

1. INTRODUCTION

The overriding principle central to Shackleton Life's culture and ethos is that clients come first. Shackleton Life is committed to the fair treatment of all clients, irrespective of the size of life cover taken, premium or product chosen. Shackleton Life recognises that client satisfaction is the foundation on which to build a business which is sustainable over the long term. Delivering optimal customer outcomes is an enterprise-wide responsibility and requires participation from all parts of the business. Apart from any legislative or regulatory obligations, treating customers fairly is a business imperative. Without clients we have no business. As a FSP, clients can leave us at any time. Hence, putting clients' needs at the forefront of what we do is a key business priority.

2. COMPANY VALUES

Our client centric business model is reflected in our "Values"

- We strive to always put the interests of clients first;
- We have an unwavering commitment to the building of long-term sustainable client relationships;
- We focus on trust in that we always act in the interest of our clients and are truthful at all times building a trust relationship;
- We are uncompromising about applying ethics and good governance across all areas of our business.

Values

- Always put clients first
- Think and act like an owner, not an employee
- Always act with integrity
- Act honestly and take accountability for our actions
- Trust - we always act in the interest of our clients and are truthful at all times building a trust relationship
- One business one team
- Excellence in all we do
- Think contribution not title

Our Values are key drivers of our strategy as well as our day-to-day dealings with clients.

3. TREATING CUSTOMERS FAIRLY: THE FINANCIAL SERVICES BOARD

The Financial Services Board ("FSB") published its "Treating Customers Fairly ("TCF") Roadmap" in March 2011 as a first step towards achieving TCF fairness outcomes and culture framework requirements. In particular, the FSB requires firms to measure their activities against six TCF fairness outcomes (the "Outcomes") that aim to reduce market conduct risks and protect consumers of financial products:

Outcome 1 ("Culture"): customers are confident that they are dealing with a financial services provider where the fair treatment of customers is central to its culture;

Outcome 2 ("Products and Services"): products and services marketed and sold in the retail market are designed to meet the needs of identified customer groups and are targeted accordingly;

Outcome 3 ("Clear and Appropriate Information"): customers are given clear information and are kept appropriately informed before, during and after the time of contracting;

Outcome 4 ("Customer Advice"): where customers receive advice, the advice is suitable and takes account of their circumstances;

Outcome 5 ("Product Performance Expectations"): 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;

Outcome 6 ("Post Sale Barriers"): customers do not face unreasonable post-sale barriers to change product, switch provider, submit a claim or make a complaint.

Shackleton Life fully supports the FSB's TCF Outcomes, to the extent relevant to our business and our role in the product value chain. Most of the principles that support the Outcomes are expressed above,

We have a process in place whereby we periodically evaluate ourselves against the Outcomes and we always strive to improve the manner in which we live and/or evidence our adherence to the TCF principles, The TCF principles are a business imperative, embedded in our strategy, governance and daily processes, as more fully described below:

Company Philosophy

Shackleton Life derives its business philosophy from the person after whom it is named, Sir Ernest Shackleton, the intrepid Antarctic explorer. Like Sir Ernest, Shackleton recognizes the importance of human capital - the people tasked with the day-to-day running of its businesses. Shackleton strength lies in the people it employs who promote Shackleton's core values of, Always putting clients first, Think and act like an owner, not an employee. Always act with integrity, Act honestly and take accountability for your actions, Trust - we always act in the interest of our clients and are truthful at all times building a trust relationship, One business one team, Excellence in all we do, Think contribution not title. Like Sir Ernest and his men, our people are innovative solution seekers. We endeavour to tailor make our product offerings to suit the requirements of our clients and the financial institutions to which we provide services.

The key tenets of our approach are:

- Long-term client relationships
- Easy accessible staff
- Fair and trustworthy processes
- All client treated equally

Product

- Shackleton Life strive to deliver niche low advice need products that can be distributed via the direct channel.
- In delivering need products via this channel we are able to accurately target clients and segment our market in the direct space.
- Innovate and develop products only when we believe that there is a defined need, and in areas where we have adequate capacity, resources and expertise to deliver competitive results over meaningful periods
- The product range is reviewed periodically to check suitability for Clients
- Service excellence: consistent with our Values, which encapsulates the culture that guides our behaviour, putting clients' needs at the forefront of what we do is a key priority.
- Engagement with our clients takes place on an annual basis through correspondence.
- Dedicated client service consultants are on hand in our call centre to handle queries and client request and information are attended to timeously. This team of client service professionals respond to all client queries in accordance with strictly monitored turnaround times. We aim to provide excellent levels of service to all our clients, measured through ongoing client experience surveys with

our new and existing clients. The key principles of our client service philosophy are accessibility, accuracy and simplicity. We have therefore set demanding client service benchmarks to ensure that our client service team remains focused on delivering on these principles.

