

MARKET CONDUCT POLICY STATEMENT July 2024

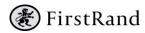


TABLE OF CONTENTS

1	BACKGROUND	. 2
2	CONTEXT	2
3	PURPOSE	. 2
4	SCOPE	. 2
5	GOVERNANCE	2
6	CONDUCT OUTCOMES	. 5
7	CONDUCT STANDARDS	6



1 BACKGROUND

FirstRand Limited (FirstRand or the Group) is committed to maintaining the highest standards of conduct. This policy clarifies the roles, responsibilities and governance requirements relating to effective management of conduct risk across FirstRand and provides key principles that are fundamental to the advancement of good market conduct and effective management of conduct risk. The key principles contained in this document specifically focus on setting principles to be adhered to. The aim is to effectively manage and mitigate risk exposure within business entities and approved group risk appetite levels.

2 CONTEXT

The policy provides the outcomes and principles with respect to market conduct risk management and compliance.

3 PURPOSE

The group's governance framework must support senior managers and key persons in performing their roles. This must include:

- promoting accountability, and clearly setting out roles, responsibilities, duties and expected behaviours of the governing body and key persons.
- ensuring that key persons possess the necessary skills, knowledge, and expertise, and have appropriate resources, to fulfil their functions.
- clearly setting out the decision-making and relevant escalation processes for committees and those tasked with ensuring oversight of conduct risk.
- appropriate market conduct metrics/key risk indicators must be identified and implemented, to facilitate risk identification, risk mitigation and the regular and timely reporting into management and executive governance structures.

4 SCOPE

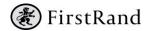
This policy is applicable to all FirstRand group subsidiaries, other juristic persons, divisions, business units, other operations, and all employees of the group, subject to jurisdictional policies and/or regulatory requirements that impose a stricter requirement.

5 GOVERNANCE

The Market Conduct programme is overseen by various FirstRand committees, including delegated authority where applicable.

Governance arrangements must:

- be proportionate to the nature, scale and complexity of the activities and business model of the group, having due regard to the inherent risks associated with such activities and model.
- ensure that employees conduct business with integrity.



- ensure that employees act honestly, fairly, with due skill, care, and diligence, and in a manner that does
 not bring the financial sector into disrepute.
- be organised so that the group's affairs are managed responsibly and efficiently.
- ensure that the group deals with the regulators in an open and cooperative manner.
- ensure that the group conducts its business transparently and with due regard to the information needs of its customers.

5.1 Market conduct risk appetite statement

FirstRand builds trust by delivering fair and sustainable outcomes for our customers and the markets in which the group operates. Our reputation relies on a culture of integrity and accountability that is reflected in the behaviours of our people. It is accepted that there may be instances of unintended failures which result in non-compliance. Remedial action will be taken on a prioritised risk basis to address those instances which fall outside the defined tolerances as approved by appropriate governance structures of the group.

5.2 Accountability

Delivering good customer outcomes and mitigating conduct risk is at the heart of the group's strategy and operations. The approach is led by the board, cascades down to the leadership/executive team and to management, and is central to managing the corporate culture whenever decisions need to be made about conduct risk. This ensures a strong conduct culture with a tone from the top and tone from within, translating group values and missions into business practices with due consideration to market conduct risk. Senior management and key persons have obligations in respect of accountability and oversight and must ensure that there are appropriate policies and procedures in place, that employees receive adequate training and awareness on conduct risk, and that there are mechanisms for monitoring and reporting matters that do or may result in conduct risk. They must take accountability for their actions and take steps to remediate any harm caused to customers and/or prospective customers. Furthermore, all employees are accountable for ensuring the embedment and maintenance of a culture of fair customer treatment, good customer outcomes, and the mitigation of conduct risk in day-to-day operations.

5.3 Roles and responsibilities

The management, reporting, monitoring and escalation of conduct risks is governed by the three lines of defence model.

