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WEALTH MANAGEMENT

A Canaccord Genuity Group Company

Enlightened wealth management



Enduring relationships

At Adam & Company, we believe your investment manager should be far more than simply a financial and investment strategist – although of course our first concern is to look after your wealth carefully, expertly and consistently.

We aim to go further by creating and maintaining a unique relationship with you, based on your wishes and preferences, to ensure that you have absolute confidence in our ability to put your interests first.

A process of discovery

We will focus on getting to know you and discovering what is most important to you. We will ask you what your wealth means to you, what you want to achieve with it, and why. Does your wealth represent your own achievements, your family's heritage, your children's future, your wish to change the world, your desire for security – or all of these?

When you choose us to look after your wealth, we will handpick the most appropriate investment manager for you – someone personable and approachable whose personality dovetails with yours. From then on, you will enjoy a long-lasting, in-depth relationship.

Your investment manager will meet you regularly in whichever way suits you best: at your home, your workplace, our offices or virtually. You can have complete trust in their discretion, diligence and dependability, and in their willingness to go above and beyond your expectations. They will work closely with and for you, managing your money and taking an active role in researching and selecting assets on your behalf.

This brochure explains more about our services, and how we will tailor them to suit your precise individual needs.

Investment involves risk. The value of investments and the income from them can go down as well as up and investors may not get back the amount originally invested. The investments described in this brochure may not be suitable for all investors. Investors should make their own investment decisions based upon their own financial objectives and financial resources and, if in any doubt, should seek advice from an investment adviser.





Standing on the shoulders of giants

Adam & Company was founded in Edinburgh in 1983 by a group of influential Scottish business people. Our name is a tribute to Scottish Enlightenment economist Adam Smith, who revolutionised economic theory in 1776 with the publication of 'An inquiry into the Nature and Causes of the Wealth of Nations'.

We are part of Canaccord Genuity Group Inc., a leading global financial services firm, operating in wealth management and capital markets. This enables us to draw on the Group's global resources and expertise for your benefit.

Inspired by the creative thinking and world-changing discoveries of the Enlightenment movement, we embrace modern ideas, technology and opportunities, and we are never afraid to challenge the status quo if we believe it will benefit our clients.

We offer a full spectrum of wealth management services, including discretionary investment management and wealth planning. We are passionate about investing, constantly exploring new opportunities and assets which could be right for our clients. Through our links to Canaccord Genuity Wealth Management (CGWM), we have access to an extended range of asset classes and geographies, including global equities and small caps.

Our wide knowledge, in-depth experience and understanding have led to our success and an investment track record that has historically outperformed benchmarks over the long term.

Our core beliefs and expertise

Consistency is vital. We believe in taking a long view, supported by traditional service levels, especially when it comes to relationships and making investment choices for our clients.

Our investment managers have an average of 20 years' experience and take a curious, questioning, and proactive approach to investment management. They are constantly searching for new themes, ideas, and ways of serving our clients, looking for a better way while anticipating potential opportunities and challenges.

Your personal investment manager will be fully involved in the investment management decision-making process: researching and analysing stocks, building your portfolio and managing it on your behalf. We believe this total immersion in your investments is vital to ensure we give you the best possible service.

We take meticulous care of your wealth so you can make the most of opportunities and future-proof your financial future, including planning for later life, intergenerational wealth transfer and inheritance tax.

Wealth management for life

When we first meet you, we will work with you to understand what you need so we can choose the right wealth management partner from our team.

They will build a close, enduring relationship with you and, if your circumstances or financial legislation change, they will adapt their advice and suggestions to fit your new situation.

