



## TREATING CUSTOMERS FAIRLY POLICY

### POLICY STATEMENT

Secha Capital VCC (Pty) Ltd believes that the fair treatment of customers is essential to the success of its business. Customers are our most valuable asset and are a key stakeholder in the business, both directly and because of the influence the quality of the customer experience has on the businesses' relationships with other crucial stakeholders.

We are fully committed to providing the highest standards of customer-centric financial services and our aim is to ensure we deliver a user-friendly, robust, reliable and cost-effective service. Treating Customers Fairly principles (TCF) are applied across all business sectors in the course of our general business activities.

Our treating customers fairly (TCF) policy is centred around the guidance provided by the Financial Services Board (FSB) to ensure we consistently deliver fair outcomes to our customers and take responsibility for the business and staff (at all levels) providing an enhanced service quality to customers, based on a culture of openness and transparency.

This Policy Statement has been prepared in order to document the various controls and processes that exist enabling the business to demonstrate compliance with the six desired outcomes of the FSB's 6 TCF Principles

<b>One</b>	Consumers can be confident that they are dealing with firms where the fair treatment of customers is central to the corporate culture.
<b>Two</b>	Products and services marketed and sold in the retail market are designed to meet the needs of identified consumers groups and are targeted accordingly.
<b>Three</b>	Consumers are provided with clear information and are kept appropriately informed before, during and after the point of sale.
<b>Four</b>	Where consumers receive advice, the advice is suitable and takes account of their circumstances.
<b>Five</b>	Consumers are provided with product that perform as firms have led them to expect, (product integrity) and the associated service is both of an acceptable standard and also as they have been led to expect.
<b>Six</b>	Consumers do not face unreasonable post-sale barriers imposed by firms to change product, switch provider, submit a claim or make a complaint.

We have set out below how we aim to ensure these principles are embedded in our daily operations



## Practical Application

In practical terms for the different areas of our business this means:

- encouraging valuable customer feedback allowing us to continually improve our service offering (website)
- ensuring that promotional material is clear, compliant, jargon free and appropriately targeted (Product signoff)
- ensuring proper product provider and products selection (due diligence)
- ensuring an ongoing flow of customer pertinent information which is relevant and timeous
- ensuring that sales staff have thorough training on all products they advise on or sell, understand who they are and aren't suitable for, and are encouraged to challenge product providers where they spot inconsistencies, ambiguities or potential unfairness in the product literature or product features (annual training)
- operating sales remuneration systems which assure fairness to the customer as well as customer satisfaction, rather than only rewarding sales volumes
- finding ways to encourage non sales staff to implement TCF in their day to day business activities (service) stickers, screensavers etc.
- keeping detailed records of customer instructions and profile/attitude to risk, and of the advice and options given before, during and after a sale – to help ensure we treat customers fairly and can deal with any complaints that may arise swiftly and fairly
- encouraging after sales contact with clients where appropriate to correct or improve on the service already offered
- ensuring that customer complaints are assessed fairly, promptly and impartially, and in line with deadlines and rules
- encouraging staff to recommend improvements to service following customer complaints – and monitoring the outcome
- ensuring that staff are kept up to date with relevant training in relation to competence, data protection and other matters directly affecting the quality of service offered to customers
- offering regular training in the principle of TCF at all levels of the business
- regularly monitoring and reporting on all of the above TCF activities as part of the company's monthly statistics/MI, in order to assess TCF performance across the business and recommend changes where appropriate
- ensuring that TCF values, which are set and communicated by Senior Management, are supported by all staff and understood in the same way



## STATEMENT OF PRINCIPLES

*Principle 1 : Consumers can be confident that they are dealing with firms where the fair treatment of customers is central to the corporate culture.*

**Customer-centricity** - Our priority from a strategic and operational perspective is to provide our customers with excellent service underpinned by quality and choice. We are committed to ensuring our employees, customers and advisers prefer and retain our services throughout the entire value chain of financial services.

### **Conflicts of Interest –**

Secha Capital VCC (Pty) Ltd is committed to ensuring its business is conducted in a way which is legal, professional, fair and in accordance with the best interests of its customers.

We have adopted and implement the Conflict of Interest Policy which is regularly monitored and reviewed. The policy provides guidance and sets out various requirements for all employees (including the offering and receiving gifts and hospitality) as well as oversight of relationships with customers and suppliers.

We identify potential conflicts of interest within our sales process and ensure that individual and business objectives are linked not only to sales performance but also to quality, TCF and regulatory compliance.

