



**WATER AND SANITATION SERVICES PESHAWAR**  
(A COMPANY SET UP UNDER SECTION 42 OF THE COMPANIES ACT, 2017)

**ANTI-CORRUPTION POLICY**

## **1. Purpose**

The purpose of this policy is to:

- (a) set out the responsibilities of Directors, management, employees or the persons associated with the Company, in observing and upholding Company's position on bribery and corruption; and
- (b) provide information and guidance to those working for the Company on how to recognize and deal with bribery and corruption related issues.

## **2. Application**

In compliance with the requirements of Rule 5, Clause-5(b)(vi) of the Public Sector Companies (Corporate Governance) Rules, 2013, an Anti-Corruption policy needs to be developed and implemented to minimize actual or perceived corruption in the Company and applies to all individuals working at all levels and grades, including Directors, CXOs, General Managers, Senior Managers, Managers, officers whether permanent, fixed-term or temporary, consultants, contractors, seconded staff, casual workers or any other person associated with the Company, wherever located (collectively referred to as "Workers" in this policy).

It is important that Workers read, understand, and act in accordance with this policy.

## **3. What it means – a brief overview**

- 3.1 It is an offence (1) to bribe another person (2) to be bribed (3) to bribe a public official and (4) for a company to fail to prevent bribery.
- 3.2 Fines and imprisonment can be imposed on individuals who fail to comply with the legislation.
- 3.3 You must never offer, promise or give a financial or other advantage to any person (including a public official) with the intention of inducing or rewarding improper performance by them of their duties.
- 3.4 You must never directly or indirectly accept or agree to receive a financial or other advantage as a reward for the improper performance of your duties. It makes no difference whether the advantage is for you or a third party.
- 3.5 Where your role requires this, you are permitted to give and receive hospitality (you should ask your line manager if you are unsure about this), but this should always be in a reasonable and proportionate manner.
- 3.6 You must read this policy carefully and if you have any questions on it, please revert to your line manager or the Head of Internal Audit.

## **4. The Company's Principles**

- 4.1 It is the WSSP policy to conduct all business in an honest and ethical manner. The Company takes a zero-tolerance approach to bribery and corruption and is committed to acting professionally, fairly and with integrity in all business dealings and relationships, wherever the Company operates.
- 4.2 It is the Company's best practice objective that those the Company do business with, take a similar zero-tolerance approach to bribery and corruption.
- 4.3 Bribery and corruption are criminal offences and are punishable for individuals in accordance with the laws of Pakistan. The Company therefore takes legal responsibilities very seriously and expect you to do the same.

4.4 In this policy "third party" means any individual or organisation you come into contact with during the course of your work and includes actual and potential customers, suppliers, distributors, business contacts, agents, advisers, government and public bodies, including their advisors, representatives and officials, politicians and political parties.

4.5 This policy should be read in conjunction with the relevant HR policies and procedures of WSSP.

## **5. Responsibility for the Policy**

5.1 This Policy is endorsed by the Board of Directors. The Board of Directors has overall responsibility for ensuring this policy complies with the legal and ethical obligations, and that all those under WSSP's control comply with it.

5.2 The CEO and Head of Internal Audit shall have the day to day responsibility for ensuring compliance with the policy.

5.3 Management and senior staff at all levels shall be responsible for ensuring those reporting to them are made aware of and understand this policy.

## **6. What is bribery and corruption?**

6.1 Corruption is the abuse of public or private office for personal gain.

6.2 A bribe is an inducement or reward offered, promised or provided in order to gain any commercial, contractual, regulatory or personal advantage through "improper performance".

6.3 "Improper performance" happens when a person fails to act (1) in good faith (2) impartially or (3) in accordance with a position of trust.

## **7. Gifts and hospitality**

7.1 In the course of normal business duties and if the following requirements are met, employees may be offered entertainment such as lunch, dinner, a sporting event and the like. Accepting these offers is appropriate if those are reasonable and occur in the course of a meeting or on an occasion, the purpose of which is to hold bona fide business discussions or to foster better business relations.

- a) you have disclosed it to your line manager in advance (where it is possible to do so, or as soon as possible afterwards);
- b) it is not made with the intention of influencing, inducing or rewarding a third party in order to gain any advantage through improper performance, or in explicit or implicit exchange for favours or benefits;
- c) it complies with law;
- d) it is given in Company's name, not in your name;
- e) it does not include cash or a cash equivalent (such as gift certificates or vouchers);
- f) it is appropriate in the circumstances. For example, in Pakistan, it is customary for small gifts to be given at EID time;
- g) taking into account the reason for the gift, it is of an appropriate type and value and given at an appropriate time;
- h) it is given openly, not secretly; gifts or hospitality should not be offered to, or accepted from, government officials or representatives, or politicians or political parties, without the prior approval of the Board; and
- i) employees should not accept tickets or invitations to entertainment when the prospective host will not be present at the event with the employee.

