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Consumer Duty Value Assessment
Bespoke Portfolio Service – Q4 2025

Background

King & Shaxson Asset Management Limited ("KSAM") offers a range of discretionary managed portfolios to its clients. The Consumer Duty requirements of the FCA require manufacturers of products to undertake an assessment of whether or not a product provides fair value to the customer. This includes an evaluation of both the financial benefits (such as costs and performance) as well as the non-financial benefits (such as service). This assessment is conducted annually, with this document informing potential distributors of our value assessment process, the result, and any subsequent adjustments to ensure the product offers fair value.

This assessment focusses on King & Shaxson Asset Management's Bespoke Ethical Portfolios, a service which has been offered since 2002. Each category assessed includes a score which feeds through to the overall value assessment. This scoring is based on the following 4 metrics:

Star Rating	Assessment	Further details
☆ ☆ ☆ ☆	Outstanding Value	Provides excellent value that exceeds expectations. Outcomes demonstrate significant benefits to the Adviser and Client.
☆ ☆ ☆	Good Value	Provides value that meets expectations. Outcomes demonstrate good benefits to the Adviser and Client.
☆ ☆	Adequate Value	Provides below average value by only meeting basic expectations. The outcomes may lack expected benefits and improvements are required.
☆	Low Value	Provides minimal value. Outcomes do not effectively meet needs or objectives and requires significant improvement.

Overall Assessment

KSAM has concluded that its Bespoke Portfolio service provides fair value to its customers, scoring an overall 3 star or Good Value:

Star Rating	Assessment	Further details
☆ ☆ ☆	Good Value	Provides value that meets expectations. Outcomes demonstrate good benefits to the Adviser and Client.

There are no disadvantageous findings following this review.

Product Characteristics

KSAM's bespoke discretionary managed portfolios ("bespoke") is a portfolio of direct global equities, bonds, REITS, funds and other securities based on the underlying client's risk and ethical objectives.

The following client needs are met:

- Customers can select an investment service that meets their financial needs, with five risk profiles available from Cautious (low risk) to Dynamic (high risk).
- The portfolios cater to the individual investors ethical screening needs. Whilst dependent on the stringent focus of the screen and universe restrictions, the service still seeks to provide competitive risk adjusted financial investment returns over the long term (10 years).
- Active management of a client's capital gains tax allowance, ISA allowances, SIPP contributions and other family or intergenerational matters.

This is achieved through active management of the portfolios where the underlying investments are largely direct investments.

What are the features and benefits of Bespoke portfolios?

- Asset allocation across number of asset classes to provide a range of risk levels;
- Exposure to largely direct assets that are liquid across different asset classes;
- Tailored investment objectives, such as high-income requirements;
- Active management of the portfolio's strategic asset allocation;
- Long term investment horizon (10 years);
- A tailored ethical screen
- Reporting and support:
    - Investment commentary (monthly, quarterly and ad-hoc via text and video);
    - Ethical reporting on underlying positive outcomes of the portfolios (monthly, quarterly, annual & ad-hoc reporting);
- Safe custody, reporting and online access to view valuations, performance etc.

Cash Management:

- The bespoke cash management service provides active management of short-term money market instruments for risk adverse investors seeking to enhance the yield on cash holdings through highly secure and liquid investments.
- Tax efficient cash portfolios can be constructed utilising lower coupon investments.

What are the limitations of the Bespoke Portfolio Service?

- Negative screens increase the unsystematic risk in the portfolio as they exclude areas of the market, restricting the investment universe and therefore making the portfolio less diversified. This will mean performance will differ from conventional investments, which at times can lead to both out performance and underperformance.

- There is a higher minimum investment amount of £500k.

- Given the costs associated with the management of individual ethical bespoke portfolios, costs can be higher.

Consumer Duty Value Assessment
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Target Market

While the Bespoke solution is available to all client types (Retail, Professional Client and Eligible Counterparties), the primary target market for KSAM's MPS solutions is retail individuals who wish to invest their funds in an ethical manner, taking advantage of the bespoke ethical screens, whilst achieving a return in accordance with their risk appetite over the long term (+10 years). Clients should have taken financial advice prior to investing.

