



Meeting the
Challenges of
MiFID II

CANACCORD Genuity

Canaccord Genuity in the UK and Europe

CANACCORD GENUITY

Full service broking and investment banking to the mid-market

Research

- In depth, opinion forming Research
- Broad coverage across 14 industries
- Fundamental and thematic
- **QUEST** - Canaccord Genuity's proprietary offering of online analytical tools and valuation models for use by international equity fund managers

Sales and Trading

- Leading mid-cap equity distribution in the UK
- 30 sales people, traders and market makers in over 800 stocks

Investment Banking

- Approximately 70 Investment Bankers
- Raised c.£14 billion over the past five years on AIM and the Main Market of the London Stock Exchange
- Approximately 80 listed retained clients spread across the Main Market and AIM with an average market cap of c.£350m
- Established advisory practice. Advised on over 200 advisory M&A deals in last four years
- Independent M&A advice to private, private equity backed and public companies throughout Europe

A leading UK mid-market firm as measured by market share

FTSE250 Market Share: January to June 2017

Broker	Rank
Morgan Stanley	1
J.P.Morgan	2
Instinet	3
Bank of America Merrill Lynch	4
UBS	5
Credit Suisse	6
Citigroup	7
Investec	8
Winterflood Securities	9
Canaccord Genuity	10

Source: Markit

CANACCORD GENUITY Wealth Management

£23 billion assets under management in the UK and Europe as of 21 September 2017

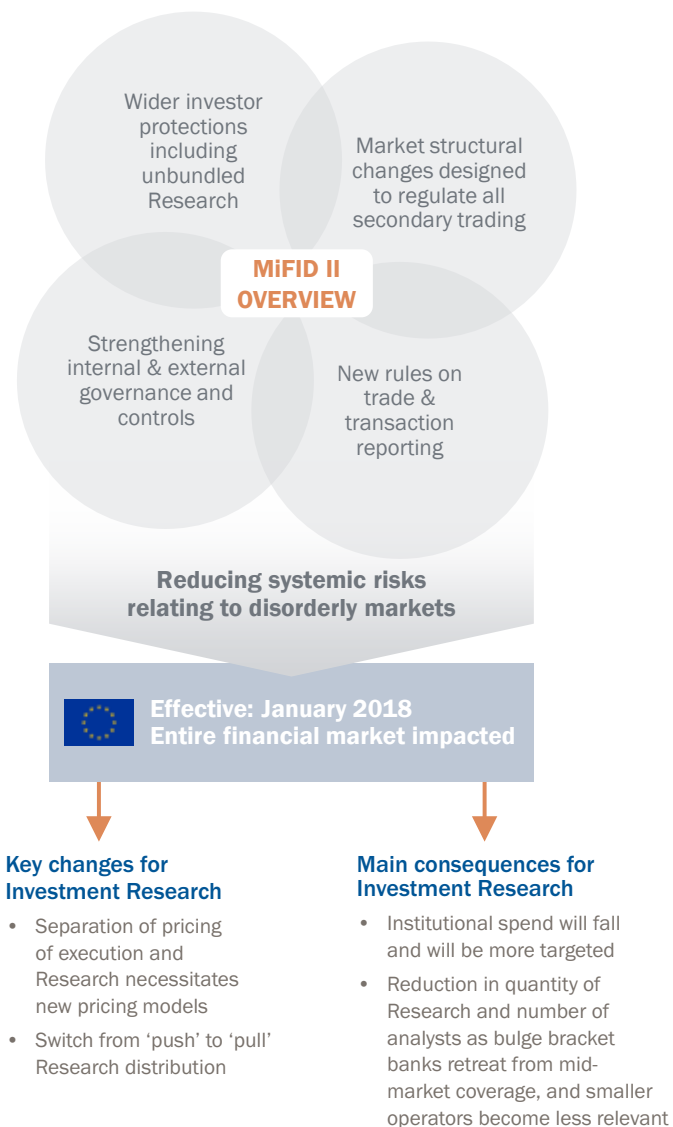
- Award winning wealth manager in UK, Guernsey, Isle of Man and Jersey
- Specialist Wealth Manager 2014 Winner at the Wealth Briefing Awards and Wealth Management Company of the Year at the City of London Wealth Management Awards 2014
- Investment Manager of the Year, Isle of Man, Winner 2015 and Investment Management Company of the Year, Channel Islands, runner up at the Citywealth IFC Awards

