

Our approach to Consumer Duty

The FCA's Consumer Duty seeks to raise standards in customer service across financial services firms whenever a retail consumer is involved and to reduce the risk of foreseeable harm to consumers. The Consumer Duty aims to ensure that firms put the consumer's needs first.

Delivering good outcomes for consumers is central to the Consumer Duty. At Premier Miton, delivering good outcomes for our customers has always been our priority. We never forget that we are here to manage other people's money.

Our purpose is to actively, and responsibly, manage our clients' investments for a better financial future. We take the trust that our customers have placed in us very seriously. We are committed to delivering good long term investment outcomes that can help our customers achieve their financial goals. However, producing good performance is just one part of what we do. We strive to deliver good performance with great levels of customer service, whilst offering good value from a cost perspective.

We believe that our core values – **collegiate, passionate, dedicated, responsible, independent** – embrace the ethos of the Consumer Duty. This document outlines our framework and approach for the ongoing application of the Consumer Duty ('Duty') within Premier Miton.

Consumer Duty Working Group

The Working Group was originally set up to manage the implementation of the Duty in 2023, and comprises senior individuals from various departments, including Legal, Operations, Distribution, Compliance and Marketing. The Working Group meet on a regular basis to ensure that the principles of the Duty continue to be applied across the business.

Boards of Premier Portfolio Managers Limited & Premier Fund Managers Limited

The Boards receive updates on the application of the Duty through the various reporting from the different Committees across the firm, to ensure ongoing oversight.

Consumer Duty Champion

Non-executive Director, Nick Emmins, was appointed Consumer Duty Champion at the Board level, whose responsibility (along with Chair and CEO) was to ensure that the Duty was embedded across the Company. Nick also attends the Consumer Duty Working Group to offer additional challenge and oversight.

Consumer Duty Cross Cutting Rules

1. Act in good faith towards retail customers.

At Premier Miton, we never forget that we are here to manage other people's money. We take the trust that investors have placed in us very seriously. We are committed to delivering good long-term investment outcomes that can help our customers achieve their financial goals.

Producing good performance is just one part of what we do. We strive to deliver good performance with great levels of customer service, whilst offering good value from a cost perspective. We look to act in good faith at all stages of the lifecycle of our products through a robust product governance framework. Our product governance process covers product design, approval, provision of information to customers, potential customers and distributors, product monitoring, product change and ongoing product review.

When considering a new product or service, or significant change to an existing one, our product approval process aims to identify the appropriate target market for the product or service, the relevant risks to the identified target market, any impact of a change to the intended target market, and ensure that the distribution strategy is consistent with the target market. Costs are considered as part of the product approval process, to ensure they are clear, transparent and appropriate. Costs and charges are also reviewed within the annual assessment of value and fair value assessment reports, and through the quarterly product governance review process.

We aim to provide appropriate and relevant information about our range of products and services to customers and distributors at each stage of the customer journey. On an ongoing basis, we monitor our products and services with the aim of making sure they continue to perform as we would expect and as we have led our customers to expect, as well as ensuring that the product characteristics continue to align with the needs, objectives and characteristics of the identified target market. This involves ongoing consideration of specific product risks and their mitigation or explanation, scenario analysis testing from a customer outcome perspective and conflicts of interest identification, management and disclosure.

Customer feedback is important to us, and this is assessed through the monitoring of surveys, complaints and incident MI.

2. Avoid causing foreseeable harm to retail customers.

Our annual assessment of value report and fair value assessment reports provide a measure of the value delivered to investors. Where we assess that a product has underperformed against one or more of the various criteria (being performance, costs, quality of service, economies of scale, comparable market rates, comparable services, classes of share), actions are put in place to improve the status and mitigate the risk of any foreseeable harm to customers. As part of the product design process, and prior to any new product launch or product change, scenario

testing is carried out by the Risk Team. The product design process includes monitoring new products or services, or changes to existing products or services; the testing approach focuses on the operational processes and controls required to mitigate the risk in the day-to-day processing. In addition, the firm's Funds Risk Committee has responsibility, on an ongoing basis, for reviewing, monitoring and, where necessary, controlling the overall risk profile, fund size and investment strategy of each fund/portfolio to ensure that they are consistent with relevant regulations and managed in a way that avoids causing foreseeable harm to customers.

