

TREATING CUSTOMERS FAIRLY POLICY

1. Introduction

Tshipi Noto Financial Services (Pty) Ltd (Tshipi Noto) is an authorised financial service (FSP) that is committed to customer satisfaction by treating all our customers fairly. Our mission is to be a recognized and respected FSP and our Treating Customers Fairly (TCF) policy is an integral part of that objective. We strive to consistently deliver fair outcomes and enhanced service quality to our clients, based on a culture of transparency and putting the customer first.

The Treating Customers Fairly (TCF) initiative is a key component of the Financial Sector Conduct Authority's broader consumer protection and market conduct mandate. TCF aims to be a holistic and coordinated consumer protection regulatory framework that applies consistently across the financial services sector and is designed to address the specific conduct risks appropriate to the sector. It is an outcomes-based regulatory and supervisory approach designed to ensure that regulated financial institutions deliver specific, clearly set out fair outcomes for financial customers. TCF's approach seeks to ensure that fair treatment of customers is embedded within the culture of financial institutions. TCF uses a combination of market conduct principles and explicit rules to drive the delivery of clear and measurable fairness outcomes.

What TCF is not:

- TCF does not mean creating satisfied customers.
- A satisfied customer could still be treated unfairly and simply not know it.
- TCF does not mean that every company must offer the same level of service.
- Our diverse ways of doing things create healthy competition.
- TCF does not mean that customers are no longer expected to make decisions or take responsibility for these decisions.

What TCF is about

TCF is simply about three factors tied together in a causal loop with each activity impacting the next.

- Improved customer confidence.
- Appropriate products and services.
- Enhanced transparency and discipline

TCF is aimed at achieving six specific desired outcomes that concern the customer. TCF requires regulated companies to be able to provide evidence or demonstrate these desired outcomes at every stage of the product life cycle. TCF principles must be driven by the company's culture and the way it does business as opposed to a set of defined rules. Financial Services Providers (FSP) should always apply these principles keeping the customer in mind.

2. Policy Statement

Our clients are at the very heart of all that we do, and we are fully committed to providing the highest standards of client service and advice. Our customers are our most valuable asset, and we aim to ensure we deliver user-friendly, robust, dependable, and cost-effective insurance services and products. As a part of our overall approach, we are fully committed to treating our clients fairly and as a such endeavour to meet their expectations of high-quality service.

This TCF policy is centered around the guidance provided by the Financial Sector Conduct Authority (FSCA) and our External Compliance Officer, to ensure that we consistently deliver fair outcomes to our clients throughout the product life cycle and take responsibility for the actions of the company and staff (at all levels) providing enhanced service and product quality to clients.

3. Application of the Policy

This Policy applies to all permanent and temporary employees, directors, officers, representatives, agents, and independent contractors ("Employees") of the FSP, and non-compliance will bear profound consequences.

4. TFC Fairness Outcomes

The FSCA has outlined six key outcomes, which are central to the TCF initiative:

Figure 1: Desired outcomes of TCF

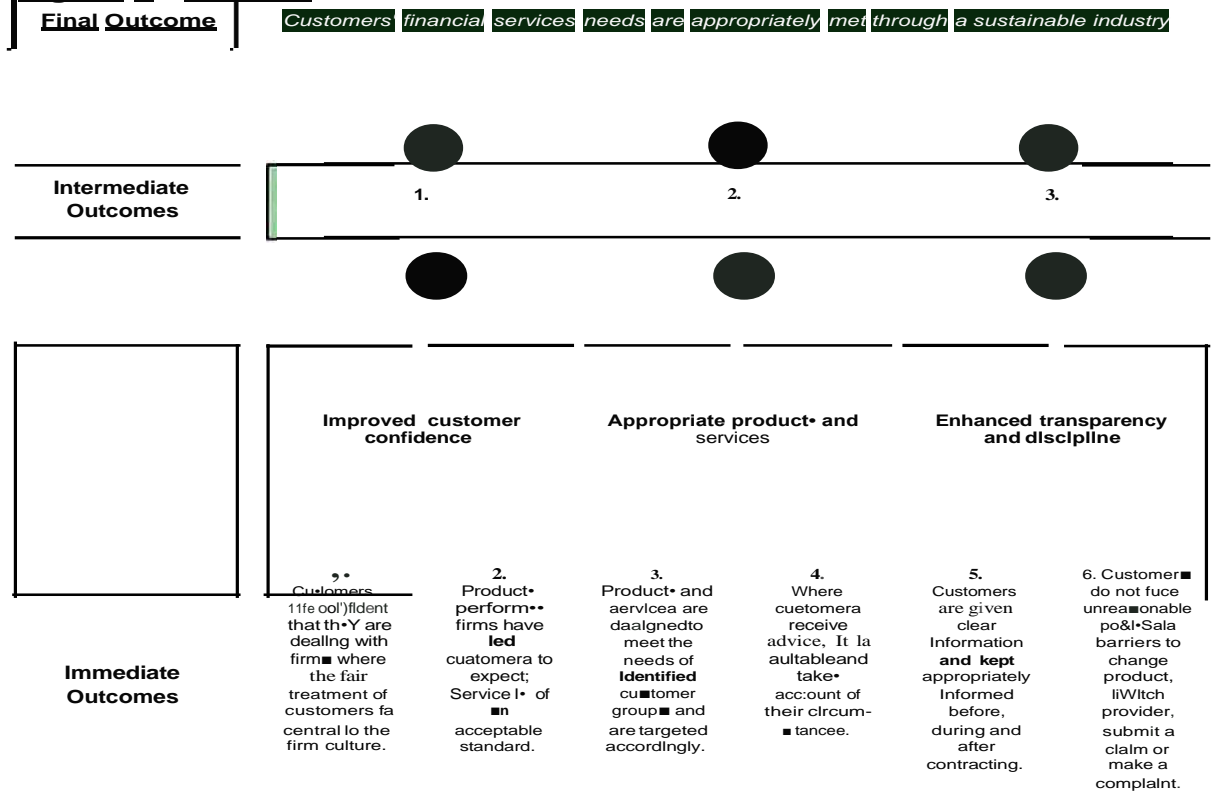


Figure 1 Regulatory Framework

4.1 Outcomes 1: Customers are confident that they are dealing with firms where the fair treatment of customers is central to the firm culture.

