

**Fidelity Life Assurance Company Limited**

**Vulnerable Customers Policy**

14 October 2019

## Fidelity Life's Vulnerable Customers Policy

### Introduction

#### Why have a vulnerable customers Policy?

At Fidelity Life, we recognise that customers can experience vulnerability at any time and can find themselves in situations that make them vulnerable. If people are vulnerable, they are less able than other people to cope with and recover from stresses and pressures or make suitable decisions.

It is important that vulnerable or potentially vulnerable customers get the support that they need - as they may not be able to represent their own interests and there is a higher possibility of them suffering harm. We want to ensure our customers feel comfortable telling us about their vulnerability and feel confident that they will be treated with sensitivity, respect and compassion.

#### Purpose

We are committed to providing appropriate support to vulnerable and potentially vulnerable customers.

This Policy aims to:

- outline the roles and responsibilities in relation to vulnerability;
- ensure that potentially vulnerable customers are treated with care and get the support that they need;
- help our people better understand what constitutes a potentially vulnerable customer;
- enable staff to proactively identify potentially vulnerable customers;
- provide some practical guidance on the steps to follow in dealing with vulnerable customers and mitigate potential customer vulnerability;
- ensure training is provided to all staff in dealing with vulnerable customers;
- provide feedback to the business to ensure products are designed appropriately.

This policy and associated processes are designed to be flexible and respond to each customer's needs on a case-by-case basis.

### Scope

#### Who must comply with this Policy?

This Policy applies to Fidelity Life and its people (including permanent staff and contractors).

This policy does not deal with bullying/harassment in the workplace. This covered by Fidelity Life's Workplace Bullying and Harassment Policy.

This Policy is particularly important for our frontline staff, who may deal with vulnerable or potentially vulnerable customers everyday including our Operations teams and claims teams.

## Defining vulnerability

### Who is a vulnerable customer?

**'A vulnerable customer is someone who due to their personal circumstances, whether temporary or permanent, requires extra care, support or protection to ensure they are not disadvantaged in any way.'**

We have aligned our definition with our company values of 'doing the right thing' and empowering our people to 'make a difference.' We understand that vulnerability is fluid and subjective. At times, some customers may be more vulnerable than others due to their personal circumstances and be at higher risk of:

- misunderstanding information;
- choosing products which are not suited;
- experiencing disadvantage or negative outcomes;
- miscommunication.

It is important to us that when a customer is experiencing vulnerability that they are treated with respect and fairness and that we continually find opportunities to improve our customer experience and support. It's about developing trust with our customers.

## Identifying Vulnerability

### How do we identify a vulnerable customer?

As explained by the Human Rights Commission in their Best practice guidelines for the prioritisation of vulnerable customers vulnerability can at times be difficult to attribute. We acknowledge, as set out in the guidelines, that:

1. the same factors can impact people differently, meaning that situations which negatively impact some people may not negatively impact others, and vice versa;
2. people can be exposed to multiple factors of vulnerability at the same time;
3. vulnerability is not something that is fixed. It changes over time and depending on people's circumstances, means that people can move in and out of vulnerability and between different kinds of vulnerability.

It is important that our people can identify vulnerable customers (both existing and potential).

### What are vulnerability indicators?

There are several indicators of vulnerability. It is important that our people understand what these indicators are and that there are various forms of vulnerability (some indicators stand alone, and some can intersect). Not everyone recognises their own vulnerability and therefore are not able to adequately address it or protect themselves.

You can find a list of some of the vulnerability indicators included in the Appendix 1 to the Vulnerable Customer Framework.

## **What are the consequences of vulnerability?**

Experiencing vulnerability can be very personal, however the consequences of vulnerability are usually the same for all those who are facing vulnerability, including but not limited to:

- heightened stress levels
- feeling pressured for time and making poor decisions
- becoming pre-occupied
- having a lack of perspective
- becoming more reckless or careless when making decisions
- losing faith in themselves

## **What are the signs of customer vulnerability?**

People who are vulnerable or potentially vulnerable can often display the following behaviours:

- are teary, upset, irrational, or have a raised voice
- have trouble communicating clearly
- are not asking the right questions or asking unrelated questions
- can't answer questions asked of them
- come in with a support person
- make snap decisions
- don't understand the product(s) we have or the services we offer
- are overly trusting
- have incorrect information
- saying that they don't understand or that they need a family member to help them
- appear unable to understand the information provided to them
- indicate in any way that they are feeling rushed, flustered, or experiencing a stressful situation

On a case by case basis, our front-line staff will need to consider the information provided by the customer(s), vulnerability indicators and signs, to determine whether they may be vulnerable or experiencing vulnerability so that they can provide them with the right level of support and service. It is important to note that some customers themselves won't identify their own vulnerability.

We will also be careful not to assume that just because a customer demonstrates vulnerability indicators or displays vulnerability behaviours, that they are vulnerable.

## **Dealing with Customer Vulnerability**

### **How we should behave when dealing with customer vulnerability?**

When people identify a vulnerable or potentially vulnerable customer, delivering an appropriate level of service, care and support is primary. It doesn't mean that the products and services we are providing are unsuitable, or that our role is to solve a person's underlying problem, but that we need to apply extra care and attention based on the customer's needs. Dealing with vulnerability or mitigating vulnerability is not a one size fits all policy. We have identified several ways we help our customers through times of vulnerability.

