



Customer Complaint Management Policy and Procedure

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Author: Head of Compliance

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1. Introduction

This policy governs how representatives of LB Finance PLC (LBF) manages the Customer Complaints in order to identify and resolve disputes with Customers and thereby improve Customer experience and service delivery in compliance with the statutory, legal, internal and regulatory requirements.

Definition of Customer Complaints - A way of communication received by the Finance company from a Customer who expresses his/her dissatisfaction through any method (oral/written/postal mail/e-mail) about any aspect of the Company's Services, Processes, Systems, Employee behaviors etc.

2. Scope

- a) This Policy applies to all business activities and functions of LBF and to its subsidiaries ensuing Customer engagement and relationship, irrespective of their jurisdiction, country or business.
- b) The Policy applies to all Directors, Employees and registered Third-party Service Providers engaged by LBF.
- c) This policy covers the requirements stipulated in the Financial Consumer Protection Regulations No. 1 of 2023.

3. Objectives

- a) To develop and maintain an effective Customer Complaint Management process to improve Customer experience and service delivery.
- b) To identify, communicate and resolve disputes with Customers in a fair, transparent and mutually acceptable manner.
- c) To comply with the relevant Statutory, Legal, Internal and Regulatory requirements including the Finance Business Act Direction (Financial Customer Protection Framework) No. 01 of 2018,

Financial Consumer Protection Regulation No. 1 of 2023 and related directions which will be imposed time to time.

- d) To educate the Employees and relevant parties on communication and disclosure of information to Customers regarding the products/services offered by LBF in order to avoid or reduce the number of Customer complaints.
- e) In order to adopt a learning process to avoid or minimize repetition of similar customer complaints in the future.

4. Types of Customer Complaints

- a. Inefficient/ Poor Customer service and delivery.
- b. Employee's attitude/ dealing/behavior issues.
- c. Related issues on Product/Service and/or the Agreement between the Customer and the Company including no or improper disclosure to Customers.
- d. Delay/s in attending to Customer inquiries and complaints.
- e. Documentation and System issues.

5. Methods of Lodging a Customer Complaint

- a) **Branch:** A Walk-in Customer can lodge the complaint with the Head of Branch (HOB) or with a Senior Officer in the Branch.
- b) **Complaint / Suggestion Form:** Customer can lodge the complaint in writing in prescribed form in Appendix 1 and hand it over to Head of Branch or Customer Complaint Officer at Head office.
- c) **Company Hot line:** Customer can call the company's Hot line and lodge his/her complaint to the Call Center agent **(0112 200 266)**.
- d) **Company Website/ Email/Digital Media:** Customer can log into the Company Website/ Digital Media Pages and lodge the complaint by filling the automated complaint form or can submit the complaint through e-mail to the company complaint e-mail addresses. (www.lbfinance.lk, customercomplaints@lbfinance.lk)

- e) **Postal mail:** Customer can lodge the complaint in writing and post it by regular mail addressed to the relevant Branch or Head office of the company. **(Customer Relationship Unit – Marketing Department, LB Finance PLC, No. 20, Dharmapala Mawatha, Colombo 03.)**

මගින් අදාළය, යෝජනා සහ පැමිණිලි අප වෙත යොමු කරන්න
உங்கள் குறையை கருத்துக்கள், பரிந்துரைகள் மற்றும் முறையப்பாடுகளை எமக்கு தெரிவிக்கவும்
Vocalize your ideas, suggestions & complaints

01. මගින් ලැබුණු ආචාර්ය පදනමකට හෝ වෙනත් මූලධර්මයක වෙත යොමු කරන්න.
உங்கள் புகார்கள் கிளை முகாமையானருக்கு அல்லது சீர்தரப்பு அதிகாரிக்கு கையளிக்கவும்.
Lodge the complaint to Branch Manager or Senior officer of the Branch.

02. මුද්‍රාත් පාරිභෝග්‍ය සේවාවේ පැමිණිලි කළ හැකි පිටුවට පිවිසීම.
நீர்தரவு கிளைமயின் கையகமையானரு து. 11901 பிதிலை தெரு. 20, திவாளமரம்ப.
Contact Customer relationship Unit in the Head office.

