

The background features a large purple rectangle on the left and bottom. On the right, there are three overlapping rectangular areas with diagonal stripes: a teal one at the top, a purple one in the middle, and a blue one at the bottom. A white rectangular box is positioned in the lower-left area of the purple background, containing the title and company information.

Conflicts of Interest Management Policy

Willis South Africa (Pty) Ltd

October 2024

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Purpose

The Financial Advisory and Intermediary Services Act No.37 of 2002("FAIS Act") and the General Code of Conduct for Authorised Financial Services Providers and Representatives (the Code") requires financial services providers to have a Conflict of Interest Management Policy (COI Policy).

Willis South Africa Pty Ltd ("Willis SA"), part of Willis Towers Watson ("WTW"), is an authorised financial services provider registered with the Financial Sector Conduct Authority ("Regulator") in South Africa and is required to implement the abovementioned policy.

This Policy is supplementary to the [WTW COI Policy](#), [WTW COI Policy and segment-specific procedures and guidance](#) and [WTW Code of Conduct](#)

Context

A Conflict of Interest (COI) is any situation where we are involved in multiple interests, any one of which may call our objectivity into question with regard to another. A conflict of interest, or even the appearance of a conflict, can cause harm to us, our fellow colleagues, our company, and our stakeholders.

Under the WTW COI Policy, the WTW Code of Conduct and the FAIS Act, Willis SA must not act in any way that conflicts with the best interests of its clients. This Policy and the COI Directory found on the WTW intranet site are designed to ensure that when actual or potential conflicts arise, they are effectively managed.

Scope

This Policy applies to all colleagues of Willis SA as well as all colleagues employed by entities owned or controlled by Willis SA.

Definitions

Associate means in relation to a juristic person which is a company, any subsidiary or holding company of that company, any other subsidiary of that holding company.

Conflict of interest means any situation in which a provider or a representative has an actual or potential interest that may, in rendering a financial service to a client,

- (a) influence the objective performance of his, her or its obligations to that client; or
- (b) prevent a provider or representative from rendering an unbiased and fair financial service to that client, or from acting in the interests of that client, including, but not limited to -
 - (i) a financial interest;
 - (ii) an ownership interest;
 - (iii) any relationship with a third party;

Distribution channel means:

- (a) Any arrangement between a Product Supplier or any of its Associates and one of more Providers or any of its Associates in terms of which arrangement any support or service is provided to the Provider or Providers in rendering a financial service to a client;
- (b) Any arrangement between two or more Providers or any of their Associates, which arrangement facilitates, supports or enhances a relationship between the Provider or Providers and a Product Supplier;
- (c) Any arrangement between two or more Product Suppliers or any of their Associates, which arrangement facilitates, supports or enhances a relationship between a Provider or Providers and a Product Supplier.

Financial interest includes cash, cash equivalent, voucher, gift, service, advantage, benefit, discount, domestic or foreign travel, hospitality, accommodation, sponsorship, other incentive or valuable consideration.

This definition does not however include:

- (a) ownership interest;
- (b) training, that is not exclusively available to a selected group of financial services providers or representatives, on products and legal matters relating to those products; general financial and industry information;
- (c) specialised technological systems necessary for the rendering of a financial service but excludes travel and accommodation associated with that training.

Immaterial Financial Interest Immaterial Financial Interest means any financial interest with a determinable monetary value, the aggregate of which does not exceed R1 000 in any calendar year from the same third party in that calendar year received by:

- a provider who is a sole proprietor; or
- a representative for that representative's direct benefit
- a provider, who for its benefit or that of some or all of its representatives, aggregates the immaterial financial interest paid to its representatives;

Market Derived Income (MDI) is all revenue that WTW receives from insurance companies in their capacity as insurance markets ("carriers") other than regular fees or commission received for standard (re) insurance broking services (i.e., transactional placement). MDI does not include:

- Products or consulting services provided to insurance companies in their capacity as a corporate client; this includes:
- Revenue received from insurance companies as a corporate client relating to talent & reward, retirement, pensions, actuarial, or investment service provision;
- Revenue received from insurance companies in their capacity as a corporate client for their own insurance placements (e.g., D&O).

Other party means any other party with whom Willis South Africa has a potential or actual business relationship including service providers and prospective and existing clients but excluding Third Parties as defined below.

Ownership Interest means any equity or proprietary interest for which fair value was paid by the owner at the time of acquisition; and includes any dividend, profit share or similar benefit derived from that equity or ownership interest.