- By treating all customers as individuals and with respect:
  - being flexible where appropriate
  - ensuring that that they have the option to access financial advice
  - allow friends or family to help them (with the customer's consent and where appropriate)
  
- By listening to understand the customer, using appropriate language and empathy:
  - refer back to any notes on files/systems for prompts
  - maintain respect at all times
  - maintain realistic outcomes
  - don't be condescending
  - don't assume they know what you're talking about
  - use every day plain language and avoid using insurance jargon
  - being patient
  - being friendly but don't get personal
  - actively listen
  - politely ask plenty of questions to make sure you understand
  - being empathetic
  - encouraging questions
  - help them maintain focus
  - give them time and space to explain their situation and do not create a time pressured situation
  - asking what they want out of the situation
  - seeking reassurance that they have understood any information provided
  
- Having several communication options available and limiting and barriers to service:
  - telephone, post, email, face-to-face, website, chat box, through financial advisers
  - suggest involving support persons where appropriate
  
- By ensuring communication and information is clear, accessible and easy to understand:
  - clear and plain communication
  - easy to read forms and guidance documents
  - easy access to certain information (contact information, payment information, fees, complaints processes and services, what disclosure means)
  - having information available to customer that helps them understand insurance, our products and services, including any changes that may affect them
  - follow up on communication(s) ensuring that they received it, read it and understand it
  - providing details about external support services
  - ensuring that that there is the option to access financial advice
  
- By ensuring that our customers can access our products and services:
  - ensure customer feedback in included in the product and service design process

- ensure that our products and services are accessible (considering our distribution model)
- By ensuring that we have appropriate accessibility for customers:
- For example, allowing service dogs on our premises and ensuring wheelchair accessibility
  
- Don't take it personally:
  - remember to remain objective and the frustration is with the situation  
But -
  - look after yourself and speak up when you need support
  - Do not tolerate aggressive behaviour, threats or foul language

In serious situations, it will be appropriate to direct customers to a range of external support services in place. Where an immediate risk of harm is identified, we will ensure that we take the appropriate steps to mitigate the risk of harm. We will have in place appropriate escalation procedures.

- Threats of suicide – indications of suicide. We will consider passing the details of the customer to external support/emergency services to assist.
  
- Customers at risk of domestic violence – we can recommend external support services to assist.

### **Your safety is Paramount**

If any threats or threats of violence are made towards staff – it is important that employees take action under our escalation procedures.

### **Vulnerable Champions**

We will appoint vulnerable customer champions across the business who will share vulnerable customer best practice and who will deal with any difficult matters referred to them from their peers. We will ensure these champions have the level of appropriate training.

### **Record Keeping**

We understand that it's not about labelling someone's as 'vulnerable' but understanding their situation, so we can support them appropriately.

We will always balance a customer's right to privacy and their rights under the Privacy Act 2003, (consent, collection, storage, disclosure) with the objective of supporting them.

We will only record personal information that allows us to provide an appropriate product or level of service.

## **Processes and Procedures**

We must have in place relevant business processes and procedures. It is important that our people understand these and continue to think of ways we can improve customer support and processes for those customers who need extra care and attention.

### **Training and awareness**

Embedding the right behaviour into our business means that we will have in place appropriate training. All frontline staff will receive training in how to identify and respond appropriately to vulnerable customers. We will do this through a combination of:

- training as part of our induction process
- specific training for front line staff (listening, empathy and communication skills, role-play, processes and procedures,)
- flagging and sharing real examples in team meetings
- availability of communications and awareness of materials
- by highlighting, sharing and rewarding individual examples of staff providing great customer service to vulnerable customers through our company values recognition
- the 4 G's model (Conduct and Culture)
- through our partnership with Access Advisors - it's important that our workplace is somewhere that people with diverse abilities are welcomed, included and developed.

We will communicate our expectations to our adviser network and consider offering training in this area.

## **Oversight**

### **Monitoring**

We will monitor compliance with this policy to ensure our people are supporting our customers appropriately and with sensitivity and respect, through the following methods:

- quality checks (call recording);
- customer insights (NPS)
- complaints and issues reporting (outcomes, root cause analysis of themes and trends provide insights to product issues and service issues)
- continuous improvement
- training (effectiveness and feedback)

### **Reporting**

Risk & Compliance is responsible for extracting and analysing data, and for the compilation and submission of reports to relevant audiences. This may include insights, training, product and quality assurance.

### **Raising Issues**

Issues and incidents relating to this policy will be raised through Incibot, Fidelity Life's Issues reporting process.

### **Supporting policies/procedures**

The following company policies are relevant to this policy:

- Complaints framework
- Issues and Incident Reporting Framework
- Privacy Policy
- Anti-bullying or harassment Policy
- Whistle-blowing policy
- Acceptable Use Policy
- Health and safety

### **Review**

This Policy will be reviewed regularly to ensure it remains accurate and relevant.