



## POLICIES and STANDARDS

### GOVERNANCE POLICY ON FORMER EMPLOYEES

No. PS-LRA-005-2019

Page: Page 1 of 5


Effective: 1 May 2019

Revision No.:  
Supersedes

Prepared and Recommended by:

  
**LOURDES MARIVIC K. PUNZALAN-ESPIRITU**  
Head, Legal and Regulatory Affairs

Approved by:

  
**RAMONCITO S. FERNANDEZ**  
President and CEO

#### I. PURPOSE AND SCOPE

This policy defines the general guidelines on allowing former employees to work for or do business with Maynilad as vendors, contractors, sub-contractor, consultant, and service providers.

#### II. LINKAGE TO MAYNILAD CORE VALUES

**Honesty and Integrity.** We deal with our stakeholders with honesty and integrity. We will always do what is right and fair for the sake of our customers, stakeholders and the environment. Aligned with this core value, Maynilad will provide fair and equal opportunity to all stakeholders while maintaining its standards on transparency and conflict of interest.

**Commitment to Excellence.** We view excellence as a means and not an end. To maintain our operational efficiency and industry leadership, we push our people to excel by being diligent and innovative in their work. We will utilize and optimize all possible sources of service and expertise in keeping with our commitment to excellence, including the services and expertise of our former employees.

#### III. GENERAL POLICY STATEMENT

Qualified former employees may be allowed to work for or do business with Maynilad as vendors, contractors, consultants, sub-contractors and service providers. As a general policy, Maynilad shall provide equal opportunities to all stakeholders, e.g. suppliers, customers, contractors, sub-contractors, consultants, service providers, including former employees, to engage in business with the Company.

As such, Maynilad shall implement measures to ensure fairness in its dealings with, and accord equal opportunity to, all concerned. It shall strive to eliminate any taint of bias and/or favor given to its former employees.

#### IV. DISTRIBUTION

This policy shall apply to all former Maynilad employees, regardless of rank or position.



**POLICIES and STANDARDS**

**GOVERNANCE POLICY ON  
FORMER EMPLOYEES**

No.	PS-LRA-005-2019
Page:	Page 2 of 5
Effective:	1 May 2019
Revision No.: Supersedes	

**V. DEFINITION OF TERMS**

1. **Company** – refers to Maynilad Water Services, Inc.
2. **Former Employee** – anyone who has rendered service to the Company under a contract of employment, whether part-time or full-time, in exchange for compensation, and did not provide such services as part of an independent business. This includes probationary, regular and contractual employees, as well as individual and project-based consultants.
3. **Management** – refers to the key decision makers in Maynilad. They are the executives who determine which business decisions are to be made.
4. **Doing business with Maynilad** – in the context of this policy, includes former employees who are either owners, investors, key officers of suppliers, vendors, contractors, sub-contractors or service providers that have business dealings with Maynilad.
5. **Supplier/Vendor** – refers to a company or an individual that offers goods and/or services to the Company.
6. **Contractor** – refers to a person or company to whom the Company has awarded a contract or a project.
7. **Sub-contractor** – refers to a company or an individual that has a contractual agreement with the Contractor, not with Maynilad; it is responsible for a component of the contract or project awarded to the Contractor.
8. **Technical/Business Consultant** – refers to a company or an individual engaged by the Company to provide expert advice or services to Maynilad.
9. **Service Provider** – refers to a company or an individual that provides a service to Maynilad such as, but not limited to, janitorial, security, meter-reading, sewerage, septage, transport, water tankering, research, etc.
10. **Individual Consultant** – refers to a person whose services were engaged by Maynilad based on the person's individual capacity and capability to render specialized consultancy services. The individual consultant is not employed by a consultancy entity engaged by Maynilad.