- Client Data: Shackleton Life recognises that technology, although playing a vital role in enabling channels of business, also presents a risk of exposing confidential client and company data. Shackleton Life is dedicated to the protection of clients' personal information, and therefore ensures that business processes are protected by appropriate governance, controls and sufficient checks and balances. Shackleton Life uses external providers to assess its customer security framework to ensure that appropriate information security considerations, process architecture frameworks and standards are properly identified, managed, understood and embedded throughout all transactional interactions with clients.
- Product Information and Communication: Shackleton Life assesses, in aggregate, not in isolation, the cumulative impact of all client communications, for consistency of messaging and its impact on clients. To ensure consistency of messaging, all formal communication to clients goes through a rigorous review and sign-off process.
- Product related updates are regularly communicated to Shackleton Life's staff and Specific product and/or regulatory changes that directly affect the product-holder are communicated directly to the holder, usually by way of email but often by physical post, as and when is appropriate or required. Shackleton Life publishes, on its website, all documentation, exclusions, processes and product information.
- Post-sale barriers: Shackleton Life is committed to ensuring the clients do not face unreasonable post-sale barriers to changing product benefits, ratings, claims or making complaints. All product related features are disclosed during the purchase process. The only access constraints applied are those required by law.
- Client criticism, both positive and negative, is a crucial feedback mechanism in prioritising our focus and resources. Shackleton Life has a formal "Complaints Procedures: Guidelines for Clients" that is available to clients on our website. Shackleton Life is committed to handling client complaints in a timely and fair manner and has implemented systems and procedures to satisfy this commitment (see the Complaints Policy for more detail). Shackleton Life provides a number of avenues for clients to provide feedback and/or log a complaint, namely: Call centre; email; post; fax. Shackleton Life also conducts surveys at the point of client interaction to assess the quality of the interaction. Clients are kept updated throughout the complaints process to ensure that their expectations are managed throughout.

Other examples of TCF principles evidenced in our approach to daily business:

- Shackleton Life has a 100% track record of reimbursing a client in the event of any errors.

Governance

- Shackleton Life maintains a robust corporate governance framework, effected through a unitary board, various subcommittees, management forums, the appointment of an independent internal auditor and independent compliance company.
- Our compliance department, with advice from external compliance experts, ensures that we comply with the full regulatory universe applicable to our business. Risk management follows an integrated approach and is well entrenched in Shackleton Life.

Shackleton Life continues to place a high priority on ensuring it complies with all regulatory and statutory obligations, as well as industry best practice. The principles supporting the TCF Outcomes are at the centre of the board's decision making processes.

Staff

- At the heart of the Shackleton Life DNA are our people.
- Staff enjoy an open-door policy, providing for ongoing dialogue with management on any aspect of the business.
- Staff compensation is directly linked to service delivery to clients. We rate and reward our people on their ability to add value to our clients and the business.

Regulators and Industry Bodies

We undertake to always engage in an open and transparent manner with our regulators. We engage with the following regulatory bodies in the various jurisdictions in which we operate:

- Financial Services Board (South Africa)

Shackleton has an interactive Risk Management Plan and is monitored on a quarterly bases by Masthead (PTY) Ltd to meet regulatory requirements set out by the FAIS and General Code of Conduct.

Shareholders

All key focus areas of our business combine in the execution of our strategy to create shareholder value. The sustainability of our business lies in our ability to provide client service excellence, ensure client retention and the integrity of our business.

Developments

The TCF framework designed by the FSB is a set of principles/norms that will find their way into law via existing legislation, regulation and guidelines. There are many examples of the TCF Outcomes already incorporated into the existing regulatory framework, however the FSB is considering a "Conduct of Business Act" with specific "Codes of Conduct" to give further legislative effect to their stated goals.

On the basis that regulation around TCF is yet to be fully defined, this Policy will be subject to routine review as the regulatory environment becomes clearer.