



**VULNERABLE CUSTOMER
& COST OF LIVING**

HOW VULNERABILITY CONTINUES TO EVOLVE AGAINST THE BACKDROP OF THE PANDEMIC & COST-OF-LIVING CRISIS.

Pinpointing signs of vulnerability, enhancing your support strategies and furthering Consumer Duty promises.

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Director of Customer, Marketing & Regulatory



THE ISSUE

What do they mean I'm not covered for this?

They'll probably think I'm a high risk if they knew I struggle with reading.

Czy ktoś tam mówi po polsku? Trudno mi mówić po angielsku.

If I tell them, it won't change anything. They won't care.

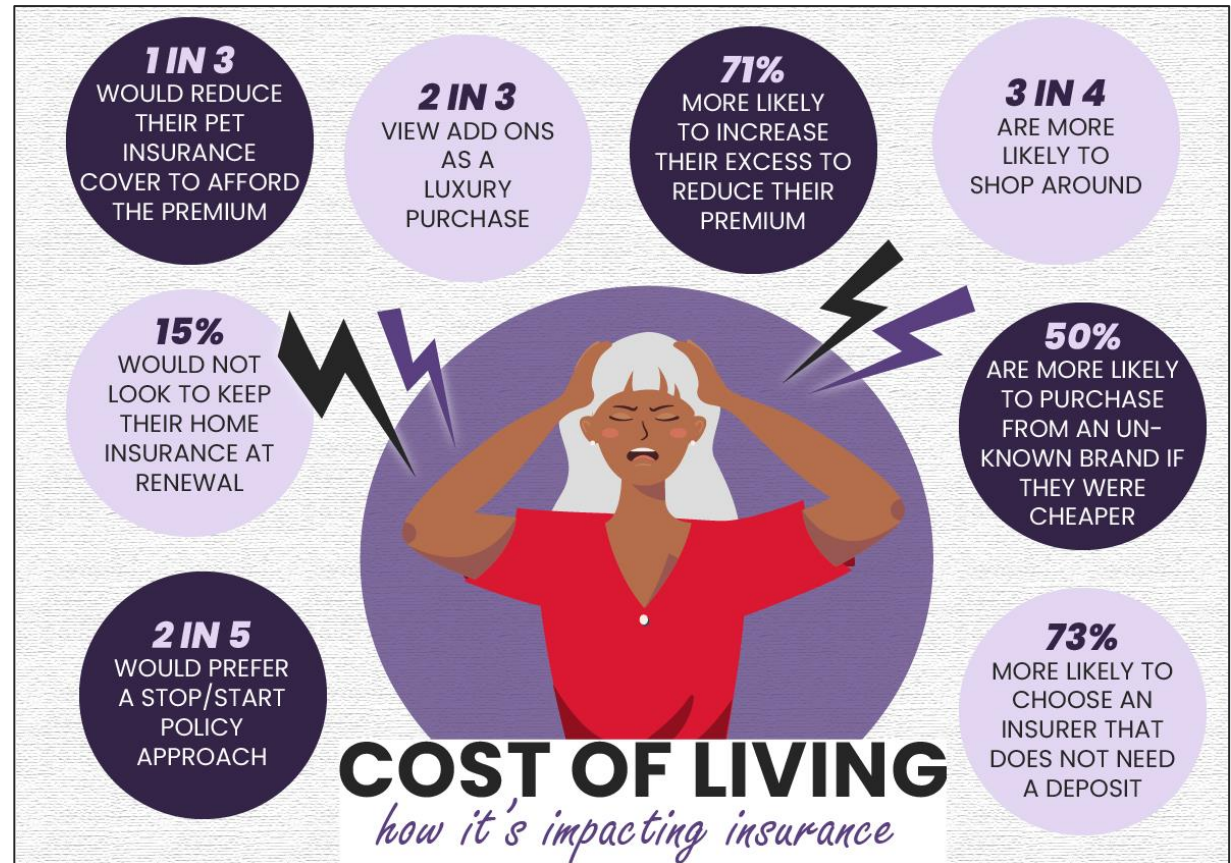
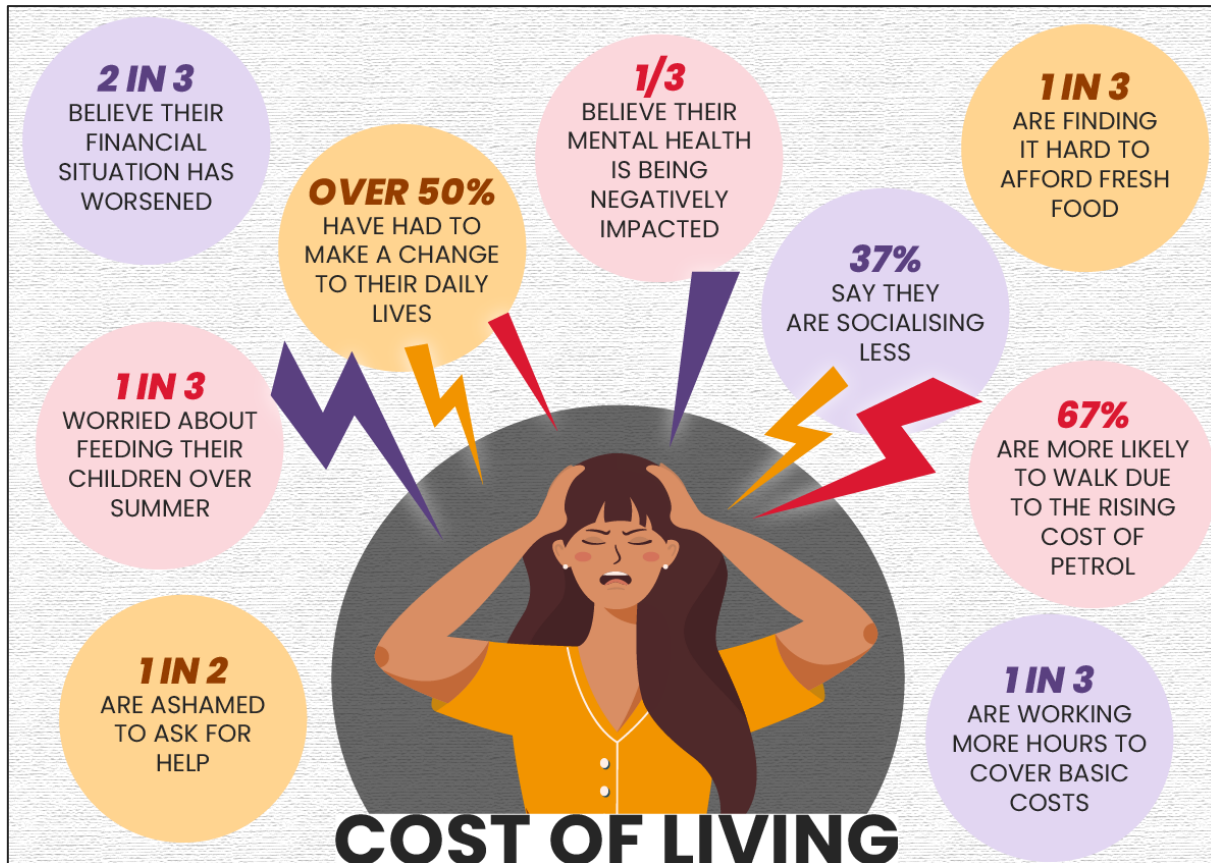