Provider means an authorised financial services provider, and includes as Representative

Product Supplier means any person who issues a financial product by virtue of an authority, approval or right granted to such person under any law, including the Companies Act, 61 of 1973

Representatives means any persons registered in terms of the FAIS Act as representatives of Willis SA including representatives under supervision.

Key Individual means persons registered in terms of the FAIS Act in a management and oversight role at the financial service provider

Third party/parties mean any of the following:

- (a) Product Suppliers (persons who issue a financial product e.g. Insurers);
- (b) Other Financial Services Providers (persons licensed in terms of the FAIS Act);
- (c) Associates of a Product Supplier or Financial Services Providers;
- (d) A Distribution Channel.

Nature of Conflicts

A conflict of interest may arise at the start of a relationship or at any time during the relationship.

| Conflict Type | Description |
|----------------------|---|
| Client vs Client | Where we may be unable to act in the best interests of one client without adversely affecting the interests of another client. <i>E.g. One Businesses may work for one client on one side of a transaction and another Businesses may work for another client involved in or with an interest in the same transaction.</i> |
| Firm vs Client | Our own corporate interests may conflict with a duty we have to a client. <i>E.g. One Businesses may provide advisory services and recommend the services of products of another Businesses within the firm or wider Company.</i> |
| Intra- Group | A Willis Towers Watson entity, Director, employee or fund may benefit at the expense of another. <i>E.g. Two separate Company entities or Businesses competing for the same business, meaning one may gain from the loss of the other.</i> |
| Individual vs Client | A colleague's personal interest could conflict with a duty we have to a client or their duty to us. This can include colleagues' close personal connections. |

| | |
|--|--|
| | <p><i>E.g. Colleagues are in a position to award business or contracts to an organisation associated with a spouse / partner / close relation.</i></p> |
|--|--|

Conflict Identification and Mitigation Approaches

What is a Conflict?

Circumstances which give rise to a Conflict of Interest are those where there are multiple differing interests, one of which could possibly corrupt the motivation of the individual or organisation, to not act in the client's best interests. Potential conflicts of interest can take several forms:

Our standard conflict mitigation approaches and measures at WTW include the following:

- Segregating duties of colleagues undertaking different business activities, including separate supervision and communication protocols, and, where appropriate, physically separating teams
- Asking conflicted colleagues to recuse themselves from working on a transaction or with a specific client, and involving other colleagues that are not conflicted
- Restricting the access and availability of sensitive or confidential information within the Company (beyond our ordinary controls)
- Providing timely, detailed disclosure to affected parties of potential conflicts (if the confidentiality of another party will not be breached)
- Recording of all Conflicts of Interest in the WTW COI register. These entries will be monitored and updated, where necessary by Compliance
- Ensuring that conflict of interest disclosures are made during the recruitment process by potential new joiners
- Ensuring that all insurer related Gifts, Entertainment and Hospitality (GEH) are recorded in service hub and receives the appropriate assessment and review by compliance
- Ensuring that all GEH in scope of the WTW GEH policy is logged into service hub and receives compliance assessment and approval.
- Ensuring that our colleagues are trained on and comply with WTW's Anti-Bribery & Corruption Policy, WTW Code of Conduct, WTW Gifts, Entertainment & Hospitality (GEH) Procedures. as well as the contents of this WSA COI policy/
- Regular monitoring of the GEH register and entries made in service hub to ensure that the FAIS annual financial interest threshold is always complied with
- Requiring all Willis SA colleagues to disclose and seek approval of all external Director appointments, external employment and/or significant personal business pursuits that could lead to potential or actual conflicts of interest (e.g. an ownership interest in a vendor that is seeking work from Willis SA)
- Requiring all Willis SA colleagues to disclose any actual or potential COI to compliance and then follow guidance from compliance on management of the conflict.
- Compliance to ensure that all TOBA's and SLA's have the relevant COI disclosures, so clients are aware of WTW's stance on conflicts and where to access this policy.
- Complying with the WTW Sponsorships and Donations Policy and obtaining the necessary approvals

- In terms of Market Derived Income (MDI), Willis Towers Watson will accept MDI in circumstances where receiving the MDI:
 - Does not conflict with the best interests of our clients.
 - Is transparent to our clients.
 - Is consistent with relevant regulations, including licensing limitations.
 - Has been approved by our MDI Committee, where applicable; and
 - Is with a market that WTW believes will provide competitive solutions for our clients.
- Willis SA will consider declining to act for a client in cases where Willis SA believes a conflict of interest cannot be managed.

