

## Section 12: Anti-Corruption and Fraud

JPC subscribes to, and complies with all the governing policies of JPC and the shareholder, including the Prevention and Combating of Corrupt Activities Act, 2004, and its related regulations. JPC's management takes a zero tolerance approach to fraud and corruption. This is set out in the JPC Anti-Fraud and Corruption Policy, which is reviewed regularly.

In line with the policy, JPC has a Fraud and Corruption Committee (FRACC) that comprise six members. The committee is responsible for facilitating investigations into allegations of fraud and corruption, reported to JPC through its fraud hotline email address (fraudhotline@jhbproperty.co.za) or the CoJ Group Fraud Hotline, independently managed by Deloitte. The allegations are reported using the following facilities: telephone: 0800 002 587, short message service: 32840 (charged at R1.50), email: anticorruption@tip-offs.com and website: www.tip-offs.com.

The Fraud Hotline service provider submits call reports to JPC's management for investigation. The FRACC considers the reports and ensures that investigated matters are resolved by referring the allegations for investigations either internally and/or externally to the Group Forensic Department and the South African Police Service. On conclusion of the investigations, the HR Department proceeds to lay a charge against the accused persons. FRACC reports to the Audit and Risk Committee, the Transformation, Social and Ethics Committee and the Board. JPC further reports on the matters received from the CoJ Fraud Hotline to Group Risk and Assurance Services.

JPC is working well with the CoJ Group Forensic Unit and has positively contributed to the drafting of the CoJ Anti-fraud and Corruption Strategy. JPC held a fraud awareness workshop in May 2017 for Head Office and all the Depots. The CoJ Anti-fraud and Corruption Unit facilitated the workshop.



Twenty-one allegations were received during the year and were included in the FRACC register. Eight allegations were received via the independent hotline and the rest via the JPC fraud hotline. The FRACC investigated all allegations reported. The outcomes were as follows:

- Four of the reported allegations directed to JPC were private individuals who owned land.
- Seven of the matters investigated were untrue allegations.
- Eight allegations are under investigation and two employees have been suspended, pending the outcome.
- Two investigations were concluded and two employees were issued with final warnings valid for six months.