

# AIM Portfolio IHT Plan



## TARGET MARKET AND VALUE STATEMENT – APRIL 2023

### Who are Investec?

At Investec you'll find a range of market-leading products and services designed to help your firm build competitive advantage and your clients protect, grow and tax-efficiently pass on their wealth. From off-the-shelf products through to award-winning bespoke investment portfolios, we have solutions for every client need.

Whatever your client's investment goals, our investment portfolios offer a dynamic and personalised service, and can be adapted quickly if their needs or circumstances change. Once you've agreed an investment mandate with your clients, we can convert it into a portfolio. We have the ability to blend investment management strategies to achieve what we consider to be the optimal balance between performance, risk and cost-effectiveness.

### Proposition Information

#### Description

A discretionary managed service, run by a specialist team, the AIM Portfolio aims to reduce your client's Inheritance Tax (IHT) liability on assets passed on to the next generation and also aims to deliver long-term investment performance.

It achieves this by investing in shares listed on the London Stock Exchange's Alternative Investment Market (AIM) that qualify for Business Relief (BR).

#### Key information

##### Time Horizon:

- The investment time horizon is a minimum of three years.

**Preservation of Capital:** capital is at risk

**Investment Objective:** our AIM Portfolio IHT Plan aims to deliver long-term capital growth and income return through investment in shares listed on the London Stock Exchange's Alternative Investment Market (AIM).

**Maturity Date:** Our DFM service has no fixed maturity date.

Investec relies on the information provided by FCA authorised financial advisers about each client to determine the suitability of any investment for their portfolio (commonly referred to as 'reliance on others').

### Costs

#### INVESTMENT PORTFOLIO

Portfolio Management	1.5%
----------------------	------

Other fees, taxes, levies, and third-party charges may apply. We will always endeavour to provide this information in advance.

For further information, or information for a specific account, please contact your Investec representative.

Investec actively participate and monitor both our costs and investment performance against our industry peers to ensure we are providing a service fit for our consumers at a competitive price.

### What is an Assessment of Value?

Our regulator, the Financial Conduct Authority (FCA), has asked us to assess the value of our proposition.

Assessing value is much more than just looking at the fees which our investors pay or the performance of the fund in isolation.

Considering this, we have designed an assessment which reports on four outcomes.

- Consumers pay a price for products and services that represent **fair value**,
- Consumers are sold and receive **products and services** that have been designed to meet their needs and objectives,
- Consumers receive good **customer support** as expected, and
- **Consumer Understanding** is increased through documentation, use of language and transparency.

### Statement of Value

As of April 2023, Investec Wealth & Investment Ltd, as the manufacturer of AIM Portfolio IHT Plan services, has concluded that this offers fair value and will continue to do so for the foreseeable future.

#### How are we doing?

The AIM Portfolio IHT Plan enables clients to access a specific, suitable and appropriate investment portfolio from Investec Wealth & Investment designed to meet a specific need. By working in partnership with financial advisers, we ensure our clients receive a high-quality service supported by multiple financial professionals, all aiming to ensure they meet their financial objectives.

Overall, feedback received from our clients and their advisers, as well as the investment returns generated show we are providing a proposition that delivers good outcomes. There is always room for improvement and we are keen to hear feedback as to how we can further improve our service. Please get in touch through your usual Investec contact.

CONSUMER SUPPORT	● ● ●
CONSUMER UNDERSTANDING	● ● ●
PRODUCTS AND SERVICE	● ● ●
PRICE AND FAIR VALUE	● ● ●

- ● ● The proposition provides value for its clients
- ● Minor enhancements available
- Improvement(s) required

## Target Market Information

### What type of investor is this service suitable for?

Our AIM Portfolio IHT Plan is primarily aimed at individuals who are concerned that much of their wealth may not pass to the next generation because of an IHT charge on their estate. The plan is suitable for clients undertaking long-term investment planning and those with a restricted timescale to achieve IHT exemption.

### What is the target market for this service?

Clients using our AIM Portfolio IHT plan service:

- Must have a capacity and willingness to accept a degree of loss of capital
- Must have a minimum £100,000 to invest
- Are comfortable with exposure to higher investment risk
- The required risk must not exceed the client's risk capacity. In other words, the risk the client needs to take to achieve their chosen objectives must not exceed the risk they are willing or able to take.