Disclosure

If a conflict of interest is identified, Willis SA will in writing, at the earliest reasonable opportunity, disclose the details relating to the conflict of interest to the affected party.

Such disclosure must provide details on:

- Whether the conflict of interest relates to any ownership interest or financial interest that Willis SA or the representative is or may become eligible for;
- The nature of any relationship or arrangement with a third party that gives rise to the conflict with sufficient detail to enable the client to understand the relationship and the conflict of interest and
- The existence of Willis SA's Conflict of Interest Management Policy and the WTW Policy

Any written disclosure of a conflict of interest must be approved by both Compliance and Senior Management prior to it being disclosed to the affected party.

Once the client has been advised in writing of the conflict of interest, the disclosure must be recorded in the conflicts of interest register and a copy of the disclosure must be kept on the client's file for record purposes.

Any agreed mitigation measures must be implemented without delay.

Ownership Interest

Willis South Africa (Pty) Ltd.'s ownership interests are noted in Annexure "A"

Guidance on Conflicts of Interest and Consequences of Non-Compliance

- Each colleague is responsible for compliance with this Policy.
- Colleagues are also required to attend periodic training on this Policy.

- Compliance with this Policy is monitored by the Compliance and Internal Audit, departments, where applicable.
- Non-compliance with this policy will be reported to senior management and may result in disciplinary action including dismissal and/or debarment with the FSCA.
- Colleagues are also required from time to time, to confirm their understanding of, and compliance with, the WTW Code of Conduct, this WSA COI Policy as well as the WTW Conflicts of Interest Policy

Procedures and Guidance

Guidance related to this Policy is posted on the WTW intranet.

In our insurance placement efforts, Willis SA acts as the intermediary between our clients and insurers, leading to a variety of potential conflicts that are actively considered and managed by those undertaking this work daily.

The WTW Excellence Model provides a framework for how we pursue, plan, deliver, assess and close work. We have developed several versions of this model for specific service offerings. The models summarise how we apply Excellence in all our work, provide the highest quality work products and service delivery experience for our clients, create value for our shareholders, and provide a great place for colleagues to work.

Any questions or concerns about conflicts and/or this Policy or related Policies, Procedures and Guidance please refer to Compliance and the resources below.

