

Politically Exposed Persons Policy

AREA OF APPLICABILITY

ACROSS AIRPORTS COMPANY SOUTH AFRICA SOC LIMITED AND ITS SUBSIDIARIES

DIVISION

Governance and Assurance

Next Revision Date:
16th March 2023

Control Disclosure

Confidential



Politically Exposed Person Policy

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Politically Exposed Person Policy

1. Scope

This policy sets out the principles of Airports Company South Africa SOC Limited with regards to Politically Exposed Persons (“PEP”). The policy is applicable to all Airports Company South Africa SOC Limited employees, its subsidiaries and strategic partners. In the event of a conflict between other policies dealing with the issue of Politically Exposed Persons and this policy this policy will take precedence as far as conflicts of interests for PEP are concerned.

2. Objective

The objective of this policy is to:

- Set out principles within the organisation on how to manage Politically Exposed Persons who have a direct or indirect interest in a procurement process to procure any goods, services, licences, and concessions;
- set out principles in which acceptance, maintenance and monitoring of conflict of interest in relation to directors and employees who are politically exposed persons;
- aimed at combating and preventing fraud and other corrupt practices;
- to set out principles in which Airports Company South Africa employees that are politically exposed persons are accepted, monitored and managed;
- to set standards in a non-exhaustive manner for both directors and employees to disclose if they are politically exposed persons; and
- to set standards in a non-exhaustive manner for both directors and employees for disclosure of their close family members and/or close associates who are politically exposed persons.

Airports Company South Africa shall conduct proper due diligence on both a PEP and the persons acting on his or her behalf including Service Providers. Similarly, the same principles shall be applied without exception to PEP’s families and closely associated persons to the PEP.

3. Definitions and Abbreviations

3.1 Definition

Airports Company/ Company/ /Organisation/ Group

Airports Company South Africa SOC Limited

Politically Exposed Persons

According to the Financial Intelligence Centre, Politically Exposed Persons are individuals who have been entrusted with prominent public functions in a country, for instance:

- Heads of State, Heads of Government and cabinet ministers;
- Influential functionaries in nationalised industries and government administration;
- Senior judges;

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- Senior political party functionaries;
- Senior and/or influential officials, functionaries and military leaders and people with similar functions in international or supranational organisations;
- Members of ruling or royal families;
- Senior and/or influential representatives of religious organisations (if these functions are connected to political, judicial, military or administrative responsibilities).
- Families of PEPs should also be given special attention by accountable institutions. The term "families" includes close family members such as spouses, children, parents and siblings and may also include other blood relatives and relatives by marriage;
- Closely associated persons. The category of "closely associated persons" includes close business colleagues and personal advisers/consultants to the PEP as well as persons, who obviously benefit significantly from being close to such a person.

Strategic Partners

A party with which an agreement is reached for sharing of physical and/or intellectual resources in achievement of defined common objectives, including but not limited to service providers, suppliers and external stakeholders.

3.2 Abbreviations

Abbreviation	Description
CEO	Chief Executive Officer
DPBP	Designated Non-Financial Businesses and Profession
EDD	Enhanced Due Diligence
SCM	Supply Exposed Person
PEP	Politically Exposed Persons
HR	Human Resources
SP	Service Provider
PRECCA	Prevention and Combating of Corrupt Activities Act
POCA	Prevention of Organised Crime Act
ISO	International Organisation for Standardisation

4. Policy General

This policy serves as a commitment of Airports Company South Africa SOC Limited's leadership towards managing Politically Exposed Persons within the organisation in order to enhance brand reputation, protection against operational and legal related risks imposed by PEP. The commitment will be achieved through involvement of management in the whole implementation of conflict management process and involvement of employees in the participation of ethical behavior.

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4.1 Main Principles of Conduct

Airports Company South Africa SOC Limited management has consequential defined the main principles, and key outcomes from this policy in order to assist and guide the organisation in managing PEP risks.

- Mitigate reputational, operational and legal risks, based on internationally accepted best practice, standards and guidelines on the management of PEP, whilst simultaneously meeting regulatory compliance standards as imposed by the PRECCA Act;
- Supply chain management and HR shall ensure that shortlisted bidders and prospective employees undergo a screening process to verify the politically exposed persons status;
- The outcome of the screening process shall be submitted to the Compliance & Ethics Department to prepare a PEP report that highlights the level of risk imposed by the PEP and provide recommendations to the appointing officer; and
- Once Airports Company South Africa has contracted with PEP, the relevant division in conjunction with the Compliance & Ethics department is required to conduct on going monitoring of the PEP and advise business on any further changes as and when they occur.