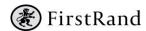
Responsibilities with reference to conduct risk are highlighted below:

(i) FirstRand Board of Directors (the board):

The duty to approve, govern and oversee the effectiveness of the implementation of this framework ultimately remains with the board. However, to assist the board in discharging their responsibilities, they may delegate compliance responsibilities to persons with sufficient competence and seniority within the group.

(ii) Senior management and business owners (first line of defence):

Senior management must ensure adherence to fair and good market conduct outcomes and the implementation of a comprehensive and properly resourced Market Conduct programme within the group's operations. Senior management are responsible for creating a culture in their business areas, where good customer outcomes and the promotion of market integrity are paramount. They are also responsible for providing leadership in



managerial efforts to ensure that the strategies and solutions provided by the group adhere to fair market outcomes whilst creating a culture wherein fair market conduct practice is not treated as a compliance regulatory "tick-box" exercise. Senior management has the primary responsibility of ensuring that sufficient controls are in place so that each jurisdiction, segment, and business unit complies with its market conduct obligations. Line management is also required to ensure that all impacted employees, including temporary employees and contractors or contingent workers (collectively referred to as employees), undergo appropriate and relevant market conduct training.

(iii) Compliance (second line of defence):

Compliance is responsible for the service offerings in the Compliance Manual and associated framework documents. This includes advising on potential conduct risks that may impact the various business areas, identification, and mitigation measures, and advising the business of any conduct risks identified from non-adherence/or policy breaches. In addition, compliance is responsible for periodic targeted compliance monitoring of fair market conduct, customer outcomes and market integrity. The maintenance of independent compliance functions and adequate regulatory risk management processes, consistent with the nature, complexity and risks inherent in the business activities is delegated to the jurisdiction and segment Heads of Compliance. They are also required to ensure that the business continuously manages legislative, regulatory, conduct and supervisory risks in a manner that ensures that business is compliant with all applicable national and international laws, regulations, codes of conduct and practices.

Core responsibilities include:

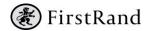
- support management in achieving compliance with all market conduct requirements.
- monitor compliance with the Market Conduct Compliance Programme.
- facilitate the identification of potential coverage gaps relating to systems or procedures or areas where unacceptable residual market conduct risk remains and highlighting these for risk mitigation and remediation.
- develop and provide targeted training to ensure that employees are trained in respect of market conduct requirements.
- report material issues to the Market Conduct Committee and Compliance Risk Committee, as appropriate.

(iv) Group Internal Audit (third line of defence):

GIA is an independent function reporting to the board (via the FirstRand Audit Committee) and provides assurance that the first and second lines are operating effectively. The internal audit function regularly assesses the internal business, management, and control processes within the Market Conduct Programme and may recommend corrective actions and report thereon independently to the relevant audit and market conduct governance committees. GIA will assess the effectiveness and adequacy of the processes.

5.4 Financial market integrity

The group is committed to acting with integrity in all business activities. All employees transacting and/or participating in the financial markets must promote and protect the integrity of the markets. All employees must adhere to the principles of integrity in dealing with customers and other market participants and avoid conflicts



of interest, Management of conduct risk in the financial markets includes creating information barriers, trade and communication surveillance and management of conflicts of interest.

5.5 Management information

Essential tools for conduct risk identification, monitoring, management, and reporting include key risk indicators and metrics. Conduct risk indicators have been created for first and second line and are tracked on a regular basis.

5.6 Reporting

The Market Conduct programme includes reporting on conduct risk and on the programme deliverables to jurisdiction, segment and FirstRand management and governance committees and forums. The reporting is guided by the charters and mandates of the relevant committees and forums, the conduct risk appetite frameworks for first and second line, internal policies, the Compliance Framework and Manual, and regulatory requirements.

6 CONDUCT OUTCOMES

This Policy is values-based. It does not seek to describe every possible interaction between the group and its customers, but rather to provide guidance, and where necessary, obligate adherence to certain salient principles and standards. These principles and standards, as described under this section, are universal in its application. In other words, they are non-jurisdictional and not limited to only certain solutions. Customer outcomes must be considered when developing the group's strategy, its systems, policies, and processes and ensure that the group's framework and values support appropriate customer outcomes.

