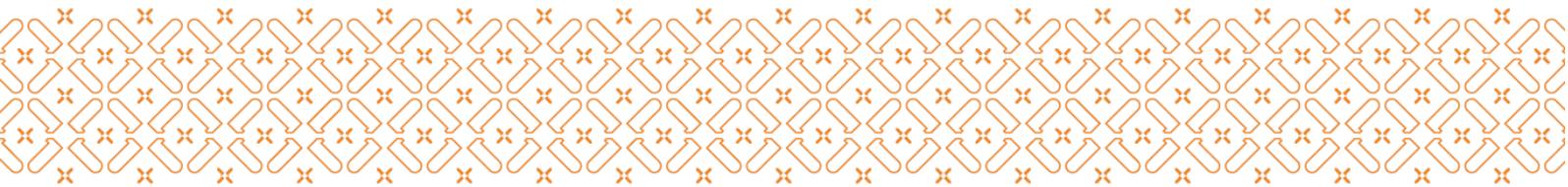


TREATING CUSTOMERS FAIRLY ("TCF") POLICY



MEETING YOUR FINANCIAL NEEDS

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1. INTRODUCTION

Top management took a decision to formally adopt the TCF outcomes as principle and guide and we embrace the spirit of the principle-based outcomes as published by the Financial Sector Conduct Authority (“FSCA”) in the TCF Roadmap.

Our ethos and culture have always been prioritising the fair treatment as well as striving to go beyond our clients’ expectations.

2. OBJECTIVES

Unum Capital (Pty) Ltd “The FSP” is fully committed to ensuring that customers of our FSP are treated fairly at all times.

To ensure that a culture is cultivated within our FSP in which high quality service delivery, fair treatment of customers and transparency remains the centre of our focus as an organisation at all times.

To ensure that quality management systems, measures, processes, procedures and controls are formulated, implemented, reviewed and monitored to ensure as far as possible that clients experience professional servicing standards and fair treatment on all levels of interaction.

To provide training and to equip each staff member on the principles contained herein, also to be and remain active participants in cultivating the TCF culture.

3. THE SIX OUTCOMES OF TREATING CUSTOMER FAIRLY

We embrace the spirit of the principle-based outcomes as published by the Financial Services Board; we are committed and will continuously strive to comply with these outcomes:

OUTCOME 1

Customers are confident that they are dealing with providers where the fair treatment of customers is central to our culture;

OUTCOME 2



Products and services marketed and sold in the retail market are designed to meet the needs of the identified customer groups and are targeted accordingly;

OUTCOME 3

Customers are given clear information and are kept appropriately informed before, during and after the time of contracting.

OUTCOME 4

Where customers receive advice, the advice is suitable and takes account of their circumstances.

OUTCOME 5

Customers are provided with products that perform as providers have led them to expect, and the associated service is both of an acceptable standard and what they have been led to expect.

OUTCOME 6

Customers do not face unreasonable post-sale barriers to change product, switch provider, submit a claim or make a complaint.

4. ACHIEVING THE OUTCOMES

We realise that the success of achieving the fairness outcomes first and foremost lies in the way that we manage our organisation. We are convinced that quality management systems, policies, procedures, controls and appropriate training are necessary for animating and bringing to fruition our best intentions which rise from these Outcomes.

We further agree that each role player within our organisation must embrace the TCF outcomes and understand that each person has an important contribution to make in order for the organisation to consistently achieve these goals, collectively.

We also aim to demonstrate through our behaviour and monitoring that we are consistently treating customers fairly through our governance structures as well as throughout the stages of the product life cycle, which are summarised below:

4.1 LEADERSHIP



- 4.1.1 The TCF objectives have been adopted by the FSP's governance body and management has taken responsibility for them;
- 4.1.2 Management shall conduct regular reviews of the main business processes to identify areas requiring improved TCF outcomes;
- 4.1.3 TCF objectives are to be communicated to all staff across the business;
- 4.1.4 A process for assessing staff and management understanding of TCF and the organisation's TCF commitments will be sourced and implemented;
- 4.1.5 Staff and representatives who contribute to the provision of financial services to retail customers are required to understand their role in delivering TCF outcomes to those customers;
- 4.1.6 Delivery of the TCF outcomes must be incorporated as a feature of the FSP's vision, mission and values proposition.

