

# Treating Customers Fairly

27four CI and 27four Life



## **Introduction**

The management and all who work at 27four CI and 27four Life are committed to providing the highest possible level of service in satisfying or exceeding the requirements of our clients. This level of service is achieved through quality management and by ensuring the fair treatment of all clients, irrespective of their size within the business. Clients are core to the continued success and growth of the 27four CI and 27four Life businesses and delivering optimal customer outcomes are imperative to this.

As such 27four CI and 27four Life are committed to the Financial Sector Conduct Authority' (FSCA) initiative to "Treating Customers Fairly" (TCF) with the aim to:

- protect the interests of its clients at each stage of the business process, from the very first meeting through to the regular annual reviews; and
- meet our clients' expectations of high-quality services.

TCF is an outcomes-based approach designed to ensure that specific, clearly articulated fairness outcomes for financial services customers are delivered by regulated financial institutions. 27four CI and 27four Life aim to illustrate that we deliver the six outcomes to our clients throughout the product life cycle, from product design, management, reporting, servicing, and complaints handling.

## **Scope of policy**

This policy applies to:

- 27four Collective Investments (RF) Proprietary Limited (27four CI); and
- 27four Life Limited (27four Life).

## **Application**

The FSCA, as supported by the Association of Savings and Investment South Africa, provides that financial institutions measure their activities against six TCF fairness outcomes (the "Outcomes") that aim to reduce market conduct risks and protect customers of financial products:

- Outcome 1 ("Culture"): customers are confident that they are dealing with a financial services provider where the fair treatment of customers is central to its culture;
- Outcome 2 ("Products and Services"): products and services marketed and sold in the retail market are designed to meet the needs of identified customer groups and are targeted accordingly;
- Outcome 3 ("Clear and Appropriate Information"): customers are given clear information and are kept appropriately informed before, during and after the time of contracting;
- Outcome 4 ("Customer Advice"): where customers receive advice, the advice is suitable and takes account of their circumstances;

- Outcome 5 (“Product Performance Expectations”): customers are provided with products that perform as financial institutions have led them to expect, and the associated service is both of an acceptable standard and aligned to what they have been led to expect;
- Outcome 6 (“Post Sale Barriers”): customers do not face unreasonable post-sale barriers to change product, switch provider, submit a claim or lay a complaint.

27four CI and 27four Life regularly evaluate themselves against the six Outcomes and always strive to improve the application of TCF principles in its product life cycle. The TCF principles form part of the 27four CI and 27four Life culture and staff is motivated and encouraged to apply these principals in their everyday processes and interactions.

The section below provides more detail on how we view each of the six outcomes and how we apply them in our business activities.

### **Six outcomes for treating customers fairly**

1. Culture - customers are confident that they are dealing with a financial services provider where the fair treatment of customers is central to its culture:
  - ✓ A TCF policy is adopted by 27four CI and 27four Life.
  - ✓ Senior Management provides evidence of its commitment to the development and improvement of TCF principles through both words and actions. 27four CI and 27four Life ensure that our TCF principles are understood, implemented, and maintained at the required levels of the organisation.
  
2. Products and Services - products and services marketed and sold in the retail market are designed to meet the needs of identified client groups and which groups are targeted accordingly:
  - ✓ products and services marketed and sold by 27four CI and 27four Life in the retail market are designed to meet the needs of identified client groups and distribution is focused on the targeting of those identified groups.
  - ✓ Affordable and transparent product offering disclosing all applicable fees.
  - ✓ Plain language product documentation which includes product details set out in terms and conditions.
  - ✓ 27four CI and 27four Life ensure our services are delivered with clarity and transparency.
  - ✓ 27four CI and 27four Life consistently incorporate environmental, social and governance (ESG) into our investment approach.
  - ✓ 27four CI and 27four Life offer a wide range of investment options with clear risk and return indicators.
  - ✓ Development of faith-based investment products (Shari'ah compliant).

