SA HOME LOANS GROUP

TREATING CUSTOMERS FAIRLY POLICY

SA HOME LOANS
OWN THE LIFE YOU WANT

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1. INTRODUCTION

1.1. This policy is intended for all employees of SAHL Investment Holdings (Pty) Ltd, SA Home Loans (Pty) Ltd, SAHL Insurance Company (Pty) Ltd and SAHL Life Assurance Company (Pty) Ltd ("SAHL Group"), to establish a framework for embedding the Treating Customers Fairly (TCF) principles throughout the SAHL Group

2. REGULATORY FRAMEWORK

2.1. Treating Customers Fairly (TCF)

Treating Customers Fairly (TCF) is a principles-based regulatory framework introduced by the Financial Sector Conduct Authority (FSCA) to promote fair customer outcomes throughout the customer lifecycle. TCF requires financial institutions to place customers at the center of their business activities, products, services, and decision-making processes.

2.2. Customer Protection

The objective of TCF is to ensure that customers are treated fairly and are protected from unfair business practices throughout their relationship with the SAHL Group. TCF promotes transparency, informed decision-making, and positive customer outcomes across all customer interactions.

2.3. FAIS General Code of Conduct

Section 2 of the General Code of Conduct for Authorised Financial Services Providers and Representatives requires providers to render financial services honestly, fairly, with due skill, care, and diligence, and in the interests of clients and the integrity of the financial services industry. These requirements are aligned with the principles and objectives of Treating Customers Fairly.

3. SCOPE OF APPLICATION

This policy is applicable to all permanent employees within the SAHL Group.

4. PURPOSE AND OBJECTIVES OF THE POLICY

4.1. The purpose of this Treating Customers Fairly (TCF) Policy is to affirm the organisation's commitment to delivering fair outcomes to customers and to embed a customer-centric culture across all levels of the business. This policy is aligned with the principles established by the Financial Sector Conduct Authority (FSCA) and forms an integral component of the organisation's governance, risk management, and compliance framework.

4.2. The objective of this TCF Policy is to ensure that:

4.2.1. Customers have confidence that they are engaging with an organisation where fair treatment is central to the corporate culture.

4.2.2. Products and services marketed and sold are designed to meet the needs of identified customer groups and are appropriately targeted.

4.2.3. Customers receive clear, accurate information and are kept adequately informed before, during, and after the point of sale.

4.2.4. Advice provided is suitable and considers the customer's individual circumstances, where applicable.

4.2.5. Products perform as expected and services are delivered to an acceptable standard.

4.2.6. Customers do not encounter unreasonable post-sale barriers when seeking to change products, switch providers, submit claims, or lodge complaints.

5. POLICY STATEMENT

5.1. The SAHL Group adheres to the following Treating Customers Fairly (TCF) principles, which include but are not limited to:

5.1.1. **Customer's Interest:** We pay due regard to the interests of our customers and ensure fair treatment in all interactions.

5.1.2. **Integrity:** We conduct all business activities with integrity.

5.1.3. **Skill, Care and Diligence:** We perform all business operations with the necessary skill, care, and diligence.

5.1.4. **Management and Control:** We take reasonable steps to organise and control our affairs responsibly and effectively, incorporating adequate risk management systems.

5.1.5. **Financial Prudence:** We maintain adequate financial resources at all times.

5.1.6. Market Conduct: We observe proper standards of market conduct as required by law and regulation.

5.1.1 **Client Communications:** We provide information that is clear, fair, and not misleading, paying due regard to customers' information needs. No advice is provided unless explicitly stated.

5.1.7. **Conflicts of Interest:** We manage conflicts of interest fairly, both between ourselves and our customers, and among customers and other clients.

5.1.8. **Customer Relationship of Trust:** We take reasonable care to ensure the suitability of our products and services for customers.

5.1.9. **Client Assets:** We arrange and ensure adequate protection for customer assets under our care and control.

5.1.10. **Relations with the Regulator:** We engage with the Regulator in an open and cooperative manner and disclose to the relevant regulators any information that it would reasonably expect to be notified of.

6. TREATING CUSTOMERS FAIRLY OUTCOMES

6.1. We have incorporated the following TCF outcomes into our business operations:

6.1.1. OUTCOME 1: **Customers must feel confident that they are dealing with an institution where TCF is at the core of their culture.**

6.1.1.1. We have developed a Treating Customers Fairly (TCF) framework, which will be used to train all staff. This framework ensures that TCF principles are embedded throughout the organisation.

6.1.1.2. Annual TCF training will be provided to all employees as part of their Continuous Professional Development (CPD) requirements.

6.1.1.3. An effective annual TCF monitoring programme has been implemented to review customer files, complaints, and feedback consistently across all levels. This process evaluates the quality of services and products offered and sold, ensuring customers are treated fairly. Where results indicate weaknesses, these findings inform process improvements and training recommendations.