4.2 STRATEGY

- 4.2.1 The FSP's strategic planning process shall provide for the explicit consideration of TCF implications of any new strategy or change in strategy and the FSP's strategic plan shall include the TCF deliverables.
- 4.2.2 The current strategic plan will be adjusted to include the TCF deliverables.

4.3 DECISION-MAKING

- 4.3.1 Any future motivation for approval of a business case or project (including expenditure) by the FSP will be required to consider TCF implications.
- 4.3.2 An internal TCF platform (forum) will be established for the purpose of providing all role players within the FSP an opportunity to raise any questions or concerns in respect of TCF related matters and engage in healthy debate thereof.



4.4 GOVERNANCE & CONTROLS

- 4.4.1 Oversight and monitoring of the TCF delivery has been assigned to the FSP's compliance function which is overseen by the external compliance services provider;
- 4.4.2 The FSP shall formulate, implement, regularly review and monitor processes;
 - 4.4.2.1 to ensure formal and regular reporting of the progress of the implementation of TCF deliverables;
 - 4.4.2.2 for identifying and reporting TCF risks or failures;
- 4.4.3 The management of TCF and market conduct risks shall be formally included in our risk management framework;
- 4.4.4 Our governance framework shall be evaluated continually to ensure that it is effective in achieving the TCF outcomes.

4.5 PERFORMANCE MANAGEMENT

- 4.5.1 Staff members shall be identified who will be responsible for the delivery of the TCF outcomes within the FSP;
- 4.5.2 Performance evaluation criteria shall be formulated and implemented to incorporate TCF objectives and must be rigorously applied at all levels;
- 4.5.3 All staff members are required to undergo continuous training on TCF principles, standards and deliverables;
- 4.5.4 Recruitment processes must be formulated and implemented to ensure staff in relevant positions will have the necessary skills to deliver the FSP's TCF objectives.

4.6 REWARD

- 4.6.1 We may at intervals formulate remuneration and incentive schemes that are meaningfully linked to the achievement of TCF objectives, at all levels;
- 4.6.2 Reward and recognition processes may be formulated and implemented to compliment TCF objectives;



4.6.3 The FSP may formulate and implement meaningful consequences (such as retraining, re-assignment or disciplinary action, as appropriate) for staff or management who do not achieve agreed TCF deliverables.

4.7 MEASUREMENT AND MANAGEMENT INFORMATION

4.7.1 Management Information (MI) measures shall be designed and implemented which are vital for TCF monitoring;

4.7.2 The provider shall determine processes to obtain MI on customer expectations and how these expectations are being met by the FSP;

4.7.3 Processes are to be formulated and implemented to collate and summarise the FSP's TCF related MI in a meaningful way that provides a complete overview of the progress and extent to which the FSP is delivering TCF outcomes to customers including concrete examples of such progress;

4.7.4 Processes are to be formulated and implemented to enable the FSP to analyse and act on MI findings to improve TCF outcomes for customers;

4.7.5 MI findings will be analysed to identify staff training needs as well as for performance management purposes;

4.7.6 Unum shall communicate transparently with our stakeholders (including the market conduct regulator) on our progress in achieving TCF outcomes and also make information regarding our progress publicly available.

4.7.7 Over and above "business as usual" MI, we shall have mechanisms in place to monitor and respond to changes in the broader environment, to enable us to proactively identify TCF related risks;

4.7.8 We will provide concrete examples, supported by MI, of improvement in the extent to which we are delivering TCF Outcomes to customers, particularly in respect of products and services.

4.8 PRODUCTS AND SERVICES

4.8.1 When selecting a product to distribute or administer, our process includes the identification of particular customer group(s) the product will be suitable for and we obtain relevant information from the product supplier in respect of the suitability of the product to identified customer groups;