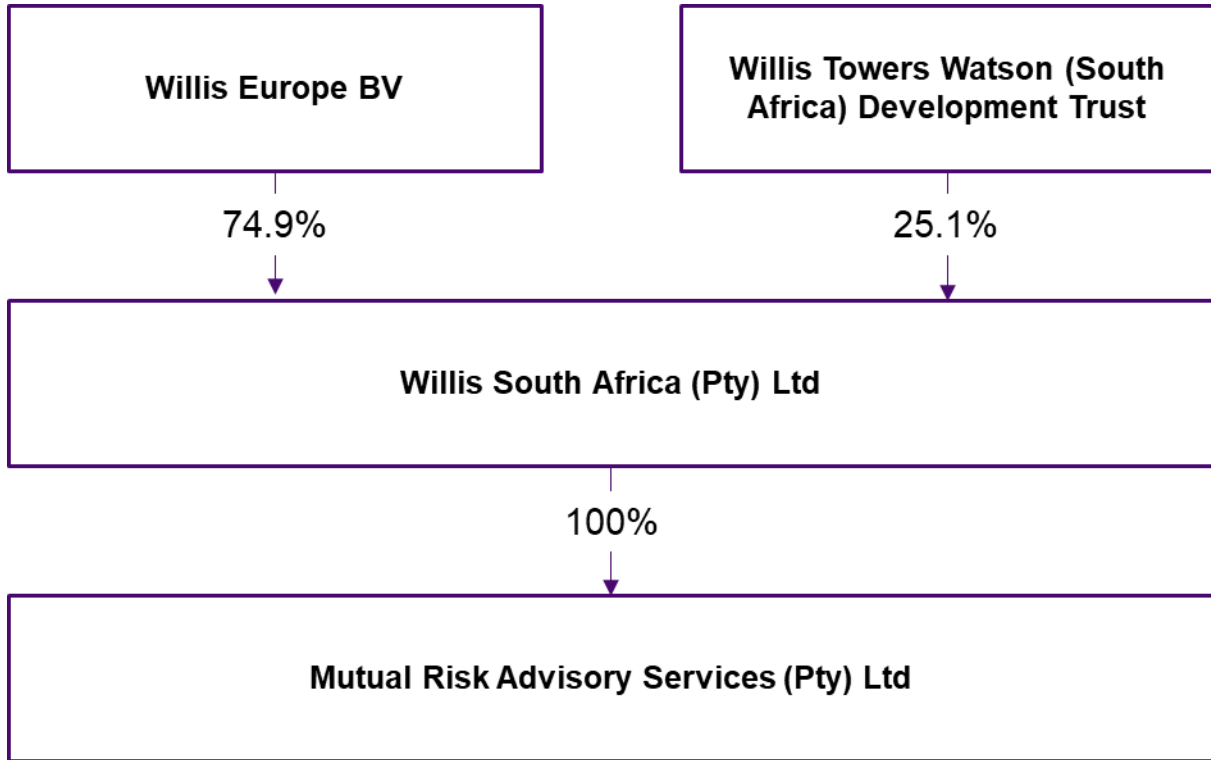
Resources

[Policy Intranet Site](#)

- The WTW Conflict of Interest Policy and Guidance
- The WTW Code of Conduct
- The Client Excellence Model (Placement Control Framework)
- The WTW Remuneration Disclosure Principles
- The WTW Gifts, Entertainment and Hospitality Procedures
- The WTW Sponsorships and Donations Policy
- The Willis Towers Watson Code of Conduct Reporting and Whistleblowing Guidance
- The WTW Market Derived Income Policy

Business Function Owner: Group Compliance
Policy Owner: Shiksha Singh
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Annexure A: Ownership Interest



Annexure B: Type Of Financial Interest & Entitlement Thereto

In terms of Section 3A(2)(b)(ii), a Conflict-of-Interest Management Policy must specify the type of financial interest that the provider will offer a Representative and the basis on which a Representative will be entitled to such a financial interest. The Conflict of Interest Management Policy must also include a motivation regarding how the financial interest complies with sections 3A(1)(b) and 3A(1)(bA).

Please see table below for full details of the above. Note that Willis SA representatives only earn a salary and a short term incentive. No other financial incentive or forms of financial interest are earned by them. In order for representatives to be eligible for a bonus, the criteria mentioned in the second column in the table below is taken into account in their individual performance appraisals.

