

Consistent Unit Trust Management Limited (“Consistent UTML”) Statement regarding Consumer Duty

The Consumer Duty established by the Financial Conduct Authority (“FCA”) comprises a new Principle that firms should act to deliver good outcomes for retail customers.

The new Principle is underpinned by three “cross-cutting” rules requiring firms to:

- Act in good faith;
- Avoid causing foreseeable harm;
- Enable and support retail customers to pursue their financial objectives.

Finally, FCA wishes to see the following four outcomes:

- Products and services – products must be fit for purpose and designed to meet the needs of consumers;
- Price and value – products must provide fair value to consumers;
- Consumer understanding – firms must support consumer understanding by means of communications which meet consumers’ information needs in an understandable way and enable them to make effective, timely and properly informed decisions;
- Consumer support – firms must provide support to consumers which meets their needs, and enables them to use a product as anticipated and to communicate with the firm during the life of the product.

As regards products and services, Consistent UTML manages two unit trusts (“the funds”), which are authorised and regulated by the FCA. The funds are simple structures which are operated in accordance with FCA’s detailed rules. The funds aim to provide income and capital growth over the long term. To that end the performance of the funds and their investment profiles are monitored on a regular basis.

As regards price and value, the funds are assessed annually to check that they give consumers fair value. This assessment is carried out in accordance with the FCA’s rules.

Concerning consumer understanding, Consistent UTML subjects all published literature relating to the funds to regular review to ensure it is suitable for consumers, is easily understandable and enables the consumer to make informed decisions. This literature includes the prospectus, annual report and accounts, and key investor information documents for the funds.

Finally, as to consumer support, Consistent UTML provides support for its investors through various means: telephone, website etc. It will check if an investor is a vulnerable person and has a policy in place to deal with this situation.

March 2024