We acknowledge that conflicts of interest may arise either: (a) between our interests as a business and those of customers; or (b) between the personal interests of a team member and those of the customer; either because of a relationship, or a financial incentive or inducement we offer or which is offered by any third party.

We will neither seek nor accept anything that may influence, or appear to influence, any of our business decisions. We may accept limited business courtesies such as meals, entertainment or business support provided they are customary, commonly accepted and are offered with no express or implied understanding of creating an obligation on us by the act of acceptance. These are recorded in our gifts register, a copy of which is available on request.

Potential conflicts of interest between the firm and its customers and between a customer and another client are constantly monitored. Where a potential or actual conflict arises, we will operate processes which are designed to eliminate the risk of detriment to the customer or/and any other stakeholder, and preserve the reputation and good standing of our business.

Any team member found not to be operating to these processes will be subject to disciplinary procedures, which could lead to a variety of outcomes, including dismissal.

The decision whether or not to commence such procedures and the conduct of disciplinary procedures shall in each case be by leaders who do not have a direct financial or other interest in the outcome of any such procedures.

**Training and Competence** - To ensure success and the consistent provision of excellent customer service, employees receive appropriate training and are aware that TCF is at the heart of our culture.

The training our people receive includes enhanced emphasis on their duty of care to customers. We recognise that our employees are critical to delivering a positive client experience and ensuring our customers are treated fairly. Our culture and values encourage and support our employees to deliver this.

**Remuneration** - We provide a clear and full disclosure of remuneration as required in terms of the Financial Advisory and Intermediary Services Act (FAIS), where required. It is our policy to ensure our team is fairly and properly remunerated for the work done, as it is in the interest of our clients, shareholders and staff alike that we have the capacity and resources to deliver a quality, professional service.

**Incentive Schemes** – We avoid operating incentive schemes that could breach the principle of TCF and risk consumer detriment. We remunerate and incentivise our employees to encourage them to deal with all clients fairly, and to continually find ways to improve.

**Employee Feedback** - Employees are encouraged to feedback any concerns, observations or suggestions to enable improvements to be implemented across the business. This feedback can be provided to Management, Legal & Compliance representatives or via our implemented Whistleblowing policy.

**Confidential information** – We will use confidential information supplied by the client only for the business purposes for which it is intended and not reveal it to anyone outside our business unless authorised by the customer in writing, or as required by law.

We keep information about our business and business partners confidential and do not reveal this to anyone outside our business except where authorised or as required by law. We expect all parties to any transaction to maintain the confidentiality of the information we supply.

**Legal Obligations** - We will ensure that our business decisions and actions are in line with the appropriate legal and regulatory requirements. We will make every effort to confirm that both the business and its staff remain in compliance with all applicable, legal and regulatory requirements.



*Principle 2: Products and services marketed and sold in the retail market are designed to meet the needs of identified consumers groups and are targeted accordingly.*

Our service is shaped by examining and understanding our clients' needs and priorities. To achieve this we ensure we have appropriate knowledge and understanding of needs and requirements throughout the entire value offering inherent in the provision of financial services.

We constantly pursue ways to improve the quality of our service where this is possible. We encourage, and where appropriate act upon stakeholders comments and suggestions for improvement in our service and invite all our clients to provide us with valuable feedback.

*Principle 3: Consumers are provided with clear information and are kept appropriate informed before, during and after the point of sale.*

**Transparency** - We ensure our services are delivered with clarity and transparency and do not contain hidden conditions or rely on complex technical definitions.

We will fully supply information to relevant parties in order to provide an environment conducive to informed consent. We will ensure customers have all the information they require in order that they can make an informed decision in relation to the financial service under consideration

**Policy Literature/Financial Promotions** - It is essential that policy literature and financial promotions issued are clear, fair and not misleading; thereby accurately reflecting the product being offered.

Policy literature is subject to Quality Assurance processes and is reviewed regularly. In doing so, we ensure an outcomes based approach to TCF is adopted and that various regulatory and statutory obligations are complied with.

*Principle 4: Where consumers receive advice, the advice is suitable and takes account of their circumstances.*

**Third Party and Product Provider selection** – As mediators of products designed by third party suppliers, our concern is to ensure that our product portfolio meets the following requirements:-

- the supplier is of adequate financial standing and will enable us to fulfil our core values
- the products are suitable to our potential customers.

