FSCA
Financial Sector Conduct Authority

FINANCIAL SECTOR CONDUCT AUTHORITY

Explanatory Guide to the OMNI-Risk Return

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1. BACKGROUND AND PURPOSE

1.1. The Financial Sector Conduct Authority (FSCA), in FSCA Communication 12 of 2025 (*Update on the roll-out and implementation of the cross-sectoral Conduct of Business Return (OMNI-CBR) for financial institutions*)[1], outlined several key strategic developments shaping a revised overall approach to supervisory data collection and its consequent impact on the future roll out and implementation of the OMNI-CBR.

1.2. These developments include a forward looking focus on refining the FSCA's licensing, supervisory and enforcement approaches, the implementation of an organisation-wide Digital Transformation Strategy and a significant investment in modernising regulatory capabilities through the deployment of a new supervisory technology platform, namely the Integrated Regulatory Solution (IRS).

1.3. The IRS is envisaged to provide an end-to-end regulatory system that incorporates an automated supervisory risk model, using regulatory data from various sources, a consistent set of risk indicators and supervisory control assessments to generate comparable risk profiles across all entities supervised by the FSCA.

1.4. In this context, the FSCA confirmed that the OMNI-CBR would not be implemented in its previously proposed form. Instead, a more streamlined and phased approach to supervisory data collection would be introduced to minimise the regulatory reporting burden on financial institutions and improve supervisory efficiencies, particularly noting the concerns raised in this regard through industry feedback in the last round of consultation on the OMNI-CBR during 2022 and 2023.

1.5. The first component of this revised approach is the OMNI-Risk Return, which will feed directly into the automated risk model within the IRS and serve as the foundational data source informing the FSCA's risk-based supervisory approach in future.

1.6. The purpose of this document is to serve as a guide to understanding the OMNI-Risk Return, in support of the industry consultation process on the OMNI-Risk Return planned during **1 October – 30 November 2025.** This consultation forms a critical precursor to the finalisation of the OMNI-Risk Return and its planned integration into the IRS during 2026.

2. INTRODUCTION TO THE FSCA' S HARMONISED SUPERVISORY RISK MODEL

Challenges and deficiencies in the current supervisory framework

2.1. Under the FSCA's current supervisory approach, different sectorally focused supervisory teams assess the risk profiles of individual financial institutions separately for each licence held. This is largely a manual based process informed by disparate information sources and variations in assessment criteria.

[1] Click here to access FSCA Communication 12 of 2025 (GENERAL).

2.2. This siloed or fragmented approach creates several challenges for both the FSCA and financial institutions, including in particular those entities that operate across multiple sectors and product lines, ultimately resulting in an incomplete view of a financial institution's overall risk exposure. Even for entities that hold a single licence or operate within a single product line, the absence of a harmonised approach and standardised risk criteria across sectors means that supervisory approaches may vary, leading to inconsistent risk ratings and misaligned expectations across financial institutions.

2.3. Key deficiencies identified in the current supervisory framework include the following:

(a) **Multiple risk profiles and limited supervisory visibility of a single supervised entity**
A financial institution operating across multiple sectors may have separate risk profiles for each licence held, resulting in a fragmented and incomplete supervisory view of the institution's actual risk exposure.

The absence of a consolidated overall risk view hampers effective supervisory oversight, limits early identification of cross-sectoral and potentially systemic risks and impairs the ability to ensure appropriate and proportional supervisory responses.

(b) **Inconsistent risk ratings**
Different supervisory teams apply varying risk criteria, potentially leading to conflicting or non-comparable risk assessments, once again impairing supervisory ability to ensure appropriate and proportional responses.

(c) **High manual effort and operational inefficiencies**
Significant manual effort is required to consolidate and reconcile information from multiple data sources across different supervisory functions.

This results in various operational inefficiencies, including diversion of limited supervisory resources, delays in responsiveness and assessment inaccuracies.

