IGUAKO CAPITAL · Group policy

Fair Treatment of Clients

This policy sets the standard of treatment every IGUAKO Capital client is entitled to, and the evidence the firm collects to show that the standard is met. It defines six client outcomes, assigns each an owner and a measure, and requires that products, pricing, communications, service and exit arrangements are designed and tested against them. It applies to all six divisions and to every client relationship, whether the client is an institution, an intermediary, a founder or a family.

CODE	CATEGORY	VERSION
IGC-CC-006	Conduct and clients	2.1
EFFECTIVE	**REVIEW**	**OWNER**
2023-06-01	Annual; last reviewed June 2026, next review due June 2027	Head of Conduct Risk

1. Purpose and scope

The firm serves eligible counterparties and professional investors only. That does not lower the standard of treatment it owes; it changes the form of the evidence. This policy exists to make fair treatment a tested property of the firm's processes rather than a statement of intent, and to give the Compliance & Conduct Committee a measured view of how clients are treated across the group.

The policy applies to every stage of a client relationship: the decision to accept the client, the design and pricing of what is offered, the information given before and after a decision, the service provided, the handling of a problem and the terms on which a client leaves. It covers all six divisions, the 61 private-wealth family relationships and every institutional and intermediary client.

It does not replace the specific requirements of the Client Classification, Suitability and Appropriateness, Complaints Handling, Marketing and Financial Promotions or Conflicts of Interest policies. It sets the outcomes those policies serve and the means by which the firm checks that the outcomes are achieved.

2. Definitions

A client outcome is a state of affairs the firm undertakes to bring about for every client. The six outcomes in this policy are fixed by the Compliance & Conduct Committee and each carries a named owner, at least one measure and a threshold below which the owner must report. Conduct risk is the risk that the firm's conduct produces a poor outcome for a client, a counterparty or a market, whether or not any rule is broken.

A circumstance of vulnerability is any condition that impairs a client's ability to make a decision or to protect their own interests, including illness, bereavement, a dispute within a family, reliance on a single adviser or the transfer of a relationship between generations. The firm's clients are professional, and many are principals of substantial families; that status does not remove these circumstances, and the policy requires that they are recognised and recorded.

Value is the relationship between the price a client pays and the benefit the client receives, assessed for the service as a whole rather than for a single transaction. A value assessment is the documented review of that relationship required by the Requirements section, performed once a year for each product and pricing tier.

- Outcome 1: clients are accepted only where the firm can serve them well.
- Outcome 2: products and services are designed for identified client needs and tested before launch.
- Outcome 3: clients receive information that is accurate, complete and timely, before and after a decision.
- Outcome 4: advice and discretionary decisions are suitable and are recorded with their reasons.
- Outcome 5: service after the sale meets the standard promised, including when something goes wrong.
- Outcome 6: clients can change or end a relationship without unreasonable cost or delay.

3. Principles

The firm treats fair treatment as a design requirement. A product, a pricing schedule, a communication or a process is not approved unless the approver can state which client outcome it serves and how the firm will know if it fails. Where an outcome and a revenue objective conflict, the outcome prevails and the conflict is recorded in the approval file.

Evidence is collected from the client's side of the relationship, not the firm's: what the client was told, what the client paid, what the client received and what the client said. A coverage team's own assessment is not accepted as evidence of a good outcome without a client-side measure to support it.

A client's professional status is not used to justify less information, less care or a higher price than the firm would apply to a comparable client elsewhere. The firm does not price by the client's inattention, and a client who has not asked about a charge is told about it anyway.

4. Requirements

Every new product, service or fee schedule is approved through the product governance forum before launch. The approval file identifies the target client, the need addressed, the risks to the client, the total cost to the client over a representative holding period, the outcomes served and the measures that will be monitored. Products are reviewed every two years and withdrawn or amended where the review finds the outcomes are not being achieved.

Each client receives, at least annually, a statement of the total cost of the relationship in money terms and as a percentage of assets or of transaction value, listing every fee, charge, spread and third-party cost borne by the client. Fee schedules are changed only on 60 days' written notice, and no charge is applied that was not disclosed before the service was provided. Exit charges are limited to the direct cost of transfer and are set out in the client agreement.

A value assessment is completed for each product and each pricing tier every year, comparing the total cost to the service received and to the cost of comparable services available to the client elsewhere. Where the assessment finds that the price is not justified by the service, the price is reduced or the service improved within six months, and affected clients are told what changed and why.

Where a circumstance of vulnerability is identified in a private-wealth relationship, the relationship manager records it, informs the Head of Private Wealth, and no material change to the mandate or transfer of assets proceeds without a second senior review completed within five business days. Relationship managers receive annual training on recognising these circumstances.