WHAT WE FOUND – VC RESEARCH



- 4 in 5 would classify themselves as vulnerable or requiring additional support when it comes to dealing with insurance
- Vulnerabilities often compounded. 2 in 3 of those who classified themselves as vulnerable had at least one driver of vulnerability.
- Vulnerabilities or requirement for additional support peaked in 18 to 34 year olds at over 9 in 10.
- Only 1 in 4 believe insurers would care about any difficulties, struggles or life experiences.
- Discomfort in informing insurers of vulnerabilities peaked for Capability and Resilience.

WHAT WE FOUND – CoL RESEARCH



OUR RESPONSE

SIMPLIFIED OUR POLICY WORDING...

Here are examples of what you should do following a theft from your home or have a burst pipe

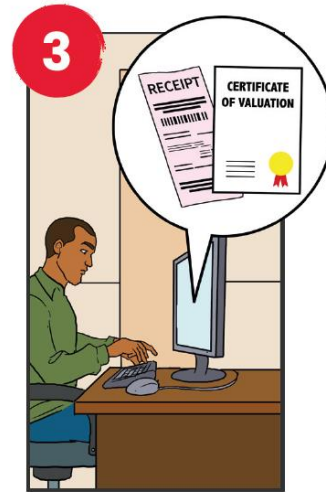
Example 1: Theft



If you have been burgled...



Tell local police about theft or criminal damage. Take note of any reference number. Tell us as soon as you can - we are here to help.



