

**ETFs TREATING
CUSTOMERS
FAIRLY
STATEMENT**



STATEMENT

Treating customer fairly (TCF) has always been a key part Equity Trustee Fund Services (ETFS) conduct towards its clients and the firm has always strived to work towards fair and positive outcomes. In working towards treating you fairly, our primary objective is to ensure that we put the conduct risk considerations at the very heart of our business.

At ETFS we believe that culture drives behaviour and behaviour drives culture. We seek to promote good behaviour by all our employees, across all aspects of our organisation and to develop a culture in which it is clear that there is no room for misconduct. This would include consideration of behaviours when using social media sites and staff conduct outside of the workplace.

In addition to the behaviours of our employees, we also expect the behaviours of those acting on our behalf e.g. outsourced service providers to meet and reflect these behaviours and uphold our standards.

In embracing the 6 TCF principle, ETFS is aiming to:

- Protect the interests of its customers at each stage of the product cycle
- Meet, wherever reasonably possible, the unique needs of its customers by offering a transparent, robust and professional service as well as constantly reviewing its services to identify areas for improvement; and
- Maintain appropriate records to enable ETFS to demonstrate that it has met its TCF obligations.

CONSUMER OUTCOMES

There are six consumer outcomes that firms should strive to achieve to ensure fair treatment of customers:

- Outcome 1: Consumers can be confident they are dealing with firms where the fair treatment of customers is central to the corporate culture
- Outcome 2: Products and services marketed and sold in the retail market are designed to meet the needs of identified consumer groups and are targeted accordingly
- Outcome 3: Consumers are provided with clear information and are kept appropriately informed before, during and after the point of sale
- Outcome 4: Where consumers receive advice, the advice is suitable and takes account of their circumstances.
- Outcome 5: Consumers are provided with products that perform as firms have led them to expect, and the associated service is of an acceptable standard and as they have been led to expect
- Outcome 6: Consumers do not face unreasonable post-sale barriers imposed by firms to change product, switch provider, submit a claim or make a complaint

WHAT THE TCF OUTCOMES MEAN TO ETFS

ETFS has measured the implications of the FCA's six objectives for TCF and will ensure that, where appropriate, these outcomes are achieved and are fundamental to all parts of the company's business.

When considering TCF there are a number of guiding principles for firms to focus upon and ETFS' employees must take these into account wherever appropriate:

Product Design – it is essential that Products and services should be designed to meet the needs of identified customers. Furthermore, the products should be targeted at these predefined customers. As



part of our decision-making process we ensure that the product or service actually suits the customer base we are designing it for and, just as importantly, remains that way.

Identifying target markets and selection of distribution channel - the target market will be identified before undertaking product design in order to address the related TCF issues. The main distribution channels will be selected beforehand as part of the business strategy, though any selection of an additional channel must be subjected to a detailed examination of its suitability in terms of the business objectives and delivery of TCF.

Marketing and promoting the products, including provision of information to distributors - ETFS shall communicate with the customers as well as the distributors in a way that is clear, fair and not misleading. The Company will adhere to this principle by way of actively communicating and engaging with the distributors and customers on a regular basis with a view to ensuring the product features and the processes involved are clearly understood by them.

Remuneration – although ETFS employees are not commission or bonus driven; ETFS does have a discretionary bonus scheme. ETFS has an responsibility to ensure that employees are considering TCF at all times and that any discretionary bonus payments that may be paid are consistent with ETFS TCF approach.

Complaint Handling – ETFS has rigorous procedures to ensure that any complaint is handled in a consistent, prompt and fair manner. All contact details are made available to customers and a free phone number is available on our website.

Outsourced Activities – the FCA has provided detailed guidance where a firm outsources certain activities. ETFS responsibility and risk for the activity are not outsourced and a full regulatory and operational due diligence process of the outsourcing both at commencement and throughout the relationship is in place.

Management Information - ETFS includes management information into its day to day running of the business. This is also accomplished by regular review of key performance indicators and root cause / trend analysis.

Training – Employees receive regular training across all of our business to ensure the information they provide is clear and appropriate before, during and throughout their employment.

ETFS takes its responsibilities as a product provider very seriously and has made every effort to ensure that we identify and managing any conduct risks fairly. TCF is embedded into our culture and reflected in our overall strategy. We remain fully committed to the fair treatment of customers and closely monitor our standards on an on-going basis.

ETFS is authorised and regulated by the Financial Conduct Authority and is entered on the register under reference 227807. The FCA's address is 12 Endeavour Square, London, E20 1JN. Registered in England number 04856420. Registered office: 4th floor Pountney Hill House 6 Laurence Pountney Hill EC4R 0BL

