



COMPLAINTS MANAGEMENT POLICY

Western Group

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1. INTRODUCTION & BACKGROUND

- 1.1 Western National Insurance Company Ltd (RSA) ('WNI RSA') is a subsidiary of Western National Insurance Company Ltd (Namibia) ('WNI NAM'), which in turn is a subsidiary of Western Group Holdings Ltd ('Western'). Western is a provider of non-life insurance products within Southern Africa.
- 1.2 Western will render all authorised financial services honestly, fairly, with due skill, care and diligence, and in the interests of its policyholders and the integrity of the financial services industry.
- 1.3 This Complaints Management Policy (Policy) provides guidance regarding complaints handling and is aligned to all applicable regulations, industry codes, the Treating Customers Fairly (TCF) outcomes and the PSG Group Complaints Policy.
- 1.4 The Policy is applicable to all complaints lodged against Western by or on behalf of policyholders or prospective policyholders relating to the financial services rendered or products provided by Western (including via binder holders) to such policyholder and/or prospective policyholder.

2. OBJECTIVES OF THE POLICY

- 2.1 The purpose of this Policy is to:–
 - 2.1.1 Formalise the process for the lodging of complaints by policyholders or prospective policyholders, who are dissatisfied with the financial service or product rendered by Western (or their representatives) and to ensure that the process is accessible to all policyholders and/or prospective policyholders;
 - 2.1.2 Enable Western to effectively manage and resolve complaints in a fair and transparent manner,
 - 2.1.3 Enable Western to identify and analyse trends and/or areas of concern in the rendering of its financial services and products and thereby ensure that appropriate interventions are put into effect;

3. DEFINITIONS / GLOSSARY

| Term | Definition |
|------------------|---|
| Complaint | An expression of dissatisfaction by a person to Western or, to the knowledge of Western, to the Western's service provider relating to a policy or service provided or offered by Western which indicates or alleges, regardless of whether such an expression of dissatisfaction is submitted together with or in relation to a policyholder query, that– <ol style="list-style-type: none">a) Western or its service provider has contravened or failed to comply with an agreement, a law, a rule or a code of conduct which is binding on Western or to |

| Term | Definition |
|--|--|
| | <p>which Western subscribes; or</p> <p>b) Western or its service provider’s maladministration or negligent or willful action or failure to act, has caused the person harm, prejudice or substantial inconvenience; or</p> <p>c) Western or its service provider has treated the person unfairly,</p> <p>Complaints regarding payment disputes relating to debit orders, received directly from a bank on behalf of a policyholder, will:</p> <p>a) Be managed by the Complaints function; and</p> <p>b) Be dealt with as a non-reportable complaint.</p> |
| Complainant | <p>A person who submits a complaint to Western and includes a:</p> <p>a) policyholder or the policyholder’s successor in title;</p> <p>b) beneficiary or the beneficiary’s successor in title; or</p> <p>c) person whose life is insured under a policy;</p> <p>d) person that pays a premium in respect of a policy</p> <p>e) member of a group scheme; or</p> <p>f) potential policyholder or potential member of a group scheme whose dissatisfaction relates to the relevant application, approach, solicitation or advertising or marketing material,</p> <p>who has a direct interest in the agreement, policy or service to which the complaint relates, or a person acting on behalf of a person referred to in (a) – (f).</p> |
| Compensation payment | <p>It is a payment, whether in monetary form or in the form of a benefit or service, by or on behalf of Western to a complainant to compensate the complainant for a proven or estimated financial loss incurred as a result of Western’s contravention, non-compliance, action, failure to act, or unfair treatment forming the basis of the complaint, where Western accepts liability for having caused the loss concerned, but excludes any:</p> <p>a) goodwill payment</p> <p>b) payment contractually due to the complainant in terms of a policy; or</p> <p>c) refund of an amount paid by or on behalf of the complainant to Western where such payment was not contractually due;</p> <p>and includes any interest on late payment of any amount referred to in (b) or (c).</p> |
| Ex-gratia / Goodwill payment | <p>It is a payment, whether in monetary form or in the form of a benefit or service, by or on behalf of Western to a complainant as an expression of goodwill aimed at resolving a complaint, where Western does not accept liability for any financial loss to the complainant as a result of the matter complained about.</p> |
| Policyholder query | <p>Means a request to Western by or on behalf of a policyholder or prospective policyholder, for information regarding Western’s products, services or related processes, or to carry out a transaction or action in relation to any such product or service</p> |
| Potential or prospective policyholder | <p>Means a person who:</p> <p>a) has applied to or otherwise approached Western or an intermediary to become a policyholder of Western,</p> <p>b) has been solicited by Western or an intermediary to become a policyholder; or</p> <p>c) has received or advertising (as defined in rule 10 of the FSCA PPR) in relation to Western’s products or services.</p> |
| Rejected | <p>In relation to a complaint means that a complaint has not been upheld and Western regards the complaint as finalised after advising the complainant that it does not intend to take any further action to resolve the complaint and includes complaints regarded by Western as unjustified or invalid, or where the complainant does not accept or does not respond to Western’s proposals to resolve the complaint.</p> |
| Reportable complaint | <p>Means any complaint other than a complaint that has been –</p> <p>a) upheld immediately by the person who initially received the complaint;</p> |