4.2 Key Outcomes of Principles

The principles of this policy will yield the following outcome, and which will be part of the Knowledge Management Process:

- Defined programme in relation to management of PEP;
- Processes of screening and verifying PEP status; and
- Programmes for monitoring and reporting on PEP.

In order for the organisation to realises this main principles and track development, the principles shall be imbedded within Conflict Management Process in order to guide the organisation in relation to PEP.

4.3 Disclosures

- A register of PEPs and the relationship with the company must be maintained by Compliance & Ethics department and made available on the company website when the company publishes its annual report.

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5. Process for Monitoring

The effective implementation and monitoring of this Politically Exposed Person Policy shall be done through the Compliance and Ethics Department and Internal Audit shall be conducted to determine compliance and implementation. This policy shall be reviewed accordingly to reflect the environmental changes or regulation requirement in order to ensure that is relevant and current to the organisation.

MONITORING CONTROLS	PURPOSE	RESPONSIBLE	FREQUENCY
Transformation and Sustainability Committee	Provide expert and aligns strategic direction and execution on transformation and sustainability issues to ensure commitment and achievement of balanced and integrated economic, social and environmental performance	Chief Operating Officer	Quarterly
Social and Ethics Committee	Assist the Board with the oversight of All Social and ethical matters relating to the company.	Chairperson of the Social and Ethics (Board Member)	Quarterly
Internal Audit	Provide the Board, Executive and Audit committee an independent oversight with regards to conformance to this policy.	Chief audit Executive	Planned Intervals

6. Accountabilities and Responsibilities

The overall accountability for development and implementation of this policy lies with the Chief Executive Officer with the support of Group Executive: Governance and Assurance as a responsible person for actual development and implementation of this policy. However, in the absence of the CEO or Group Executive, a delegated person shall assume responsibility as per delegation of authority.

RESPONSIBLE	ACCOUNTABLE	CONSULTED	INFORMED
Group Executive: Governance and Assurance	Chief Executive Officer	Group Manager: Compliance and Ethics	Employees & Managers
Has overall responsibility for implementation and adherence of this	Has overall accountability for development and implementation of	Consulted at the time of an exception and adherence of this policy.	Has overall responsibility for adherence and performance of a given task.

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7. Verification

This policy shall be verified in accordance with [Verification Policy Document - Z001 002M.](#)

8. Non-Conformance and Non-Compliance

Any deviation from this policy shall be identified and registered with corrective and preventative measures for continual improvement in accordance with [Non-Conformance and Non-Compliance Policy Document - Z001 001M.](#)

9. Related Policy Documents

Document Control Procedure - Z001 006M
 Record Keeping Requirements Procedure - Z001 008M
 Anti-Fraud and Corruption Policy – J060 002P
 Conflict of interest Policy – J060 004P
 Supplier Chain Management – P010 001P
 Compliance Policy – J030 004P
 Conflict of Interest Policy - J060 004P
 Conflict of Interest Procedure

10. Related Legislation and Standard

Prevention and Combating of Corrupt Activities Act No. 12 of 2004
 Financial Intelligence Centre Act No. 38 of 2001
 Prevention of Organised Crime Act No. 121 of 1998
 Quality Management System ISO 9001:2015

11. Change Control

This policy shall only be changed with the authorisation of the Chief Executive Officer in accordance with [Change Control Policy Document - Z001 003M.](#)

12. Records

Record Name	Storage Location	Record Number	Responsible Person	Retention Time
Politically Exposed Persons Policy	Master in Corporate Policy Management Store Room	J060 006P	Policy Assurance Officer	Three (3) Years

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Note: This policy shall be reviewed in three (3) years circle and if there is a need to review the policy before three (3) years circle lapses due to any circumstances being legal requirements, changes in the businesses, the need to reflect current practices or activities, the policy shall be unlocked for review accordingly.

13. Revision History

Date last revised	Revision Status	Compiler	Summary of changes
New document	Version: 1	Group Manager: Compliance and Ethics Name and Surname Phumelele Zwane	First Issue

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14. Endorsement (See Master in Corporate Policy Management Store Room)