

# COMPLAINTS HANDLING POLICY

Policy Owner: RSA Risk and Compliance

July 2023

PRIVATE AND CONFIDENTIAL



STONEHAGE  
FLEMING

NOW AND FOR FUTURE GENERATIONS

## 1. COMPLAINTS HANDLING

|                    |                                                                                                                                                                                                                                                                                                                                                                                                                |
|--------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Rules Reference    | Sections 16 to 19 General Code of Conduct.                                                                                                                                                                                                                                                                                                                                                                     |
| Rules Summary      | Stonehage Fleming must maintain an effective complaints management framework to ensure the effective resolution of complaints and the fair treatment of complainants. Complaints information must be analysed on an ongoing basis and be used to manage conduct risks and effect improved outcomes and prevent recurrences of errors. The Board is ultimately responsible for effective complaints management. |
| Policy Application | Applies to all FAIS <sup>1</sup> -regulated Stonehage Fleming entities and employees operating in South Africa (hereafter collectively referred to as “Stonehage Fleming” or “SF”).                                                                                                                                                                                                                            |

### Principles of good complaints handling

Stonehage Fleming will endeavour to resolve complaints as soon as possible. A good approach must focus on:

- Doing the right thing
- Being open and accountable
- Acting fairly and proportionately
- Putting things right
- Seeking continuous improvement

Employees are required to listen to and understand the client's concern. By doing this we will be more effective in collecting all of the information required to conduct an appropriate investigation and determine what has caused the client to complain.

Employees must also ensure that the client is kept updated with the progress of their complaint and the steps that are being taken to resolve it. Clients should feel that client service is at the heart of everything we do, even where the right and fair outcome of their complaint is not what they were expecting. Taking these steps and acting with integrity and professionalism will help us arrive at a fair outcome for the client and get it right the first time.

### Regulatory timelines for handling complaints

There are regulatory deadlines when handling complaints, which must be adhered to:

| Subject                 | Requirements                                                                                                                                                                                                                                            | Deadline               |
|-------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|
| Receipt of a complaint  | Advise the relevant Business Head and Risk & Compliance (R&C) who will agree the appropriate action to take. The complaint must be logged on the Complaints Register.                                                                                   | 1 business day         |
| Complaints investigator | The relevant Business Head or R&C will appoint a staff member with the appropriate level of authority, competence and resources to ensure the process is adhered to in a fair, objective and transparent manner, to act as the complaints investigator. | 1 business day         |
| Acknowledgement         | Complaints investigator to provide written acknowledgement promptly. Acknowledgement must include their name and job title and outline the relevant firm's complaint handling procedure.                                                                | Within 2 business days |

<sup>1</sup> Financial Advisory and Intermediary Services Act, 37 of 2002 (as amended).



| Subject                      | Requirements                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Deadline               |
|------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|
| Categorisation of complaints | R&C must categorise the nature of the complaint on the Complaints Register.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Within 2 business days |
| Complaint investigation      | If the complaint is resolved within three (3) weeks, a summary of the complaint and resolution must be sent to the complainant confirming that Stonehage Fleming considers the complaint to be resolved. This notification must include all the relevant details of the complaint, evidence, correspondence and the decision-making process. The resolution of the complaint must be kept for record-keeping and monitoring purposes.                                                                                                                                                                                                                                                                                                                                                                                  | Within 3 weeks         |
| Holding Response             | If it appears likely that the complaint cannot be handled within 3 weeks, a <b>holding reply must be provided as is reasonable after the receipt of the complaint</b> . The holding response must explain why there is a delay and provide an estimated time when the complainant can expect a final response.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Within 3 weeks         |
| Final Response               | A final response to be provided, cleared by the Business Head and Head of R&C and (where there is a potential risk of litigation/compensation request) by the Global Head of Risk, Compliance & Law, which: <ul style="list-style-type: none"> <li>(a) Accepts the complaint; and where appropriate offers redress or remedial action; or</li> <li>(b) Offers redress or remedial action without accepting the complaint; or</li> <li>(c) Rejects the complaint and gives reasons for doing so.</li> </ul> Where the complaint qualifies as a complaint relating to regulated activities, as defined by FAIS, the final written response must inform the client that if they are dissatisfied with the response, they may refer the complaint to the Office of the FAIS Ombud, but must do so <b>within 6 months</b> . | Within 6 weeks         |

### Procedure for handling complaints

1. Stonehage Fleming is required to:
  - (a) Have procedures on the handling of complaints;
  - (b) Inform a complainant of the availability of those procedures; and
  - (c) Provide a copy or a summary of those procedures upon request.
2. All complaints must be reported, regardless of whether they involve regulated services or not.
3. Upon receipt of a complaint, inform your Business Head and R&C immediately. The Complaint Referral Form must also be completed and sent to R&C as soon as possible.
4. The relevant Business Head or R&C will appoint an appropriate complaints investigator – someone with an appropriate mix of experience and knowledge in complaints handling, the relevant regulatory rules and the subject matter of the complaint concerned and someone who is able to make impartial decisions. The investigation of the complaint may be delegated to a suitable senior person however, the complaints investigator remains the responsible person.