(d) **Duplicate reporting**
Financial institutions are often required to submit similar or identical data multiple times to different FSCA teams across multiple platforms, increasing compliance costs and administrative burden for supervised entities.

Introduction of a harmonised supervisory risk model

2.4. To address the aforementioned challenges, the implementation of the IRS has enabled the FSCA to design an automated and harmonised supervisory risk model that will apply to all financial institutions.

2.5. The model will create a single, consolidated risk profile for each financial institution, regardless of how many licences it holds or the number of sectors in which it operates, while simultaneously enabling supervisory proportionality by recognising variations in nature, size, complexity and operating models.

2.6. The new risk model introduces the following key enhancements that directly address the deficiencies identified in the current approach:

(a) **One consolidated risk profile per entity**
Provides a holistic, real-time view of each financial institution. For multi-licensed institutions, this means all activities are captured in a single profile that reflects their overall risk exposure, eliminating fragmented or conflicting assessments. For single-licensed institutions, the model ensures a consistent, standardised profile that is directly comparable with peers across the sector.

(b) **Standardised and automated risk assessment processes**
Establishes uniform criteria and methodologies across supervisory teams, removing inconsistency in how risks are assessed. Automation further reduces the potential for human error, speeds up the assessment process and creates supervisory agility.

(c) **Supported by a central data repository**
The IRS will house a central data repository that consolidates all supervisory and regulatory information collected from multiple sources in one place. This will feed directly into the risk model, ensuring quicker access and improved data integrity, more streamlined data analysis and elimination of data reconciliation inefficiencies across multiple systems.

(d) **Enhanced visibility and coordination across core functions**
Facilitates improved coordination, collaboration and information sharing amongst the various core FSCA functions, ensuring that regulatory, licensing, supervisory and enforcement interventions are aligned and consistent.

(e) **Structured risk categories, indicators, thresholds and measurements**
Introduces a clear and objective framework, that standardises how risks are defined and measured. This makes risk scoring more reliable, rigorous and comparable across financial institutions, enabling more informed decision making and targeted FSCA interventions with the greatest impact.

Role of the Omni-Risk Return

2.7. The OMNI-Risk Return forms the foundational data source for the risk model. It has been designed to source a standardised set of data inputs that will feed into the risk model, generating comparable risk scores across all financial institutions.

2.8. The benefits of standardised data collection through the OMNI-Risk Return include:

(a) Reduced duplication in reporting in that supervised entities will be asked for information only once during a reporting cycle and in a consistent format, resulting in clearer reporting obligations, lowering compliance costs and administrative effort.

(b) Consistent, reliable and comparable risk ratings across all financial institutions.

(c) Better insights into high-risk areas, enabling supervisors to allocate resources more efficiently and prioritise focus on institutions or sectors with the highest risks.

(d) Improved coordination across FSCA supervisory teams, ensuring supervisory decisions are based on a shared, up-to-date view of each institution, reducing fragmentation and overlap.

2.9. While the OMNI-Risk Return is envisaged to provide the primary baseline data for the risk model, it will not be the sole data source. The model is designed to incorporate additional regulatory and supervisory information, including data from existing reporting frameworks, as well as additional sector-specific data requirements that the FSCA may introduce in the future.

2.10. The intention is to ensure that the risk model evolves over time, incorporating both current and new data sources to provide a more complete and forward-looking view of institutional, sectoral and systemic risks.

2.11. As highlighted in Communication 12 of 2025, the FSCA is prioritising finalisation of the OMNI-Risk Return and its integration into the IRS as the first step. Work on identifying additional sector-specific data requirements has commenced and will be phased in over the longer term as the risk model evolves and financial institutions attain a satisfactorily steady state of reporting readiness for the OMNI-Risk Return.

3. HOW THE FSCA WILL USE DATA FROM THE OMNI-RISK RETURN

3.1. The data collected through the OMNI-Risk Return will form a core component of the FSCA's risk-based supervisory framework.

