



FirstRand

COMPLAINTS MANAGEMENT FRAMEWORK

March 2022

TABLE OF CONTENTS

1 INTRODUCTION 2

2 PURPOSE 2

3 SCOPE 3

4 PUBLICATION..... 3

5 KEY PRINCIPLES OF THE COMPLAINTS HANDLING FRAMEWORK..... 3

6 RECORD KEEPING..... 5

7 ESCALATION OF COMPLAINTS 6

8 REGULATOR AND OMBUD COMPLAINTS 6

9 REFERENCES 6

10 ENGAGEMENT AND FEEDBACK 6

1 INTRODUCTION

FirstRand Limited (FirstRand or the group) is a portfolio of integrated financial services businesses operating in South Africa, certain markets in sub-Saharan Africa and the UK, offering a broad range of transactional, lending, investment and insurance products and services.

This complaints management framework (the framework) serves as a set of guiding principles for complaints resolution and management. The framework addresses key complaints handling deliverables as a measure of becoming more customer centric. It serves to adequately manage customer complaints as well as any conduct risk associated therewith, whilst meeting regulatory obligations.

2 PURPOSE

The framework and its principles are guided by global best practice in relation to complaints management and resolution standards, as well as treating customers fairly requirements, encompassing specific complaints handling standards which are noted in local legislation.

The framework provides for the following minimum standards:

- acknowledge the importance and the value of complaints as well as customer feedback and resolution;
- enhance the ability to address complaints in a consistent, prompt and fair manner, adhering to fair market conduct principles;
- provide clear guidelines to staff to assist in dealing with the handling and resolution of customer complaints;
- provide guidance to customers in instances where they wish to raise concerns about the service they have received from the group, in relation to any act performed by the group that has caused the customer harm, prejudice, distress or inconvenience, or where the customer feels that they have been treated unfairly in any way in relation to the financial product or financial service that has been offered to them by the group;
- enhance the ability to identify trends and understand and address the root causes of said trends;
- provide a basis for the ongoing review of how complaints are dealt with and resolved; and
- create a culture of service orientation, customer centricity, accountability and transparency.

The aim is to effectively embed the framework and achieve the fair treatment of complainants in a manner that:

- is proportionate to the nature, scale and complexity of the group's business and risks;
- is appropriate for the business model, financial products, financial services and financial customers of the bank;
- enables complaints to be considered after taking reasonable steps to gather and investigate all relevant and appropriate information and circumstances, with due regard for the fair treatment of complainants;
- does not impose unreasonable barriers to complainants; and
- addresses the matters set out above.

3 SCOPE

This framework applies to complaints management in respect of financial products and financial services provided by all entities across the group, except for the Aldermore Group, other UK-based operations and group entities based in Guernsey.

4 PUBLICATION

The framework will be publicly displayed on the group's website.

5 KEY PRINCIPLES OF THE COMPLAINTS HANDLING FRAMEWORK

The group adheres to the complaints handling principles outlined below.

5.1 Customer centricity

The group is committed to a customer-centric culture that values feedback received from complainants. The complainant's expectations in terms of the resolution of their complaint will always be appropriately managed. Achieving fair outcomes for the customer should always be a key driver throughout the process of complaints management and resolution. Promises made to the complainant will be upheld and complaints resolution decision-making must always take cognizance of treating customers fairly principles.

5.2 Objectivity and fairness

Complaints will be dealt with in an impartial, objective and unbiased manner. Staff within the group must always act professionally and honestly. This will ensure that the complaints handling process is fair and reasonable.

5.3 Visibility and transparency

- The group must provide clear and accurate information about its products and services to the customer and further provide effective and adequate disclosure of information to customers.
- Information about how and where to complain and what information to submit in respect of the complaint will be well publicised to customers, staff and other interested parties. Customers must be informed of the group's complaints management process and where the said process can be accessed. The group will communicate and publish the details of external regulatory bodies that customers can refer to when they are not satisfied with the resolution of a complaint, and this will include details of the various ombuds.
- Such information will be provided at the relevant stage of the customer's relationship with the group. Additionally, the group's complaint process is publicly available to the customer on the websites of individual operating businesses (e.g. FNB, RMB, WesBank, Ashburton Investments) as well as at the various points of presence.

5.4 Accessibility and plain language

- All channels for logging complaints will be easy to access, readily available and user friendly, through various channels, platforms and communication means that are appropriate and accessible to the group's target customer groups. Customers must be provided, wherever feasible, with a single point of contact for submitting complaints. The complaints process, i.e. the management and resolution of the customer

complaint, is available to the complainant free of charge. The group will continually review potential barriers that prevent customers from accessing any of its channels available for logging complaints.

- The group is committed to ensuring that all complaints-related documentation and communication with the complainant is written in plain, simple and definitive language that is easy to understand and is not misleading, and is sent to the complainant in a legible format.

