



# The Consumer Duty



**Slater Investments  
Limited**



# What is it?

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The Consumer Duty is a very significant piece of regulation that sets higher expectations for the standard of care firms across the financial services industry give to consumers in retail financial markets.

It aims to ensure that existing best practice around good outcomes for consumers is applied consistently across the industry.

There are three elements to it:

A new **Principle 12** to reflect the overall standard of behaviour required from all firms

- firms must act to deliver good outcomes to customers

**Cross Cutting Rules** – which permeate across all of the consumer touchpoints in the consumer journey for firms to ensure they:

- Act in good faith towards customers
- Avoid foreseeable harm to customers
- Enable and support customers to pursue their financial objectives

**Four outcomes** which detail the expectations in key elements of the firm-customer relationship:

- Products and services
- Price and value
- Consumer understanding
- Consumer support



# What are Slater Investments doing to implement the Consumer Duty?

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The Slater Growth Fund, Slater Recovery Fund and Slater Income Fund (the **Slater Funds**) are all in scope of the Consumer Duty and the firm implemented the Consumer Duty on or before, 31st July 2023.

The majority of the outcomes which the Consumer Duty is aiming to achieve are already built into our existing processes and procedures. However, we recognised that these processes and procedures should be reviewed and, where appropriate, uplifted to comply with the new Duty.

Work has been ongoing since August 2022 to ensure that our internal processes and procedures are still fit for purpose and any uplifts put in place well in advance of the implementation date of 31st July 2023.

This has included:

- mapping the different stages of an investor's journey and key touchpoints
- putting in place an implementation plan and a programme of testing
- reviewing the product development stages including assessing target markets
- reviewing fair value
- reviewing the different ways we communicate with our investors including the customer facing documentation both direct investors and distributors utilise when investing in the Slater Funds
- reviewing our customer support and identifying whether there are areas we could improve.

Many of the uplifts to our processes and procedures were implemented in advance of the FCA implementation timetable.



# Data and Management Information

A fundamental part of the Consumer Duty is the ability of Slater Investments to evidence the outcomes our investors are receiving from the Slater Funds (either direct or throughout the distribution chain). In this way we can understand what good outcomes look like for our investors and identify where investors may be receiving poorer outcomes. To assist with this, we now collate more data to enable us to continue to monitor the four outcomes. Systems have been put in place to collect additional data from which relevant and appropriate Management Information will be generated to review the outcomes our investors are receiving.

## Manufacturers and Distributors information sharing

We feel that information sharing between manufacturers and distributors is of great importance to both investors and our business and therefore, so we can gather and monitor data, we produce the following information:

- EMT v4.1
- Value Assessment Report is available on our website but will be sent to Distributors
- Annual Distributors Due Diligence Questionnaires for completion by Distributors

All key documents relating to the Slater Funds will be available to all Distributors using the usual channels and will also be on our website. Other than the uplift in reporting to comply with our respective duties under the Duty, we do not envisage any other changes being required.

We have also provided additional information to Distributors on a number of data platforms.

Following the publication by the Join Trade Association of a Distributor Feedback Framework, we hope to receive distributor feedback over the course of the next year.



# Culture

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Our culture and purpose aim to add material long-term value for our investors by providing a framework for their investment objectives, be that sustainable capital growth, income or a combination of the two. We understand that to achieve this, we need all our employees to be working to the same goal, which is why delivering long-term value customer outcomes is embedded within the firm.

We have used the implementation of the Consumer Duty as a catalyst to review and refresh our approach and support to our employees in understanding what good customer outcomes look like. Mandatory internal and external training has been enhanced to incorporate, for example, the Consumer Duty, behavioural finance, vulnerable customers, customer complaints, and will continue over the longer term with an aim of our employees building their knowledge, understanding and personal accountability not only in customer outcomes but in identifying and reducing the potential for harm to those customers who are vulnerable or exhibiting signs of vulnerability.

# Governance

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Mr Ashley Cox, an independent Non-Executive Director of the Company has been appointed as the Company's Consumer Duty Champion. There will be annual reporting to the Board, to assess if products and services are delivering expected investor outcomes.



Slater Investments Limited.  
August 2023