3.2. It will inform the nature, frequency and intensity of supervisory activities in a manner that is both proportionate and forward-looking, while also supporting broader regulatory policy objectives.

3.3. The Table below highlights the key uses of the data collected through the OMNI-Risk Return:

Table A: Uses of data collected through the Omni-Risk Return

Risk-based and Proportionate Supervision	The data will be used to risk profile financial institutions and determine the appropriate intensity and frequency of supervisory activities.
Early Warning Indicators	The return provides for key data points that act as early signals of potential conduct risks, internal control or governance weaknesses or institutional failure, that will enable the FSCA to intervene timeously and proactively before these risks crystallise .
Comparative Analysis	Over time, the data will be used to benchmark institutions against their peers, building a comparative picture of risks across the financial sector, making it possible to identify outliers and emerging patterns. It will further enable more proportionate, consistent and forward-

	looking regulatory and supervisory responses.
Focused Enforcement	Where risks escalate, the data will be used to prioritise enforcement cases. This ensures that matters with the greatest potential for customer detriment or systemic impact are addressed with urgency.
Regulatory Policy Calibration	Insights from the OMNI-Risk Return will help inform regulatory policy development, including assessing whether existing regulatory frameworks and guidance remain relevant, appropriate and in line with intended customer and market outcomes.

4. FREQUENCY OF REPORTING THROUGH THE OMNI-RISK RETURN

4.1. It is currently envisaged that reporting through the OMNI-Risk Return will be required on an **annual basis**. This will be subject to ongoing review and consideration and may be adjusted over time as the risk model evolves and the FSCA refines its supervisory approach over the longer term.

4.2. The implementation date for the OMNI-Risk Return is also currently under consideration and will be aligned with the GO-Live date of the overall IRS implementation. Notwithstanding this, depending on the various states of readiness across financial institutions and individual sectors, a staggered or phased implementation approach is anticipated for the OMNI-Risk Return. This will form the subject of further industry engagements in future.

5. STRUCTURE OF THE RETURN AND PURPOSE OF DATA REQUESTED

5.1. The OMNI-Risk Return has been structured around twelve (12) broad risk categories or sections.

5.2. Each section is designed to capture a distinct dimension of a financial institution's operating environment, governance arrangements and risk exposure in a standardised format.

5.3. Key terminologies used in the OMNI-Risk Return are also defined to ensure consistent understanding and application.

5.4. As highlighted in **Table A** above, the data collected will feed into a set of risk indicators used to generate a risk profile for each supervised entity. Each risk indicator is designed to assess a particular aspect of an institution's activities or structure and to adjust its risk rating upward or downward depending on whether the automated assessment outcomes demonstrate a satisfactory control environment or signal potential vulnerabilities and heightened risks.

> As an **illustrative example**, reporting of frequent system downtime incidents combined with unsatisfactory complaint resolution performance *may* signal an increased level of operational and conduct risks. Conversely, indicators pointing to effective governance and oversight structures combined with strong internal control systems *may* serve to reduce an entity's risk score.

5.5. The overarching objective of the OMNI-Risk Return is to enable a consistent, data-informed and comparable view of the risk exposure of all financial institutions supervised by the FSCA.

5.6. **Table B** in Section 8 below provides an overview of the twelve (12) sections that make up the OMNI-Risk Return and their respective subsections. For each subsection, the Table also sets out the purpose for which specific data is being collected.

5.7. It is important to note that the purposes described in the **Table B** should be viewed as illustrative examples only. Specific data points may serve multiple supervisory objectives and may be relevant across multiple risk indicators. In effect, the impact of a particular data point may extend beyond those purposes expressly listed, depending on the circumstances of a particular financial institution.

5.8. Additionally, the interpretation of data points will not always be one-directional. Depending on the circumstances, a particular data point may either increase or decrease an institution's risk.

6. DECLARATION REQUIREMENT

6.1. As part of the OMNI-Risk Return submission, financial institutions will be required to complete a formal automated Declaration confirming the accuracy and completeness of the information provided.