Our providers are selected on a criteria acceptable to the principles inherent in TCF and include aspects such as financial strength, expertise in core business, underwriting and claims-settlement,



service requirements, breadth of coverage, continuity and relationship, fit with overall risk management programme, pricing and relevant terms and conditions.

We are committed to the provision of insurance recommendations, solutions and products which will be:

- driven by what is in our customer's best interests
- underwritten by approved product providers

We require our product suppliers to provide us with information about the outcome of our sales to inform our decisions on our product portfolio and our assessment of the fair treatment of our customers.

Where reasonably possible, we ascertain the appropriateness of the requested service for all new customers prior to accepting an instruction, ensuring it is in line with our service resources and competencies.

We assist where possible, and equip our distribution with sufficient information so as to provide our customers with appropriate, professional advice concerning their insurance needs and requirements.

Our advisors are required to at all times, comply with the requirements and ethics inherent in the FAIS Act and associated Codes of Conduct

*Principle 5: Consumers are proved with product that perform as firms have led them to expect, (product integrity) and the associated service is both of an acceptable standard and also as they have been led to expect.*

We regularly review product terms and conditions and all customer feedback and engage with product suppliers to redress imbalances against customer expectations.

We keep our customers fully informed in a clear and fair manner that is unambiguous and not misleading, and work hard to ensure that service and risk information remains clear and prominent at all times.

Where aftersales care is delivered by our selected providers, we satisfy ourselves of their ability to meet the obligations inherent in their products and to provide aftersales care, and other relevant capabilities, in our selection process.

We utilise available management information to identify and respond to aftersales performance matters.



*Principle 6: Consumers do not face unreasonable post-sale barriers imposed by firms to change product, switch provider, submit a claim or make a complaint.*

We keep our customers informed 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 going forward.

These are aligned to clear service standards for processing product changes. We implement demanding but achievable service level agreements, agreed internally and with our Business Partners, which are constantly monitored to ensure customers receive the level of service they expect.

When we become aware of a change in a customer's needs or circumstances (including affordability difficulties), we inform them of changes they may consider making to their products to meet their changed requirements

Where a request for a product change is declined by any party in the value chain, we provide clear reasons for this

Where we receive a request to change a product (whether directly or through another party) we inform the customer of any potential risks associated with the change, in reasonable time for them to respond to or act on the information

**Claims Handling** - We operate efficient (including paperless) claim procedures to ensure that customer claims are handled promptly.

**Complaints** - We respond in a timely manner to our customers' and prospective customers' questions and queries, and address any issues or concerns promptly. All customer complaints are dealt with and escalated as appropriate and as required by us in order to meet our obligations to our clients and our regulator.

We are happy to provide full details of our complaints process on request.

**Complaints - Root Cause Analysis and Outcomes Testing**

We have detailed complaints handling procedures and training in place that are in compliance with FSB rules and guidelines. This ensures all customer service employees are able to identify complaints and complaints handlers investigate complaints, competently, fairly and consistently in line with the prevailing policies and procedures.

Regular reporting in terms of outcomes testing will ensure that trends are identified, recorded and discussed to determine if any remedial action is required, either against individuals, products, policy wordings or processes.



### **TCF Governance**

All Company employees are encouraged to take responsibility for TCF in the course of performing their individual roles.

### **Senior Management:-**

- prescribes management information disciplines which allow regular score-keeping against our TCF and sales process quality objectives
- ensures team members' role responsibilities clearly set out their TCF and regulatory compliance objectives
- ensures there is available to all relevant team members training and coaching which equips them to understand their responsibilities
- regularly reviews and moderates remuneration schemes and attendant performance objectives to ensure consistency with the businesses' TCF approach
- ensures that we rigorously promote our customer core values, in all available training interfaces with our team members, to embed a culture of Treating Customers Fairly
- ensures that our incentive schemes reward and recognise excellence in providing a quality sales experience to the customer, embracing the fair treatment of customers.

### **TCF Management Information:-**

#### TCF Management Information (MI) Reporting, Review and Escalation

A detailed TCF MI report is to be produced on a quarterly basis and analysed as part of the Compliance Monitoring Programme with appropriate input from the business areas where issues or anomalies are identified. This ensures there is an adequate "bottom-up" review of the TCF data.

A summary of the data is then presented to the Managing Body on a quarterly basis as a standing agenda item. This enables robust "top-down" challenge and review of the business' performance against TCF outcomes.

Ad hoc reviews of TCF ensure TCF processes continue to be appropriate and TCF MI remains 'fit for purpose'