

METHODOLOGY

Best **Financial Advisory** **Firms** 2023

USA TODAY'S "Best Financial Advisory Firms" is based on the analysis of a firm's performance and market appreciation

Summary

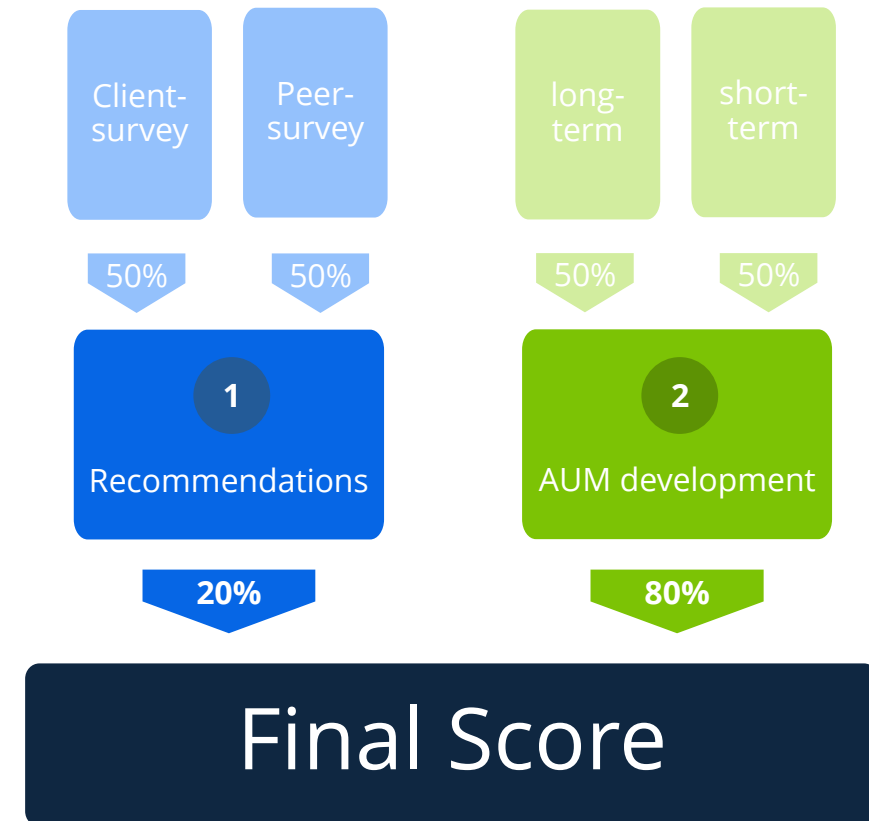
- For the first time, USA TODAY and Statista are awarding the "**Best Financial Advisory Firms**" in the US.
- The ranking of the best **registered investment advisory firms** ("RIA Firms") is based on two dimensions: **recommendations** by clients and peers and a firm's **growth of Assets under Management (AUM)**.
- Research approach:
 - The **recommendations** were collected via an independent survey sent to over 20,000 individuals. While **clients** were able to evaluate and recommend their RIA firm, **financial advisors working for an RIA firm** were asked to consider a scenario where their own firm could not take on a client and had to recommend another RIA firm they appreciate.
 - The **development of AUM** was analyzed both, short and long term based on publicly available data. For the **short-term view**, the growth of AUM over a twelve-months period was calculated, from January 2022 to January 2023. For the **long-term view**, the growth of AUM over a five-year period was calculated, from 2018-2023.
 - In the consideration for the top 500 RIA firms, **recommendations had a weight of 20%** while **development of AUM** had a **weight of 80%** (short-term and long-term growth were equally weighted) to derive the final score.

The 500 RIA firms with the highest score were awarded as USA TODAY's *Best Financial Advisory Firms*

The final score is derived from a 20/80 weighting of recommendations and development of assets under management

Scoring Model

- Through various channels, financial advisors, as well as clients of RIA firms were invited to participate in the surveys by USA TODAY and Statista.
- Based on the results of the surveys (recommendations of clients and peers were weighted equally) a recommendation-score was calculated for each firm, which was weighted at 20% in the final score.
- Based on data points derived from the SEC IAPD regulatory database collected up to January 2023, the development of Assets under Management (AUM) was calculated both short (twelve-months period) and long term (five-year period) and equally weighted to create an AUM development score, which was weighted at 80% in the final score.
- The score was calculated as follows:
 $20\% \times \text{recommendation score} + 80\% \times \text{AUM development score} = \text{Final score}$



The 500 RIA firms with the best overall score were awarded

Requirements

To be recognized as one of USA TODAY's Best Financial Advisory Firms the following requirements had to be met:



1. The firm is registered as an RIA firm with the SEC or at state level for at least one year
2. The firm has a principal office in the United States
3. The firm has a clean disciplinary record
4. The firm offers financial planning services or portfolio management for individuals and/or small businesses
5. The firm's AUM must be greater than \$500,000
6. The firm achieved an overall score among the top 500

Disclaimer

The selection of the firms and the definition of the evaluation criteria were based on independent journalistic criteria of USA TODAY and Statista. The evaluation was carried out by the statistics and market research company Statista. USA TODAY and Statista make no claim to the completeness of the firms examined.

The ranking only includes firms that qualify according to the criteria described in this document. A position in the ranking is a positive recognition based on research of publicly available data sources at the time and extensive surveys.

In addition, events after February 24, 2023 were no longer considered in the analysis. As such, the results of this list should not be used as the sole source of information for future deliberations. The information provided through this top list should rather be considered in conjunction with other available information about a financial advisory firm.

The quality of financial advisory firms that are not included in the ranking is not disputed.