

# All about our Fair Conduct Programme



PPS (**we** or **us**) have a number of policies, processes, and systems to support the fair treatment of our members and other customers (referred to here as **Customers**). Together these are called the 'Fair Conduct Programme'. The key components of the Fair Conduct Programme are set out below.

If you are a Customer and have a complaint in connection with our products and services you can access our complaints process here: [www.ppsmutual.co.nz/regulatory-and-conduct](http://www.ppsmutual.co.nz/regulatory-and-conduct)

What we have in place to support fair treatment of our Customers	
<b>Governance</b>	<ul style="list-style-type: none"><li>• The Fair Conduct Programme has been approved by our Board of Directors (<b>Board</b>).</li><li>• We review our Fair Conduct Programme at least every year, to ensure it remains effective.</li><li>• Our Board and various internal committees oversee the fair treatment of Customers through monitoring and reporting activity.</li><li>• Our approach to risk management promotes good governance across all aspects of our business.</li></ul>
<b>How we meet our legal obligations to Customers</b>	<ul style="list-style-type: none"><li>• We have an in-house legal and compliance function, which is supported by external specialists where required.</li><li>• We maintain a risk register, we document our legal and regulatory obligations and the main actions we take to support compliance.</li><li>• We monitor the introduction of any new laws, regulations, and guidance from regulators.</li><li>• We require our Executives, at least annually, to review their key legal obligations and confirm that they and their teams are meeting these obligations.</li><li>• We provide training on our policies and processes and publish them to our governance, risk, and compliance system. This supports awareness of, and compliance with, our legal and regulatory obligations to Customers.</li></ul>
<b>How we distribute our products</b>	<ul style="list-style-type: none"><li>• We only distribute our products through accredited Financial Advisers.</li><li>• Financial Advisers must complete training on our products (and our conduct expectations) as part of our accreditation process.</li></ul>
<b>How we review our products, services, and distribution methods</b>	<ul style="list-style-type: none"><li>• We undertake regular product reviews to ensure products are operating as intended and that the distribution methods are operating consistently with the fair treatment of Customers.</li><li>• Our Product and Pricing Committee oversees product reviews.</li></ul>

## What we have in place to support fair treatment of our Customers

<b>How we oversee the conduct of our people</b>	<ul style="list-style-type: none"> <li>• We hire people with the right skills and experience for their role. Employees are supported in their roles with: <ul style="list-style-type: none"> <li>– induction processes</li> <li>– training</li> <li>– supervision from their managers</li> <li>– individualised development plans</li> <li>– continuing professional development</li> <li>– performance management where conduct falls short of our expectations.</li> </ul> </li> <li>• Our people must conduct themselves in accordance with our Code of Conduct. The Code of Conduct is aligned to our purpose <i>'Protecting what matters, together'</i> and our values <i>'Excellence', 'Mahi Tahī'</i> and <i>'Bold &amp; Brave'</i>. Our people have a duty to report unethical or improper conduct that breaches the Code of Conduct. We have a Confidential Reporting (Whistleblower) Policy and process to support our people and Financial Advisers to call out conduct that they feel falls short of expected standards.</li> <li>• Financial Advisers must comply with our conduct expectations which are aligned with the Code of Conduct.</li> <li>• We outsource certain functions in our businesses. Outsourced arrangements must have the ability to meet our conduct expectations and to provide adequate reporting to ensure compliance with conduct, legal and regulatory expectations. Material outsourced arrangements must be approved by our Board.</li> </ul>
<b>How we train our people and Financial Advisers</b>	<ul style="list-style-type: none"> <li>• We train our people on our products and services to the extent the training is relevant to their work.</li> <li>• Financial Advisers receive fit for purpose training and information on our products.</li> <li>• All our people receive training on the Fair Conduct Programme and related policies and procedures.</li> </ul>
<b>How we manage sales incentives for Financial Advisers who sell our products</b>	<ul style="list-style-type: none"> <li>• We comply with incentive regulations.</li> <li>• Before we approve incentives (including commissions) we consider whether the incentives are structured to avoid adverse effects on the interests of our Customers.</li> </ul>
<b>How we communicate with Customers</b>	<ul style="list-style-type: none"> <li>• We communicate with our Customers by phone, letter, email, through our website and social media, and in face-to-face conversations. We have a Customer Conduct Policy that requires our people to communicate with Customers in a timely, clear, concise and effective manner.</li> <li>• All advertising and marketing material is reviewed (including by our Legal team) before it is communicated to Customers.</li> </ul>
<b>How we conduct customer care and handle conflict with Customers</b>	<ul style="list-style-type: none"> <li>• We have a Complaints Management Policy and a complaints process in place to support Customers to make a complaint in connection with our products and services.</li> <li>• That process includes, if required, referral to our Complaints Committee and to our independent external dispute resolution scheme, the Insurance and Financial Services Ombudsman (IFSO) to resolve if necessary. For more information about IFSO, or to access the IFSO process, call 0800 888 202 or visit <a href="https://ifso.nz">ifso.nz</a>.</li> <li>• Complaints provide us with useful feedback and insights. A regular Complaints Report is provided to the Executive and Board to inform decision-making.</li> <li>• We acknowledge that at various times certain Customers may experience vulnerability and require extra care. We require our people to treat Customers in vulnerable circumstances equitably and with due consideration.</li> </ul>