Treating Customers Fairly

Assessing your TCF readiness

How to use the FSB's self-assessment tool:

August 2012

In the Treating Customers Fairly Roadmap, published on 31 March 2011, the Financial services Board (FSB) undertook to develop a TCF self-assessment tool, which FSB regulated firms can use to gauge their success levels in achieving the TCF fairness outcomes and culture framework requirements. The self-assessment tool is available on the FSB's website www.fsb.co.za.

This document provides background information on the purpose of the tool and guidance to firms on the recommended use of the tool.

We strongly recommend that firms read this document before using the TCF self-assessment tool.

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1. BACKGROUND AND PURPOSE

1.1 The TCF Roadmap and the self-assessment pilot exercise

In the Treating Customers Fairly Roadmap, published on 31 March 2011, the FSB undertook to provide a TCF self-assessment tool as part of an ongoing regulatory process to ensure that the six TCF fairness outcomes are clearly articulated and understood by regulated firms. The self-assessment may be used by regulated firms to gauge their success levels in achieving the TCF fairness outcomes and culture framework requirements.

A draft version of the tool was prepared and piloted with a range of financial services firms, during the period July to November 2011. A detailed feedback report to the financial services industry on the pilot exercise and key TCF learnings and observations drawn from the pilot participants' responses, was published in December 2011.[1]

Participants in the pilot exercise provided extensive and useful feedback to the FSB on the structure, scope and usefulness of the pilot version of the self-assessment tool. This feedback was taken into account in refining the self-assessment tool, which has been published on the FSB's website www.fsb.co.za.

1.2 The purpose of the self-assessment tool

The FSB's purpose in developing a self-assessment tool is twofold:

- To provide firms with insight as to how ready they are to demonstrate to the FSB and other stakeholders, through management behaviours and monitoring, that they are consistently treating customers fairly; and
- To provide a high level indication to firms of the kinds of factors the FSB may in future take into account in monitoring and assessing TCF delivery.[2]

However, it is essential that firms also consider the **limitations** of the FSB tool as set out in Chapter 4 of this document.

[1] Self-assessment Pilot Feedback Report: December 2011 - available on the FSB's website www.fsb.co.za.

[2] This does not mean that the FSB will in any way limit its future evaluation or supervision of firms' TCF delivery to items included in the self-assessment tool. As explained in Chapter 4 of this document, the self-assessment tool must not be seen as a "template" or "checklist" to guarantee full compliance with TCF accountabilities.

1.3 Is use of the FSB self-assessment tool compulsory?

The FSB expects all regulated forms to develop suitable measures, management information, governance and control mechanisms that will enable them to monitor and self-assess their TCF delivery, and to report on their TCF successes and risks to the FSB as and when required. For these mechanisms to be meaningful and effective, it is essential that they be appropriate to the particular firm's strategies, business model and customer base. A standardised FSB-developed self-assessment tool is unlikely, on its own, to meet this expectation.

It is therefore **not compulsory** for FSB regulated firms to use the FSB self-assessment tool as part of their ongoing TCF monitoring and self-assessment processes.[3]

Instead, the FSB recommends that, in developing their own TCF controls, regulated firms should use the self-assessment tool as guide. We suggest that firms review the management actions and business processes described in the self-assessment tool and critically assess their potential relevance and usefulness for the firm. Clearly, not all of the actions and processes contemplated in the self-assessment tool will be relevant for all firms or, even where they may be relevant, firms may prefer to adopt alternative controls that they believe are better suited to their business operations and their customers. The FSB does however recommend that, where firms conclude that an action or process is not suitable to their business, they have a considered basis for this decision and / or have alternative effective controls in place in regard to the TCF outcome concerned.

2. FEATURES AND OPERATION

The self-assessment tool, which is built as a Microsoft Excel[4] workbook, consists of a series of spreadsheets – one for each of the six TCF outcomes - together with instruction sheets and a summary page which provides a high level graphic summary of progress in completing the spreadsheets, TCF readiness scores per TCF outcome and an overall TCF readiness score.

Technical completion instructions are included in the Excel workbook itself, but the following general and outcome-specific features should be borne in mind when using the self-assessment tool:

[3] Note however that firms identified to participate in the TCF baseline study described in Chapter 5 may be required to complete and submit the self-assessment tool workbook to the FSB as part of that exercise.
[4] Users of the tool will need a very basic knowledge of Excel and access to version 2007 and 2010.

