basis.

We acknowledge that performance may vary over shorter periods depending on market conditions; however, the service is designed to provide consistent returns relative to its objective over time.

Price

The service has a simple and transparent pricing structure to ensure clients pay a fair and consistent rate.

The Annual Management Charge is set at a standard rate for all clients. We have reviewed the fees paid to confirm that there is no material dispersion between clients.

We have compared this pricing with that of similar services available in the market and found it to be aligned with, and in some cases lower than, comparable offerings.

Costs

The service benefits from a standardised structure, which enables efficient delivery.

Costs primarily relate to: Investment management and portfolio oversight, Operational support and administration.

In the context of our wider range of investment services, this service has a moderate cost to deliver, supported by its standardised approach. We will continue to monitor costs to ensure efficiency and support the delivery of value to clients.

Conclusion

We believe that the total cost to clients of the Liquid Reserve Portfolio Service is proportionate and fair in the context of its benefits and that the service represents value for money for clients.

Important information

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

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