The Product Governance Committee meets each quarter to review product outcomes, monitor complaints and breaches for any trends that could be indicative of more serious issues or present a risk of foreseeable harm to customers, discuss customer feedback and assess whether the firm is continuing to meet its obligations as set out in the Consumer Duty principles and. The committee also reviews regulatory changes that could impact processes, products and our customers.

The Product Management Group is part of the overall Product Governance framework and reports in to the Product Governance Committee. The Product Management Group, which includes representatives from different areas of the business (including Distribution, Marketing, Operations, Risk, Compliance, Investor Services, Investment, Finance, Legal & Information Services) meets monthly to discuss product changes and to ensure that any such changes are considered by all departments within the business; this collegiate approach ensures that the impact of such changes on customers is considered from a variety of different perspectives and allows for cohesive plans to be put in place. This includes ensuring that appropriate and relevant communications to customers and distributors are considered both pre and post implementation, including considerations of how such changes may impact vulnerable customers.

All investing involves risk, and we believe it is important that customers understand and are comfortable with the types of risk they may be accepting before they invest in a Premier Miton fund, product or service. The risks of investing are clearly laid out in product material including on the individual product pages of our website in a way that we believe is clear, fair and not misleading and with appropriate prominence.

There are comprehensive marketing material compliance guidelines in place which set out how communications and financial promotions should be presented to ensure there is an appropriate level of balance between the benefits and risks of investing. This information is reviewed regularly by key stakeholders who consider the impact on the customer. We aim to provide our customers, and distributors, with regular updates about our products and services, through regular product factsheets, regular updates from the investment teams managing the products, webinars, videos and insight notes as well as client meetings and events for our advisory, wealth manager and institutional clients.

In terms of the services we provide, such as the discretionary Premier Portfolio Management Service or ISAs, there is specific literature and information provided to customers at each point of the customer journey to support their understanding of the benefits and risks.

3. Enable and support retail customers to pursue their financial objectives

Our purpose is to actively and responsibly manage our customers' investments to help them enjoy a better financial future. We are passionate about delivering good investment outcomes over the long term through genuinely active management and are focused on providing good levels of customer service. We believe investing can make a real difference to individual lives. In the long term, a successful investment strategy can help people to secure their futures and realise their ambitions.

We provide a broad suite of products that offer different outcomes (such as a regular income or long-term capital growth) and with different risk profiles across a range of strategies, including UK equity, global equity, multi-asset, fixed income, and absolute return, as well as products that have clear non-financial objectives. We offer services such as an ISA and the option, where relevant, to invest into our products via other tax efficient wrappers such as a SIPP or Bond via a third party; this allows our customers to access our products via a tax efficient route to support them achieving their financial objectives.

The 4 outcomes.

1. The product and services outcome.

Our target market assessment (TMA) documents outline the needs, characteristics and objectives of the customers that our products are designed for; this document is made available on the Premier Miton website and is published across the majority of our UK domiciled funds and portfolios. Similar information is also provided to distributors in the European MiFID Template (EMT), which is updated regularly and published on the Premier Miton website. Both the TMA and EMT cover the intended distribution strategy and the appropriateness of the product for the intended target market.

On an ongoing basis, the outcomes being delivered by our range of products and services are monitored in several ways, including through quarterly management information provided to the Product Governance Committee and the annual Assessment of Value report and Fair Value Assessment reports. This reporting is designed to ensure that our products are continuously monitored for the outcomes being generated and value being delivered to our customers. The various reporting also includes an assessment of the fees and charges being applied.

Our product governance process covers product design, approval, provision of information to customers, potential customers and distributors, product monitoring, product change and ongoing product review. When considering a new product or service, or significant change to an existing one, our product approval process identifies the appropriate target market for the product or service, aims to assess relevant risks to the identified target market and aims to ensure that the intended distribution strategy is consistent with the target market. We consider costs as part of the product approval process, to ensure they are clear and transparent. Costs and charges are reviewed regularly as part of our ongoing review of value assessment.

We aim to make sure that appropriate information on our range of products and services is provided to customers and distributors and that such information is consistent, clear, fair and not misleading. We ensure that appropriate information on our products and services is made available to distributors, including details of the appropriate channels for distribution and information around the identified target market and how that target market is assessed.