0112 200 266

මගින් අදාළය, යෝජනා සහ පැමිණිලි අප වෙත යොමු කරන්න
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Customer relationship unit - marketing department, LB Finance PLC, No.20,Dharmapala Mawatha, Colombo 03

customercomplaints@lbfinance.lk
www.lbfinance.com

LB FINANCE

Contact details of Financial Ombudsman for unresolved complaints

Financial Ombudsman, No. 143A, Vajira Road, Colombo 5.
 0112595624 0112595625 fosril@sltnet.lk

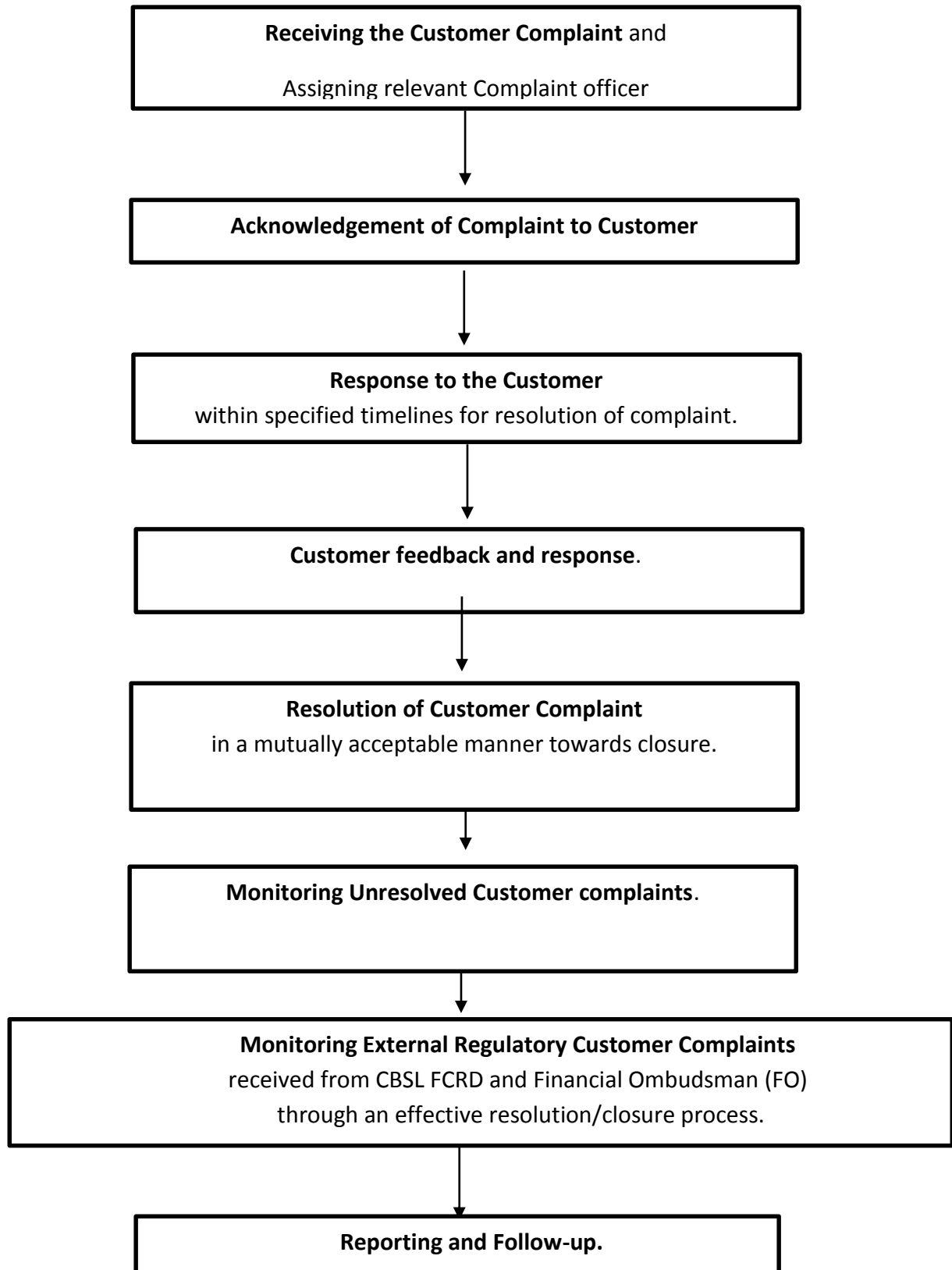
- f) **Financial Consumer Relations Department:** Customers can lodge their complaints to the Financial Consumer Relations Department through following methods,
Mail Address - Financial Consumer Relations Department, No. 30, Janadhipathi Mawatha, Colombo 01
Email - FCRD@cbsl.lk,
Telephone - 0112477966
Fax - 0112477744
- g) **Financial Ombudsman:** Customers can lodge their Complaints to Financial Ombudsman through following method,