6.2. The Declaration must be completed by a member of the institution's governing body or executive management.

6.3. The objective is to reinforce the importance of direct leadership accountability within supervised entities for the quality, credibility and accuracy of information provided to the FSCA and to ensure that the information has been subject to appropriate oversight and internal validation.

6.4. OMNI-Risk Return submissions without the Declaration will be considered as incomplete.

7. OVERVIEW OF DATA REQUESTED IN THE OMNI-RISK RETURN

7.1. The Table below describes the structure of the OMNI-Risk Return, setting out the different sections and subsections. The purpose of the specific data being requested under each subsection is explained, highlighting how it is intended to assess and inform a more holistic understanding of a financial institution's risk profile.

7.2. It is important to note that some subsections or questions may not be applicable to every financial institution for various reasons, eg questions relating to risks in respect of anti-money laundering (AML) and countering the financing of terrorism (CFT) will largely only apply to those entities supervised by the FSCA as accountable institutions in this regard. The OMNI-Risk Return has been designed to reflect where certain subsections or questions only apply to specific categories or types of financial institutions.

Table B: Structure of the OMNI-Risk Return and Purpose of Data Collected

SECTION	SUBSECTION		PURPOSE FOR REQUESTING THE DATA
Section 1: Group Structure, Ownership and Shared Services	1.1	*Group structure*	**To establish whether the financial institution (institution) operates as a standalone entity or as part of a group, and to identify the parent entity and jurisdiction.** This information supports an understanding of organisational complexity, ownership/control and where key decisions and risks may originate. It also clarifies lines of accountability and highlights potential contagion or oversight risks in complex or foreign-domiciled Groups.
	1.2	*Inter-group financial transactions and shared services*	**To determine the extent of reliance on intra-group financial flows and shared services.** This highlights potential intra-group dependencies, related-party exposures and structural complexities. High reliance may create concentration risks, single points of failure or vulnerabilities if Group support is withdrawn, while opaque intercompany dealings can reduce transparency and heighten supervisory concerns.
	1.3	*Beneficial owner nationality*	**To identify links between beneficial owners and jurisdictions flagged as high risk by the Financial Action Task Force (FATF).** Such links may indicate elevated AML/CFT risk exposure. Information on beneficial owner nationality also supports broader AML/CFT risk assessments.
Section 2: Geographical Presence	2.1	*Jurisdictions*	**To determine the institution's operational footprint by identifying all countries in which the institution operates.** This enables assessment of cross-border complexity and potential geopolitical risk exposures. For example, operational presence in jurisdictions with weaker regulatory and supervisory frameworks or on internationally designated high risk watchlists may increase conduct, AML/CFT or other risks. Significant foreign footprints