| Term | Definition |
|-------------------------|--|
| | <ul style="list-style-type: none"> b) upheld within Western’s ordinary processes for handling policyholder queries in relation to the type of policy or service complained about, provided that such process does not take more than five business days to complete from the date the complaint is received; or c) submitted to or brought to the attention of Western in such a manner that Western does not have a reasonable opportunity to record such details of the complaint as may be prescribed in relation to reportable complaints. |
| Representative | Any person authorised to render financial services on behalf of Western, whether under a contract of employment or a contract of mandate. |
| Service provider | Means another person with whom Western has an arrangement in relation to the marketing, distribution, administration or provision of such products or services, regardless of whether or not such other person is the agent of Western. |
| Upheld | <p>Means that the complaint has been finalised wholly or partially in favour of the complainant and that:</p> <ul style="list-style-type: none"> a) the complainant has explicitly accepted that the matter is fully resolved; or b) it is reasonable for Western to assume that the complainant has so accepted; and all undertakings made by Western to resolve the complaint have been met or the complainant has explicitly indicated its satisfaction with any arrangements to ensure such undertakings will be met by the insurer within a time acceptable to the complainant. |

4. PRINCIPLES OF THE POLICY

4.1 The following principles will apply to all complaints dealt with in terms of this Policy:

4.1.1 All complaints will be thoroughly investigated and given due consideration.

4.1.2 All complaints are to be dealt with in a fair, transparent and objective manner with due consideration for the TCF outcomes and the complainant will during the complaints process be treated with dignity and respect.

4.1.3 Western will ensure that all its service providers:

- a) have appropriate and adequate complaints management processes in place, to manage complaints relating to services rendered by them on behalf of Western,
- b) regularly report on any complaint received relating to Western’s service and/or products; and
- c) monitor any complaints reported to Western and referred to any service provider for further handling.

4.1.4 Only relevant information shall be considered when dealing with a complaint. Relevant information is only that information relating directly to the rendering of the financial service and which is founded on fact and can be empirically verified.

4.1.5 All complaints will be dealt with promptly and with due consideration for the circumstances of the complainant and the Western/Representative staff member involved.

Complaints of a serious or non-routine nature will be escalated as per the internal escalation policy.

4.1.6 The complainant will be kept up to date regularly with the progress of the complaint and will receive written notification of the outcome of the complaint, including clear and adequate reasons for any decision taken by Western.

- 4.1.7 If the complaint is upheld, any action undertaken by Western must be carried out without delay and/or within agreed timeframes.
- 4.1.8 The complainant will be informed of his right to pursue his complaint with any relevant industry body or Ombudsman and will receive the appropriate assistance in pursuing his complaint.
- 4.1.9 All complaints will be treated confidentially if required by the complainant or if the nature of the complaint justifies confidential treatment.
- 4.1.10 Western will continuously track complaint trends and will take appropriate action to eliminate any identified shortcomings in its service to prevent a recurrence of any complaint.
- 4.1.11 In order to ensure objectivity and impartiality, no individual of the complaint's department will receive any reward (financially or otherwise) which is linked to the outcome of any complaint.