Hargreave Hale Acquisition

- Acquisition of Hargreave Hale in September 2017, a leading independent UK based investment and wealth management business with a total of £8 billion in assets under administration, management and management contract
- A highly complementary client centric business model, encompassing discretionary portfolio management, advisory and execution only stockbroking services with Canaccord Genuity also offering wealth planning



Key pillars and the impact of MiFID II on Investment Research



Canaccord Genuity's post MiFID II Research Offering



- Ongoing dialogue with the buy-side community
- Discussions to date indicate Canaccord Genuity will be engaged by all the key institutional investors in the small and mid-cap space

Paid for Fundamental Research - three-tier pricing structure:

- High Touch (unlimited analyst access, bespoke Research projects, access to models)
- Low Touch (limited analyst access) and
- No Touch (portal access/Research only)

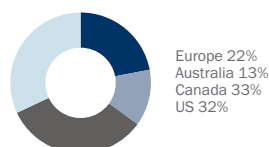
QUEST

- As buy-side reduces research budgets, Canaccord Genuity has invested in its proprietary data driven research tool which is already used by almost 100 UK fund managers to help them manage MiFID II
- Unique Quest product – proprietary financial dataset covering 9,500 companies (95% of global market cap)
- Dedicated Quest analyst/sales team, offering unique investment tools to drive superior returns
- **INSIGHT**- Unique macro to micro tool. 400 industry level / benchmark indices. Trade validation / idea generation / portfolio review

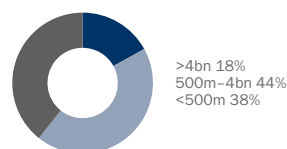
Why partner with Canaccord Genuity Research?

- ✓ Consistently top 5 UK Small & mid-cap UK broking firm
- ✓ Quest
- ✓ Breadth of talent – Five top 5 ranked teams in Extel 2017; 15 teams ranked in top 10
- ✓ Niche focus – 18 experienced analysts covering around 230 companies, with 85% in UK small/mid-cap
- ✓ Our Research has been read by over 800 institutions in the past month
- ✓ International breadth – key insights from specialist teams in US/Canada/Australia
- ✓ International coverage footprint across small/mid-cap Technology, Media/Gaming, Oil, Mining, Leisure/Retail, Financials. Nearly 1,000 companies covered globally
- ✓ Leading Investment Trusts team – seven person team across Research/Sales
- ✓ We arranged around 2,500 UK management meetings with institutions in the past year

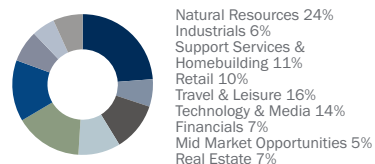
Global coverage by geographic market



Companies under coverage by market cap



Companies under coverage by sector



Canaccord Genuity: an outstanding global platform focussed on MiFID II delivery and excellence

Stable Global platform

- C\$600m market cap Canadian listed parent company with C\$450m of working capital – stability and financial muscle to survive and thrive in a post-MiFID II environment
- Diversified sources of revenues across a global platform: Equities, Corporate Broking, M&A, Debt Advisory, Sponsors, Fixed Income and Investment Trusts

MiFID II Steering Committee established in early 2016:

- Comprising over 32 senior executives, including a dedicated external project manager
- Represented by divisional heads across the firm
- Dedicated working parties for Transaction Reporting, Sales & Research, Compliance, HR and Trading
- Highly detailed project & implementation plan, designed in 2016 which is embedded into all relevant business processes with regular management reporting

Pre-eminent Global Financial Services law firm retained to provide the highest quality technical advice and support, including:

- Provision of UK, European and North American MiFID II and regulatory advice across the Canaccord Genuity group
- Production of a full suite of template documents, including Research Charge Agreements
- Full overhaul of external and internal policies and procedures to ensure immediate MiFID II compliance

Contact

If you are interested in finding out more about Canaccord Genuity's MiFID II plans, please contact:

Canaccord Genuity
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