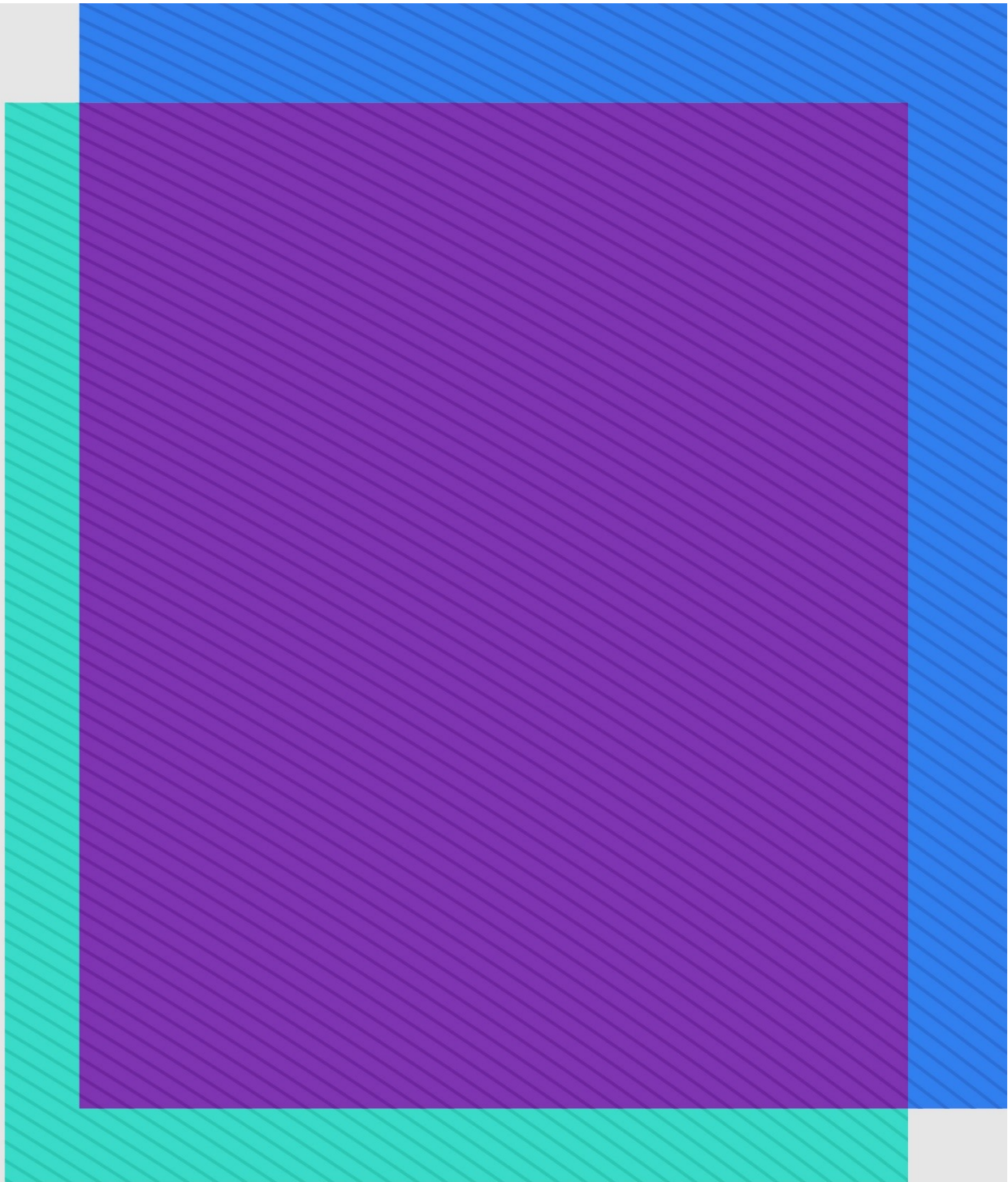
| Form of Financial Interest Section 3A(1)(a)(i) – (vii) | Basis for entitlement to Financial Interest | Compliance with Sections 3A(1)(b) and 3A(1)(bA) |
|---|---|---|
| Salary and Short term incentive i.e. bonus | 1. Effective Client management: | <ol style="list-style-type: none"> 1. Ensure that communications with clients are accurate, convey the essential material facts negotiated and agreed, and are timeously issued to service team members. Ensure that follow up actions are executed; 2. Develop good relationships with decision makers of Clients and Suppliers based on trust being integrity, credibility and reliability. Always keep the Client decision makers informed about contentious claims, positive and negative pricing trends, major loss incidents / settlements and market developments that could affect their cost of risk; 3. Understand Client’s business and industry fully by anticipating Client’s coverage needs are met, taking into account existing and emerging industry risks; 4. Continuously put “best in front” of Client to ensure interactions, in terms of local and international WTW “know how” & experience is utilized, is impactful and results in exceptional Client satisfaction; 5. Handle the settlement of claims advocacy effectively, without unnecessary delays and to Client’s satisfaction. Escalate for wider input contentious complex large claims, that require expert advice, in order to achieve timeous satisfactory resolutions and or claim settlements. Maintain accurate claims stats. |

| Form of Financial Interest Section 3A(1)(a)(i) – (vii) | Basis for entitlement to Financial Interest | Compliance with Sections 3A(1)(b) and 3A(1)(bA) |
|---|---|--|
| Salary and Short term incentive i.e. bonus | 2. Efficient client renewals | <p>Implement and manage the renewal process timeframe per client:</p> <ol style="list-style-type: none"> 1. Ensure adequate “time” is allowed to thoroughly address the key renewal activity milestones; 2. Keep your clients informed about how their risk profile and market conditions may affect their insurance coverage, terms and cost. 3. Implement the WSA experience 3 steps risk assessment methodology “value proposition”, for each Client segment, and ensure the Client service experience meets their expectations on every relevant servicing “touchpoint” including: <ol style="list-style-type: none"> 3.1 Challenge the status quo on how we have always serviced our clients; 3.2 Utilization of risk analytical tools and templates that are relevant for the risk exposure; 3.3. Discuss and agree with each client an annual service delivery timetable of activities. The schedule of activities and timing must be aligned to the relevant 3 steps risk methodology and risk analytical tools; 3.4 Negotiate competitively priced insurance solutions that meet Client’s expectations and over time reduce the Client’s Total Cost of Risk. “Attack” every client renewal placement terms “as if” you are a competitor looking for a new angle to retain / win the business. |

