



UNION BANK UK PLC TREATING CUSTOMERS FAIRLY POLICY STATEMENT

This “Treating Customers Fairly” Policy Statement (“the TCF Policy Statement”) was approved by the Board of Directors of the Union Bank UK plc (“UBUK”) on 4 August 2017. We have recently included our policy on the treatment of vulnerable customers.

INTRODUCTION

UBUK as an authorised financial services institution has a strong focus on customer satisfaction. Our mission is to be a respected and recognised bank and our Treating Customers Fairly (TCF) policy is an integral part of that objective. Our TCF policy is structured according to the principles provided by the Financial Conduct Authority to ensure we consistently deliver fair outcomes to our clients.

The Chief Executive and the Management Committee (MANCO) of UBUK have responsibility for reviewing the TCF Policy Statement in the light of developments in UBUK’s economic environment, business activities, organisation, infrastructure, risk mitigation techniques and applicable regulations. Ultimate responsibility for the TCF Policy Statement rests with the Board of Directors of UBUK.

The purpose of this TCF Policy Statement is to provide information and background on how we deal with this important FCA initiative designed to ensure that firms treat customers fairly in every aspect of their business. It affirms UBUK’s commitment to achieving the desired outcomes of TCF and sets out the Bank’s strategy for achieving those outcomes.

We acknowledge that the FCA considers that TCF is a cultural issue and that senior management will only succeed in achieving the desired outcomes if TCF is firmly embedded in the firm’s culture, the key cultural drivers being Leadership, Strategy, Management & Controls, and “Tone from the Top”.

THE DESIRED OUTCOMES FOR CUSTOMERS

UBUK is focused on delivering the following outcomes for customers:

1. Customers are confident that they are dealing with a bank where the fair treatment of customers is central to the bank’s culture;
2. Products and services marketed and sold in the retail market are designed to meet the needs of identified customer groups and are targeted accordingly;
3. Customers are given clear information and are kept appropriately informed;
4. We will only provide our customers with advice if our regulatory scope of permission allows us to do so. If we do provide advice, we will ensure that the advice is suitable and takes account of our customers circumstances;

5. Customers are provided with products that perform as they have been led by UBUK to expect and the associated service is both of an acceptable standard and what they have been led to expect, and;
6. Customers do not face unreasonable post-sale barriers to change product, switch provider, submit a claim or make a complaint.

OUR VALUES

We care about our customers and for that reason:

We take Initiative

We are Customer focused

We are Accountable

We are Respectful

We are Efficient

We refer to these, as “Our ICARE Values”

ACHIEVING THE OUTCOMES

UBUK is committed to complying fully with the FCA Conduct of Business rules, to encouraging its staff to keep customers as the focal point of their work and to encouraging a culture of fairness and friendliness towards its customers. In particular, that:

- Customers should clearly understand the nature of the services we provide, including our terms, conditions and charges;
- Customers should clearly understand the risks inherent in, and benefits from, any product offered to them;
- We must communicate in an open, transparent and easily understandable manner and have a clear understanding of our customers’ banking and service requirements;
- We will not promise to provide services which we are not able or equipped to deliver;
- Training and competence programmes will reinforce the concept of “treating customers fairly”;
- Our staff will possess the competency to deliver TCF friendly products;
- We will resolve errors and complaints as quickly as possible and our complaints process must be clear, unambiguous and impartial;

- Behaviour by staff which results in unfair treatment of customers will not be tolerated and may result in action being taken against the individual concerned;
- We will implement control procedures and management information to enable management to monitor the effectiveness of compliance with this policy.

COMPLAINTS HANDLING

We handle complaints fairly and record, monitor and report them sensibly.

In dealing with complaints we 'treat like situations alike' and we undertake to identify common underlying causes of complaints and take action to eliminate the root cause. We give careful consideration to whether an error might have affected a wider class of customers and what should be done to remedy this.

Senior management pays attention to the outcomes of complaints, which can serve as an important source of intelligence about the health of our business and internal processes.

We measure the length of time taken to deal with a complaint, the outcome, and the way in which the outcome is communicated to the customer in order to ensure that we are treating our customers fairly.

VULNERABLE CUSTOMERS

The FCA defines a vulnerable customer as someone who, due to their personal circumstances, is especially susceptible to detriment, particularly when a firm is not acting with appropriate levels of care.

This means that anyone can become vulnerable at any point in their lives for many different reasons i.e. illness (includes mental health issues), bereavement, financial difficulties, loss of employment.

If we become aware that a customer, or potential customer, may be vulnerable through a change in personal circumstances we should take reasonable actions to ensure that such customers are not at risk of undue detriment.

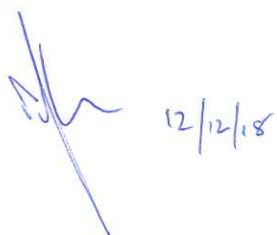
Our customer facing staff are trained to help them identify and consider aspects of vulnerability and what remedial steps may be taken where vulnerabilities are suspected or identified.

MANAGEMENT SUPPORT FOR TCF

Senior Management:-

- prescribes and oversees a risk management process and methodology for the identification of risks and the design and documenting of effective mitigating controls;
- regularly reviews the management information needs of the bank so as to ensure that MI produced is relevant to the risks;
- ensures there is available to all relevant team members training and coaching which equips them to understand their responsibilities;
- regularly reviews and moderates remuneration schemes and attendant performance objectives to ensure consistency with the businesses' TCF approach, and;
- ensures that the bank rigorously promotes our customer core values, to embed a culture of Treating Customers Fairly.

Signed
David Forster
Chief Executive



12/12/18