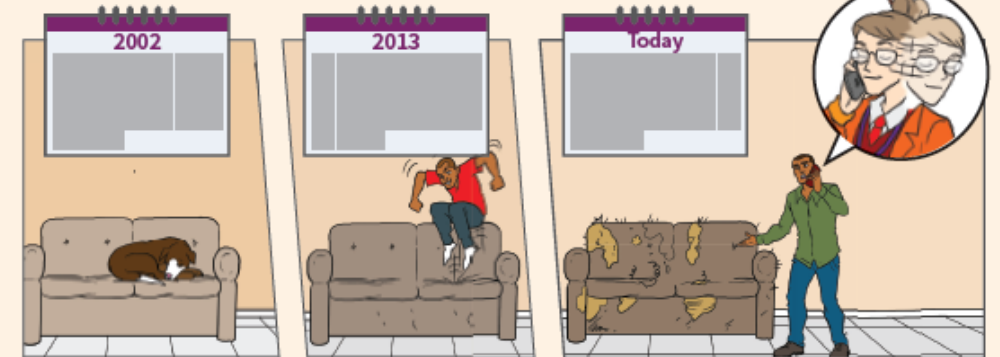
Send all documents and information we ask for.

What your policy doesn't cover

The things we don't cover are called exclusions. The ones listed here apply to the whole policy, but each section may have its own specific exclusions.

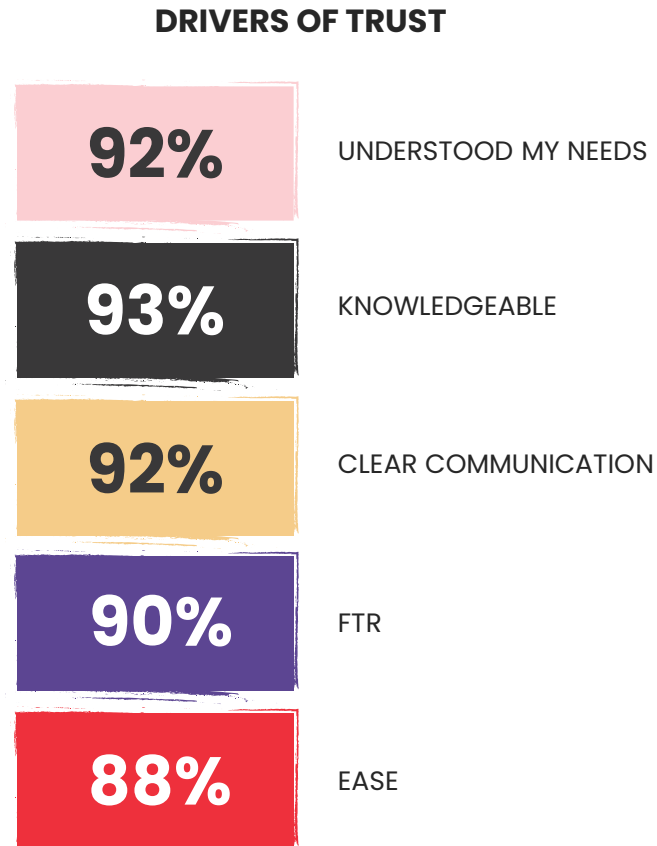
We won't pay for any damage or loss caused by:

Wear and tear



OUR RESPONSE

LAUNCHED A CUSTOMER TRUST METRIC...



COVÉA

WORKED WITH SPECIALIST ORGANISATIONS...



OUR RESPONSE

LAUNCHED CUSTOMER ADVOCATES...

