



Verification Complaints Policies and Procedures

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Approved By: Executive Committee

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Introduction:

This policy deals with the procedures to be followed by NST staff on receipt of or issuing a complaint to or from any source against the Measured Entity or NST itself. This policy further details the conditions under which complaints are validated and procedures to be followed when approving and conducting special evaluations.

The purpose for this policy is to:

- a) Establish conditions for validating verification complaints;
- c) To identify the applicable forms to be used when handling complaints: and
- d) To detail effective guidance for NST staff, on what procedures to be followed when handling complaints by measured enterprises, NST Staff, other enterprises than the measured enterprise, stakeholders or NST Customers or suppliers.

Policy Statement:

It is the policy of NST to review all complaints received from any source, against either the Measured Enterprise or NST itself that are related to compliance with NST 's standards, criteria, or procedures and to resolve any such complaints in a timely, fair, and equitable manner. NST is committed to appropriately addressing all complaints to inspire confidence in our verification process. Furthermore, it is the policy of NST to retain all documentation associated with any such complaint received for a period of not less than five (5) years. NST will not pursue complaints that are not in writing or that are anonymous. Receipts of all complaints will be acknowledged within fourteen (14) days. Complaints against NST employees will be handled in accordance with the NST HR Manual and may result in actions up to and including termination of employment. Complaints against a Measured Enterprise due to the Measured Enterprise providing incorrect or misleading information regarding the B-BBEE status, the contents of verification reports and final certificate, or the verification action taken by NST, the Measured Enterprise will be required to make a public correction.

Procedures:

A description of the complaints procedure is publicly available in the Verification Agreement and on our website; www.nstvs.co.za



When NST receives a complaint via email, fax, telephone, the complainant is emailed or faxed the Complaints Form 4-1. All complaints are sent to the Verification Administrator. The Verification Administrator will acknowledge receipt of the complaint within 2 days by email.

1. Verification Complaints

On receipt of a complaint a copy of the complaint is recorded in the Measured Enterprise's folder on the network. The complaint will also be logged in the Complaints and Appeals Log by the Verification Administrator. An email with copy of the complaint is forwarded by Verification Administrator to the Senior Verification Manager and Managing Director (MD), informing them of the complaint.

The complaint will be reviewed by the MD whereby he will:

- Establish the validity of complaint by checking the name of the ME against the client information, checking the certificate number if applicable, reviewing the nature of complaint provided against policies, procedures and codes of conducts to assess whether or not there has been a breach in principle;
- Review of the severity of the reported complaint by understanding and measuring the consequences of the potential breach; and
- Decide on follow up action to be taken: The MD will convene the Complaints & Appeals Committee in accordance with the Committees Procedure within 1 week of the receipt of the complaint

The Complaints & Appeals Committee Terms of reference is as follows:

Committee Members

- The MD will base the selection of committee members on independence (i.e. not involved in the original verification), competence – this will be done by reviewing the NST Skills & Competence Matrix to select individuals with an average level 3 skill. The committee members will be formally notified of their appointment by the MD by email

Objectives

- To investigate the breach and root cause thereof outlined in the complaints form completed by the MD
- To gather evidence to support the complaint
- To ensure that the complaint is investigated impartially and confidentiality
- To advise the MD on the decision on corrective action to be taken
- The decision must be made within 14 days of the convening of the committee

Procedure

The MD will provide the complainant with progress reports by email twice within the 10 day period.



The MD will provide the chairperson with the complaints form, committee details and supporting information regarding the complaint 2 days before the meeting.

The chairperson will distribute the information at the committee meeting and will be responsible for minuting the meeting

Agenda:

- Terms of reference/ objectives review
- Review of complaint
- Review of information and evidence
- Root Cause Analysis
- Outcome of Analysis
- Decision
- Corrective Action Proposal

The decision will be communicated in writing to the MD within 2 days by the chairperson.

If it appears that a NST representative or an individual working on behalf of NST may have violated NST 's criteria, policies, or procedures, that individual will be asked to respond to the issues raised in the complaint within 1 week. If NST determines that a violation has occurred, NST will counsel the responsible party and may take further action as circumstances warrant, up to and including termination as an NST representative.

If NST finds that a violation of its policies or procedures has occurred which may have had an effect on the verification action, NST may initiate further proceedings as circumstances warrant: If the effect is limited to that particular ME, NST may revisit to the Measured Enterprise at its own cost with an independent verification team from the original verification. If all verification activities are found by the committee to have been affected, NST will cease operations until such time as corrective action has been implemented. All ME's and the DTI will be advised by the MD.

Following the decision and recommendation for corrective action by the Complaints Committee, the MD will by email, advise an independent verification manager to implement the corrective action and monitor the effectiveness. The VM will report back by email to the MD in writing within 3 months of the date of the committee meeting.

If it is decided that there is no breach according to the nature of the complaint, the complainant will be notified either by email by the MD that no further action will be taken within. A copy of this notification will be stored in the Measured Enterprise's folder as per the procedure in BOPol04.

1.1 Complaints against a Measured Enterprise

On establishment of a breach of NST 's standards, criteria, or procedures by the Measured Enterprise, a complaint is formulated by NST or by a 3rd party. The MD will validate the complaint by checking the name of the ME against



the client information, checking the certificate number if applicable, reviewing the nature of complaint provided against policies, procedures and codes of conducts to assess whether or not there has been a breach in principle;

If the complaint appears to warrant further investigation, the MD will forward a copy of the complaint to the authorised official of the Verified Enterprise with a request for a response within 10 days. The enterprises response will be reviewed by the Complaints Committee of NST within 10 days of receipt of the enterprises response.

If NST determines that the enterprise's response satisfactorily addresses the issue or issues raised in the complaint, the matter will be considered closed and the 3rd party notified within fourteen (14) days. The Complaints and Appeals register will be updated.

In the event that an entity response is not received by NST within 10 days of the request for the response, or if the response is not deemed to have satisfactorily resolved the issue, NST may initiate further proceedings as circumstances warrant, up to and including a Special Evaluation and/or revocation of verification status.

Complaints against a Measured Enterprise due to the Measured Enterprise providing incorrect or misleading information regarding the BEE status, the contents of verification reports and final certificate, or the verification action taken by NST, the Measured Enterprise will be required to make a public correction. A copy of the follow up action is clearly documented on the Measured Enterprise's file with the complaint clearly marked as being resolved (including date of resolution).

The MD will provide the authorised representative of the ME with formal written notification that the Complaints process has ended. If the ME expresses dissatisfaction with the conclusion the MD will advise the ME to contact the DTI.