

PROCEDURE ON APPEALS, COMPLAINTS AND DISPUTES

1. Purpose:

How to handle appeals, complaints and disputes

2. Scope:

The purpose of this procedure is to define how complaints, appeals and disputes are to be handled by BEE Transformation Solutions (Pty) Ltd. This document is applicable to all structures and employees of BEE Transformation Solutions (Pty) Ltd.

3. References:

- Clauses 19 and 20 of R 47 – 03

4. Definitions:

BEE Transformation Solutions (Pty) Ltd hereinafter as "BTS"
Audi Alterim Partem Rule – treating all parties equal

5. Responsibilities:

The responsibility to implement this procedure lies with the Director/s, Verification Manager, Analysts, Technical Signatory, Head of Administration, Administrative Official

6. Procedure

A) APPEALS and COMPLAINTS that have been received will be dealt with:

- i) Within the framework of relevant prescriptions provided by the R47-03;

In an objective and impartial manner and with due adherence to the principles of fairness and the *audi alterem partem* rule; In a transparent and confidential manner;
- ii) "BTS" is responsible for all decisions made at all levels of this appeals and complaints-handling process;
- iii) Investigation of and decisions on appeals and complaints shall not result in any discriminatory actions against the appellant or complainant;
- iv) Take all reasonable steps to investigate and establish the exact nature, basis, reasons and factual background of the complaints, disputes and appeals and the identification of the parties who are involved in the complaint or the ramifications thereof;
- v) Should the complaints, disputes and appeals involve allegations regarding the unprofessional conduct of verification analysts, sensitivity will be shown regarding Labour Law – implications;
- vi) Take all reasonable steps, including the possible contracting of an external expert, to resolve the complaint expeditiously and with fairness to the parties involved;

- vii) A complainant will have the right to appeal, lodge a dispute or make representations regarding any aspect of the procedures, findings, conclusions or remedial steps taken by "BTS" with regards to a complaint which has been lodged.
- viii) The services agreement of "BTS" with Measured Entities will contain a standard clause informing Measured Entities of the existence of the right to lodge a complaint, appeal or dispute within a specified period on any aspect of the verification process that had been conducted by "BTS" in respect of that Entity or the outcomes of such process or the conduct of the verification Team/Analyst (s) during that process.
- ix) The Verification Manager, Verification Analysts (not involved in the original verification), Technical Signatory of "BTS" will carry the primary responsibility for dealing with-/and resolving complaints, appeals and disputes lodged with "BTS".
- x) Should the Verification /Nominated Representative be in any way implicated or involved in a dispute, appeal or complaint, such will be dealt with by the Verification Manager, Technical Signatory or Analyst of "BTS".
- xii) An appeal may not at any time be dealt with by anybody who was part of the original verification team who conducted the verification. The appeal should be dealt with in an impartial manner and all members appointed to deal with the specific appeal matter, must be impartial and have no relation to the matter whatsoever.
- xi) The registration, handling and resolving of complaints, disputes and appeals will also be dealt with within the terms of the Policy on Confidentiality of "BTS", except in as far as a Measured Entity is indicated in a complaint, appeal or dispute registered by a third party.
- xii) Every endeavour will be made to resolve complaints, disputes and appeals within 15 working days after receipt thereof and subsequent appeals and disputes within thirty days after receipt thereof.

B) PROCESS ON RECEIVING, EVALUATING AND MAKING DECISIONS ON APPEALS:

- i) "BTS" is bound by the provisions of the Act, The Codes of Good Practice and Code of Conduct;
- ii) All appeals must be lodged in writing by the measured entity to "BTS" within 10 working days after receipt of the B-BBEE Certificate;
- iii) The appeal will be registered by the Administrative Official with the responsibility for capturing the data base on all measured entities within 1 working days from receipt;
- iv) All correspondence and documentation relating to the specific complaints, disputes and appeals will be kept in a sub-file
- v) Appeals will be dealt with by an Analyst not involved in the verification process of the measured entity.
- vi) The Appeals will be conducted by employees not involved in the original verification of the measured entity;