SECTION	SUBSECTION		PURPOSE FOR REQUESTING THE DATA
			may further increase supervisory complexity and require increased reliance on cross-border cooperation arrangements.
	2.2	*Physical locations*	**To assess the scale and distribution of physical presence in South Africa and abroad.** This provides insight into the size and reach of an institution's operations. A larger footprint often correlates with greater operational complexity and higher inherent risk, while sudden reductions in premises may signal financial distress or strategic withdrawal.
Section 3: Governance	3.1	*Diversity and composition of governing body*	**To assess the governing body's level of independence, diversity and expertise.** A low proportion of independent members may increase the risk of conflicts of interest or management dominance. Greater diversity supports enhanced decision-making, multiple perspectives and alignment with national transformation objectives. An appropriately diversified skill set ensures increased coverage of the various core components of an institution's operations and strengthens governance effectiveness and risk mitigation. Deficiencies in composition may signal governance risks.
	3.2	*Performance and incentive framework*	**To assess whether remuneration practices support fair customer outcomes or incentivise excessive risk-taking.** The balance of fixed and variable remuneration, and whether incentives are tied to qualitative or quantitative measures, are important indicators of culture. A very low fixed-to-variable ratio may indicate over-reliance on performance-based remuneration especially if not linked to qualitative measures. For example, sales-volume-driven incentives increase conduct risk, whereas more balanced incentives that include links to strong ethical culture and positive customer outcomes reduce risk.
	3.3	*Risk tolerance levels for non-compliance*	**To assess an institution's exposure to non-compliance incidents and compare non-compliance incidents against board approved risk tolerance levels.** A high ratio of incidents, especially those beyond tolerance thresholds, may signal governance weaknesses and future harm.
	3.4	*Remediation of non-compliance incidents*	**To assess whether and how promptly non-compliance issues are remediated.** Persistent delays in remediation and elevation of governance and regulatory risk concerns may signal poor conduct culture or inadequate compliance capacity.
	3.5	*Insurance & Guarantee claims*	**To assess the institution's exposure to professional liability, cyber liability and non-insurable risks, as well as the adequacy of risk transfer arrangements to absorb losses when risk incidents occur.** Frequent or high number of professional misconduct or negligence claims may point to weak internal controls or poor ethical culture. Frequent or severe cyber-related claims or incidents may signal IT and other operational resilience vulnerabilities. Insufficient insurance cover or high volumes of non-insurable risk incidents may also indicate cultural or control vulnerabilities and heighten supervisory concerns.

SECTION	SUBSECTION		PURPOSE FOR REQUESTING THE DATA
Section 4: Nature of Customer Base and Politically Exposed Persons (PEPs)	4.1	*Number of customers per legal entity type*	**To assess the composition and economic scale of the institution's customer base.** From an AML/CFT perspective, larger or higher-turnover customers generally pose greater AML/CFT risks due to larger transaction volumes and values. Complex corporate or cross-border structures can further obscure ultimate beneficial ownership. From a conduct perspective, it is important to understand the type of legal customer (for example company, trust, non-profit, retirement fund) because different entities have different levels of sophistication, governance capacity and reliance on professional advice. Conduct risk increases where vulnerable entities may not fully understand products or may depend heavily on intermediaries, while risk decreases where customers are sophisticated institutions with strong internal capacity and understanding.
	4.2	*Natural persons*	**To segment customers by income/affluence level and PEP status in order to understand exposure to customer vulnerability and AML/CFT risks.** A high proportion of low-income or mass-market customers may increase conduct risks, particularly around affordability and potential mis-selling. Whilst PEPs, both domestic and foreign, present increased AML/CFT and reputational risks, requiring enhanced due diligence and stronger controls.
	4.3	*Total customers*	**To determine the scale and reach of the institution's operations.** A large customer base may increase systemic impact, operational complexity and the risk of widespread customer harm if issues arise, whereas a low or declining number of customers may signal sustainability risks. The total customer number also provides the denominator for calculating ratios such as complaint rates, lapse and termination rates and suitability of communication coverage.
	4.4	*Customers/ ultimate beneficial owners (UBOs) from grey/black-listed countries*	**To measure the institution's exposure to high-risk jurisdictions.** Customers or UBOs from black or grey-listed countries significantly increase AML/CFT risks. Higher proportions of, or exposure to, such customers will increase the AML/CFT risk score and attract closer supervisory scrutiny.
Section 5: Handling of Customer Assets	5.1	*Assets held/managed on behalf of customers*	**To determine and monitor the scale of an institution's fiduciary responsibility.** The higher the value of assets held or under management, the greater the potential for widespread customer harm if those assets are mismanaged or lost. Significant declines in asset values may indicate outflows signalling potential loss of customer confidence, weak portfolio management, reputational issues (including negative publicity) or customer dissatisfaction.
	5.2	*Collection of money and payments*	**To assess how customer funds are collected (direct vs third-party) and whether foreign entities are involved.**