Mail Address - The Financial Ombudsman Sri Lanka No 143A, Vajira Road, Colombo 5
Email - fosril@sltnet.lk
Telephone – 0112595624
Fax – 0112595625

6. Customer Complaint Management process

- a)** Receiving the Customer Complaint and assigning relevant complaint officer.
- b)** Acknowledgement to Customer as per prescribed format in Appendix 2.
- c)** Response to the Customer within specified timelines for resolution of complaint.
- d)** Customer feedback and response.
- e)** Resolution of Customer Complaint in a mutually acceptable manner towards closure.
- f)** Monitoring Unresolved Customer complaints.
- g)** Monitoring External Regulatory Customer complaints received from CBSL FCRD and Financial Ombudsman (FO) through an effective resolution/closure process.
- h)** Reporting and Follow-up.

Customer Complaint Management Process



a) Receiving the Customer Complaint

All Complaints received from Customers (Walk-in Customers / Oral / written /E-mail/Call center) need to be recorded and documented.

b) Acknowledgement of Complaint to Customer

- I. In case of Walk-in Customers, The Head of Branch (HOB) must attend, acknowledge and resolve the complaint within five working days. However, the time taken to resolve the complaint would be based on the nature of the particular complaint.
- II. Complaints received through the Call Center- A system generated SMS will be sent to the customer mobile, once the complaint is lodged to the Hot line.
- III. Complaints which are lodged through postal mail- An acknowledgment letter/ a system generated SMS will be submitted to the given address of the Customer within two days from receipt of the complaint.
- IV. All the recorded and documented complaints are directly monitored by the **Head Office Complaint Unit (HOCU)**.
- V. The Head of Branch (HOB) will be responsible for the resolution of the complaints which are related to his/her branch. If the complaint cannot be resolved at the branch level, the HOB must escalate those complaints to the HOCU and follow-up resolution.
- VI. It is the duty of HOB, Customer Complaint Officer (CCO) and HOCU to ensure the customer satisfaction by resolving the complaint in a mutually acceptable manner.
- VII. **Internal Audit Officers** will review and report on the recorded Complaints during their branch visits.

c) Response to the Customer

Once acknowledgement is made to the Customer as applicable, the assigned complaint officer will investigate and arrange submission of response to the Customer coordinating with the relevant internal officers within specified timelines for resolution of complaint.

d) Customer feedback and response

Once response is made to the Customer as applicable, the assigned complaint officers will follow-up the Customer feedback. On receipt of Customer feedback to our response it will be further scrutinized and coordinated with the relevant officers/management in order to resolve the complaint in a mutually acceptable manner towards closure.

e) Resolution of Customer Complaint

The assigned complaint officer shall follow the due process through the Complaint recording and Customer Resolution Management (CRM) system as applicable for resolution of Customer Complaint in a mutually acceptable manner towards closure.

- I. All the Complaints should be recorded by the respective Customer Complaint Officer/Call Center agent/ Head office Complaint Unit (HOCU).
- II. A Reference number must be issued to Customers for each and every complaint which was recorded by the assigned complaint officer.
- III. All the complaint document records must be directed and viewed by the HOCU for further observation and also this report must be sent for the Senior Management monthly wise for their consideration as well.
- IV. The HOCU must attend to the customer complaints which cannot be solved and escalated from the Call Center/ Branch levels within an agreed time frame for resolution. The HOCU. must give the solution to the complaint within 14 working days.
- V. Depending on the intensity of the complaint, the issue will be escalated to the respective Directors in order to guide for a suitable resolution.
- VI. The Customer response must be given by the same language which the Complaint has been lodged. e.g.- If Customer complaint (written/oral) is in Sinhalese /Tamil, accordingly the relevant response/resolution should be consistent in Sinhalese / Tamil as applicable.

f) Monitoring Unresolved Customer Complaints

- I. The reason must be informed to the Customer by the HOCU.
- II. The Final reply must be sent/ given within a period not exceeding 30 days.
- III. Monitoring of Unresolved complaints will be followed up by HOCU towards resolution/closure.

g) Monitoring External Regulatory Customer Complaints

I. Financial Ombudsman (FO)

Complaints received from the Financial Ombudsman (FO) to the company are managed by the appointed officer from the company. Appointed Customer Complaint Officer will investigate the nature of the complaint and will forward it to respective departments /branches for their response/feedback and will subsequently attend the Inquiry summoned by the Financial Ombudsman and follow-up on same with respective officers and relevant documents as required towards resolution/closure.