2.1 Selecting the firm's category

The workbook will ask you to indicate which of three categories your firm falls under:

- Category A: FAIS Category I Financial Services Provider (FSP)
- Category B: Binder holder; Retirement fund benefit administrator[5]; or FAIS Category IV FSP
- Category C: Insurer; Bank; CIS management company; Retirement fund (i.e. board of trustees); FAIS Category II, IIA, or III FSP; or any other entity not falling under categories A or B.

This is necessary because the questions in some of the spreadsheets differ slightly depending on which category you select. The self-assessment tool has not been customised for all types of regulated firms[6] but – based on feedback from the pilot exercise – some differentiation has been catered for, mainly to deal with key differences between product suppliers, financial advisers and some types of administrators. Questions which have different versions for different categories of firms are highlighted in a grey shade in the spreadsheets.

If your firm falls under **more than one category** (for example where multiple FSB licenses are held), either –

- Select the category that you regard as the main focus of your business; or
- Complete the self-assessment tool more than once (i.e. separately for each relevant category), to compare your TCF readiness in different capacities.

2.2 The "0 to 4" rating scale

The spreadsheets require you to insert a rating – on a scale of 0 to 4 - for each of a number of listed management actions and business processes. The rating methodology is aimed at assessing the extent to which you apply the action or process concerned in your business, and is structured as follows:

- **Rating of 0:** "*This action or process is not applicable to our business.*"

  This rating should only be used where the action would not be relevant to your business model *at all*. An example would be where a direct insurer, whose business model is to offer policies on a no-advice "execution only" basis, is asked a question regarding what product training it provides to financial advisers who give advice on its products. Another example would be where a financial adviser (category 1 FAIS FSP) who operates as a sole proprietor is asked questions about the TCF involvement of the firm's board. The "0" or "not applicable" rating should not be used where an action or process *could* be relevant to your business, but you have decided that you do not wish to apply it – for example because you believe you have adequate alternative controls in place or you do

[5] As per s13B of the Pension Funds Act,1956
[6] This would not have been practical and would undermine the expectation that firms should develop their own business-appropriate TCF controls.

not believe it is necessary (in which case you should use a rating of "1"). If you select a "0" rating, the self-assessment tool will generate a reminder that you should be able to explain, if asked, why you believe this process is not relevant or appropriate to your business. See further details below on the impact of "0" ratings on your overall TCF readiness rating.

- **Rating of 1:** *"No, we do not apply this action or process in our business."*

  This rating should be used where the action or process could be relevant to your business, but you do not apply it. This could be the case, for example, where you intend to apply it in the future but have not yet implemented it, or where you have decided that you do not wish to apply it – for example because you believe you have adequate alternative controls in place or you do not believe it is necessary. If you select a "1" rating, the self-assessment tool will generate a reminder that you should review how you are mitigating the TCF risks associated with this outcome.

- **Rating of 2:** *"We do apply this action or process in our business, but only on an informal or implicit basis."*

  This could be the case, for example, where you intend to apply the action or process in a more structured way in future but have not yet reached that stage of TCF implementation, or where you believe that the extent to which you apply the action or process is adequate for your TCF delivery purposes. If you select a "2" rating, the self-assessment tool will generate a reminder that absence of structured processes and controls could compromise your ability to demonstrate TCF delivery.

- **Rating of 3:** *"We apply this action or process consistently within our business, but we do not have thorough controls and / or management information to monitor it on an ongoing basis."*
  Again, you could select this rating where you are still in the process of enhancing your TCF controls, or if you believe your current controls are adequate. If you select a "3" rating, the self-assessment tool will generate a reminder that your progress regarding TCF delivery should be demonstrated through controls and management information.

- **Rating of 4:** *"Yes, this action or process is fully embedded in our business and we have thorough, explicit controls and / or management information to monitor it on an ongoing basis."*

  If you select a "4" rating, the self-assessment tool will generate a reminder that you should be able, if asked, to provide examples of the consistent controls or management information concerned.