SECTION	SUBSECTION		PURPOSE FOR REQUESTING THE DATA
			The use of third-party collectors, particularly across borders, introduces operational, AML/CFT and other risks and complexities, which require enhanced controls and oversight mechanisms.
	5.3	*Allocation of assets received*	**To evaluate whether customer funds are allocated in a timely manner in line with instructions by measuring time-to-allocation.** Timely allocation is key to supporting fair customer treatment and market integrity. A high number of delayed allocations may suggest weak or inadequate systems, lack of capacity or poor governance.
	5.4	*Border and metro transactions*	**To monitor flows of funds from border and metropolitan areas that may present heightened AML/CFT risks, and to identify any trends/patterns.** Disproportionate flows in these areas could highlight increased exposure to AML/CFT risks.
	5.5	*Geopolitical money transfers*	**To measure the extent of exposure to high-risk jurisdictions through inbound and outbound fund flows.** Such exposures directly influence AML/CFT risk scoring. Significant volumes linked to these jurisdictions will flag money laundering or sanctions evasion risks and attract increased supervisory scrutiny.
	5.6	*Unclaimed assets*	**To identify the number, value and age of unclaimed assets.** High or increasing levels of unclaimed assets may point to weak customer engagement, poor governance, inaccurate record-keeping or inadequate tracing mechanisms. This also flags sectoral patterns which may highlight particular product types where customers' assets are most at risk of being unclaimed. Sudden movements in previously dormant accounts could also flag suspicious transactions.
	5.7	*Transactions by product class and offshore transactions*	**To assess exposure to complex and higher-risk products (for example crypto assets, derivatives, forex).** High or concentrated exposures to such products could increase inherent risks and large offshore flows may highlight jurisdictional AML/CFT concerns.
	5.8	*Arrear retirement fund contributions*	**To measure arrears contributions and to assess whether retirement funds are receiving contributions on time, which is critical for protecting members' interests.** High arrear levels may signal employer non-compliance or weak enforcement of contribution collection (weaknesses in governance and administration). Breaking arrears into categories by the length of delay helps to differentiate between temporary delays and systemic non-compliance. Longer overdue periods represent material non-compliance and heightened risk.
Section 6: Transaction Volumes, Distribution	6.1	*Transaction volume per distribution channel*	**To assess risks arising from the manner in which products and services are sold and distributed.** Some channels such as online advice platforms generally present higher risks, and higher transaction volumes through these channels could therefore elevate conduct risk. It further assists in determining the degree of operational reliance on specific distribution methods. If an institution is heavily dependent on a

SECTION	SUBSECTION		PURPOSE FOR REQUESTING THE DATA
Channels and Composition			particular channel it may face greater service continuity channels if that channel becomes unavailable or is restricted for any reason.
	6.2	*Transaction volumes (Financial market infrastructures/ Credit rating agencies)*	**To track the scale of transactions facilitated by market infrastructures.** Transaction volumes help measure the level of systemic risk exposure posed by a particular infrastructure. High activity increases the importance of effective controls, resilience and operational safeguards. Tracking the number of credit ratings and rating changes provides insight into the scale and activity of credit rating agencies. Larger, more active institutions may warrant closer supervisory scrutiny because errors, conflicts of interest or methodological flaws could have system wide impacts.
	6.3	*Distribution composition*	**To understand the nature, structure and size of an institution's distribution (intermediary) force**. Tracking the number and nature of intermediaries provides insights into potential conflicts of interest, oversight effectiveness and an institution's future distribution strategy which could result in heightened risk exposures.
Section 7: Product and Agreement Terminations	7.1	*Product and financial services agreement* *Terminations and trade Cancellations*	**To assess the stability of customer relationships, resilience of product offerings, suitability of products and potential conduct and other market risk exposures by monitoring the scale and nature of product and service terminations.** High volumes of customer driven terminations may signal customer dissatisfaction, poor product design, inadequate disclosures or aggressive sales practices. Terminations initiated by the institution itself may point to concerning risk management decisions (for example de-risking or exiting of unprofitable clients), including through the application of opaque or discriminatory criteria. Monitoring cancelled, suspended and failed trades provides insight into the resilience of trading and settlement systems, as unusually high volumes may point to operational weaknesses or poor order management. This may signal that an institution lacks the systems and controls needed to ensure reliable, fair and transparent execution of trades which increases both operational and conduct risk. At the same time, data on suspended and delisted securities, together with the total number of active listings, reflects the quality of issuers and the overall health of the exchange.
	7.2	*Fixed-term investment withdrawals*	**To determine the scale of premature divestments.** In addition to the risks highlighted in 7.1 above, this may signal potential AML/CFT risks. High frequency or large early fixed-term withdrawals can indicate potential misuse of the product to obscure the origin of funds, particularly where withdrawals occur shortly after deposits or repeatedly below reporting thresholds. An institution reporting frequent or large premature withdrawals may receive a higher inherent AML risk score. This suggests its products may be vulnerable to misuse and may trigger the need for enhanced transaction monitoring systems and procedures. Institutions with disproportionately high early withdrawals relative to peers will stand out as outliers, signalling possible weaknesses in customer due diligence, product design, or ongoing monitoring.

