

# Treating Customers Fairly



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### 1. Introduction

The Financial Services Conduct Authority (“FSCA”) introduced an outcomes based regulatory approach, Treating Customers Fairly (“TCF”), to ensure that the fair treatment of clients is embedded within the culture of all financial entities that are regulated by the FSCA.

TCF is approach that seeks to ensure that specific, clearly articulated fairness outcomes for financial services consumers are delivered by financial institutions.

At Perpetua Investment Managers (Pty) Ltd (“Perpetua”), we believe the core of a strong culture in an investment firm is Purpose + Trust + Values. Perpetua’s culture is guided by its central mission, purpose and values. The mission of the firm is to be thoughtful and courageous

investment partners who create and deliver opportunities for financial security and societal impact.

A key principle in our culture is that our clients come first and our focus on client centricity has become deeply engrained in our business philosophy, ethos and culture.

### 2. The 6 TCF outcomes

The FSCA published the TCF Roadmap in 2011, which formed the basis of the TCF framework. All organisations, specifically those authorised under the FSCA, are required to embed the TCF principles in governance processes, frameworks and furthermore to demonstrate that they measure their behaviour against these key principles, to manage conduct risks and protect their clients.

The six TCF principles have been adopted by Perpetua across all business practices, governance frameworks and day-to-day processes.

#### 1. Culture and Governance

The general public as well as our clients are confident that the fair treatment of clients is central to our culture.

#### 2. Product Design

The products and services which we market and sell are designed to meet the needs of identified Client groups which we target accordingly.

#### 3. Clear Communication

Our clients are provided with clear information and are kept appropriately informed before, during and after entering into any agreement.

#### 4. Suitable Advice

We strive to ensure that when clients receive advice, the advice is suitable and takes their circumstances into account.

#### 5. Performance and Standards

Our clients will be provided with products which will perform as expected and the associated service will always be of an acceptable standard.

#### 6. Claims, Complaints and Changes

Our clients will not face unreasonable post-investment barriers when attempting to claim, complain, or switch products or providers.

### 3. Culture and governance

- The Board of Directors (the “BOD”) have adopted the TCF framework and has ultimate responsibility to ensure that the TCF principles have been embedded throughout the business.
- The Management Committee (the “Manco”) is responsible for the ongoing implementation and governance of TCF. The Manco also understands their role in delivering TCF outcomes to our clients.
- Perpetua’s Audit Risk and Compliance Committee (the “ARC Committee”) will oversee and monitor the implementation and application of TCF.
- Formal and regular reporting on TCF progress will be presented to the BOD, The Manco and ARC Committee. Achievement of TCF objectives will therefore be evaluated on an ongoing basis.
- The Manco strives to continuously ensure that all staff members fully understand the 6 TCF Outcomes detailed above and how to apply it to their daily activities and interactions with clients.
- Our TCF policy will be updated and reviewed on an annual basis and displayed on our website for the general public to access.
- Perpetua has a policy to prevent potential conflicts of interest, mitigate and manage actual conflicts of interest and communicate them effectively to clients. A control system has been established to ensure monitoring of the conflicts of interest and corrective measures taken. The Conflicts of Interest policy is also available on our website.
- Perpetua has a detailed Personal Account Trading policy which is adhered to by all staff members and ensures that no such trading takes place until the required permission and sign-off has been obtained. Policies and procedures to prevent actual or potential conflicts of interests with respect to personal account trading are critical to establishing client confidence and compliance with the law.

### 4. Product design

- Perpetua is a value-oriented investment manager in that we believe that the best predictor of returns is the price we pay for an investment relative to our determination of its value. We invest only in assets we believe offer value.
- Our investment process ensures we invest in accordance with our research process, not to benchmarks. We are concerned with doing what is right for the long-term, not simply what is popular for now.
- Our values, principles and ethics are the cornerstone of what we do and ensure that we guard our clients’ long-term interests. As part of this focus, we consider what are known as Environmental, Sustainability & Governance (ESG) factors in all our decisions.
- We offer a focused range of domestic and global retail and institutional funds which cater for investor requirements. For each product we offer, we ensure we have adequate capacity, resources and expertise to deliver competitive results over meaningful periods.
- Products are structured to ensure the fees are considered fair and reasonable.

## 5. Clear communication

- We have a consistent and open line of communication with our clients through monthly and quarterly reporting (minimum disclosure documents), investment report-backs, client meetings and due diligence requests.
- We strive to attend to and address all client requests satisfactorily and timeously. All formal client communications are subject to a rigorous review process of which senior management plays a part.
- As part of our undertaking to be transparent in a manner that is consistent with trends in international best practice, a record of our proxy voting policy is available to clients. This will enable clients to assess whether we are fulfilling ownership responsibilities on their behalf in a manner that is loyal to the objectives of protecting and enhancing their assets. Perpetua publishes its voting record quarterly on our website along with a clear explanation of any votes made against the company's proposals.
- Any suggestions or complaints received from clients or employees regarding product information will be considered and addressed according to our Complaints policy.

## 6. Suitable advice

- We do not provide financial advice to clients.

## 7. Performance and standards

- Perpetua's culture is premised on the notion of a self-actualised organisation – one with high purpose and high performance.
- We strive to emulate the epitome of what this means by driving for industry leading levels of professionalism; clear initiative and mastery with absolute clarity on why we do what we do. The culture of Perpetua is intentional and is an important differentiator but also an important source of continuity of the firm and clients' experience of the firm from generation to generation.
- Product performance and statistics are published on a monthly and quarterly basis through periodic investor reporting.

## 8. Claims, complaints and changes

- Perpetua has a Complaints policy which is available on our website for the general public. We believe that effective management of client complaints is a vital component of TCF.
- Effective management of client complaints is key to supporting our aim in which dissatisfied clients can be transformed into advocates or loyal supporters of our business which ultimately builds trust and lasting relationship sustainability.
- We encourage and welcome feedback from staff and clients on our products and procedures.