2.3 Impact of "0" (not applicable) ratings on your TCF readiness scores

If you select a rating of "0" or "not applicable" for any management action or business process, the self-assessment tool is designed to disregard this item in the calculation of both your TCF readiness score for the outcome concerned and your overall TCF readiness score. For example: Where a particular outcome lists 15 possible actions or processes, the tool will indicate that your maximum readiness score for that outcome is 60 (15 multiplied by the maximum rating of 4). However, if you have indicated that, say, 3 of the items are not applicable to your firm by rating them as "0", then your maximum score for that outcome will be shown as 48 (the 12 remaining items multiplied by the maximum rating of 4). Your score for that outcome will therefore out of 48, not 60. The reduced maximum scores will also be carried through to your total TCF readiness score on the same basis.

This feature was included in the self-assessment tool to provide flexibility for different types of business models, and to ensure that firms would not be "penalised" for not applying actions or processes that are not relevant to their operations. However, this also means that you should consider carefully whether the item concerned is really not applicable to your business. Inappropriate use of the "0" rating could create a skewed picture of your TCF readiness.

2.4 Double weighting of TCF Outcome 1

The self-assessment scoring system attaches twice as much weight to your ratings of items in Outcome 1 as it does to the ratings of items under the other five TCF Outcomes. In other words, if you give yourself low ratings for the actions and practices listed under Outcome 1, this will reduce your overall TCF readiness score to a greater degree than if you had given yourself the same ratings for any of the other TCF outcomes. Conversely, high ratings for items under Outcome 1 will boost your overall TCF readiness score to a greater degree than high ratings for the other outcomes.

This feature was included to highlight the particular importance the FSB intends to attach to TCF Outcome 1 – namely that *customers are confident that they are dealing with firms where the fair treatment of customers is central to the firm culture.* It is hoped that the weighting assigned to Outcome 1 will reinforce the message that embedding a TCF culture at all relevant levels of a firm's operations requires appropriate leadership, strategic, governance and reward structures, over and above a focus on the somewhat more operational actions or processes listed under the remaining outcomes.

2.5 Additional risk management and TCF improvement questions

For Outcome 2 to Outcome 6, firms are asked to respond to two additional statements, which are intended to provide a check on their self-assessed readiness scores. The additional questions emphasize that the self-aseessment is not merely a box-ticking exercise, and success in delivering TCF outcomes depends on active assessment and management of risks by firms, together with on-going monitoring of customer experience in terms of the TCF outcomes.

The two additional questions are:

We have identified specific risks in the business that could impact on our ability to deliver this TCF Outcome, and we are actively managing these risks as part of our risk management framework

We are able to provide concrete examples, supported by management information, of improvement in the extent to which we are delivering this TCF Outcome to our customers

The responses to these additional are limited to "Yes" or "No", and are evaluated in terms of the score for the respective outcome. Where a positive response is undermined by a low overall score for the outcome, a message will indicate this. Only where a positive response is supported by a high enough score (typically 75% of the total) will it result in a reminder that recent risk or management reports are a necessary. In cases where the positive reponse is not supported by a high-enough score, a warning message is displayed.

2.6 The TCF readiness summary report

Once you have completed all outcome assessments, refer to the summary report that is produced on a separate work sheet. The summary report will provide a brief compilation of the scores, as well as a summary graph. The results will provide an overall assessment for firm management and can provide the basis for more in-depth analysis of weaknesses.

Retaining successive summary reports will help provide an overview of improvements in TCF delivery over time.

The summary report provides a table showing the:

- maximum possible score per outcome (or in the case of Outcome 1, per section);
- completion rate,
- number of "not applicable" responses (as a % of the total);
- actual score (based on the ratings);
- score expressed as a %
- average rating for the section or outcome.

The summary figure expresses the results of the self-asessment as a bar chart indicating the average readiness and lack of readiness as a per cent of the total - for each of the six outcomes.

3. INTERPRETATION

3.1 Terminology

References to "TCF"

References to "TCF" objectives, commitments, deliverables, risks and monitoring do not mean that the processes or actions concerned can only be regarded as being in place in your business if they are labelled or branded under the name "TCF". Provided your customer treatment objectives and processes are in fact designed to deliver and monitor the TCF outcomes, it does not matter whether or not you actually use the term "Treating Customers Fairly" or "TCF" in describing or communicating them.

"Customer"

For purposes of TCF, the term "customer" always refers to the actual end user of the financial product or service concerned, which may or may not be a natural person.

Where institutional investors such as pension funds or insurers invest in a financial product for purposes of backing their liabilities to provide products to their own members or policyholders, then the "customers" for TCF purposes will be those members or policyholders.

