



MEMORANDUM

To : All Suppliers, Service Providers, Contractors, etc. of Maynilad
From : Maynilad
Subject : Policy on Gifts
Date : December 2012

In the Company's commitment to demonstrate impartiality and avoid conflict of interest among its suppliers, service providers, contractors, etc. (collectively, the "Third Parties"), and instill in the Company's employees the highest standard of work ethics and conduct, the Company came up with a policy with respect to the acceptance of gifts from the Third Parties.

In line with this, we wish to inform you that the Company discourages the giving of gifts to its employees as it may unnecessarily create an impression prejudicial to the interest of both the Company and the Third Parties. However, we understand the Third Parties' desire to occasionally acknowledge the efficiency of the Company's employees through gifts, and that the tradition of gift-giving is inevitable especially during the Christmas season. Hence, please be guided by the following:

- (a) Tokens in the amount of ₱4,000.00 and below may be accepted by the employee-recipient except during periods of negotiation with the Third Parties.
- (b) Gifts exceeding ₱4,000.00 shall be deemed expensive, and shall not be accepted by the intended employee-recipient. Perishable expensive gifts will be shared among all the members of the department/division where the employee-recipient belongs to, while non-perishable expensive gifts will be surrendered to, and be raffled off by, the Company's Human Resources Department among all the employees.

We trust that this policy will be mutually beneficial to the Company and the Third Parties, and will allow the Company to abide by its values of honesty and integrity.

Wishing you a blessed Christmas and a prosperous New Year!

Thank you.