- Product approval file before launch; product review every two years.
- Annual total cost statement to every client, in money and percentage terms.

- 60 days' written notice of any change to a fee schedule.
- Exit charges limited to the direct cost of transfer.
- Annual value assessment per product and pricing tier, with remediation within six months.
- Second senior review within five business days where a circumstance of vulnerability is recorded.

5. Roles and responsibilities

The Head of Conduct Risk owns this policy, maintains the conduct dashboard, chairs the product governance forum and reports quarterly to the Compliance & Conduct Committee. The role sits in the compliance function and reports to the General Counsel and Group Head of Compliance. Each outcome has a named executive owner: the Head of Private Wealth for outcomes 1 and 5 in that division, the divisional heads for outcomes 2 and 4, the Head of Communications for outcome 3 and the Chief Operating Officer for outcome 6.

Divisional heads are accountable for fair treatment within their divisions and certify annually to the Compliance & Conduct Committee that the requirements of this policy have been met, listing every exception. Relationship managers are accountable for the accuracy of the information given to each client and for recording circumstances of vulnerability on the day they are identified.

The Remuneration Committee receives the conduct dashboard before it sets variable remuneration, and the Remuneration policy requires that a poor conduct finding reduces the award of the person and the division concerned. The Head of Conduct Risk attends that meeting to answer questions on the findings.

6. Monitoring and reporting

The conduct dashboard is produced quarterly and holds twelve indicators, each tied to an outcome, with a threshold set by the Compliance & Conduct Committee. The indicators include the proportion of clients receiving the annual cost statement on time, the number of fee changes made with less than 60 days' notice, complaints per hundred relationships by category, the time taken to complete a transfer out, the number of value assessments finding a price unjustified and the number of recorded vulnerability circumstances with a completed second review.

For the year to 30 June 2026, all 61 family relationships and every institutional client received the cost statement on time, the average transfer out completed in 11 business days against a threshold of 15, and value assessments found two pricing tiers in the Private Wealth & UHNW division where the price was not justified. Both tiers were repriced within four months and 14 clients received the lower price backdated to the start of the year.

The Compliance & Conduct Committee reviews the dashboard quarterly and reports to the Board annually. Internal Audit reviews the product governance files and a sample of cost statements each year. Client feedback is collected through a structured annual interview with each private-wealth family and each institutional client, conducted by someone outside the coverage team, and the findings are included in the dashboard.

7. Breaches

A breach of this policy is a product launched without an approval file, a fee applied that was not disclosed, a fee change made with less than 60 days' notice, an annual cost statement not sent, a value assessment not completed, or a material mandate change in a recorded vulnerability circumstance without a second review. Breaches are recorded in the compliance breach log within one business day of discovery.

Where a breach has cost a client money, the firm refunds the amount with interest without waiting for a complaint. Where a breach affects a class of clients, the remediation covers every client in the class, and the Compliance & Conduct Committee approves the remediation plan. Repeated breaches within a division are reported to the Remuneration Committee before awards are set.

In the year to 30 June 2026, four breaches were recorded: three late cost statements in one office, all sent within ten business days of the deadline, and one fee change notified with 45 days' notice, which was withdrawn and reissued with the full period. None resulted in a client paying more than the disclosed amount.

8. Review

The Head of Conduct Risk reviews this policy annually, with the outcomes, the dashboard indicators and the thresholds, and after any complaint or breach that indicates the outcomes are not being achieved. The review draws on the year's dashboard, the annual client interviews and the root-cause register maintained under the Complaints Handling policy, and is approved by the Compliance & Conduct Committee.

The policy was first issued in June 2023, replacing the conduct principles that had sat within the Code of Conduct. Version 2.1, approved in June 2026, added the vulnerability provisions for private-wealth relationships and the structured annual client interview. The next review is due in June 2027.

Key controls

- Product governance approval file before launch; product review every two years.
- Annual total cost statement to every client, generated centrally and tracked to delivery.
- 60-day notice rule for fee changes enforced in the billing system.
- Annual value assessment per product and pricing tier with a six-month remediation deadline.
- Quarterly conduct dashboard of twelve indicators with committee-set thresholds.
- Annual divisional certification of compliance listing every exception.
- Structured annual client interviews conducted outside the coverage team.
- Conduct findings supplied to the Remuneration Committee before awards are set.

Related policies

- Complaints Handling (IGC-CC-004)
- Suitability and Appropriateness (IGC-CC-002)
- Conflicts of Interest (IGC-CC-003)
- Remuneration (IGC-PC-001)

Colophon

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