

Customer Vulnerability and Financial Hardship Policy

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Purpose

This policy sets out Lockton Companies Australia Pty Ltd's ("Lockton's") commitment to assisting customers affected by vulnerability. The Customer Vulnerability and Financial Hardship Policy is designed to ensure that Lockton conducts business in a way that does not have a disadvantageous impact upon vulnerable customers. Lockton will ensure that customers with vulnerabilities are treated fairly, based on their individual circumstances.

The purpose of this policy is to:

- outline Lockton's processes and procedures which have been implemented to help minimise the risk of harm in our interactions with customers who are experiencing vulnerability; and
- help ensure that Lockton provides those customers with timely, consistent and targeted assistance.

For the purposes of this policy, any reference to "Customers" includes clients of Lockton as well as any other individual entitled to support under the National Insurance Brokers Code of Practice ("NIBA Code") (for example, a potential customer, third party beneficiary or an individual an insurer is seeking to recover money from) and whose ability or circumstances requires Lockton to take extra care in the way we provide our services.

Scope

This policy applies to all staff employed by or acting on behalf of Lockton including all staff who are involved in arranging insurance under Lockton Australian Financial Service Licence.

Vulnerable Customers

The Insurance Brokers Code Compliance Committee ("IBCCC") defines a vulnerable customer as:

"an individual who, due to their personal circumstances, is particularly susceptible to harm, especially when a firm fails to exercise appropriate care. Vulnerability can manifest in various forms, whether it's permanent, temporary, or sporadic, and can occur over the short or long term. A consumer's needs and capabilities can undergo significant changes, particularly when faced with unexpected events or urgent, complex situations.

The NIBA Code outlines various factors that may cause a person to experience vulnerability, including:

- age
- disability
- mental and physical health issues
- language or literacy barriers
- family and domestic violence
- cultural background
- Aboriginal or Torres Strait Islander status
- remote location
- financial distress.

It is important to note that while a customer may fall into one or more of the categories listed above, this does not mean that the customer is necessarily experiencing vulnerability. Each staff member will need to assess customers' situations and vulnerabilities on a case-by-case basis.

IDENTIFYING VULNERABLE CUSTOMERS

At Lockton, identifying vulnerable customers is an intrinsic part of getting to know our customers. Our staff are periodically trained in identifying vulnerable customers. At Lockton, we encourage staff to employ the CARE and BRUCE protocols as tools to assist in identifying vulnerability.

The **CARE** Protocol:

Comprehend: is the client able to follow the conversation and understand what is being said?

Assess: is the customer able to weigh up the information being presented to them?

Retain: is the customer able to retain and remember information, and recall this at a later point?

Evaluate: is the customer able to properly express, explain or communicate their decisions?

The **BRUCE** Protocol:

Behaviour & Talk – are there any clues in the customer's speech and behaviour?

Remembering – are there any signs that the customer has difficulty with recall?

Understanding – are there any signs that the customer is having difficulty understanding the information you are giving them?

Communication- is the customer able to communicate what they think, their decision and any questions?

Evaluation – is the customer finding it difficult to weigh up all the information?

When engaging with clients, we encourage brokers to ask these questions to help assess whether the client is or may be experiencing vulnerability.

Lockton encourages clients to communicate and let them know if they are experiencing conditions, concerns or events which are causing them greater vulnerability, as Lockton may not always be able to identify their vulnerability or be aware of their circumstances.

ENGAGING WITH VULNERABLE CUSTOMERS

When Lockton detect the need for extra care, we aim to always engage in careful and sensitive conversations with vulnerable customers and interact in a supportive manner.

Lockton will immediately make a record of a customer experiencing vulnerability. To do this, we may flag a customer's account. This also allows us to maintain customer confidentiality and privacy more effectively and implement specific security measures.

If a customer self-identifies as experiencing vulnerability, they will be made aware of how the information they share about their situation will be handled and how any personal or sensitive information will be recorded, used and stored.

Where appropriate, Lockton uses the **TEXAS** framework to assist in communicating with customers.

Thank them.

Explain how their information will be used.

eXplicit consent - Ask the individual for their permission to use their information in this way

Ask three key questions that will help you better understand the customer's situation.

Signpost to internal or external help (where appropriate).

At Lockton, all staff members are responsible for handling vulnerable customers, with their manager providing support if necessary.