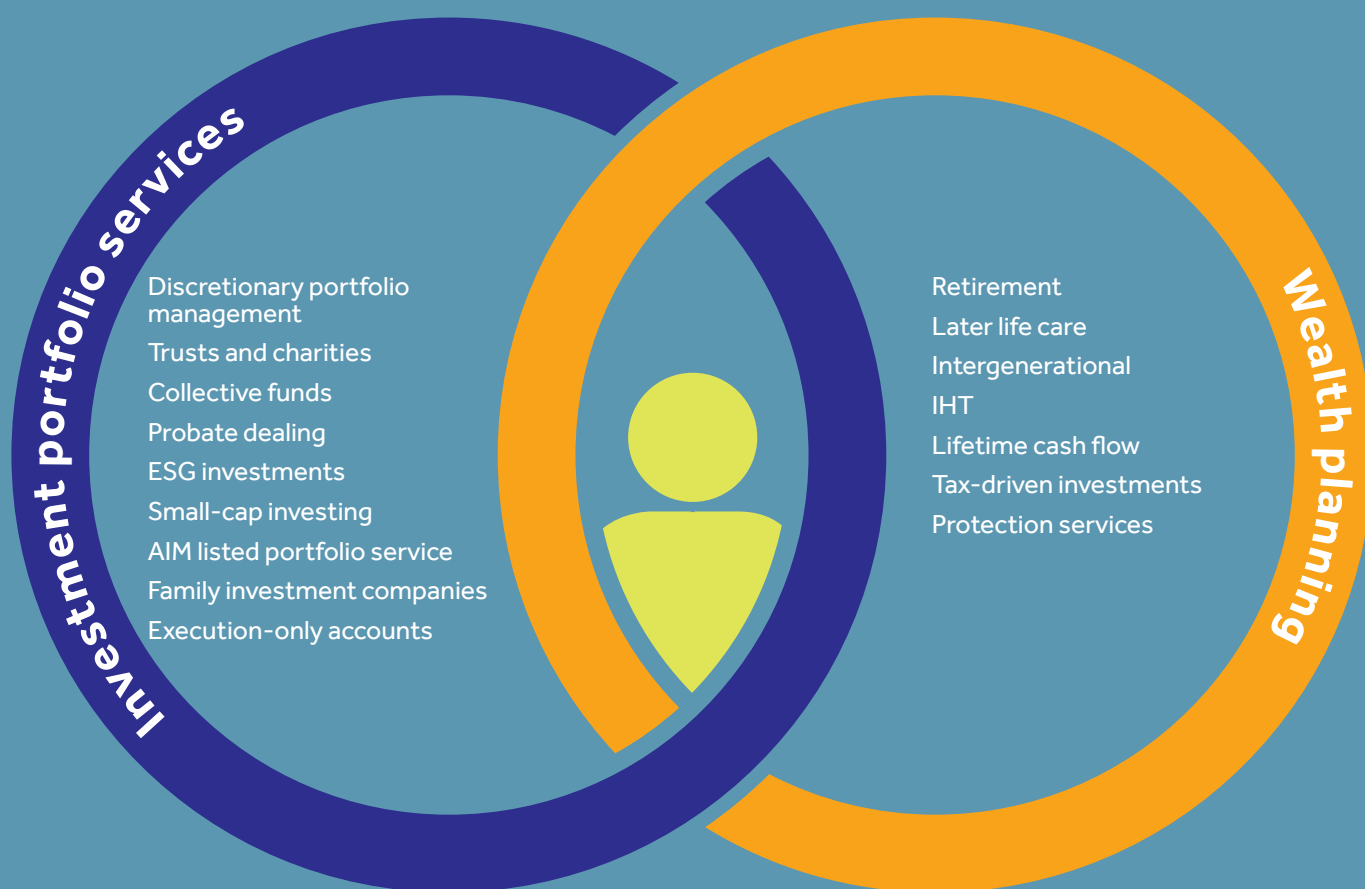
If you would like us to go beyond managing your investment portfolio, your investment manager will liaise with other members of our team, including a dedicated independent financial planner. They will work seamlessly together to ensure your wealth plans and investment solutions are coordinated for your long-term prosperity.

A sense of connection

Your investment manager will be in touch with you regularly to update you on your investments, and have honest conversations with you about performance. They will be happy to share their knowledge and expertise with you, and explain what we're doing to optimise your portfolio or your other arrangements. They will also be available to talk to you whenever you need them.

You can tell us exactly how often you want updates, and whether you prefer to meet face to face, use video conferencing or simply communicate by email. You can also let us know exactly what level of detail you would like us to provide – and you can change your mind at any time.

Our core offering is discretionary investment management, supported by a range of wealth planning services. The following pages describe all our services in more detail.



Putting you at the heart of our expertise

Our specialists will combine their expertise to create the integrated wealth management service you need.



Discretionary investment management

If you select this service, your investment manager will build and run a personalised portfolio on your behalf, without needing to ask your permission each time they want to make an adjustment.

Our discretionary portfolios invest in individual stocks and bonds, and other alternative asset classes. They also invest in third party investment funds, for added diversification and access to a wide range of fund managers. We are not tied to in-house funds.