### Negative target market:

Our AIM Portfolio IHT Plan is not suitable for retail clients that:

- are seeking full capital protection
- have no capacity or willingness to bear loss or capital
- require a fully guaranteed income or a fully predictable return profile

### Vulnerable Clients

As a proposition, the AIM Portfolio IHT Plan, poses no additional risk to vulnerable clients. This is because we take the time to get to know our clients, understand their unique needs and objectives, and tailor our services to meet their specific requirements. By working in close partnership with advisers, we are able to support clients with temporary or permanent vulnerabilities. Our personalised approach ensures that vulnerable clients receive the appropriate level of support and attention they need to achieve their investment goals while mitigating risks.

## Information about Investec Wealth & Investment

We provide our clients with a diversified, combined and integrated banking and wealth management offering with extensive depth and breadth of product and services. We are a leading private client investment manager in the UK, committed to providing bespoke personal service to private clients, trusts, charities, intermediaries and pension schemes. We offer our clients investment and saving, financial planning and pensions and retirement services across the UK and Europe. We have 15 offices across the UK, together with offices in the Channel Islands and Switzerland, employing over 1,405 people with funds under management of £44.4bn (as at 31 March 2022).

### Our Corporate Culture

The desire to make a meaningful contribution to the world we live in is at the heart of our values at Investec.

Making an unselfish contribution to society, nurturing an entrepreneurial spirit, embracing diversity, and respecting others, underpin our aim to live in, not off society.

Our culture is our strategic differentiator. As a culture driven organisation, our values and philosophies must underpin and inform people's conduct. Our organisational design is a flat structure to show deep respect for all individuals and to uphold an environment that encourages an entrepreneurial drive in-line with the organisation's purpose and business strategies.

### Improvements to our Business

As a financial services organisation with a strong footing in both the developed and developing world, we believe we can make a meaningful contribution to society and the environment. We believe that the United Nations (UN) Sustainable Development Goals (SDGs) provide a solid framework for us to assess, align and prioritise our activities.

Our strategy is to harness the expertise in our various businesses and identify opportunities to maximise impact. We do this by partnering with our clients, investors, and stakeholders to support ambitious delivery of the SDGs and build a more resilient and inclusive world.

### Environmental, Sustainability and Governance

As a steward of our clients' assets we take our role seriously. We have a responsibility to preserve and grow the wealth that is entrusted to us over the long term, and we understand that we need to do this by investing responsibly on your client's behalf. Environmental, Social and Governance (ESG) considerations are embedded into our investment processes as standard, we include ESG issues in our investment analysis and decisions to better manage risks and improve returns for our clients. We also have the ability to manage a Sustainability-focused mandate if required.

We recognise that judging a company on their ESG credential is difficult and it is why we have created the below link that helps explain what initiatives that we as a company are involved in.

[Corporate Sustainability Report \(investec.com\)](https://www.investec.com/corporate-sustainability-report)

---

<b>Belfast</b>	02890 321002	<b>Cheltenham</b>	01242 514756	<b>Guildford</b>	01483 304707	<b>Manchester</b>	0161 832 6868
<b>Birmingham</b>	0121 232 0700	<b>Edinburgh</b>	0131 226 5000	<b>Leeds</b>	0113 245 4488	<b>Sheffield</b>	0114 275 5100
<b>Bournemouth</b>	01202 208100	<b>Exeter</b>	01392 204404	<b>Liverpool</b>	0151 227 2030		
<b>Bristol</b>	01172 444 860	<b>Glasgow</b>	0141 333 9323	<b>London</b>	020 7597 1234		

[investecwin.co.uk](https://www.investecwin.co.uk)

**This document is for professional financial advisers only and is not intended for retail clients.**

The information in this document is for private circulation and is believed to be correct but cannot be guaranteed. Opinions, interpretations and conclusions represent our judgement as of this date and are subject to change. The Company and its related Companies, directors, employees and clients may have positions or engage in transactions in any of the securities mentioned. Past performance is not necessarily a guide to future performance. The value of shares, and the income derived from them, may fall as well as rise. The information contained in this publication does not constitute a personal recommendation and the investment or investment services referred to may not be suitable for all investors. Copyright Investec Wealth & Investment Limited. Reproduction prohibited without permission.