SECTION	SUBSECTION		PURPOSE FOR REQUESTING THE DATA
Section 8: Advertising & Communication	8.1	*Advertising channels*	**To determine the range and suitability of advertising channels.** Different channels pose varying levels of conduct risk, for example some channels or promotional arrangements may be more prone to mis-selling risks targeting vulnerability customers. Institutions using a wider mix of high-risk channels may attract higher supervisory attention. Conversely, reliance on controlled, transparent channels may lower conduct risk.
	8.2	*Advertising expenditure*	**To measure the scale of resources allocated to marketing activities**. High expenditure may signal aggressive sales strategies, which could increase the risk of unsuitable product promotion.
	8.3	*Amendments to advertising materials*	**To identify the frequency of misleading or incorrect advertising requiring correction.** A high number of amendments may suggest deficiencies in internal oversight processes, over reliance on external promotional services or other systemic issues in how products/services are marketed.
	8.4	*Direct customer communications*	**To assess the frequency and appropriateness of direct (non-marketing) communication to customers**. Insufficient or inadequate communication may signal poor disclosure, lack of responsiveness, disengagement or general neglect of other customer engagement obligations.
Section 9: Complaints Management	9.1	*Volume*	**To assess the overall scale of customer dissatisfaction during the period and to detect emerging trends.** High complaint volumes relative to the size of the customer base may signal systemic product or service weaknesses, inadequate disclosure and other customer outcome concerns.
	9.2	*Resolution*	**To assess the effectiveness of the institution's complaints-handling process**. Persistent or high numbers of unresolved complaints will elevate risk ratings as it may signal inefficient or inadequate complaint-handling frameworks, lack of capacity and poor responsiveness.
	9.3	*Resolution turnaround time (TAT)*	**To evaluate how efficiently customer issues are resolved.** Resolution delays increase customer friction, exacerbate poor outcomes and signal insufficient internal capacity, cultural weaknesses or poor escalation processes.
	9.4	*Ombud complaints and outcomes*	**To measure the proportion of complaints that escalate to external resolution and the outcomes of such cases.** A high number of Ombud complaints, especially those resolved in favour of customers, may signal deficiencies in internal dispute resolution arrangements, weak governance and trends pointing to potentially widespread conduct issues.