6.1.1.4. The key objectives of the TCF monitoring programme are to assess the adequacy and review the effectiveness of organisational controls in achieving the six TCF outcomes.

6.1.1.5. All findings and recommendations are discussed with management, agreed upon, and documented in a TCF Monitoring Report, which is circulated to the relevant business units.

6.1.1.6. We ensure that all representatives meet the fit and proper requirements as prescribed under the Financial Advisory and Intermediary Services Act, 37 of 2002 (FAIS).

6.1.1.7. Complaints are resolved efficiently and with minimal inconvenience to clients.

6.1.1.8. Our governance frameworks are reviewed and updated annually to maintain relevance and effectiveness.

6.1.1.9. Staff are trained to act with honesty, fairness, and with the necessary skill, care, and diligence when dealing with clients, in accordance with Section 2 of the FAIS General Code of Conduct.

6.1.2. OUTCOME 2: **Products and services in the retail market which are sold and marketed are designed according to the needs of the customers identified and targeted accordingly.**

6.1.2.1. Products and services marketed and sold in the retail market must be designed to meet the needs of identified customer groups and must be targeted accordingly. Customers are broadly categorized into three segments:

6.1.2.1.1. Low sophistication group: Relatively inexperienced customers with a high level of dependence.

6.1.2.1.2. Moderate sophistication group: General consumer group forming part of the mass market.

6.1.2.1.3. High sophistication group: Investment-oriented customers with expertise.

6.1.2.2. When products are selected, an assessment of promotional and informational material is conducted to ensure suitability for the identified customer group. Each product is analyzed to confirm that it meets the needs of the intended market segment and that any commission or fee charged is reasonable and justifiable for the services rendered.

6.1.2.3. We monitor client uptake of products and offerings to ensure that they are being utilized by the customers initially identified and targeted.

6.1.2.4. We review client feedback regarding the quality of service and products and incorporate this feedback into our annual product design review.

6.1.2.5. Our product design is reviewed annually to ensure that we continue to meet the needs of identified customer groups effectively.

6.1.3. OUTCOME 3: **Customers are to be given clear information and kept appropriately informed before, during and after entering into a business relationship in respect of financial products and or services offered and provided by SAHL Group.**

6.1.3.1. We use clear and plain language in all communications with customers.

6.1.3.2. All advertising and promotional material for our products and services is written in plain wording, including clear explanations of product features, and associated financial costs.

6.1.3.3. We consider the needs and understanding of the client when developing marketing and disclosure material.

6.1.3.4. Prior to the sale of any product, we ensure that all sales and marketing material:

6.1.3.4.1. Is written in plain language, avoiding jargon.

6.1.3.4.2. Provides full explanations of any technical terms.

6.1.3.4.3. Accurately discloses all costs and charges.

6.1.3.4.4. Clearly sets out any restrictions, exclusions, opt-ins, and opt-outs associated with the product or service in simple terms.

6.1.3.5. In the event that misrepresentation is identified, a thorough review and due diligence process will be conducted immediately.

6.1.3.6. Our staff remain available to assist clients throughout the entire lifecycle of the financial product or service—before, during, and after the point of sale.

6.1.4. OUTCOME 4: **Where customers receive advice, the advice is suitable and takes account of their circumstances.**

6.1.4.1. SAHL is not authorised to provide financial advice and therefore does not render financial advisory services to customers.

6.1.4.2. Controls and monitoring measures have been implemented to ensure that employees and representatives operate strictly within the scope of the SAHL Group's authorised activities.

6.1.4.3. Any potential instances of advice being provided outside the SAHL's authorised scope are monitored and addressed through the compliance processes.

6.1.4.4. Should SAHL obtain the necessary authorisation to provide financial advice in the future, it will implement appropriate policies, procedures, training, and oversight measures to ensure that advice is suitable, takes into account the customer's circumstances, and supports fair customer outcomes.

6.1.5. OUTCOME 5: **Products perform as firms have led customers to expect, and service is of an acceptable standard and as they have been led to expect.**

6.1.5.1. In terms of the FAIS General Code of Conduct, section 7(4) states that an FSP must on a regular basis, not less frequently than annually, provide customers with a written statement of those products, which are still in existence, with information regarding monitoring obligations, main benefits, value of investments and the amounts available to the customer, and ongoing remuneration payable in respect of applicable and appropriate products.

6.1.5.2. In terms of this provision SAHL Group provides information to our customers when required by the customer, alternatively, every year the customer holds an investment with us. At Branch level, the customer will automatically receive a written statement once a month.

6.1.5.3. Written statement of account will also be provided to the customer upon request with small fee charged.

6.1.5.4. We monitor complaints and feedback received from clients, to ensure that products perform as we have led our customers to expect.

6.1.5.5. We provide product training to our staff to ensure that customer service is of an acceptable standard.

6.1.5.6. The TCF principles are embedded into SAHL Group products, when a product is either in development, being amended or a new product is being introduced across the business, to ensure that the customer's interests are prioritised, they perform as expected, and service provided to customers throughout all channels is of an acceptable standard.