SUPPORTING VULNERABLE CUSTOMERS

Lockton will employ a range of measures to support and accommodate vulnerable customers where possible. These will vary from situation to situation but may include:

- being flexible with allowing extra time to explain advice and answer questions
- providing complex advice over several shorter meetings instead of one lengthy one
- arranging meetings in person or via telephone or video call
- communicating via the National Relay Service
- provide access to translation and interpretation services
- allowing for an authorised third party (such as a consumer representative, interpreter, friend or family member) to attend meetings with the customer

Family and Domestic Violence

Lockton recognises that domestic or family violence is a specific type of vulnerability. Domestic violence refers to acts of violence by a family member. This violence can include threats and intimidation and may be sexual abuse, financial or economic abuse, emotional or psychological abuse, social abuse and/or damage to property. The *Family Law Act 1975* (Cth) defines 'family violence' as "violent, threatening or other behaviour by a person that coerces or controls a member of the person's family... or causes the family member to be fearful".

IDENTIFYING FAMILY AND DOMESTIC VIOLENCE

If you are affected by family or domestic violence and it is safe for you to tell us about your circumstances or concerns, please do this, so we can offer support and assistance in a timely manner. Lockton will aim to assist in making sure your safety is paramount and provide you with access to support services.

Lockton will handle your situation with sensitivity and flexibility where:

- you and the alleged perpetrator are joint policyholders; or
- the alleged perpetrator has caused a claim or is involved in relation to the subject matter (e.g. damaging property).

Lockton will not require you to do either of the following (unless you are comfortable doing so):

- make direct contact with the alleged perpetrator; or
- make a police report about the alleged perpetrator.

ENGAGING WITH CUSTOMERS SUFFERING FAMILY AND DOMESTIC VIOLENCE

When Lockton become aware that you may be in a family or domestic violence situation, we will flag your account to try to minimize the need for you to make repeated disclosures.

Our staff may ask you questions about your current situation to understand if it is safe to continue the call. They will also discuss safe ways to communicate with you.

For example:

- The name and contact details of a support person, if you have nominated one and given us consent to speak to them directly
- The safest and most suitable time and method to contact you
- Whether it is safe to leave phone messages, send emails or documents via post

Lockton will not disclose your personal information to the alleged perpetrator, even if they are joint policyholders, unless we are required to do so by law.

Financial Hardship

Some customers may be vulnerable because they are experiencing financial hardship. A customer is experiencing financial hardship when they have difficulty meeting their financial obligations to Lockton or their insurer. If you tell us, you are experiencing financial hardship, we may offer financial hardship assistance.

The support that we provide does not include support with paying the premiums under an insurance policy. We will refer this matter to the insurer. A customer also has a right to ask us to fast-track a claim if they have an urgent financial need to have that claim paid. We will refer this matter to the insurer.

ASSESSING YOUR REQUEST

Lockton makes no guarantee that any application for financial hardship support will be accepted and, in many cases, where we are not the issuer of the product or acting on their behalf, we will not be able to grant the type of assistance sought.

Lockton are also aware that customers who experience family or domestic violence may also experience financial hardship, particularly where they are a victim of financial abuse. We will aim to determine whether, due to a customer's circumstance of experiencing family or domestic violence, a customer is experiencing financial hardship. If a customer is experiencing financial hardship due to family violence, we will work with them (and the insurer) with the aim of formulating options so that they can retain their policy if they cannot pay their premium.

Training

Lockton employees will be provided with appropriate training for customer facing employees. This training will help them:

- identify and understand if a customer may be vulnerable
- identify, support and avoid harm to customers affected by family and domestic violence
- be alert to financial hardship
- decide how best and to what extent we can support that customer
- protect private and confidential information of customers affected by family and domestic violence
- engage with a vulnerable customer with sensitivity, dignity, respect and compassion
- referring a customer to additional support services if necessary

Assistance Services and Resources

The following is a list of specialist services providers that may be able to assist customers experiencing vulnerabilities. This list is not exhaustive.

Please always call 000 if you or your immediate family is in danger.

AUSTRALIA-WIDE

National Relay Service – clients in need must register for this service	Voice relay number: 1300 555 727 (TTY 133 677) SMS relay number: 0423 677 767
Translating and Interpreting Service	P: 131 450 https://www.tisnational.gov.au
1800 RESPECT	P: 1800 737 732 https://www.1800respect.org.au/
Lifeline	P: 13 11 14 https://www.lifeline.org.au
Mensline	P: 1300 78 99 78
Beyond Blue	P: 1300 224 636 https://www.beyondblue.org.au
National Debt Helpline	P: 1800 007 007
Mob Strong Debt Helpline – for Aboriginal and Torres Strait Islanders	P: 1800 808 488