Business culture, conduct outcomes and values are monitored through a range of metrics including, but not limited to, behavioural insights from employee surveys and feedback. All FirstRand businesses must direct their treatment of customers and uphold market integrity according to the following conduct outcomes:

- Fair and good outcomes is at the heart of the business, must be considered in group strategy, systems, and policies and must be achieved across all business lines.
- Act fairly and in good faith towards customers, including in how product is designed, price, distribution and services, communication with customers and enabling customers to achieve their financial needs.
- Accept responsibility for poor customer outcomes and take appropriate remedial action, including changes to products where appropriate, and reporting to regulators and stakeholders.
- Ensure the appropriate tone from the top and tone from within to drive the right culture, including senior management accountability to the board and regulators.
- Ensure that the group measures delivery on fair and good customer outcomes and maintains market integrity.
- Ensure appropriate governance oversight.
- Consider feedback from customers, regulators, ombuds, and the board to ensure continual enhancement of the conduct programme.



7 CONDUCT STANDARDS

Conduct standards set out minimum requirements to be met and assists with delivery of fair and good outcomes and maintenance of market integrity. It entrenches ownership and accountability with the first line of defence. The standards will be supported by standard operating procedures to be created by the first line of defence.

7.1 Unfair discrimination

The Policy emphasises the importance of treating all individuals with dignity, respect, and equality. The group does not tolerate any unfair discriminatory practices or behaviours, including but not limited to race, ethnicity, gender, age, disability, sexual orientation, religion, or any other protected characteristic. Unfair discriminatory practices, whether direct or indirect, in all aspects of the group's business operations is prohibited.

7.1.1 Avoiding biased practices

Bias, in any form, can lead to unfair treatment, unequal access to solutions, or disadvantage certain groups of customers.

7.1.2 Fair design of solutions

(i) Design, offer, market accurately, and sell solutions which meet customer needs

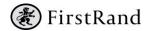
All businesses must:

- consider fair market conduct principles and all relevant information when designing new solutions and/or enhancing existing solutions.
- ensure responsible marketing, including marketing that is accurate, balanced and not misleading.
- ensure that all solutions are distributed and marketed through channels that are suitable for the target market, including vulnerable customers within the respective target markets.
- ensure that post sales communication channels are affordable and easily accessible to the target market, including vulnerable customers within the respective target markets.
- provide value and deliver good outcomes for customers and/or prospective customers taking into consideration, individual circumstances, where practically possible.
- the solutions designed, take into consideration the relevant regulatory, conduct and legal requirements.
- ongoing reviews must be conducted to ensure that the solutions provided to customers continue to meet the identified needs of the target market, during its lifecycle.
- ensure ongoing reviews are conducted to establish if the solutions are offered and sold to the target market for which it was intended.
- ensure that bundled solutions are appropriate to the target market that the solution is intended for.

(ii) Pricing, fees, and charges

All businesses must:

- ensure that pricing of solutions represents fair value for customers.
- assess whether pricing, including fees, charges, interest, premiums, and penalty fee structures provide a
 fair price which is reasonably commensurate to the solution, with no hidden costs and that costs to the
 group are considered.



- ensure that, where applicable, pricing is approved by the regulator and published in accordance with regulatory requirements.
- review the pricing on an ongoing basis in relation to the solutions offered, the value of the solution, and in line with regulation, where applicable.
- all solutions designed for specific target markets are appropriately priced for the target market.
- timeously provide customers and/or prospective customers with adequate information regarding the pricing, fees and charges associated with the solution.
- inform customers and/or prospective customers of the nature and costs associated with any bundled solutions.
- inform customers of any increase in the pricing, fees and charges associated with the solution, within a reasonable timeframe.
- timeously inform customers and/or prospective customers of the nature and costs associated with loyalty schemes that may be included in the solution.