Where there are various intermediate entities in the overall product or service value chain, the term "customer" therefore does not refer to those intermediate entities – regardless of whether you may regard those entities as your "customers" for business purposes. For example: If you are a retirement fund administrator you may see the retirement fund/s concerned as your customer, but for purposes of the TCF self-assessment, the customers would be the members of the funds you administer. If you are a reinsurer, the customer for TCF purposes is not the primary insurer whose policies you reinsure, but the end policyholders of the primary insurer. If you are a binder holder, the customer for TCF purposes is not the insurer whose policies you administer, or the brokers who advise on those products, but the end policyholders. If you are a Category II, IIA or III FSP, or a CIS management company, and your schemes, portfolios or platform services are "wrapped" by pension funds and / or insurers to provide policies or pension fund benefits, the customer for TCF purposes will again be the end fund member or policyholder.

Financial advisers or other intermediaries who market or distribute financial products or services to end customers, are not "customers" for TCF purposes.

Where relevant, the term "customer" also includes beneficiaries or dependants.

"Firm"

The term "firm" is broadly used to include any regulated financial institution or entity. It includes pension funds (as represented by their boards of trustees); pension fund administrators; all types of FAIS regulated FSP's (including sole proprietors); FAIS juristic representatives; trustees, nominees, custodians; and entities that carry out regulated financial services activities but are not structured as companies but as trusts, partnerships, etc.

"Product" and "Product supplier"

References to financial "products" should be broadly interpreted and will, wherever appropriate, include financial "services". Where a financial product comprises other, underlying products, the term "product" may - depending on the context – include the overall offering and / or its underlying components.

For purposes of the TCF self-assessment, "product" includes retirement fund benefits; the "bulking" services of Category III administrative FSP's; CIS schemes; the administrative services provided by binder holders, Category IV FSP's and retirement fund administrators; investment portfolios managed by Category II or IIA discretionary FSP's; as well as so-called "white labelled" or "third party" investment offerings.

References to "product supplier" should also be interpreted on the basis outlined above, where applicable.

Also see the discussion in 3.2 below regarding how the references to "bundled and add-on" products should be interpreted for purposes of Outcome 2.

"Board"

Where the legal structure of the firm is such that it does not have a board of directors as contemplated in company legislation, "board" should be read to refer to the equivalent most senior leadership and governance structure of the organisation.

Where a firm's organisational structure includes more than one board or equivalent structure – for example in the case of a financial services group with various legal entities or divisions carrying out regulated financial services activities – the self-assessment questions referring to the "board" should ideally be answered with reference to the most senior board or equivalent structure in the organisational hierarchy. This is because, for TCF to be fully embedded in an organisation, the leadership ultimately responsible for a firm's strategic direction and governance needs to take accountability for fair customer treatment throughout all levels of the organisation.

"Management information" or "MI"

Management information as contemplated in the self-assessment can take many forms and should not be too narrowly interpreted to apply to statistical or numeric data only. It could, among other things, consist of management reports, measurement results, data extracts, survey results, "dashboards", "scorecards", self-assessments, risk reports, case studies, survey results, internal or external focus groups, research findings, analyses of social or other media coverage, staff and management performance information, etc.

In considering whether the MI you have in place is useful for TCF purposes, you should consider whether it provides meaningful insight into whether and how effectively one or more TCF <u>outcomes</u> is being achieved, rather than simply measuring volumes, processes, efficiency or productivity dimensions. These types of MI may need to be analysed in a different way (through a TCF "lens") or in different combinations, to be useful as TCF indicators.

3.2 Scope of questions for specific TCF Outcomes

Outcome 1

Where your business is not structured in such a way that it has a hierarchical management structure with a "board" and "senior management" – for example where it is a small business structured as a partnership or sole proprietorship with a small staff complement – you should try to answer the questions as best you can with reference to the leadership structure you do have in place. Use a "0" / "not applicable" rating only where the item really has no relevance to the way you operate.

The explanation in 3.1 above regarding how to interpret references to the term "TCF" is particularly relevant to Outcome 1. Also bear in mind the explanations of the term "board" in 3.1 above.

