

# Anti-Bribery and Corruption Policy Statement

Over the years, the company has implemented a variety of policies and procedures to guide employees and Board members within and outside the organisation for efficient functioning in a transparent, ethical and sustainable manner. These systems have been designed to ensure officers of the company plan and deal with transactions for customers and potential customers in a transparent and consistent manner.

Anti-bribery and corruption form an integral control mechanism which is enshrined within the Group's operating plan and ethical business operating policy. This is upheld by our disciplinary procedure and our policy of 'Working with Integrity'.

Any member of staff who experiences directly or indirectly assumed bribery or corruption or has legitimate business concerns, is encouraged to report knowledge to a manager without delay. Such reports are treated confidentially and robustly investigated by an independent party.

## Understanding

Any member of staff found to solicit, extract, coerce or gain benefit from bribery or corruption will be subject to disciplinary actions which could result in dismissal. The policy is applied to Board and senior management and filters down to all employees and contractors without favour. It applies equally to customers and potential customers, suppliers and potential suppliers and partners.

## Responsibility

The Managing Director is responsible for overseeing the implementation of this policy. Managers are responsible for implementation across service lines and procurement of goods and services. Employees are responsible for following the letter and spirit of the policy. The Managing Director is answerable to shareholders in respect of the policy.

## Key elements

- WCS employees, sub-contractors and partners are expected to act with absolute honesty, integrity, fairness and transparency at all times;
- The company adheres to The Bribery Act 2010 which states that companies can be prosecuted for both active bribery (offering a bribe) and passive bribery (requesting or accepting a bribe), with sentences of unlimited fines and potential imprisonment;
- Bribery extends beyond handling and management of cash – it includes gifts, hospitality and entertainment which are non-educational, go beyond relationship building and could be construed as intended to influence a decision or business transaction;
- Bribery is defined as offering, promising or giving a financial or other inducement / reward to a person / company which may be improper, an abuse of power or corporate funds and may include but is not limited to bribery;
- Corruption is defined as any form of abuse of entrusted power for private gain;
- Bribery and corruption as defined is not how the Group wishes to conduct or transact business or build relationships with customers, potential customers, suppliers, employees, sub-contractors or partners;
- Not only is bribery and corruption illegal and immoral, it is seen to be damaging to company reputation, against the stated Vision, Mission and Values of the Group (see Ethical Policy Statement) and will not be tolerated in any form;
- Normal hospitality and relationship building with customers, potential customers, suppliers and partners is not considered unsafe. Nor is fast-tracking a proposal, fast payment of a fee, or providing additional resources to meet a business objective provided it is for that purpose;
- The company will always be available to advise an employee about a particular concern related to full compliance with The Bribery Act.

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## Risk assessment

WCS Group does not believe that its business activities possess a high risk of corruption or acts of bribery: -

- Large contracts and business transactions are generally governed by a tender process and subject to rigorous anti-corruption procedures;
- Very large tenders are not usually bid through tenders and tend to involve multiple members of the senior management team;
- Our core business is to provide services and products related to Water Treatment, Water Hygiene, Air Hygiene, related Engineering and training – with a view to reducing corrosion, scale and bacteria, protecting plant and equipment and preserving its life, safety and operating efficiency. Compliance with Health and Safety legislation is a priority. WCS does not operate in a high-risk industry;
- Where possible, we try to standardise pricing and this assists us in identifying unorthodox or unusual sales activity;
- Sales activity is monitored by internal regional accountants and the senior management team on a rolling basis. Independent external auditors annually review corporate accounts;
- Presently, WCS Group operates solely in the UK and is therefore wholly governed by UK legislation;
- The WCS Group workforce is subjected to conduct and background checks for new staff members; regular due diligence, training and behaviour instruction including awareness and detection of situations which may constitute or be wrongly perceived as potential bribery or corruption.

## Perceived risk areas

The following represent potential risk areas we are aware of and focus on with our employees: -

- Excessive gifts, entertainment and hospitality (all need to fall within the Group's approved Corporate Policy);
- Facilitation payments (fast track payments are only necessary sometimes to expedite a service or supply or because credit terms may demand pre-payment);
- Reciprocal agreements (a 'quid pro quo' is not acceptable unless it represents a legitimate, open business arrangement which is properly documented and approved by senior management. Improper payments to obtain new business, or discounts to secure business or a competitive advantage should not be accepted or made;
- Expenses – The Bribery Act permits genuine acts of hospitality and related expenses. However, employees are not permitted cash in advance and need to advance reasons for claimed expenses, justify decision-making, prove expenses and reclaim expenses within the Group's Corporate Policy;
- Charitable donations are permitted (but only for businesses and individuals not linked to employees, the day to day business of the Group or made in order to gain a commercial advantage);
- Third parties / agents / suppliers acting for the Group represent a potential financial, operating and reputational risk. This is mitigated through thorough due diligence, detailed documentation and auditing;
- Record keeping can be exploited (to conceal bribes or corruption or mislead) and require robust controls to ensure records are accurate and up to date

## Reporting

The prevention, detection and reporting of bribery or corruption is the responsibility of all employees throughout the Group. If an employee becomes aware or suspicious of an action or proposal, they have a duty to report it openly, directly and without delay. Any issues will be recorded by HR and senior management as appropriate.

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Phil Greenwood  
Chief Executive Officer