(iii) Vulnerable customers

Vulnerable customer needs must be considered at all stages of the solution design process, price and value assessments, marketing, distribution, customer communications, customer support and service. The group's conduct and business model can result in different outcomes for different groups of customers, and customers with vulnerable circumstances who may have additional needs or be at greater risk of harm when trying to take up, access, utilise and/or terminate the solution. It is therefore imperative that as part of its management of market conduct risk, the group pays attention to the needs of customers with characteristics of vulnerability, to ensure the fair treatment of vulnerable customers.

(iv) Financial inclusion

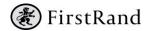
The Group endeavours to deliver inclusive and responsive solutions to societies as well as stakeholders. The group must ensure that it considers adequate and appropriate access to, and usage of its solutions, and where appropriate, provides support to all customers and/or prospective customers.

7.1.3 Fair and accurate disclosure

Effective disclosures are a key component of managing conduct risk and promoting ethical behaviour within organisations, as it promotes positive customer outcomes by placing customers in a position to make informed decisions. Without proper disclosures, customers might not understand the risks involved in using a particular solution or compare the solution with another, which could lead to poor decisions and poor customer outcomes. The correct information must be shared with customers at an appropriate time, and in a manner that the customer understands, enabling the customer to make an informed decision.

All businesses must:

 provide information throughout the duration of the solution's life cycle, which is clear, in plain and understandable language, technically accurate, sensitive to timing issues, and suited to the target audience.



- regularly review and update all information, whether produced by the group or another supplier, to ensure that it is clear, accurate and not misleading.
- inform customers timeously of any contractual events or actions which are required from them, and any related risks.
- conduct refresher training relating to appropriate advice and fair and accurate disclosures throughout the duration of the solution's life cycle.

(i) Marketing

All businesses must ensure that:

- there are processes and procedures in place for the design and approval of marketing methods and content.
- marketing methods are appropriate for the target market, including vulnerable customers within the respective target market.
- accountable persons must be appointed to review and sign-off on marketing content and methods, considering specific appointments required in laws, e.g., Key Persons and Senior Managers.
- when assessing whether marketing is fair, clear, and not misleading, the accountable person may need to
 consider the minimum criteria set out in this Policy as well as the applicable regulatory requirements which
 would be dependent on the jurisdiction and the solution offered. Reference must also be made to the
 group Direct Marketing Consent Policy.

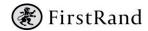
(ii) Disclosure (pre and post contracting)

All businesses must:

- select distribution channels that are appropriate for the target market and provide adequate information to distributors to enable them to understand the solution and the target market.
- act in good faith towards customers and/or prospective customers, providing appropriate customer service and communications that enable and support them to pursue both their financial and non-financial objectives.
- provide customers and/or prospective customers with clear information, throughout the customer journey, including their contractual rights and obligations and any changes thereto. The circumstances that may adversely impact the customer must be disclosed in a manner that they are likely to understand.
- regularly review and update information to ensure that it is accurate.
- inform customers of the reasons for the refusal of customer applications, withdrawal and/or termination of the solution and/or customer relationship, subject to applicable laws and internal rules.

(iii) Communication channels

- The group has preferred communication channels that consider various factors, including tracking and security, which the business units must prioritise first, before exploring other channels.
- Should other channels be explored, careful consideration should be afforded to the appropriateness of selected communication channels, from a customer and group perspective. Targeted customer groups,



including vulnerable customers, should be able to access the selected post sales communication channels quickly and easily, for maintenance purposes, to place instructions, raise queries and provide feedback.

 Customers and prospective customers must be provided with details of accessible contact or service channels for customer support and the provision of information.

(iv) Key information

- Adequate information must be provided about features, risks, fees and other applicable charges, loyalty schemes and benefits, including bundled products.
- Business areas must keep accurate and easily retrievable records of the abovementioned information and associated customer information.

(v) Consumer financial education

- Consumer financial education must be created to help improve customer understanding of risks and
 opportunities associated with financial products, services and/or transactions, enabling customers and
 prospective customers to improve their understanding and make informed and sound decisions regarding
 their financial wellbeing.
- Reasonable steps must be taken to ensure that adequate governance and oversight arrangements are in place when developing and distributing financial education content.
- Suitable monitoring, evaluation and reporting measures should also be implemented in relation to financial education initiatives to ensure that it complies with applicable laws and industry codes.