SECTION	SUBSECTION		PURPOSE FOR REQUESTING THE DATA
Section 10: IT and Data Governance and Protection of Information	10.1	*IT governance findings*	**To assess the robustness of an institution's IT governance and internal control environment.** A high number of material or repeat findings from audits may signal oversight deficiencies, poor remediation practices heightened operational and cyber risks. Repeat findings are a strong signal of inadequate governance and ineffective management of IT-related risks.
	10.2	*Data accuracy and completeness*	**To assess whether institutions are maintaining accurate and up-to-date customer information.** Strong data integrity underpins every aspect of responsible financial services. Decisions based on inaccurate or incomplete data increases the risk of poor customer outcomes and regulatory breaches.
	10.3	*Emerging technology usage*	**To determine the extent of adoption of new and emerging technologies for provision of financial products and services.** Although emerging technologies help to greatly improve servicing and operational efficiencies, they also heighten certain risks if poorly governed (for example cloud computing concentration risks, AI biases and increased cyber exposure). The number and configuration of systems used may also signal elevated levels of risk, as the use of multiple unlinked systems may increase operational complexity.
	10.4	*System availability and incident impact*	**To assess the resilience of systems by monitoring frequency and duration of downtime incidents.** Planned downtime reflects normal maintenance, while unplanned downtime points to vulnerabilities in the IT environment. Frequent or prolonged unplanned outages may signal weaknesses in business continuity and disaster recovery planning, elevating the inherent operational resilience risk of an institution and its ability to ensure stable and uninterrupted services to customers.
	10.5	*Customer data breaches*	**To assess an institution's information security by monitoring the number of breaches and type of data exposed.** High numbers of, and repeated, breaches signals weak cybersecurity controls and increase both conduct and reputational risks.
	10.6	*Impact of data breaches*	**To measure the direct effect of breaches on customers by monitoring the number of individuals impacted.** Even just a single breach affecting many customers may signal major vulnerabilities in an institution's data protection framework.
Section 11: Outsourcing and Organisational Capacity/ Skills	11.1	*Vacancies*	**To assess resourcing adequacy and organisational capacity.** A high number of vacancies relative to total positions may indicate resource constraints, which can undermine effective governance, internal controls and service delivery.
	11.2	*Training*	**To evaluate the level of staff training on conduct-related responsibilities.**

SECTION	SUBSECTION		PURPOSE FOR REQUESTING THE DATA
			Proportion of investment in conduct-relating training initiatives relative to overall staff budget reflects the institution's level of commitment to building an effective conduct and customer-centric culture.
	11.3	*Outsourcing*	**To determine the extent to which critical activities are outsourced.** Over reliance on outsourced services, especially for critical, control and core functions may elevate operational and servicing risk exposures.
Section 12: Financial Data	12.1	*Revenue/ Turnover*	**To assess scale of the institution and to monitor financial health by tracking actual and projected revenue from financial services and other activities.** A lower proportion of turnover derived from non-financial services related activities may signal competing strategic priorities. Total (global and SA-specific) turnover provides insights into the size of operations, reliance on domestic vs international markets and potential systemic impact. Projected turnover signals whether strategic expansion and growth expectations are conservative or aggressive. Large discrepancies between projected and actual turnover may also indicate planning weaknesses, poor management information and over-optimism. Significant drops in revenue expectations may signal financial distress or business contraction.
	12.2	*Expenditure*	**To evaluate cost structures and financial resilience.** The total annual expenditure shows how much of the institution's resources are absorbed by operations. High expenditure relative to turnover may flag potential sustainability issues and rapid expenditure growth outpacing revenue may suggest emerging financial vulnerabilities.
	12.3	*Funding*	**To evaluate financial risk and sustainability of funding resources.** Gearing ratio assesses leverage, with high debt relative to equity increasing solvency risks. Funding structure (concentration of top contributors) may indicate over reliance on a small pool of funding, creating potential liquidity risks in the event of a single contributor withdrawing. Sources of funding (equity, loans etc) reflect the institution's resilience and flexibility under stress.
	12.4	*Inter-group funding*	**To measure extent of reliance on intra-group support.** High proportions of group-based funding may increase interconnectedness and contagion risks.
	12.5	*Organisational group turnover*	**To contextualise a financial institution within its Group by comparing turnover generated through financial services activities with overall Group turnover.** Comparing turnover derived from financial services activities with total Group turnover helps assess whether the Group's focus lies in financial services or non-financial services business areas. If financial services form only a small portion of the Group's financial returns, this may raise concerns about potential deprioritisation of financial sector regulatory obligations.