| Form of Financial Interest Section 3A(1)(a)(i) – (vii) | Basis for entitlement to Financial Interest | Compliance with Sections 3A(1)(b) and 3A(1)(bA) |
|---|---|---|
| Salary and Short term incentive i.e. bonus | 3. People | <ol style="list-style-type: none"> 1. Take ownership for personal learning and development by: <ol style="list-style-type: none"> 1.1 Developing and updating your personal development plan; 1.2 Identifying and attending appropriate insurance technical and soft skills training courses online to support ongoing personal development; 1.3 Engage senior staff to gain “on-the-job” experience; 1.4 Keep abreast to latest industry trends and “know-how”; 1.5 Identifying and engaging mentors to seek advice on career development and experience; 1.6 Come to work to serve colleagues and clients and the end result is a salary and bonus. 2. Coaching and mentoring of staff to enhance the WSA Know-How: <ol style="list-style-type: none"> 2.1 Identify and approach junior staff to coach / mentor; 2.2 Transfer skills to coach / mentees; 2.3 Support and coach staff / mentees to make meaningful career development. 3. Effective leadership of multi-skilled functional teams to support WSA strategic objectives: <ol style="list-style-type: none"> 3.1 Meaningfully increase diversity across job grades; 3.2 Create and foster a team culture of gender inclusivity and colleague diversity profile; 3.3 Create a common sense of belonging and collective purpose. Strive to earn the trust of every colleague, purpose driven service teams will lead to satisfactory client experiences; 3.4 Optimise our talent through appropriate retention, internal users, hiring and supporting colleague flexibility and personal know-how growth; |

| Form of Financial Interest Section 3A(1)(a)(i) – (vii) | Basis for entitlement to Financial Interest | Compliance with Sections 3A(1)(b) and 3A(1)(bA) |
|---|---|--|
| Salary and Short term incentive i.e. bonus | 3. People | <p>3.5 Nurture a performance culture based on trusting team members, encouraging constructive criticism of ideas, concepts and solutions; encouraging every WTW colleague to demonstrate commitment to one another through consensus of certainty that encourages acceptance of accountability and focuses each WTW colleague on successful collective solutions.</p> <p>4. Personally focus on becoming an ideal team player by:</p> <p>4.1 Daily practice the WTW Values and Behaviors as enshrined in the WTW Code of Conduct;</p> <p>4.2 Define success collectively, commit to team goals and do not value self above team objectives;</p> <p>4.3 Go above and beyond to achieve team results;</p> <p>4.4 Strive to engage with colleagues in an effective manner. (See The Ideal Team Player attachment.)</p> <p>4.5 Avoid being a contributor towards becoming a member of a disfunction team. (See attachment.)</p> <p>5. Develop thought leadership to increase WSA know-how:</p> <p>5.1 Identify market trends and expertise relevant to our clients and package WSA thought leadership material;</p> <p>5.2 Share thought leadership within the business;</p> <p>5.3 Support the business to take thought leadership to existing and potential new Clients.</p> |

| Form of Financial Interest Section 3A(1)(a)(i) – (vii) | Basis for entitlement to Financial Interest | Compliance with Sections 3A(1)(b) and 3A(1)(bA) |
|---|--|--|
| Salary and Short term incentive i.e. bonus | 4. Operational Excellence and Innovation and Business model | <ol style="list-style-type: none"> 1. Adopt, embrace and drive the use of Sigma, Broking Platform, CRM, Analytical Tools and other systems that will enable WTW to give each client a satisfactory experience and create efficiencies & optimising resources; 2. Adhere to and drive business compliance to ensure that all applicable WTW technology platforms, compliance practices, policies and procedures are adhered to, in order to mitigate WTW's enterprise risk exposures; 3. Support and drive process efficiency initiatives such as Mumbai finance and placement administration services and future growth of these outsourced services. |



About WTW

At WTW (NASDAQ: WTW), we provide data-driven, insight-led solutions in the areas of people, risk and capital. Leveraging the global view and local expertise of our colleagues serving 140 countries and markets, we help you sharpen your strategy, enhance organisational resilience, motivate your workforce and maximise performance. Working shoulder to shoulder with you, we uncover opportunities for sustainable success – and provide perspective that moves you. Learn more at [wtwco.com](https://www.wtwco.com).

Willis South Africa (Pty) Limited is an authorised financial Services Provider: FSP267
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