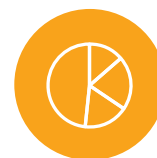
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We establish your long-term objectives and risk profile.



2

We build a diversified portfolio of UK and international shares, bonds and funds.



3

We tailor it to your individual needs, objectives and risk preference.



4

We maintain a close, direct relationship with you, including regular updates.



Our investment philosophy

We believe in building a long-lasting investment partnership with you, with a focus on service and performance. We aim to deliver long-term, consistent returns for our clients, even in a world where markets and media are increasingly focused on short term news.

We have an open and flexible approach to selecting investments. We believe asset allocation and stock selection are the key drivers of performance, and we decide how much to invest in each asset class based on a long-term investment horizon.

We look for companies that show strong cash flows and balance sheets, as well as the potential to pay a growing dividend. They should also have a management team that takes a long-term view of the company's future. We tend to hold stocks for three to five years, which helps us to minimise the effect of trading costs on our clients' portfolios.

Our investment managers are supported by an experienced team of investment support assistants and associates, backed by the extended expertise of the the broader Canaccord group.

Wealth planning

Our independent wealth planning service* ensures all your accounts, plans and investments work harmoniously together to achieve your goals, from short-term plans such as education funding to long-term arrangements like retirement saving. Based on detailed conversations with you, we will focus on your priorities to align your finances to your current and future, personal and business needs, building a tax-efficient wealth management plan that leads you confidently toward the future you want.

Our key wealth planning services include:

- Retirement planning
- Estate and wealth succession planning (including family and business succession)
- Later life care
- Protection services.

All under one roof and with our customary high levels of personal service.

From the start, we will help you to take advantage of current market opportunities with tax-efficient products or services. We will then work with you to manage changes in your life or legislation to help protect, grow, preserve and make the most of your wealth.

Because this service is independent, your financial planner is not tied to any specific provider or products – not even our own. Instead they can look at all the options and recommend the ones that are best for your needs. This means we can work with you in a clear, transparent partnership, and offer you objective, comprehensive advice.

As well as the usual investment portfolios included in our discretionary investment management service, we can also offer you Discretionary Managed ISAs for tax-efficient investing, and our AIM Listed Portfolio Service.

Advice and product fees may apply. The value of investments and the income from them can fall as well as rise, and you may not recover the amount of your original investment.

AIM Listed Portfolio Service (ALPS)

The ALPS is designed to maximise the potential for growth in the short term, while protecting your wealth for the future.

It offers you an opportunity to invest in companies listed on the Alternative Investment Market (AIM) – a dedicated growth market for small and medium-sized companies. AIM has been a notable success and is now a dynamic international marketplace where companies can raise the capital they need.

Investing in companies listed on AIM also offers tax efficiencies, as most of these shares qualify for 100% Business Relief. This is particularly useful for succession planning as, once you have held them for two years, they no longer form part of your estate for inheritance tax purposes.

You can also hold AIM shares in an ISA – and there's no Stamp Duty to pay when you buy them. This makes them potentially one of the most tax-efficient investments for a UK tax payer.

This service should be regarded as high risk, as it is exclusively focused on equities. The portfolios are wholly invested in small capitalisation stocks. These companies are therefore more volatile and, while they can offer great potential, growth is not guaranteed.

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Our other specialist wealth management services

We also offer the following specialist wealth management services, which may be ideal for your needs. In some instances we will suggest a third party option, depending on what we agree is best for your circumstances.

Family services

We can suggest and implement tax-effective ways to manage your family wealth and will agree a bespoke strategy to manage your investments.

Foreign exchange (FX)

If you need to buy or sell currency we can provide an efficient, transparent and competitive multi-bank FX trading service in 25 currencies.

ESG Portfolio Service

If you are looking for more ethical or environmentally conscious investments, our ESG (environmental, social and governance) Portfolio Service offers you a more thoughtful approach to investing while still working hard for your long-term security.

Smaller company investing

Experience shows that small companies (small caps) can offer impressive investment opportunities. However, they are overlooked by many wealth management companies, who may lack the expertise and experience to evaluate small businesses and identify opportunities. Together with our partners at CGWM, we do have that expertise. In fact, we are among the most experienced independent UK wealth managers in this area.

Fixed interest investing

We also have an industry-leading team specialising in niche fixed interest securities such as permanent interest-bearing shares (PIBS), preference shares and other income-oriented investments available on the stock market.