- 4.8.2 Most importantly, we conduct assessments on the product information to determine whether such material is suitable for the identified customer group;
- 4.8.3 Our staff and representatives are provided with such appropriate information regarding which customer groups the product suits;
- 4.8.4 We ensure that its distribution and/or administration methods are suitable for the product and target market;
- 4.8.5 Our product approval or product selection process includes senior management confirmation that a product adequately meets the TCF outcomes, including the requirement that it will perform as customers are led to expect;
- 4.8.6 We have formulated, implemented and regularly review our product selection and approval process (including on add-on products) which includes an assessment and sign-off of the suitability of promotional or other material for the identified customer group. I.e. ensuring that any information provided by us regarding another party's products or services, is clear, fair and not misleading and shall be reviewed regularly. This process also ensures fair treatment of customers with regard to customer incentives, such as loyalty programmes, bonuses or discounts, including mitigating any conflicts of interest risks;
- 4.8.7 We have formulated, implemented, regularly review and monitor processes:
- 4.8.7.1 for evaluating the financial understanding of products and services by customers;
- 4.8.7.2 to mitigate risks where it becomes apparent that the product or distribution and/or administration method was not suitable for the identified customer group, or has been distributed to inappropriate customer target groups;
- 4.8.7.3 to mitigate risks that a product or service may pose to particular customer groups;
- 4.8.7.4 to monitor and analyse routine complaints and communicate them to the relevant product suppliers;
- 4.8.7.5 to rectify a situation where it becomes apparent that any product information already in circulation (whether produced by our FSP, or not) is inaccurate, unclear, unfair or misleading;



4.8.7.6 to review the range of products/product suppliers we distribute or administer which includes our TCF objectives;

4.9 CLEAR AND APPROPRIATE INFORMATION

- 4.9.1 The provider is required to assess the clarity, appropriateness and fairness of product information provided to customers, whether produced by ourselves, or others in order to ensure that any information we provide regarding another party's products or services is accurate, clear, fair and not misleading;
- 4.9.2 The provider has formulated, implemented, regularly review and monitor an approval process for all product related information for which compulsory sign-off by senior management is required;
- 4.9.3 In the event where the provider has produced its own product information, the provider may test the clarity of the information with the target audience before issuing it;
- 4.9.4 Where the provider has designed any products which may be distributed through other FSPs, the provider shall implement a risk mitigation process to monitor whether any inaccurate, unfair or misleading information about our products or services are provided by third parties;
- 4.9.5 The provider will be required to rectify the situation where it becomes apparent that any product information already in circulation (whether produced by us or not) is inaccurate, unclear, unfair or misleading;
- 4.9.6 The provider shall regularly review standardised product information we use (whether produced by us or not) to ensure that it remains accurate, clear and appropriate to the applicable customer groups;
- 4.9.7 The provider is required to monitor and act on feedback, complaints and suggestions received from customers, staff or any others that identify the need for improvement in product information;
- 4.9.8 The provider shall ensure relevant and adequate product information is provided to customers (whether by our own staff/representatives or by others) at an appropriate time to enable them to make an informed decision as to whether to enter into the relevant contract;
- 4.9.9 The provider is required to provide existing customers with key information on their products on a regular ongoing basis after contracting, through appropriate channels;



- 4.9.10 The provider must ensure that clients are informed of any recent or pending changes to the products, contractual events or any actions required from them, in sufficient time to enable them to reasonably respond to or act on the information;
- 4.9.11 The provider shall control the accuracy and quality of any once-off or non-standard product information provided by staff or representatives;
- 4.9.12 The provider is required to maintain up-to-date contact details of existing customers;
- 4.9.13 The provider must ensure that customers have current and accessible contact points if they need product or service information or need to get in touch with the FSP for any reason;
- 4.9.14 The provider is required to ensure that accurate, retrievable, secure records are maintained of all product information which has been provided to customers and any other material interactions with customers;

4.10 ADVICE

- 4.10.1 Prior to any decision to market a product, the provider is required to assess whether or not we have the appropriate skills and business processes in place to provide advice and service that will be suitable for the target market and product concerned;
- 4.10.2 Prior to contracting with any product supplier to market their products, the provider shall conduct an appropriate level of due diligence to satisfy itself that such products and service levels are likely to meet the FSP's customers' reasonable expectations;
- 4.10.3 The provider must insist that product suppliers provide representatives with adequate training on the specific products marketed to enable them to provide suitable advice on those products;
- 4.10.4 The provider is required to design and implement controls to prevent representatives providing advice on products where they do not have adequate product training;
- 4.10.5 Prior to contracting with any product supplier, the provider must make satisfactory arrangements to ensure that the provider and representatives will have reasonable access to any product information required from the product supplier in order to provide suitable advice;