3. Clear and Appropriate Information - customers are provided with concise product information, devoid of unnecessary technical jargon and concise communication processes are applied throughout the product life cycle

- ✓ Customers are provided with the following information
  - i. A Minimum Disclosure Document is made available to investors where applicable.
  - ii. The investor is provided with an application form that contains product details to ensure that the investor is appropriately informed in terms of the portfolio that they want to invest into.
  - iii. 27four CI or 27four Life generates a transaction statement confirmation in respect of each transaction for investors on a monthly basis or on request.
  - iv. 27four CI and 27four Life send out investor statements to each investor and can send out additional statements on request.
  - v. All 27four group interest in the product, if any, to enable the client to make an informed decision.
  - vi. All investors are made aware of the complaints procedure and provided with contact details, should they wish to lodge a complaint.
  - vii. All complaints are documented, lodged and managed by senior management
- ✓ All digital content aligns to the standards and requirements defined herein (including website, social media, and other means of electronic communication with investors)
- ✓ Dedicated institutional and retail service teams ensure that all client needs are dealt with professionally and timeously.
- ✓ We communicate with our clients in a clear and fair manner that is unambiguous and not misleading.
- ✓ All documents are designed and structured with the end user in mind.

4. Customer Advice - where customers receive advice, the advice must be suitable and consider the client circumstances and needs:

- ✓ 27four CI and 27four Life, under no circumstances provide any advice to any client.

5. Product Performance Expectations - customers are provided with products that perform as they have been led them to expect, and the associated service is of an acceptable standard;

- ✓ 27four CI and 27four Life conduct an appropriate level of due diligence on any fund manager in dealing with them, to satisfy ourselves that TCF principles are considered and that the products meet the requirement of targeted investor groups.
- ✓ 27four CI and 27four Life have access to information held by the underlying fund manager, in relation to the investor, to ensure that information is accurately recorded, managed, and stored.

- ✓ All investment products managed by 27four CI and 27four Life have defined risk and return objectives.
6. Post Sale Barriers - customers do not face unreasonable post-sale barriers to change product, switch provider, submit a claim or make a complaint:
- ✓ 27four CI and 27four Life do not impose any exit penalties, surrender fee or other charges to discourage clients to withdraw from products, except where such charges are imposed by regulation and structured within specific products;
  - ✓ 27four CI and 27four Life aim to respond in a timely manner to customer and prospective customer questions and queries and to address any issues or concerns promptly
  - ✓ The 27four Group has a documented and implemented Complaints Policy on its website.

With reference to the complaints management process, 27four CI and 27four Life are committed to the following:

- ✓ Handling client complaints in a timely and fair manner.
- ✓ Resolving complaints in a manner which is fair to our clients, our business, and our staff.
- ✓ Transparency by ensuring that clients have full knowledge of the procedures for resolution of their complaint.
- ✓ Informing clients of their rights to refer their complaints to the relevant Ombud should a complaint not be resolved to their satisfaction.
- ✓ Offering full and appropriate redress in all cases where a complaint is resolved in favour of a client.
- ✓ Adequate training of all relevant staff including imparting and ensuring full knowledge of the provisions of the legislation about the resolution of complaints.
- ✓ Maintaining complaints register with all complaints lodged. The Compliance Officer will inspect the complaints register from time to time and monitor effective complaints resolution and compliance with the approved complaints process.
- ✓ Maintaining records of all complaints received for a minimum period of 5 years together with an indication whether or not such complaint has been resolved, cases of non-compliance with the legislation and the reasons for such non-compliance.
- ✓ Implementing procedures to:
  - a. ensure the avoidance of occurrences giving rise to complaints; and
  - b. improve services and complaint procedures where necessary.

## Document Control

Policy Owner: Head of Compliance

Policy Approval: 27four CI and 27four Life Boards

Date	Author	Summary of changes	Board Approved
May 2019	Kobus Botha	Revision of existing Life policy moved to group policy	June 2019
February 2024	Lameez Amlay	Revision of policy moved to CI and Life	<b>6 March 2024</b>