**POLICIES and STANDARDS**

**GOVERNANCE POLICY ON  
FORMER EMPLOYEES**

No.	PS-LRA-005-2019
Page:	Page 3 of 5
Effective:	1 May 2019
Revision No.: Supersedes	

**VI. POLICIES AND STANDARDS**

1. A former employee may be allowed to work for, or do business with, Maynilad, provided that such former employee:
  - (a) was of good standing, and had satisfactory performance record while employed with Maynilad; and
  - (b) was cleared of all obligations with Maynilad at the time of the termination of employment, whether by way of voluntary or involuntary resignation.
2. The following former employees are disqualified from doing business with Maynilad:
  - (a) Those with less-than-satisfactory performance record, including those who terminated their employment by way of resignation due to an unresolved Performance Enhancement Plan (PEP);
  - (b) Those who violated a policy or the Company's Code of Conduct and was imposed disciplinary sanction;
  - (c) Those with pending obligations or outstanding accountabilities to Maynilad; and
  - (d) Other cases similar or analogous to the foregoing.
3. Former employees should have no conflict of interest.
  - (a) The former employee's business engagement with the Company is not and will not be influenced by the relationships forged as a result of being a former employee of the Company.
  - (b) The former employee will be bound by a non-compete clause to uphold the interest of the Company.
  - (c) The *Governance Policy on Conflict of Interest* will be considered in deciding whether or not to allow business engagements with former employees.
4. Two (2) years should have at least lapsed from the time of the former employee's resignation before such former employee can do business with Maynilad. However, this shall not apply to those hired as individual consultants of the Company.



**POLICIES and STANDARDS**

**GOVERNANCE POLICY ON  
FORMER EMPLOYEES**

No.	PS-LRA-005-2019
Page:	Page 4 of 5
Effective:	1 May 2019
Revision No.: Supersedes	

**VII. OPERATING PROCEDURES**

1. Determine eligibility of former employee for business engagement with Maynilad.
  - (a) In the event that the Supply Chain Management Division (“SCM”) receives an application for vendor accreditation from a former employee, SCM must secure a certification from the Human Resources Division (“HR”) to determine eligibility.
  - (b) HR will determine eligibility by checking the former employee’s employment records such as the 201 file and other employee dossiers. HR will then certify on the eligibility or non-eligibility of the former employee to engage in business with Maynilad. HR will use the Certificate of Good Standing form (Annex 1).
  - (c) Assuming that HR certifies that the former employee is eligible, SCM will further determine eligibility through the contractor/vendor accreditation process.
  - (d) For individual consultants, the Management will have the final decision on the former employee’s engagement.
2. Engagement
  - (a) Business dealings immediately after termination of employment with Maynilad shall not be allowed except for individual consultants.
  - (b) If the former employee is employed by a vendor, contractor, sub-contractor or service provider (collectively, the “Vendor”), such former employee will **NOT** be allowed directly or indirectly to transact with Maynilad until after the two-year prescription period.
  - (c) The Vendor shall certify whether or not it employs former employees of the Company and if so, must disclose their names and such other relevant information which the Company may require. Failure to make the required disclose may result in:
    - (i) the termination of the contract of the Vendor;
    - (ii) the disqualification of the Vendor from bidding;
    - (iii) the delisting of the Vendor from the accredited list of vendors/contractors.

**VIII. MONITORING AND REVIEW**

The Enterprise Risk Management and Internal Audit shall periodically review compliance and/or effectiveness of this Policy, and recommend the necessary or appropriate changes thereto.



**POLICIES and STANDARDS**

**GOVERNANCE POLICY ON  
FORMER EMPLOYEES**

No. PS-LRA-005-2019

Page: Page 5 of 5

Effective: 1 May 2019

Revision No.:  
Supersedes

**IX. REFERENCES**

Policy on Conflict of Interest  
Policy on Contractor/Vendor Accreditation

**X. ATTACHMENT**

1. Certificate of Good Standing Form

UNCONTROLLED COPY

A small, handwritten signature or initials in the bottom right corner of the page.



# CERTIFICATE OF GOOD STANDING



Name of Vendor: \_\_\_\_\_

Name of Former Employee: \_\_\_\_\_

Criteria for Qualification	Yes	No
1. The former employee did not have less-than-satisfactory work record and unresolved Performance Enhancement Plan (PEP) while employed at Maynilad.		
2. The former employee did not violate any policy or the Company's Code of Conduct and did not receive any disciplinary sanction while employed at Maynilad.		
3. The former employee has no pending obligations with Maynilad and has completed exit clearance.		

Date of last day of employment with Maynilad \_\_\_\_\_

We hereby state that we have verified all pertinent information regarding the above-named former employee and certify that he/she is of good standing with Maynilad.

Verified by:

Certified by:

\_\_\_\_\_  
HR Business Partner

\_\_\_\_\_  
HR Head