Charities

We provide specialist discretionary investment management services for more than 100 charities and trusts.

You may be a trustee looking after the investments of a charity or foundation. We understand the challenging nature of this responsibility, and have been looking after charitable organisations for many years. We will provide advice and put provisions in place to help meet the objectives in your charity's Investment Policy Statement (IPS).

Investing in smaller companies, including AIM stocks, carries a higher degree of risk than investing in the more liquid shares of larger companies, so they may be difficult to sell at the time you choose. Investments in smaller companies are more volatile and, while they can offer great potential, growth is not guaranteed.

PIBS are higher risk as they are not very liquid and may be difficult to sell. Also they are not covered by FSCS (see page 17).

Where investment is made in currencies other than the investor's base currency, the value of those investments, and any income from them, will be affected by movements in exchange rates. This effect may be unfavourable as well as favourable.

Our investment services are deemed to be 'restricted' as we do not provide advice in respect of pension or life insurance products. However, we advise all our clients on investments with complete impartiality as we are not tied to any particular product providers.





Our investment process

1. The selection procedure

We use a collegiate review process, presenting and debating our latest research to the team before selecting investments for our clients' portfolios. All our investment decisions are backed by rigorous, ongoing research, as we continually analyse economic risks and long-term market opportunities on your behalf. Backed by this information, and also drawing on CGWM's extensive knowledge and research, our in-house experts select investments from the open market to create a range of quality investment opportunities for our clients.

Our highly experienced investment team has an average industry experience of more than 22 years and an average of more than 12 years at Adam & Company.

We look for companies that have financial strength, above average and predictable cash-backed profitability, and a strong competitive position with pricing power in growing markets. We take a particularly close look at each company's valuation, as a good business is not necessarily a good investment if it's overvalued.

We also invest in collective funds (after extensive research) with fund managers who share our philosophy or have something special to offer. We then meet the managers regularly to ensure we are still happy with their approach and performance.

If we decide to sell stocks, it's probably because something has changed for the worse, such as the company's prospects, or the valuation of its stock.

Our in-depth internal research is backed up by data and analysis from both external providers and the specialist wealth management resources of the wider Canaccord Genuity group.

2. Choosing and maintaining the right combination for your individual portfolio

- We can offer you a range of different investments, including securities, equities, funds, exchange-traded funds (ETFs), investment trusts, alternatives, bonds and cash
- We can structure your investments tax effectively, including SIPP's and ISAs
- We offer nine different risk profiles to suit your attitude to risk and we regularly check your portfolio against the industry benchmark
- We check your portfolio against your objectives to make sure it's on track, and actively manage and monitor your investments to maximise returns and minimise losses.

Our charges

Investment management

We are committed to providing fee transparency, and of course we understand how difficult it can be when you're trying to compare one investment manager with another. However, the total amount paid by each of our clients varies, because of the bespoke style of our discretionary portfolio management service and our individual approach to each client. For example, our service levels may be affected by your tax liabilities, your ultimate goals, currencies, overseas dealing and so on.

We prefer to explain our charges in person, so you are aware of the costs you are likely to incur on top of our annual management charge (which is subject to VAT). We will be happy to give you a copy of our rate card, which provides a breakdown of our total fees.

Once you are an Adam & Company client, your investment manager will keep you up to date on the total fees you're incurring, and you will also receive a full breakdown in your quarterly report.

Wealth planning

Our charges will depend on the type and amount of work we do for you. We'll make sure you are always fully informed of these fees in advance and have agreed them before we start work for you.

All the information you need, when you need it

We will send you a clearly laid-out valuation report covering your investments each quarter, with a market commentary from our chief investment officer. You can choose whether to receive this by post or online, whichever you prefer.

You can also view your account online at any time, no matter where you are, through our easy-to-use Wealth Online portal and app, including your investments, statements and historical valuations.

If you want to know more about investment matters and opportunities, you will enjoy our twice-yearly Outlook. Thanks to our relationship with CGWM, we will also invite you to in-person events and online webinars, often with high-profile speakers and facilitators.

Keeping your wealth safe

At Adam & Company, we have a strong track record of meeting our clients' wealth management needs and delivering consistent returns. If you want to check how we're succeeding at any time, you can measure our performance against industry benchmarks.

If you open an account with us, your money and assets are held with carefully chosen banks and institutions which we regularly monitor and review. All client money and assets are held in segregated client accounts in keeping with the rules set out in the Financial Conduct Authority's (FCA) Client Assets Sourcebook (CASS)¹.