The cash management service is also available to all client types, but the target market is focussed on those clients with a shorter investment horizon. Given the nature of the product, financial advice is not a necessity for cash managed portfolios.

Who these products are not suitable for:

Ethical Bespoke Portfolios

- Investors that cannot tolerate some risk of loss;
- Investors whose investment objective is a guarantee of capital preservation;
- Clients seeking a non-advised or execution only service;

Cash Managed Portfolios

- Investors seeking a long-term investment portfolio;
- Investors seeking a degree of risk (such as equity exposure),
- Clients seeking an execution only service;

Distribution Strategy

KSAM hosts its bespoke service on Pershing Securities Limited with distribution of its products to the end client undertaken through Independent Financial Advisers. Our distribution strategy is therefore predicated on distribution via intermediary.

KSAM provides the necessary information to the intermediary and end client prior to account opening, including investment proposals. This includes a range of documents and videos available at the KSAM website, as well as availability of a BDM/CRM to provide any clarity on the product. Our documentation is also set out in a format that can be used with the underlying client.

KSAM does not pay any fee, commission, profit share etc to IFAs.

Clients with vulnerable characteristics

These products are designed for clients with a range of risk appetites, which may include some customers with characteristics of vulnerability or who may experience vulnerability in the future.

As our distribution strategy requires an investment adviser, who should seek to achieve good outcomes for any vulnerable clients which in turn should not impact the value of the product provided by KSAM. We would work with the adviser to achieve good outcomes for any vulnerable clients. This would include notifying an adviser if we suspect a client is displaying vulnerable characteristics to ensure the appropriate action can be taken. This may include providing information on switching to a lower risk bespoke portfolio which better caters for the client's needs, providing additional literature in different formats or providing additional assistance to the adviser where possible.

Individual Portfolio Details

Portfolio	Risk profile	Product description & Investment Objectives	Equity Neutral Allocation
Cautious	Low	A cautious risk level is the lowest risk objective offered by King & Shaxson and portfolios managed in this way will prioritise low volatility and capital preservation over return and performance. The objective is to provide a return in excess of cash but with a low level of risk to capital. It will still invest in assets that can fall in value and capital is still at risk. It should not be considered a cash fund. The portfolio will be diversified with a large portion held in fixed income as well as larger, more secured equities and from time to time a substantial element of the portfolio may be held in cash.	30%
Cautious Balanced	Low	A cautious balanced risk objective will take a more balanced approach to risk and return. The emphasis will still be on lower volatility and capital preservation but more risk will be taken to seek a higher-level return and performance. The objective is to provide a higher return as well as income and capital growth. The portfolio will hold about half of its assets in larger equities and the other half will be in fixed income, property, cash and other assets	40%
Moderate Balanced	Med	A moderate balanced risk objective will also take a balanced approach but place more emphasis on capital and income growth over the long term. Portfolios will still be invested in a diverse portfolio of assets. The portfolio will hold between half and three quarters of its assets in equities with the rest invested in fixed income, property, cash and other assets.	50%
Moderate	Med-High	A moderate risk objective will focus on a more equity based portfolio with the objective of long term capital and income growth. Although the portfolio will include other assets the focus will be on equities. The portfolio will be mainly invested in equities and property with some debt, cash and other assets.	65%
Dynamic	High	This risk profile is for those who seek to achieve high returns and are willing to take a high degree of risk to achieve it. It will mainly consist of equities including higher risk equities. These may include smaller more focussed companies listed on markets such as AiM. This risk profile, in seeking higher returns, will take a high degree of risk with your capital.	75%

Value Assessment

The following pages provide an assessment of value for both financial and non-financial metrics.