4.1.1 Senior Management has adopted the TCF Policy to ensure that the FSP's

business practices are fully governed by a culture of TCF. The Senior Management and the Key Individual(s) are responsible for the implementation and enforcement of the TCF Policy, principles, and objectives.

- 4.1.2 All the employees of the FSP must adhere to the TCF Policy, principles, and requirements. Recruitment processes shall adhere to TCF objectives to ensure that the candidates with the required qualifications as set out in the Recruitment and Competence Policies are appointed. In addition, the FSP is required to measure themselves against a stringent set of standards set out in the Tshipi Noto TCF Self-Assessment tool, which aligns with the FSCA Self-Assessment Questionnaire. The results of the TCF Assessment will be shared with all relevant governance structures to ensure that FSP not only understands how they fare against the standards but are also able to identify conduct risk associated with their practices and remedy this to improve poor customer outcomes that may result due to poor conduct or lack of oversight.
- 4.1.3 Remuneration of employees will be linked with the reaching of TCF objectives. Disciplinary processes will be instituted in cases of non-compliance should it be necessary.
- 4.1.4 Compliance Officer will conduct compliance monitoring to determine the compliance and implementation progress with TCF. The report will be submitted to the Key Individual and shared with relevant Senior Management within the FSP. TCF training will be provided to all employees on an annual basis.
- 4.1.5 TCF shall be a standing agenda point at all our executive committee meetings
- 4.1.6 The FSP will do due diligence on other businesses before contracting with them.

4.2 Outcome 2: Products and services marketed and sold in the retail market are designed to meet the needs of identified customer groups and are targeted accordingly.

4.2.1 We extensively consider the profile of our clients when designing our products ensuring that customers' needs are at the forefront of our product design and development process. The product is analysed to ensure that it is suitable for a particular market segment and satisfies the needs of that market segment.

4.3 Outcome 3: Customers are given clear information and are kept appropriately informed before, during, and after the time of contracting.

4.3.1 Customers will be given clear information and be kept appropriately informed before, during, and after the time of contracting. Employees of the FSP shall ensure that all communication to customers is clear and not misleading. The customers shall be guided about the information required by product suppliers.

4.3.2 FSP shall ensure that all required disclosures are made to a customer as prescribed in the Policyholder Protection Rules of both Short-Term and Long-Term Insurance. In addition, the Financial Advisory and Intermediary Services (FAIS) Act and the General Codes of Conduct associated with various categories of licenses also govern the FSP's way of engagement with our customers regarding transparency and disclosures throughout the policy life cycle with the FSP.

4.4 Outcome 4: Where customers receive advice, the advice is suitable and takes account of their circumstances.

4.4.1 Tshipi Noto shall adhere to the requirements of Section 8 of the FAIS General Code of Conduct, which states that an FSP must do a suitability analysis before providing a client with advice. The FSP shall ensure that the record of advice complies with the FAIS General Code of Conduct and contains all required disclosures

4.4.2 Where customers receive advice, it will be suitable and will take account of their circumstances.

4.4.3 Advisors shall be trained to ensure they have adequate knowledge of the products and services the FSP provides. Advisors shall be provided with all information they need to advise on our products and services.

4.5 Outcome 5: Customers are provided with products that perform as firms have led them to expect, and the associated service is both of an acceptable standard and what they have been led to expect.

4.5.1 The FSP's products must perform as they have led their customers to expect, and the associated service must be of an acceptable standard. Processes are in place to mitigate the risk that products and services are unable to satisfy the reasonable expectation of customers.

4.5.2 Representatives are trained to ensure that when engaging with customers, they do not deviate from the FSP's product offerings, but disclose correct information about the FSP's products and services.

4.5.3 We have processes to monitor and act on feedback, complaints, and suggestions received from our clients or employees that identify the need for improvements in types of services or service standards.

4.5.4 The FSP gives feedback to product suppliers about their products and services on regular basis.

4.6 **Outcome 6: Customers do not face unreasonable post-sale barriers to changing products, switching providers, submitting a claim, or making a complaint.**

4.6.1 Customer satisfaction is a fundamental part of the FSP's culture, and we believe that our customers' experience throughout their journey with us must be of a standard and quality which does not prejudice the customer in any manner whatsoever. We have committed to developing strong overarching governance frameworks which detail the standards and requirements related to claims and complaints.

4.6.2 There are no unreasonable post-sale barriers submit a claim or making a complaint. The FSP has adopted a complaints management framework that is aimed at ensuring that customers' complaints are resolved properly and promptly. We are committed to continuously monitoring management information relating to complaints to identify trends of poor customer treatment and to implement corrective measures to ensure that clients do not face any post-sales barriers when dealing with the FSP.

5. Policy Review

his Policy will be reviewed and revised every two years or in line with the current business planning process, or when necessary, at earlier intervals due to significant changes internal or external to FSP. This document may also be reviewed or updated after audits of any nature.

6. Non-Compliance

Tshipi Noto views any non-compliance to this policy as well as any non-compliance with its obligations in terms of legislation in a serious light. Any deliberate action by its employees to contravene this Policy will be subject to disciplinary proceedings. All instances of non-compliance with this policy will be in