II. Central Bank of Sri Lanka (CBSL)-Financial Consumer Relations Dept.(FCRD)

Customer Complaints received from Financial Consumer Relations Department (FCRD) of Central Bank of Sri Lanka (CBSL) to the company are routed through the Compliance department and directed to the appointed officer who handles and coordinates with respective departments/branches for resolution of the customer complaint.

Appointed Customer Complaint Officer will investigate the nature of the complaint and will forward it to respective departments /branches for their response/feedback. Appointed Complaint officer will prepare and submit reply letter to the Complainant or CBSL through the Compliance department as per instructions and time frame as required by FCRD.

h) Reporting and Follow-up

- i. A Monthly report will be submitted by the HOCU and escalated to the Senior Managers and Directors categorized on 'Solved, Unsolved and Critical based Complaints monitored through the internal "Customer Resolution Management"(CRM) system.
- ii. A Quarterly Report will be submitted in this regard to the Board Audit Committee (BAC) through the Chief Internal Auditors (CIA).

7. Appointment of Complaint Handling Officer at the Branch level

The Branch Manager of each branch is appointed as the complaint handling officer of each branch who will be responsible to handle complaints made by the customers to the branch.

8. Linking with HR Policy

This policy will be linked with the LBF HR Policy as set-forth.

a) Staff Job Role

The Selected staff will be educated about their job role in this regard and same will be added to their respective Performance Appraisal /KPIs administered by the HR department.

b) Training allocation for the Staff

The nominated Employees for the Complaint management must be given a training related to their work processes and such training must be conducted through the HR department and training log/calendar maintained in this regard.

c) Actions taken for the Staff who failed to do their job role

The Employees who have not performed work according to their duties and responsibilities in this regard (e.g. Poor Customer service) will be monitored by respective Head of Branch/

Department and related incidents informed to HR department. HR department will record such incidents in the personal files of the respective employees.

d) Customer Awareness –Lodgment of Complaints

It is necessary to make aware the Customer that he/she has the right to complain if he or she has any dissatisfaction for any matter he/she is faced with LB Finance. Following methods will enable the customer to be aware of same and lodge complaints if he/she requires.

- I. Display a Notice Board in Every Branch/Center for Complaint lodgment.
- II. Display the complaint Hot line number in the Notice Board at the branch/business unit.
- III. Place a link to download a complaint form or to enter a complaint on Company Web site.
- IV. Display notice at Branches/Center on lodgment of Customer complaints with the Financial Ombudsman as mandatory requirement monitored by HOCU/Compliance Department.

9. Breach of the Policy

Any breach or violation of this Policy must be brought to the attention of the Head of Human Resources by the respective Key Responsible Persons (KRPs), Heads of Department (HODs), Heads of Branches (HOBs) or Managers and may constitute grounds for disciplinary action.

10. Policy Review /Revision

This policy shall be reviewed **annually** or as and when required to comply with the changing statutory, legal, regulatory and internal requirements.

Revisions to this policy to be approved by the Board of Directors and the salient revisions to be made aware to the employees and relevant parties as applicable in order to maintain effective communication and compliance of this policy.

11. Policy Owner

Head of Marketing will be the Policy owner and will be responsible to realize objectives of the policy and to ensure effective implementation, continuous compliance monitoring and reporting in this regard.

Customer Complaint/ Suggestion Form

Following topics should be included in this form and require to be printed in all three main languages and the Customer can attach the copies of the documents which relates to his/her complaint with this form.

Customer Complaint / Suggestion Form

1. Customer Name :

2. Address :

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3. Contact Number:

4. E-mail Address :

5. Customer Agreement / Vehicle / NIC number :

6. Complaint / Suggestion

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Letter of Acknowledgment- Format

Following topics should be included in this form & need to be printed in all three main languages.

Date __/__/__

Dear Mr. / Mrs. / Ms

Customer Complaint No

We acknowledge receipt of your complaint date __/__/__, and have allotted reference number, to your complaint.

Please be advised that we have initiated the investigation process and will forward to you our reply at our earliest.

We assure you of our priority attention at all times.

Yours faithfully,

.....

(Authorized Signature)