Outcome 2

Some of the questions for this outcome, which are highlighted in light grey, will differ depending on whether you are a financial adviser (Category I FSP), a binder holder or administrator, or a product supplier. However, all other questions apply equally to *all types of financial firms*. It is important to note that, although the Outcome 2 questions relate mainly to financial products, it is not only product suppliers / manufacturers who are responsible for ensuring that products are appropriately targeted to identified customer groups. The questions therefore aim to assess the TCF readiness of all types of firms - including intermediaries, administrators and "wholesale" entities such as Category II and III FSP's – to support delivery of this outcome.

For example, some questions refer to "product approval or product selection" processes. If you are a product supplier / manufacturer, this would refer to the approval process you use when designing a product. If you are a financial adviser (Category I FSP), this will refer to the process you use to decide whether or not distribute or market a particular product.

Also bear in mind the explanation of the term "product" in 2.1 above.

Some Outcome 2 questions refer to <u>bundled or "add-on"</u> products and services. This refers to products or services that are structured and / or marketed together with a core or basic financial product. The bundled or add-on product <u>may or may not be a financial product</u>.

"Bundled" products are products or services that form part and parcel of a combined offering, where the core product either cannot be purchased without the additional feature, or where the additional feature is included in the offering by default unless or until the customer confirms that they do not want, or no longer want, the additional feature. "Add-on" products or services refer to products or services which are offered to customer as optional additions or enhancements to the basic product. The distinction between the two is not always clear-cut, but that does not really matter – in either case, it is expected that the firm concerned will ensure that the offering in its entirety, and not only the core offering, will deliver the TCF fairness outcomes.

Outcome 3

The references to "product information" under Outcome 3 should be broadly interpreted. It does not only refer to material that contains technical product descriptions, but includes any and all information (regardless of communication medium) that is provided or made available to a customer that the customer could reasonably be expected to take into account in making a decision in regard to a product or service or in understanding the features or operation of a product or service. "Product information" therefore includes, but is not limited to, advertising, promotional, marketing, illustrative, contractual or servicing information.

It is also important to note that "product information" does not only refer to information produced by the product supplier / manufacturer concerned. Also, it is not only the entity that produces the information that is responsible to ensure that the information is clear and appropriate. Any firm that uses that information and passes it on to customers should also consider this TCF outcome. This is why the actions listed under Outcome 3 apply whether the information is produced by the firm concerned or not.

Outcome 4

The questions for Outcome 4 differ depending on whether you are a financial adviser (Category I FSP) or another type of firm. In both cases, the questions are designed to assess whether the firm has processes in place that will ensure TCF delivery, over and above operational compliance processes. Both sets of questions therefore include a focus on the relationships between advisers and product suppliers / other entities and their *shared responsibility* to ensure delivery of the TCF fairness outcomes to their shared customers.

Outcome 5

When assessing Outcome 5, references to "performance expectations" do not only refer to investment performance expectations. Any situation where a product or service could fail to deliver the benefits that the customer was led to expect is covered by the outcome. Examples include - but are not limited to - unexpected insurance cover exclusions or excesses, unexpected charges or termination penalties, or a failure to deliver on expected service standards.

The last sub-section of this outcome consists of questions relating to the relationship between the firm being assessed and other third party firms that form part of the overall value chain in providing products or services to end customers. Note that these questions *do not* relate to the matters dealt with in Outcome 4 – namely the relationship between a firm and a financial adviser (Category I FSP) providing advice on its products or vice versa - but to the various inter-relationships between product suppliers, Category II, IIA or III FSPs, binder holders, reinsurers, administrators or other outsourced service providers. The questions are designed to test the TCF readiness of firms forming part of relatively complex value chains.

This would include the TCF responsibilities of *firms who do not have a direct relationship with the end customer*, but whose actions may nevertheless have an impact on the end customer's experience – such as administrative or discretionary FSP's; collective investment scheme management companies (non-retail offerings); retirement fund administrators; or reinsurers.

These questions would also consider the TCF responsibilities of firms who do have a direct relationship with the end customer, but who *rely on third parties to deliver a part of the customer value proposition* – for example long-term insurers who use discretionary or administrative FSP's to manage investments underlying their policies; CIS management companies whose portfolios are offered to end customers through administrative FSP's and /

or insurers; retirement funds who rely on retirement fund administrators to communicate with members; insurers who outsource functions to binder holders; or firms who make products available as part of bundled offerings with other financial products (for e.g. credit insurance offerings, "bancassurance" products, etc.).