6.1.5.7. The relevant teams/departments are responsible for managing investment performance and expectations.

6.1.6. OUTCOME 6: **Customers do not face unreasonable post-sale barriers to change or replace a financial product or financial service, request withdrawal or submit a complaint.**

6.1.6.1. We have a complaints policy in place ('Group Compliance Complaints Policy). This policy sets out the procedure to be followed by our staff when responding to customer complaints.

6.1.6.2. Our staff receive training on the Complaints Handling Procedure to ensure that customer complaints are prioritised, and the appropriate and relevant staff attend to them.

6.1.6.3. Complaints will be responded to in writing and reasons for the decisions taken will also be provided.

6.1.6.4. Claims, queries, and complaints will be dealt with timeously and fairly, and we will gather management information to identify common complaints and queries, and further claim trends and or underlying causes where possible, and thereafter take the necessary and appropriate action to eliminate the root cause of such complaints and queries.

6.1.6.5. There is no barrier when the client switches products or requests a pay-out. We ensure that this process is transparent at all times.

7. DESIGN, SUITABILITY AND PERFORMANCE REQUIREMENTS

7.1. SAHL Group commits to having due regard to the interest of financial customers and having procedures and processes in place to govern the design and implementation of new products, or any changes that have a material change/impact.

7.2. When designing financial products and services, including the related models utilised for advertising, distribution and provision of these financial services, SAHL Group will have due regard to the interest of its financial customers.

7.3. No new product or material change to a system or process, may be considered prior to the business owner drafting a business case and submitting same, to all department heads who will be responsible to ensure that the Business owner has sufficiently covered all the legal, compliance, financial, technical, and or operational risk requirements. This ensures that all relevant compliance and risk management's aspects are carefully considered.

8. ADVERTISING

8.1. Advertisements will include media advertising, press releases, sales, and promotional materials as well as electronic advertising via internet, website, and or email, which relates to the marketing or promotion of financial services and or products.

8.2. Section 8(8)(b) of FAIS provides that a licensee must ensure that a reference to the fact that such a license is held is contained in all business documentation, advertisements, and other promotional material.

8.3. All advertisements and all promotional material distributed and or published by or on behalf of SAHL Group will contain 'Authorised financial Services Provider' and our FSP number.

9. CULTURE

9.1. The fair treatment of customers is at the core of SAHL Group's culture. Customers should have full confidence that they are engaging with an organization that prioritizes their interests. Treating

Customers Fairly (TCF) is not merely a principle-based approach; it represents a commitment to ethical business practices.

9.2. TCF requires adopting a mindset that places the customer at the center of all business activities and decisions. It is about conducting business in a manner that is both ethical and sustainable, ensuring that every interaction reflects integrity, transparency, and fairness.

10. ROLES AND RESPONSIBILITIES

10.1. **Board and Senior Management**

10.1.1. Board and Senior Management are responsible for:

10.1.1.1. Promoting a culture that supports fair customer outcomes.

10.1.1.2. Providing oversight of the implementation of this Policy.

10.1.1.3. Ensuring that sufficient resources are allocated to support TCF initiatives.

10.1.1.4. Monitoring TCF performance and outcomes.

10.2. **Business Units**

10.2.1. Business units are responsible for:

10.2.1.1. Integrating TCF principles into operational processes.

10.2.1.2. Ensuring that customer communications, products, and services meet TCF requirements.

10.2.1.3. Identifying and escalating conduct risks.

10.2.1.4. Implementing corrective actions where customer outcomes are not achieved.

10.3. **Compliance Function**

10.3.1. The Compliance Function is responsible for:

10.3.1.1. Providing guidance on TCF requirements.

10.3.1.2. Monitoring compliance with this Policy.

10.3.1.3. Reporting on TCF-related matters to management and governance forums.

10.3.1.4. Assisting the business in identifying and mitigating conduct risks.

10.4. **Employees and Representatives**

10.4.1. All employees and representatives are responsible for:

10.4.1.1. Acting in the best interests of customers.

10.4.1.2. Treating customers fairly in all interactions.

10.4.1.3. Adhering to this Policy and related procedures.

10.4.1.4. Escalating conduct concerns and potential customer detriment.

11. KEY CONTACTS

FAIS Compliance Officer	Email: FSCA@sahomeloans.com

12. BREACH OF POLICY

Any breach of the terms of the policy will be considered a material breach and will be addressed in accordance with the company's disciplinary policy.

13. EXCEPTIONS

No Exceptions or variations to the policy.

14. REVISION AND APPROVAL

The policy will be reviewed annually by the Head of Legal and Compliance. The policy must be presented to the SAHL IH Audit, Risk and Compliance Committee (ARCC) for approval within the same year of review. The Group Company Secretary will sign the policy on behalf of the Committee Chairperson.