- vii) Verification Manager will assign the impartial and competent analyst by comparing the verification team with the assigned analyst (investigator) on the appeal to ensure impartiality;
- viii) The Appeal and the file will be referred to the assigned analyst within 5 working days after registration of the appeal;
- ix) If the grounds of appeal justify changes it will be noted on the outcome (findings report);
- x) Amendments will be made on the electronic scorecard by the independent analyst after the electronic scorecard has been unlocked by the technical signatory that signed off on the certificate.
- xi) After completion the scorecard will be forward to the technical signatory,
- xii) The amended score will be authorized by the technical signatory and the certificate marked with a (1) after the certificate number will be issued signed by the technical signatory
- xiii) In such cases where there were grounds for appeal, a meeting with the relevant analyst and Technical Signatory and Verification Manager will be held:
 - a. The errors will be discussed with the relevant personnel;
 - b. An email will be forwarded to all relevant personnel informing them of mistakes, decisions, training etc;
- xiv) The Technical Signatory will validate the amendments, confirm amendments to be made correctly and sign off these amendments' as per the R47-03 and the internal procedure of "BTS";
- xv) The file will be forwarded to Administrative Official for notes on the database;
 - a) The Administrative Official will forward the outcome (findings report) and decisions to the appellant, including the amended certificate (if applicable);
 - b) The appeal will be completed in 15 working days after receiving the written appeal;
 - c) No further correspondence with regard to the specific appeal will be entered into after the appeal outcome has been send to the appellant;

C) PROCESS ON RECEIVING, EVALUATING AND MAKING DECISIONS ON COMPLAINTS:

- i) A complaint received by any member of BTS will be forward to the Director/s for investigation
- ii) The Director may communicate with the complainant to obtain such further details of the complaints, disputes and appeals as to enable him/her to validate that the complaints, appeals and disputes related to BEE verification activities for which "BTS" is responsible;
- iii) The route cause analysis of "BTS" and investigation will be conducted by the Director/s;

- iv) Corrective and Preventative action where will be conducted by the Director/s and Verification Manager assigned, should amendments be made to the BBBEE level, scorecard, report or BBBEE certificate of the measured entity;
- v) If applicable, the Director/s will inform the relevant measured entity in writing of any complaints, disputes and appeals that have been registered by a third party with regards to the measured entity;
- vi) The Director/s will take all reasonable steps to investigate and establish the exact nature, basis, reasons and factual background of the complaints, disputes and appeals and the identification of the parties who are involved in the complaint or the ramifications thereof.;
- vii) Complaints must be lodged in writing by the Measured Entity to "BTS";
- viii) The complaint will be registered by Administrative Official on the Appeals and Complaints column on the data base within 2 working days from receipt;
- ix) All correspondence, documentation, relating to the specific complaint will be kept in a sub file of the Measured Entity concerned and marked either Appeal or Complaint;

D) CORRECTIVE ACTIONS:

- i) If an investigation resulting from a complaint has revealed that an error / fault in the verification of a Measured Entity has occurred due to the verification system implemented by "BTS", immediately refers such error to the Verification Manager rectify the said system.
- ii) If an investigation resulting from a complaint, has revealed that an error / fault in the verification of a Measured Entity had occurred due to a discretionary or other *bona fide* error by a verification analyst / team of "BTS", immediately address such by means of training of the employees concerned and other corrective action proposed.
- iii) If an investigation resulting from a complaint, has revealed that an error / fault in the verification of a Measured Entity has occurred due to gross negligence by a verification analyst / team of "BTS" or any other unprofessional conduct which warrants the consideration of disciplinary action against the individual(s) involved, consider such, and/or
- iv) If an investigation resulting from a complaint, has revealed that an error / fault in the verification of a Measured Entity has occurred due to the negligence or other unprofessional conduct by a sub-contracted external analyst / expert, consider steps to terminate further employment of such an external analyst / expert.

E) ASSESSMENT OF EFFECTIVENESS OF ACTIONS:

- i) The internal audit of BTS will address and evaluate the effectiveness of the appeals and complaints process.