5. The complaints investigator must acknowledge the complaint as soon as possible and no later than 2 business days after receipt of the complaint, using the Complaint Acknowledgement Template Letter. This letter must be sent with a copy of the company's complaint handling procedure.
6. Stonehage Fleming must communicate with complainants in a transparent and accessible manner, and must ensure:
  - (a) No charges are imposed for making use of the complaints procedures;
  - (b) Communications are in plain language;
  - (c) The complainant is kept informed of the progress of their complaint, causes of any delay and revised timelines; and
  - (d) Complex or unusual complaints must be escalated internally, as appropriate.
7. The complaints investigator must objectively and promptly investigate what the complaint is about, whether it should be upheld, what remedial action should be taken (including whether any compensation or goodwill payment should be offered) within the regulatory timelines outlined in the section above.
8. A final response must be sent within 6 weeks of the initial notification of complaint.
9. If a complaint is upheld, Stonehage Fleming must make any applicable compensation or goodwill payments without undue delay and within agreed timeframes.
10. If a complaint is rejected, the complainant must be provided with clear reasons for the decision. If the complaint relates to regulated activities as defined by FAIS, the final written response must inform the client that if they are dissatisfied with the response, they may refer the complaint to the Ombud, but must do so within 6 months. The final written response must provide the contact details of the Ombud.
11. Where complaints have been referred to the Ombud, Stonehage Fleming must maintain open and honest communication and cooperate with the Ombud.
12. The complaint must be logged via the Operational Incident process and as part of this process, any compensation or goodwill payment sought will need to be approved by the Global Head of Risk, Compliance and Law.
13. R&C and the Global Head of Risk, Compliance & Law will determine whether our professional indemnity insurer needs to be notified of any claim or circumstances that may give rise to a claim.
14. All complaints which result in potential or actual litigation must be reported to the local R&C Head, and to the Global Head of Risk, Compliance & Law. Actual litigation must be logged on the Litigation Register, available on the Hub.
15. R&C will monitor all recorded complaints and escalate any that fall outside the permitted timescales.
16. An analysis of complaints, including identified risks, trends and resolution will be reported to the RSA R&C Committee and to relevant boards on a regular basis. This information will be drawn from the Complaints Register.



17. Stonehage Fleming must keep complete records of complaints including:
- (a) Details of the complainant and subject matter;
  - (b) Relevant evidence/correspondence/decisions;
  - (c) Complaint categorisation;
  - (d) Whether the complaint was dealt with in accordance with regulatory timelines;
  - (e) Total number of complaints received, and number upheld and number rejected;
  - (f) Number escalated internally;
  - (g) Number referred to the Ombud and their outcome;
  - (h) Number of compensation payments made;
  - (i) Number of goodwill payments made; and
  - (j) Number of outstanding complaints.

Such records must be kept for a minimum period of (5) five years from when the complaint is received.

18. R&C must monitor determinations, publications and guidance issued by the Ombud with the aim of preventing similar failings.

### **Categorising and recording complaints**

R&C must categorise the nature of the complaint on the Complaints Register in accordance with the following categories:

- The design of a financial product/service, including fees;
- Information provided to clients;
- Advice;
- Financial product/service performance;
- A service;
- Financial product accessibility, changes, redemptions;
- Complaints handling; or
- Other categories, considered appropriate in light of Stonehage Fleming's business.

### **Complaints escalated to the FAIS Ombud**

The Ombud will decline complaints received more than 3 years after they occurred or 3 years after the complainant became aware of such occurrence.

The following steps must be followed when a complaint has been successfully escalated to the FAIS Ombud.

1. Stonehage Fleming receives a complaint from the FAIS Ombud:
  - (a) Respond to the FAIS Ombud acknowledging receipt and confirm that a full response will be sent within 6 weeks;
  - (b) Record the date of receipt;
  - (c) Record the FAIS Ombud case manager's name.
2. Stonehage Fleming records the complainant details:
  - (a) Record the name of the complainant;
  - (b) Record the case number / FAIS Ombud reference;
  - (c) Acknowledge receipt of the complaint to client.



3. Stonehage Fleming records claim information:
  - (a) Record the claim amount/issue;
  - (b) Record the reason for the complaint;
  - (c) Gather information and documentation to submit to the FAIS Ombud.
4. Stonehage Fleming informs the personal indemnity scheme:
  - (a) R&C to inform the Global Head of Risk, Compliance & Law who will advise how to go about informing our personal indemnity insurer of the potential claim.
5. Stonehage Fleming responds to the FAIS Ombud in terms of section 27(4) of FAIS:
  - (a) Provide reasons and feedback to the FAIS Ombud of the steps Stonehage Fleming will take to rectify the situation; or
  - (b) If Stonehage Fleming is not in agreement with the facts the client has provided, submit our version of events and include documentation to support this.
6. The FAIS Ombud replies to Stonehage Fleming with a recommendation.
7. Stonehage Fleming responds to the FAIS Ombud's recommendation:
  - (a) Respond to the FAIS Ombud within two (2) weeks of receipt.
8. FAIS Ombud decision:
  - (a) If the FAIS Ombud agrees with Stonehage Fleming, the FAIS Ombud will finalise the case and provide a determination;
  - (b) If the FAIS Ombud is not in agreement, they will engage further with Stonehage Fleming in order to better understand the particular matter and make a decision and arrive at a determination.