5.5 Responsiveness and feedback

- Complaints will be acknowledged promptly and investigated within internally agreed timeframes from the date of receipt. Complaints must be prioritised and addressed within defined service levels, considering the risk implications of not managing a complaint appropriately. When dealing with a vulnerable customer, due cognizance must be taken of the situation or circumstances of the complainant and the appropriate assistance must be provided.
- The complainant must be adequately updated and informed of the progress of their complaint throughout the complaint's resolution process, including expected turnaround times. Where resolution takes longer than expected, the complainant must be informed of the cause of the delay and provided with interim feedback and revised timelines for resolution thereof.
- The complainant must be informed of the outcome of the complaint via the preferred means of communication of the complainant, prior to closure of the complaint.
- Complaints handling procedures must provide for an internal escalation and review process which enables the internal escalation of complex, unusual or other complaints, as deemed appropriate. All such escalated complaints must be allocated to a person of appropriate seniority.
- Complaints must be considered after taking reasonable steps to gather and investigate all relevant information and circumstances and with due regard to the principles of treating customers fairly, balanced against contractual rights, obligations and applicable internal policy positions.

Complaints that are upheld

Where a complaint is upheld, any commitment made to make a compensation payment, an *ex gratia*/goodwill payment or to take any other action will be carried out without undue delay, in accordance with timeframes agreed to with the complainant. Said payments must be updated on the complaints resolution system prior to the closure of the complaint.

Complaints that are rejected

Where a complaint is rejected, the complainant must be provided with clear and adequate reasons for the decision and must be informed of any internal applicable escalation, review or dispute resolution processes, including how to use them and any relevant time limits. If the matter cannot be resolved after internal escalation, the complainant must be provided with details of the relevant ombud or regulator if an outcome is not in the complainant's favour. Said details must be clearly communicated in all correspondence with the complainant.

5.6 Confidentiality and data privacy

All personal information and documents related to complaints lodged within the group will be kept confidential, depending on whether exceptions apply, for example, where the law requires the group to divulge such

information. Information shall be dealt with according to the principles of confidentiality and protection of personal information as per group information and data privacy policies. To maintain confidentiality in so far as it is reasonable, information and documents in relation to a complaint must strictly be limited to complainants themselves or those individuals who have the mandate/power of attorney to log a complaint on behalf of a complainant.

Information and documentation in relation to a complaint will be utilised for the purposes of:

- referring or escalating a complaint;
- managing a complaint;
- providing advice and support in the complaint resolution process;
- reviewing and deciding upon appropriate complaint mechanisms;
- managing the workplace and mitigating any risk; and
- applying the complaints management process.

5.7 Efficiency

The group's objective will always be, where possible, to resolve non-complex complaints according to the first contact resolution (FCR) principle whereby the group will, to the best of its ability, provide a solution to the complainant at the first point of contact. Complaints management and frontline staff must be adequately empowered, skilled, trained and knowledgeable for FCR to be prioritised. Where complaints management and frontline staff are not mandated to perform an FCR, the decision-making must be efficiently directed to staff who are mandated to resolve the complaint as soon as reasonably possible.

Escalations to senior management must be in place so that unresolved complaints can be expedited for resolution.

6 RECORD KEEPING

- The group must ensure the accurate, efficient and secure recording of complaints and complaints-related information.
- The group must also ensure that complaints-related information is retained for a minimum period of five years in line with the Protection of Personal Information Act (POPIA), the Financial Advisory and Intermediary Services Act (FAIS) and other applicable legislation. Said information must be destroyed, deleted and de-identified in accordance with legislative requirements and the retention rules prescribed by the system owners where complaints information is housed.

7 ESCALATION OF COMPLAINTS

The complaints escalation and review process should:

- follow a balanced approach, bearing in mind the legitimate interests of all parties involved, including the fair treatment of complainants;
- provide for internal escalation and review process for complex or unusual complaints;
- provide procedures for the appropriate allocation of complex and unusual complaints to a person of appropriate seniority and expertise within the group;
- provide for complainants, at the appropriate stage and where applicable, to escalate complaints not resolved to their satisfaction; and
- ensure that the complaint is allocated to an impartial, senior functionary within the group or appointed by the group for managing the escalation or review process.

8 REGULATOR AND OMBUD COMPLAINTS

Should a complainant not be satisfied with the outcome of a dispute handling process, the complainant can make use of the services of the Ombud for Banking Services or any other ombud or regulator's offices which might have jurisdiction over the complaint.

9 REFERENCES

The following documents were referred to in the drafting of this document:

- Financial Advisory and Intermediary Services Act: General Code of Conduct for Authorised Financial Services Providers and Representatives, 2003, as amended.
- The Conduct Standard for Banks 3 of 2020.

10 ENGAGEMENT AND FEEDBACK

Contact FirstRand Investor Relations on investor.relations@firstrand.co.za.