5. INTERNAL COMPLAINTS HANDLING PROCESS

5.1 How to lodge a complaint

- 5.1.1 All complaints must be submitted in writing to the relevant department. If it is impossible for the policyholder to submit the complaint in writing, full details of the complaint must be verbally relayed to the relevant department who will reduce the complaint to writing.
- 5.1.2 The complaint must provide details of the financial service and/or financial product of which the complainant is complaining and must contain sufficient detail to enable Western to identify the staff member and/or representative involved, the reference number of the policy and/or the claim number. All supporting documentation must accompany the complaint.
- 5.1.3 The complaint must identify and explain the reason for the complainant's dissatisfaction and how the complainant wants the complaint resolved.

5.2 Where to submit a complaint

- 5.2.1 Complaints can be emailed to complaints@westnat.com
- 5.2.2 Complaints can also be posted, or hand delivered at the following address:

Western National Insurance Company Limited
Attention: The Legal and Compliance Manager
5th Floor, The Edge, 3 Howick Close
Tygerfalls Office and Residential Park
Bellville, Cape Town 7530

5.3 Internal Complaints Handling Procedure

- 5.3.1 A Western representative will immediately record the complaint on the Complaints Register.
- 5.3.2 Western will acknowledge receipt of the complaint within 5 working days.

- 5.3.3 Western will resolve the complaint within 15 working days, provided that Western has all the required information.
- 5.3.4 Western will provide the Complainant with feedback at least every 10 working days.
- 5.3.5 All complaints which are considered to be non-routine serious complaints and/or that may have reputational or other similar repercussions for Western, will be escalated to senior management.
- 5.3.6 Any complaint via any social media platform must immediately be referred to the Legal and Compliance Manager who will either advise on an appropriate response or will provide an official acknowledgment of the complaint that requests the complainant to submit the complaint via the formal complaints process in order that it may be given due consideration.

5.4 Rejection of Claims

- 5.4.1 If the complaint relates to the repudiation of a claim, Western will:
 - a) Provide reasons for the decision in writing;
 - b) Inform the Complainant of all escalation options available;
 - c) Inform the Complainant of the applicable time limitation provisions for the institution of legal action and the implication thereof; and
 - d) Provide the Complainant, upon request, with copies of all available documents and information from third parties which influenced the decision, provided that such documents and information are not subject to legal privilege.

5.5 Notification to Client

- 5.5.1 Once a decision has been made with regards to outcome of the complaint, the responsible person must reduce the decision to writing and said response must be sent to the complainant.
- 5.5.2 The response must explain the decision/finding regarding the complaint, it must record the reasons for the decision and the complainant must be informed of his/her right to refer the complaint to the relevant industry body or Ombudsman (whose contact details must be provided in the response).

5.6 Finalisation

- 5.6.1 If the complaint has been resolved in favour of the complainant, the appropriate redress must be implemented without delay.
- 5.6.2 If the complaint cannot be resolved and/or cannot be resolved within the time allowed for resolution of the complaint and/or has not been resolved to the satisfaction of the complainant, the complainant must be informed of his/her right to refer the matter to the relevant industry body or Ombudsman within 6 months from date of the outcome of the internal complaints resolution process.
- 5.6.3 Once the complainant has been informed of the outcome of the complaint, the responsible person

will record the details of the decision in the Complaints Register and will retain a copy of the response in electronic format.

5.6.4 The responsible person will ensure that the complainant has received the response and will, where appropriate, obtain an acknowledgement of receipt.

5.7 Details of the Ombudsman (RSA only)

5.7.1 The Complainant may at any time approach the National Financial Ombud Scheme of South Africa

Website: www.nfosa.co.za
Email: info@nfosa.co.za
Tel: 0860 800 900

Cape Town: 6th Floor, Claremont Central Building, 6 Vineyard Road, Claremont, Cape Town 7700
Physical address: 110 Oxford Road, Houghton Estate Johannesburg 2198

5.8 Reporting

5.8.1 The Legal and Compliance Manager will provide a bi-monthly report to Western's Market Conduct Forum on complaints, including comments on trends identified and/or recommendations on mitigating actions.

5.8.2 The Legal and Compliance Manager will provide a quarterly report to Western's Risk Committee on complaints, including comments trends identified and/or recommendations on mitigating actions.