- 4.10.6 The provider shall monitor and act on feedback or complaints received from customers, product suppliers or other third parties regarding the quality of advice they have received from our representatives, to identify any training needs and/or risk of inappropriate advice;
- 4.10.7 Processes shall be formulated and implemented to identify instances and mitigate the risk to customers where our representatives have provided inappropriate advice or misleading information to customers;
- 4.10.8 Over and above complaints, the provider is required to monitor potential TCF indicators such as insurance claims experience, product retention, early termination data, investment portfolio switching, type and frequency of product changes, etc. in relation to the customers associated with our representatives, to identify and mitigate risks of inappropriate advice or poor customer outcomes attributable to the representatives concerned;
- 4.10.9 The provider is required to provide product suppliers and other 3rd parties in the customer value chain with feedback in relation to any aspects of their products or services which inhibit our ability to provide suitable advice or deliver other TCF outcomes to customers;
- 4.10.10 The provider must formulate and implement controls to identify and address any conflicts of interest between ourselves, our customers and product suppliers whose products we market;
- 4.10.11 Incentive and remuneration targets are to include clear TCF measures that our representatives are required to satisfy, regardless of whether such remuneration or incentives is determined by the product supplier, or by us;
- 4.10.12 Agreements between the provider and any product suppliers must clearly set out the parties' respective responsibilities in relation to providing customers with advice, information and service support. Customers must be able to understand who they should look to in relation to different aspects of the financial products or service provided to them;
- 4.10.13 The provider is required to formulate and implement controls to identify and act on instances where our representatives have provided advice which they are not authorised to provide, either in terms of their specific contract or mandate with us and/or with any product supplier, or as a result of non-compliance with our FAIS licence conditions or other legal requirements;



- 4.10.14 The provider shall formulate and implement a fair compensation of customers policy for the compensation of customers who have been financially prejudiced as a result of inappropriate advice provided by our representatives;
- 4.10.15 The provider will be required to ensure that published decisions of the FAIS Ombud, guidance from the regulators and other relevant information sources in relation to advice practices are analysed by management so as to evaluate whether our existing practices remain relevant and effective.

4.11 PRODUCT PERFORMANCE EXPECTATIONS

- 4.11.1 The provider will thoroughly analyse the product retention, portfolio switching, early termination behaviour of or customers to identify risks that products or services are not meeting expectations created;
- 4.11.2 The provider shall formulate and implement:
 - 4.11.2.1 processes to alert customers to the risks of particular actions on their part (such as early termination, non-payment of contributions, investment portfolio switches, benefit reductions) in reasonable time for them to respond to or act on the information;
 - 4.11.2.2 processes to alert customers to the risks of non-action on their part, such as a failure to review insurance cover needs, investment goals and risk profiles, beneficiary nominations and other relevant requirements;
 - 4.11.2.3 clear service standards for customer service processes which shall be communicated to customers;
 - 4.11.2.5 The provider shall formulate and implement processes to protect the confidentiality of all customer information;
- 4.11.3 The provider may conduct research or test the FSP's service standards to determine whether they are in line with customer/member expectations;
- 4.11.4 Although the provider explicitly cannot accept responsibility for the performance of products of product suppliers, processes are to be formulated and implemented to mitigate the risks to our customers/members where it becomes apparent that products are not performing or are unlikely to perform as customers have been led to expect;



4.12 CHANGING PRODUCTS

- 4.12.1 The provider must ensure that customers are informed (in good time, not only on request) of the types of changes they may make to their products if their needs or circumstances change and of any important limitations on their ability to access funds or make changes;
- 4.12.2 The provider is required to ensure that when we become aware of a change in a customer's needs or circumstances (including affordability difficulties), they are informed of changes they may consider making to their products to meet their changed requirements;
- 4.12.3 The provider shall have clear service standards in place for processing product changes (including where we need to refer the request to another party to deal with) and communicate these to our customers;
- 4.12.4 Where a request for a product change is declined by any party in the value chain, the provider must give the customer clear reasons for this;
- 4.12.5 When a request is received to change a product (whether directly or through another party) the provider is required to inform the customer of any potential risks associated with the change, in reasonable time for them to respond to or act on the information;