7.1.4 Fair and suitable advice

All businesses must:

- receive appropriate training, before providing advice on the solution.
- obtain relevant information from customers to conduct either an affordability assessment or a suitability
 assessment, thereby ensuring that suitable credit is extended, or suitable products and solutions are sold
 to the customer.
- provide customers with key product and other relevant information which will assist customers in making informed purchase decisions.
- sell products that are accredited by the group and that are most suited to the customer, even if this means that they earn less fees for the group or earn less incentives for themselves.
- provide financial advice that is consistent and considers the customers' needs.
- provide financial services (including advice) that avoids conflicts of interest where possible, and where not
 possible, mitigate and suitably disclose any conflicts that may arise.
- comply with local laws that govern the provision of financial services.



(i) Remuneration and reward

All businesses must ensure that:

- employee performance criteria, remuneration, commissions and incentive or bonus schemes/structures incorporate treating customers fairly and market conduct measures/objectives.
- conflicts of interest are avoided where possible, and where not possible, mitigated and suitably disclosed.
- remuneration is fair and commensurate with the service provided.
- solutions sold to customers are based on the needs of the customer and not driven by the associated remuneration.
- all remuneration that is borne by the customer is disclosed to the customer in a simple and clear manner.
- all remuneration, fees, commission, or reward is aligned with regulatory and/or legislative requirements, as applicable.
- there are appropriate consequence management measures in place to ensure that action is taken for failure to comply with and/or deliver fair customer outcomes.

7.1.5 Fair service and good performance of the group's solutions

All businesses must:

- always protect the confidentiality of customer information and process the personal information of customers in alignment with the law.
- take timely and appropriate action to mitigate risks to customers when a solution is not performing as reasonably expected.

(i) Service Standards

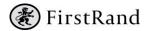
All businesses must ensure excellent service standards by:

- keeping promises made to customers and/or prospective customers.
- developing and adhering to service standards and communicating these standards to customers in a manner that they are most likely to understand.
- conduct business with integrity, professionalism and in a fair and honest manner.
- ensure that the group provides services that delivers good outcomes for customers based on their individual circumstances, where practically possible, through all stages of the customer lifecycle.
- acting timeously and appropriately on service-related complaints and suggestions from regulators, customers, employees and third parties, to improve service to customers.

(ii) Assessing fair market conduct and adequate management information

All businesses must:

- identify existing and/or new management information and sources of data which would be useful in analysing delivery of fair customer treatment and good conduct outcomes.
- conduct risk and good customer outcomes data must be regularly monitored and discussed in relevant business and risk forums and board committees.



 ensure that controls exist to identify and act on any conduct risks and/or poor performance trends of the group's solutions.

7.1.6 Low or no barriers to claims, complaints and changes.

All businesses must have clear service standards, procedures, and systems in place to:

- prevent the placement of unreasonable post-sale barriers to switch solutions and/or representatives.
- make it convenient to submit a claim, complaint or process a disbursement request.
- inform customers timeously of circumstances under which claims, payments, changes and disbursements will not be processed.
- provide clear reasons when a claim or disbursement payment is rejected and inform the customer of the further steps that may be taken to seek redress.
- notify customers of the type of changes that they can make and the risks and other implications of such change.
- resolve complaints timeously and effectively.
- ensure that customers have easy access to service channels.
- analyse claim repudiation and complaint trends to identify any conduct risks or other market conduct concerns.
- ensure that complaints received through the group's channels are routed to the appropriate service recovery function.
- ensure that complaints are handled swiftly, and that multiple handoffs are avoided to ensure that the complaint is resolved at first point of contact, wherever possible.
- ensure that all complaints are assessed fairly, consistently, and where necessary, ongoing progress reports provided to the customer.
- appropriately assign complaints for management, with a focus on remediation of root causes and delivery of good customer outcomes.
- be open to feedback and committed to seeking appropriate resolution of complaints and addressing inadequacies.