Expected Total Price

The price of a product is required to be assessed with respect to the "expected total price" to be paid by a retail customer. We have assessed all the costs of bespoke service which are detailed below:

Type of charge applied	Definition
Discretionary Fund Management Fee ("DFM")	This is our annual management fee for providing the discretionary management service.
Dealing charges	This is the fee charged by the firm when undertaking investment on behalf of the client.
Ongoing Charges Figures ("OCF")	Whilst consisting of mainly direct investments, the portfolio may include certain funds such as Microfinance and some specialist investment trusts. OCF is the ongoing management charges levied by the manager of each fund invested in and related to their costs of running the fund.
Transactional costs	Transactional costs are costs incurred by the underlying funds when undertaking transactions.

Bespoke Ethical Portfolios:
With respect to each of the above charges, the only ones in our control are the DFM & portfolio dealing charges, both of which are tiered in order to pass on economic savings of running larger portfolios. As this is a bespoke DFM service, VAT is applicable to the management fee only.

Multi asset portfolios are expected to range from a total cost of 0.9% to 1.6% per annum, with smaller portfolios around the minimum investment level incurring a higher percentage charge. This includes custody and local market costs, as well as any additional fund or transactional costs, albeit these are low given the portfolios allocate to predominantly direct assets.

Cash Managed Portfolios:
The charges for a cash managed portfolio will be 0.20% per annum (+VAT) and a £10 dealing fee for trades of all sizes. This equates to around 0.25% per annum. This service provides access to a range of money market instruments not typically available to retail investors directly, including UK Treasury Bills, and when considering custody related services is included in the above cost, the service offers good value.

We have reviewed various alternative providers for comparable products and our AMC may be above average, but this reflects the true bespoke nature of portfolios when considering the ethical screen applied. This is reflective of the costs incurred by the firm in manufacturing and maintaining the product, particularly with respect to the highly personalised nature of both the investment and ethical criteria. Our research showed that there were limited comparable products, but other full DFM services were not priced significantly lower than ourselves.

Star Rating	Assessment	Further details
☆ ☆ ☆	Good Value	Provides value that meets expectations. Outcomes demonstrate good benefits to the Adviser and Client.

Performance

When reviewing performance of the bespoke portfolios, there are limited mainstream benchmarks which reflect the true nature of the underlying universe that the portfolios are trying to target, with each individual portfolio having different ethics applied.

However, we are able to use a composite benchmark to assessment performance for the universe we are more closely targeting in bespoke portfolios (a combination of ESG/SRI/Impact index funds). Whilst previous assessment periods have seen an underperformance from ethical portfolios in general, there has been a rebound through the 2025 calendar year. Performance varies between portfolio risk levels given some of the more stringent client screens in place, but a sample can be used to obtain an overall assessment and we note the following:

Portfolio	Assessment (Dec 24 to Dec 25)	
Cautious	☆ ☆ ☆	Good Value
Cautious Balanced	☆ ☆ ☆	Good Value
Moderate Balanced	☆ ☆ ☆	Good Value
Moderate	☆ ☆ ☆	Good Value
Dynamic	☆ ☆ ☆	Good Value

Portfolio	Assessment (Dec 24 to Dec 25)	
Cash Managed	☆ ☆ ☆	Good Value

Given the above, the assessment for performance (including non-financial) and volatility can be found below:

Star Rating	Assessment	Further details
☆ ☆ ☆	Good Value	Provides value that meets expectations. Outcomes demonstrate good benefits to the Adviser and Client.

Company Information

King & Shaxson Asset Management Limited (Reg. No. 3870667) has its registered office at 1st Floor, 155 Fenchurch, London, EC3M 6AL. The Company is registered in England and Wales and is part of the PhillipCapital Group. King & Shaxson Asset Management Limited (FCA Reg. No. 823315) is authorised and regulated by the Financial Conduct Authority, 12 Endeavour Square, London, E20 1JN.

Disclaimer

Please remember that the value of investments and the income arising from them may fall as well as rise and is not guaranteed. You may not get back the amount invested, especially in the early years.

All information contained in this document has been prepared by King & Shaxson Asset Management. The information contained in this document is for general information purposes only and should not be considered a personal recommendation or specific investment advice. Nothing in this document constitutes an offer to buy or sell securities of any type or should be construed as an offer or the solicitation of an offer to purchase or subscribe or sell any investment or to engage in any other transaction.