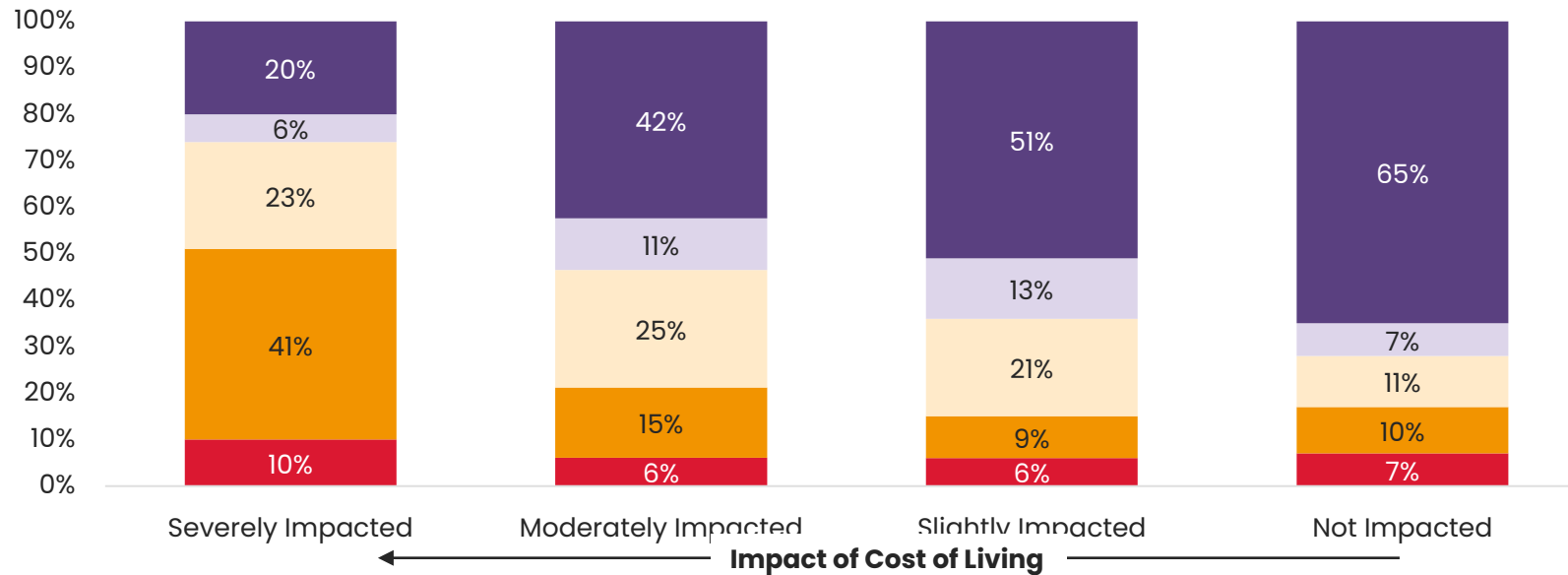


CREATED VULNERABLE
CUSTOMER CARDS...

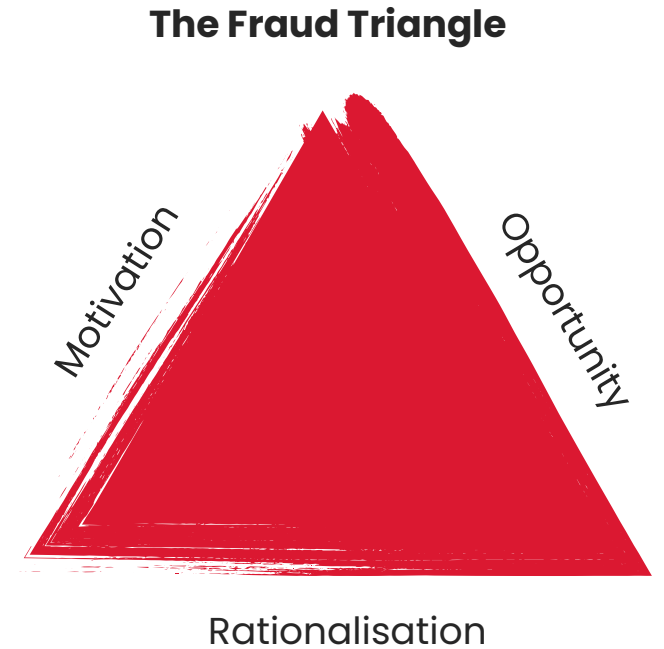


INCREASED RISK OF FRAUD


Impact of Cost of Living on attitudes towards fraudulent activity.



- Accepting the errors is wrong and I would always point it out
- It would depend on the size of the business
- It would make me feel uncomfortable but I am slightly more likely to accept an error in my favour
- I am now much more likely to accept an error in my favour than I was 12 months ago
- I have always accepted errors in my favour



COMBATTING INCREASED FRAUD RISK




**RAISING
AWARENESS OF
FRAUD
THROUGHOUT
OUR PEOPLE**



**IMPLEMENTING
ADDITIONAL
PROCESSES
USING OUR DATA
SCIENCE TEAM**



**ENHANCING ID
VALIDATION ON
HIGHEST RISK
POLICIES**



**INTRODUCING
MORE
STRINGENT
DOCUMENT
VALIDATION**



**CREATING
STAND-ALONG
ANALYTICS
CAPABILITIES
TO IMPROVE OUR
MONITORING
AND CONTROLS**

THE IMPACT

- Our Customer Trust score for 2022 was 93% with the **strongest results being in empathy, knowledge and the clarity of our communications.**
- Improved communications with our customers, resulting in **reduced repeat contacts.**
- Over 250 members of staff across 16 business areas have been provided **in-depth training** around Financial Distress and Threat to Life scenarios.
- Our **vulnerable policy is prominent within our induction training** and shared with all third parties, suppliers and brokers to ensure best practice.
- Introduced vulnerability as a **critical element of our audits** on all third parties.
- We **track instances of vulnerability** across all parts of the business using the four FCA drivers.
- We're signatories to the ICS Service with Respect campaign – training and supporting our people to **protect them against unacceptable abuse.** Over 900 people have completed this training.
- We hold **three simultaneous ServiceMark accreditations with Distinction** – the only company to have ever done so.



ANY QUESTIONS?