5.8.3 Such reports shall include a summary of the following information –

- a) Number of complaints received and pending (including reference to TCF categorisation);
- b) Number of complaints upheld in favour of complainant including details of the nature of such complaints and consequences of the outcome thereof;
- c) Number of complaints rejected including details of the nature of such complaints and consequences of the outcome thereof;
- d) Number and nature of complaints referred to the Ombud.

5.8.4 Any complaint of a serious nature or any complaint that may have a reputational implication for Western will immediately be escalated to Senior Management.

5.8.5 Any concerns/trends/recommendations etc. raised in respect of complaints at Western's Risk Committee meetings should be escalated to the Executive Committee and discussions on such matters at the Executive Committee meetings must be recorded in the minutes of such meetings.

5.9 Record Keeping and Monitoring

5.9.1 The details of all complaints will be recorded in the Complaints Register.

5.9.2 The Register will record as a minimum the following information –

- a) the identity of the complainant;
- b) the nature of the complaint;
- c) the staff member managing the complaint;
- d) the reference number of the policy / claim;
- e) the type of policy involved;
- f) classification according to TCF categorisation;
- g) the date that the complaint was received;
- h) who the complaint was allocated to;
- i) the outcome of the complaint; and
- j) the date that the complainant was informed of the outcome.

5.9.3 All complaints will be categorised in accordance with the following minimum categories:

- a) Complaints relating to the design of a policy or related service;
- b) Complaints relating to information provided to policyholders;
- c) Complaints relating to advice;
- d) Complaints relating to policy performance;
- e) Complaints relating to service to policyholders;
- f) Complaints relating to policy accessibility, changes or switches;
- g) Complaints relating to complaints handling;
- h) Complaints relating to insurance risk claims; and
- i) Other complaints

5.9.4 The Legal and Compliance Manager is the custodian of the Internal Complaints Register.

5.9.5 All complaints records will be retained for a minimum of 5 years from date of resolution of the complaint.

5.9.6 The information contained in the Complaints Register will be monitored by the Legal and Compliance Manager on an ongoing basis to identify any trends and/or areas of concern and to ensure that appropriate mitigating actions are put in place at the earliest possible opportunity.

5.9.7 Any trends or matters of concern will be raised at Western's Risk Committee meeting for escalation to the Executive Committee along with any recommendations to mitigate the trend in question where appropriate/possible.

5.9.8 Complaints analysis should be used to –

- a) Identify common/recurring root causes of complaints;
- b) Identify failings in control systems;
- c) Detect and correct/mitigate poor staff or service provider performance, lack of skills or misconduct; and
- d) Track implementation of TCF outcomes.

5.10 Training and Awareness

5.10.1 Western will create awareness and understanding of the Policy by –

- a) Distributing the Policy amongst its employees;
- b) Providing adequate training regarding the Policy to all employees; and
- c) Ensuring that the Policy is accessible to all employees at any time.

5.10.2 Western undertakes to ensure that all policyholders, prospective policyholders, service providers and associates have full access to the Policy by –

- a) Uploading the Policy onto Western’s website; and
- b) Making the Policy available to any policyholder, prospective policyholder, service provider or associate on request.

6. ALLOCATION OF RESPONSIBILITIES

6.1 The board of directors of Western is responsible for effective complaints management and must approve and oversee the effectiveness of the implementation of Western’s complaints management policy.

6.2 Western will ensure that any person that is responsible for making decisions or recommendations in respect of complaints generally or a specific complaint—

- (a) is adequately trained;
- (b) have an appropriate mix of experience, knowledge and skills in complaints handling, fair treatment of customers, the subject matter of the complaints concerned and relevant legal and regulatory matters;
- (c) not be subject to a conflict of interest; and
- (d) be adequately empowered to make impartial decisions or recommendations.

7. REVIEW

7.1.1 This Policy will be reviewed in the event of any legislative changes necessitating such review or alternatively every 2 (two) years.

6.11.2 The purpose of the annual review will be to –

- a) monitor the effectiveness of the Policy and to adapt the Policy where it seems to have been ineffective;
- b) monitor internal compliance with and awareness of the Policy;
- c) refine the processes and procedures in the Policy where necessary; and
- d) ensure compliance with applicable legislation.

- END -