- 7.2 Where it is an accepted part of your role (you should ask your line manager if you are unsure about this) you can offer and accept a reasonable amount of moderate hospitality for the purposes of business development, having regard to paragraph 7.1 above.
- 7.3 The test to be applied is whether in all the circumstances the gift or hospitality is reasonable, proportionate and justifiable. The intention behind the gift or hospitality should always be considered.

## **8. What is not acceptable?**

In addition to the above it is not acceptable for you (or someone on your behalf) to:

- (a) give, promise to give, or offer, a payment, gift or hospitality with the intention of influencing, inducing or rewarding improper performance;
- (b) give, promise to give, or offer, a payment, gift or hospitality to a government official, agent or representative to "facilitate" or expedite a routine procedure (where the payment is not a legitimate payment);
- (c) accept payment from a third party that you know or suspect is offered with the expectation that it will obtain a business advantage for them which will be obtained through improper performance by you or us;
- (d) accept a gift or hospitality from a third party if you know or suspect that it is offered or provided with the intention of influencing improper performance by us in return;
- (e) threaten or retaliate against another Worker who has refused to commit a bribery offence or who has raised concerns under this policy; or
- (f) engage in any activity that might lead to a breach of this policy.

## **9. Facilitation payments**

- 9.1 The Company does not make, and will not accept, facilitation payments or "kickbacks" of any kind.
- 9.2 All Workers must avoid any activity that might lead to, or suggest, that a facilitation payment or kickback will be made or accepted by the Company.

## **10. Your responsibilities**

- 10.1 You must ensure that you read, understand and comply with this policy at all times.
- 10.2 You must be open about gifts and hospitality given or received and you must disclose these to your manager in advance (where it is possible to do so, or as soon as possible afterwards).
- 10.3 The prevention, detection and reporting of bribery and other forms of corruption are the responsibility of all those working for the Company. All Workers are required to avoid any activity that might lead to, or suggest, a breach of this policy.
- 10.4 You must notify your manager or the Head of Internal Audit as soon as possible if you believe or suspect that a conflict with this policy has occurred or may occur in the future. For example, if a vendor or potential vendor offers you something to gain a business advantage with the Company or indicates to you that a gift or payment is required to secure their business. Further indicators that may point towards bribery or corruption are set out in **Schedule 1**.

- 10.5 Any employee who breaches this policy may face disciplinary action, which could result in dismissal for gross misconduct.

## **11. How to raise a concern**

You are encouraged to raise concerns about any issue or suspicion of malpractice at the earliest possible stage. If you are unsure whether a particular act constitutes bribery or corruption, or if you have any other queries, these should be raised with your line manager or the Head of Internal Audit.

## **12. Protection**

Workers who refuse to accept or offer a bribe, or those who raise concerns or report another's wrongdoing, are sometimes worried about possible repercussions. The Company aims to encourage openness and will support anyone who raises genuine concerns in good faith under this policy, even if they turn out to be mistaken.

## **13. Monitoring and review**

- 13.1 The Head of Internal Audit will monitor the effectiveness and review the implementation of this policy, considering its suitability, adequacy and effectiveness. Improvements identified will be made as soon as possible.
- 13.2 All Workers are responsible for the success of this policy and should ensure they use it to disclose any suspected danger or wrongdoing.

### **Schedule 1 - Potential Risk Scenarios: Bribery and Corruption indicators**

The following is a list of possible scenarios that may arise during the course of your working for WSSP. The list is not intended to be exhaustive and is for illustrative purposes only to help you in complying with this policy.

If you encounter any of these scenarios while working for the Company, you must report them promptly to your manager or to the Head of Internal Audit:

- (a) you become aware that a third party engages in, or has been accused of engaging in, improper business practices;
- (b) you learn that a third party has a reputation for paying bribes, or requiring that bribes are paid to them, or has a reputation for having a "special relationship" with government officials;
- (c) a third party insists on receiving a commission or fee payment before committing to sign up to a contract with the Company, or carrying out a government function or process for the Company;
- (d) a third party requests payment in cash and/or refuses to sign a formal commission or fee agreement, or to provide an invoice or receipt for a payment made;
- (e) a third party requests that payment is made to a country or geographic location different from where the third party resides or conducts business;
- (f) a third party requests an unexpected additional fee or commission to "facilitate" a service;
- (g) a third party demands entertainment or gifts before commencing or continuing contractual negotiations or provision of services;
- (h) a third party requests that a payment is made to "overlook" potential legal violations;
- (i) a third party requests that you provide employment or some other advantage to a friend or relative;
- (j) you receive an invoice from a third party that appears to be non-standard or customized;
- (k) a third party refuses to put terms agreed in writing;
- (l) you notice that The Company has been invoiced for a commission or fee payment that appears large given the service stated to have been provided;
- (m) you are offered an unusually generous gift or offered lavish hospitality by a third party;
- (n) you are asked to give hospitality at which you are requested not to attend;
- (o) You are offered hospitality at which the giver is not going to be in attendance; and
- (p) You are asked to give hospitality to persons who are not associated with the organization (for example family members) or are offered hospitality which extends to persons beyond our business (for example family members).