Outcome 6

A number of the items under Outcome 6 deal with the "servicing aspects" of financial products. This does not mean however that the questions only apply to the product suppliers concerned. The questions apply to all types of firms, including financial advisers, and are designed to assess the extent to which the various types of firms take responsibility for their contribution to delivery of this TCF outcome.

A number of questions refer to "claims or disbursement" handling. These questions therefore do not apply only to risk based insurance claims (short-term insurance claims and long-term death, disability or illness claims), but to all forms of benefit realisation. In other words "disbursements" include any pay-out (in whole or part) of an investment product, payment of retirement benefits, annuity payments, etc.

Note however that there are two questions under this Outcome that are highlighted as being relevant to risk based insurance claims only. These questions also differ slightly for intermediaries and product suppliers (in this case, insurers). Firms that are not involved in risk insurance should rate these two questions as "0" / "Not applicable".

4. LIMITATIONS OF THE SELF-ASSESSMENT TOOL

It is important for firms to appreciate, as the FSB does, that although this self-assessment tool will hopefully serve a useful purpose in aiding TCF implementation and understanding, it cannot serve as a definitive "template" to guarantee full compliance with TCF accountability. Firms using the tool are reminded of the following limitations, as set out in the TCF Roadmap:

- As explained above, the self-assessment tool has not been customised for different types of regulated firms and only caters for limited variations between product suppliers, financial advisers and some types of administrators. Other than that, it has been prepared on a "one size fits all" basis, for use by all regulated firms. As such, it cannot and will not take into account a firm's specific strategies, customer base, business model, operational structure and unique conduct risks. To ensure accurate and comprehensive TCF self-assessment, firms should therefore develop their own self-assessment methods, using the FSB's assessment as guidance where appropriate.
- Firms must take care not to regard the questions asked in the assessment as an exhaustive "checklist" of the areas the FSB will focus on in monitoring and assessing TCF delivery. The revised supervisory and enforcement approaches outlined in the Roadmap will mean that the FSB will require detailed TCF reporting information from firms and focus more intensively on firm-specific conduct risks. The FSB does not intend

to limit its supervision of firms to items included in the assessment. What is most important is that each firm can provide a narrative of how TCF objectives are embedded within the firm, and be able demonstrate this through firm-specific evidence of achievement of the TCF outcomes.

- Firms themselves administer the TCF readiness assessment. There is a risk that firms will provide subjective responses to the questions, and be lulled into a false sense of security regarding the assessment results. It is essential to bear in mind that before a firm (or the regulator) can place any reliance on the assessment, every response provided must be capable of being substantiated by measurable MI or other objective supporting evidence.
- Achievement of TCF outcomes cannot be reduced to a mathematical exercise. To the extent that the self-assessment tool provides a "scoring" methodology, this is only for purposes of allowing firms[7] to use it as a benchmark or baseline against which future TCF delivery improvement (or deterioration) can be measured and responded to. A high numeric score should not be regarded as an absolute measure of TCF success. Delivering TCF outcomes will require ongoing effort and cannot be seen as a once-off event that can be "ticked off" as completed.

5. TCF BASELINE STUDY

This self-assessment tool is intended to provide guidance to firms on how TCF outcomes may be defined. It also provides information on possible ways of measuring TCF and feedback to firms on their outcomes. While providing guidance and feedback to firms is an important regulatory goal, so too is the ability to assess whether the TCF initiative has been successful in delivering its desired outcomes.

While achievement of TCF outcomes cannot be reduced to a mathematical exercise, the FSB believes that it would be useful to take an initial snapshot of how current customer treatment practices measure up against the six fairness outcomes. This snapshot can then be used as a benchmark – albeit approximate – against which to assess future progress in delivering TCF outcomes.

The TCF self-assessment tool has now been published for industry use and guidance, and the next phase - the baseline exercise, will now commence.

The baseline exercise will entail the completion of the self-assessment tool questionnaire by a broad sample of identified regulated firms across the spectrum. Selected firms will be required to submit their completed self-assessment worksheets to the FSB for collation and aggregation. The TCF team will subsequently undertake interviews with some of the sample firms to verify and clarify certain matters. The aggregated results of the baseline exercise will be made publically available.

The list of selected firms will be finalised shortly and the details of the process, including the required submission date, will be published in due course.

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[7] Or the regulator, where applicable – see Chapter 5 below.