¹CGWM is a member of the Financial Services Compensation Scheme (FSCS) and in such instances, compensation may be available in accordance with the rules of the FSCS. Further information regarding claim amounts and investor eligibility can be obtained from [fscs.org.uk](https://www.fscs.org.uk).



Supported by Canaccord Genuity Wealth Management

Adam & Company is part of Canaccord Genuity Group Inc., a publicly traded company under the symbol CF on the Toronto Stock Exchange. Established in 1950, it is now a leading global financial services firm, operating in wealth management and capital markets.

The Group has offices in 10 countries, including wealth management offices in the UK, Channel Islands, Isle of Man, Canada and Australia. Canaccord Genuity, our international capital markets division, operates in North America, the UK and Europe, Asia, Australia and the Middle East.

Thanks to our relationship with CGWM, investing with Adam & Company gives you access to a broad range of wealth management solutions. In the UK and Europe, CGWM investment professionals manage and administer over £32.4bn of assets (as at 30 June 2021).

Together, we have enough size and scale to deliver experience and expertise, combined with a highly developed and up-to-date technical infrastructure. This provides efficient and effective wealth management, as well as economies of scale that allow us to be price competitive. At the same time we are small enough to provide a personal relationship-led service with direct access to our people and knowledge.

Moving forward together

If you would like to know how enlightened wealth management could empower you to create the future you want, please get in touch. We'll be delighted to answer your questions and provide more details of our philosophy and services.

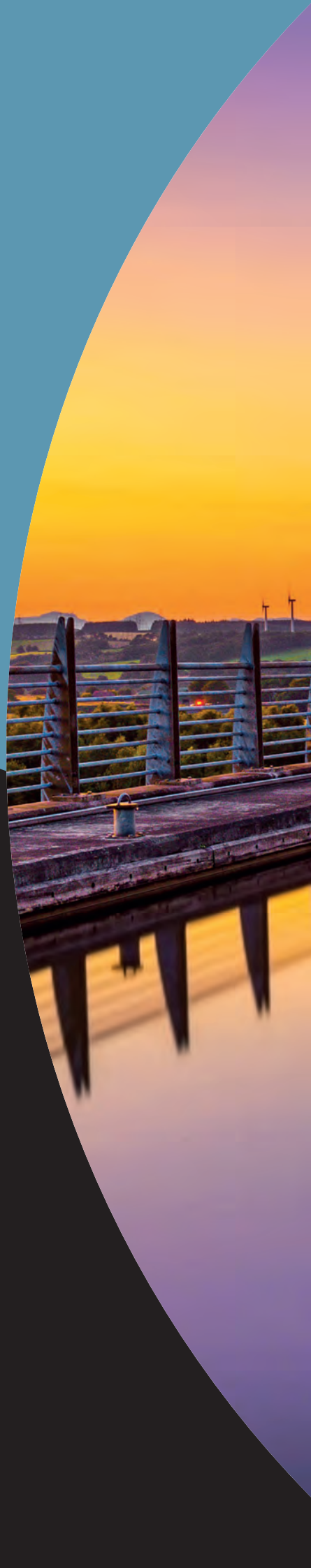
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Telephone calls may be recorded.





Important information

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The ALPS should be regarded as high risk, as it is exclusively focused on equities. The portfolios are wholly invested in small capitalisation stocks. These companies are therefore more volatile and, while they can offer great potential, growth is not guaranteed.

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Any tax benefits depend upon the investor's individual circumstances and clients should discuss their financial arrangements with their own tax adviser before investing. The levels and bases of taxation may be subject to change in the future.

Where investment is made in currencies other than the investor's base currency, the value of those investments, and any income from them, will be affected by movements in exchange rates. This effect may be unfavourable as well as favourable.

This document is for information only and is not to be construed as a solicitation or an offer to purchase or sell investments or related financial instruments. This has no regard for the specific investment objectives, financial situation or needs of any specific investor.

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*Wealth planning services will be provided by CG Wealth Planning Limited. CG Wealth Planning Limited (CGWPL) is authorised and regulated by the Financial Conduct Authority (registered number 594155). CGWPL has its registered office at 41 Lothbury, London, EC2R 7AE. Registered in England & Wales no. 08284862.

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The products and services offered by Adam & Company in the UK may differ from those offered by other Canaccord Genuity Group Inc. offices.

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