

Media release:

**FINANCIAL SERVICES INDUSTRY ESTABLISHES HUMAN CAPITAL DEVELOPMENT
STEERING COMMITTEE TO BOOST PROFESSIONALISM**

22 October 2012: In order to oversee and drive the professional standards of the South African short-term insurance industry, a number of industry associations have joined forces to form the Short Term Insurance Human Capital Development Steering Committee.

Associations included in the committee include the Financial Intermediaries Association of Southern Africa (FIA), the South African Insurance Association (SAIA), the Insurance Institute of South Africa (IISA), the Insurance Sector Education and Training Authority (INSETA), Munich Reinsurance, Etana and the Financial Services Board (FSB).

According to David Harpur, Chairman of the Steering Committee and CEO of IISA, human capital is crucial to the short-term insurance industry and has been identified as one of the top 10 Environmental, Social and Governance (ESG) risks facing the industry over the next 10 to 15 years. "The nature of the short-term insurance industry relies on our ability to proactively respond to an ever changing risk landscape for which we provide insurance cover. Our core capability to provide risk management expertise and customer satisfaction within the broking, underwriting, claims, reinsurance and supply chain environments is driven by the professional standards the industry practices."

Harpur says professional standards refer to excellence, training and development within brokers, insurers, underwriters, reinsurers and suppliers to the insurance claims process and should ultimately lead to important improvements in the market practices for the sector and society. "In addition to these core areas of the industry, transformation within the sector (in terms of race, background, disability, and gender) must be visibly evident to all stakeholders within our value chain."

The short term insurance industry has a vision of promoting educational standards and skills in the sector, attracting the youth to an insurance career while also ensuring transformation within the sector, says Harpur. "Therefore, the purpose of the Human Capital Development Steering Committee is to not only to oversee and drive the professional standards of the industry but to analyse and align the curriculum offered against critical and scarce skills in the industry and to establish credible statistics on the state of the human capital skills within our industry."

David Harpur, CEO of IISA, will chair the committee supported by SAIA as the secretariat. Two working groups have been established, namely Research and Qualifications, both of which will be chaired by Charmaine Koch of IISA.

The committee has identified the following issues as the most urgent to be addressed:

- To develop a set of professional standards which all CEO's can sign as a committed indication of their intent to drive professionalism across the industry;
- To establish the facts regarding scarce and critical skills in the short-term insurance industry;
- To analyse the gaps in curriculum content against critical and scarce skills in the industry;
- To create an overarching 'new entrants methodology' to attract the youth of SA to a career in Short Term Insurance.

The committee will work on an inclusive basis with the wider industry to achieve jointly set goals that will be committed to writing and will evolve as we progress together, says Harpur. "This will be an industry initiative intended to benefit all employees and employers as we improve the professionalism of the short term market with the aim to create a vehicle that will focus on alignment of all qualifications and standards across the South African Development Countries region," concludes Harpur.

Any input regarding the committee can be sent to project manager Reginald Charles at Reginald@saia.co.za.

Human Capital Development is just one of the top 10 Environmental, Social and Governance (ESG) risks facing the industry. Debbie Donaldson, General Manager Strategy and Planning at SAIA, coordinates the Industry Sustainability Forum which embraces the industry's response to the ESG challenges. For more information on the other ESG risks that the industry is responding to please contact nosiphiwo@saia.co.za or access the SAIA website at www.saia.co.za.

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ABOUT THE FIA

The Financial Intermediaries Association of Southern Africa (FIA) represents more than 15 000 licensed financial services advisers throughout Southern Africa. The origins of the FIA date back more than 50 years, with the organisation having recently evolved into a single, united national body representing the bulk of active licensed intermediaries in South Africa's financial services industry.

The FIA's primary purpose is to represent, protect, promote and further the common interests of its members. By belonging to the FIA, intermediaries can trust that they have the support of an influential organisation with the necessary stature and legitimacy to represent them at the highest levels of the industry, including regulatory bodies and industry associations.

The FIA enjoys a large and steady national membership comprising financial services intermediaries who cover the broad spectrum of financial planning.

All members of the FIA are authorized financial services providers or representatives of such providers. In terms of the FAIS Act our members must adhere to all the requirements prescribed by the Act and its Regulations.

To find out more of the FIA visit their website at www.fia.org.za or contact the head office at 012 665 0085.