2. The price and value outcome.

We publish our annual Assessment of Value Report (for our UK domiciled funds) and Fair Value Assessment Reports (for our portfolio services) on the Premier Miton website. These reports are designed to enable customers in our range of products to assess how a product has performed and whether it provides value. We include an assessment of costs and how these compare with similar types of products, so the customer can make an informed opinion on whether the costs, characteristics and associated service provide value to them.

To assess our funds, we use the seven assessment criteria set out by the FCA, including quality of service, performance, Authorised Fund Manager costs (which include the annual management charge and other fund operational charges), economies of scale, comparable market rates, comparable services and classes of shares. To assess our portfolios, we use four of the assessment criteria set out by the FCA, which are quality of service, performance, comparable market rates and comparable services.

We record and monitor client feedback, complaints and breaches to ensure that any potential issues regarding our products and services can be identified and addressed to prevent any foreseeable harm to our customers.

3. The consumer understanding outcome.

We have a robust framework in place to manage communications to our customers. We have a team responsible for producing product information and customer communications and a separate team responsible for providing appropriate oversight and challenge, ensuring that the language is likely to be understood, that the content adheres to the relevant regulations and that our customers are supported in making informed investment decisions through the information being made available to them.

Our individual customer-facing communications are subject to ongoing reviews so that we can be sure that they are relevant to the audience. The sections on our website are divided into Individual Investor, Wealth Manager, Institutional and Financial Adviser to guide the audience to information that is relevant to them. Communications with retail customers are carried out in relation to their initial investment and the ongoing servicing of the product or service.

We balance our communications to support the customer in making an informed decision by providing equal prominence to benefits and risks, and signpost risk information clearly on product information, such as our website pages, factsheets and Key Investor Information Documents.

We always strongly advise our customers to seek professional advice ahead of making an investment decision so that they can receive information about whether the product is suitable for their circumstances before they make an investment decision.

Where appropriate, we may use the services of third parties, such as Research in Finance, Plain English Campaign and The Wisdom Council, to provide guidance and editing services, to help ensure our communications are appropriate for the intended audience.

We have conducted consumer understanding research of a number of key pieces of product material, (such as factsheets, KIIDs, product guides, costs and charges document) using an experienced third-party research agency, with the aim of receiving direct feedback on our communications and product material from sophisticated investors, non-sophisticated investors and vulnerable investors. These findings were reviewed and used to establish best practice guidance, applied in a proportionate and reasonable way across the suite of material made available to clients, focusing in particular on those documents that present a material risk of causing foreseeable harm

4. The consumer support outcome.

We have dedicated Customer-facing teams who provide ongoing support to customers across our range of products and services. The teams support customers with the ongoing servicing of their accounts, with no distinction in service levels made between customers looking to invest and those already invested or those looking to disinvest. We do not impose any barriers for customers wishing to sell or switch their investment into or out of a Premier Miton fund or service.

We aim to ensure that our support includes assisting customers who may have characteristics of vulnerability, such as offering large print documentation, 'talk to a friend' and support with understanding the information we issue.

The quality of support we provide is monitored in several ways, including through online surveys, assessment of feedback, and analysis of complaints and breaches. We use this information to take appropriate action to help ensure that our customers continue to receive the right support from us throughout their relationship with us. In addition, the customer-facing teams carry out ongoing monitoring of the quality and service provided via the mediums used for communication.

Customer support MI is reviewed by the Product Governance Committee to ensure any appropriate action has been identified and carried out. The evidence gathered from the MI also feeds into our annual Assessment of Value and Fair Value Assessment reports.

An online 'help centre' on the Premier Miton website enables customers to find answers to questions they may have about our services, and we actively encourage our customers to provide feedback to us.

Our website provides access to an online valuation service, performance charting tools, dividend history, and the latest product documentation for customers (monthly fund factsheets, six monthly commentaries, Key Investor Information Documentation) with additional information

available for investment professionals (including webinars, videos, insight notes and podcasts) which provide regular information and updates to enable advisers to have meaningful, ongoing discussions with their customers.

Our fund managers and investment teams frequently meet with our advisory and wealth manager/discretionary clients and this level of accessibility is frequently commented on through research conducted within these communities.

Summary

Overall, we believe we have a strong framework in place to meet the ongoing requirements of the Consumer Duty, supported by our existing processes, controls and culture, which firmly puts the needs of our customers at the centre of what we do.