4.13 SWITCHING PROVIDERS

- 4.13.1 The provider must have clear service standards in place for processing switches to other providers which shall also form part of the customer servicing mandate;
- 4.13.2 When we receive a request to switch providers (whether directly or through another party) the provider shall inform the customer of any potential risks associated with the switch;

4.14 CLAIMS AND DISBURSEMENT HANDLING

- 4.14.1 The provider is required to ensure that customers are informed of how to submit a claim or disbursement request and of our service standards for claims and disbursement processing and what information we will need to process the claim or request;



- 4.14.2 The provider shall ensure that customers are informed prior to contracting, of the circumstances under which claims or disbursement requests will not be processed and must ensure that the customer's obligations are explained;
- 4.14.3 The provider must ensure that once a claim has been received, that customers/members are constantly informed of progress;
- 4.14.4 The provider shall analyse types of claims and claims repudiation experience of our different representatives to identify any miss-selling risks;

4.15 COMPLAINTS HANDLING

- 4.15.1 The provider must test our complaints process to ensure it is accessible and appropriate for our customer groups;
- 4.15.2 The provider shall implement a robust complaints management, record keeping and root cause analysis process;
- 4.15.3 The provider is required to ensure that customers are informed (before complaint stage) of how to complain and of options for further recourse if they are dissatisfied with the outcome of a complaint;
- 4.15.4 The provider may benchmark our complaints handling (volumes, resolution rates, Ombud complaints) against competitors;
- 4.15.5 The provider is required to ensure that once a complaint is received, we keep customers informed of the progress (including the contact person details) whether we are dealing with the complaint ourselves or have referred it to another party;
- 4.15.6 The provider must, when responding to a complaint, provide clear reasons for our response (including where the response is favourable to the customer), with supporting evidence where relevant;
- 4.15.7 The provider must ensure that where a request for redress is declined, wholly or partially, we inform the customer/member of what steps they can take to have the decision reviewed;
- 4.15.8 The provider must have clear service standards in place for processing complaints and ensure they are communicated to our customers;
- 4.15.9 The provider shall ensure that specific training is provided to staff that are tasked with complaints handling;



- 4.15.10 The provider shall ensure that complaints processes are structured to ensure that decisions will be objective, consistent for similar complaints and that decision makers do not have a conflict of interest;
- 4.15.11 The provider may implement follow-up processes to determine customer satisfaction levels after complaints are finalised;
- 4.15.12 The provider is required to implement processes to ensure consistency in complaints handling;
- 4.15.13 The provider may put a policy in place for fair compensation of customers who have been financially prejudiced by unfair treatment, and is not limited only to those customers who complain;
- 4.15.14 The provider must analyse complaints to identify any risks of miss-selling by representatives;
- 4.15.15 The provider is required to consider the nature of complaints received and complaints handling performance of different product suppliers in deciding whether to do business with them or recommend them or their products to customers;

5. Obligation by employees

All employees have an obligation to promote the compliance culture as well as adhering to the provisions of this policy. Disregard for the compliance philosophy, compliance culture and failure to comply with any provisions of the legislation or this policy will result in remedial and/or disciplinary action being taken.

6. Implementation

This policy will be made available and distributed to all employees and representatives working in or on behalf of the organisation. Executive Management is responsible to ensure that this policy is communicated, observed and that it remains appropriate on an ongoing basis.



7. Endorsement

This policy is approved and endorsed by Executive Management.

8. Review of policy

This policy will be reviewed by Executive Management on at least an annual basis or more frequently in the event of material amendments to the regulatory environment and may be altered and improved at any time and will be enforceable with immediate effect. All changes and amendments will be communicated and distributed to all stakeholders who will be required to adhere to such changes without delay.

9. OWNERSHIP & ACCOUNTABILITY

This policy is owned by **Unum Capital (PTY) LTD**, an authorised financial services provider in terms of the Financial Advisory & Intermediary Services Act (37 of 2002) and subordinate legislation.

As Key Individual of the Provider, I, **Mark Weetman** hereby confirm the adoption of the policy on behalf of the governing body of the Provider.

I hereby accept responsibility for the successful training of employees and successful implementation of this Policy.

Signature

