



Maynilad

Accelerating Innovation

2022 Sustainability Report



About the Cover

Maynilad's 2022 Sustainability Report: Accelerating Innovation highlights the company's commitment to achieving its vision to be the leading water company in the Philippines and "solving water" through innovative and sustainable solutions to meet the country's water, energy, and wastewater needs.

Access to safe drinking water is a basic human right. Water must be available and treated to acceptable quality for its intended use. The challenges in water combined with its impact on humans and the economy incentivizes innovation. To meet the need for safe water, Maynilad

has been accelerating the use of technology to provide better solutions for delivering water to their customers. The company has shifted its focus from traditional water resources to alternative water resources such as the reuse of treated wastewater - the NEW WATER Project.

Maynilad launched the "NEW WATER" Project on 28 June 2022. The Project involves recycling used water for potable use. Maynilad is the first company in the Philippines to produce drinkable reused water. It is also the first "direct potable reuse" initiative in Asia. Moreover, the Parañaque City Health Office issued a Certificate

of Potability for the NEW WATER, indicating that it meets Philippine National Standards for Drinking Water. The initiative is in line with the company's bid to expand its alternative raw water source options so it can better augment supply during times of shortage.

This NEW WATER Project is a milestone for Maynilad. The company has accelerated its innovation to ensure the continuous supply of water for present and future generations. This will help ensure that there will be enough water not just for the communities but also for the different sectors of the country.



About the Report

[2-2, 2-3]

Water is essential for human existence, but billions of people still lack access to safe and clean water. In light of this pressing issue, Maynilad Water Services Inc. (Maynilad) is more driven to implement responsible and sustainable practices in managing water resources.

Maynilad’s 2022 Sustainability Report chronicles our ongoing efforts to address water challenges, foster a sustainable enterprise, create environmental and social value, and empower the communities we serve and operate in. Our report outlines the environmental, social, and economic aspects of our programs and projects on water efficiency. Our approach is founded on our mission to provide safe, affordable, and sustainable water solutions that enable those we serve to lead healthier, more comfortable lives. Our vision, as expressed through our business activities, communicates our commitment to being the leading water solutions company in the Philippines with a strong presence across Asia.

Maynilad has reported in accordance with the Global Reporting Initiative (GRI) Standards for the period January 1 to December 31, 2022. We have followed this standard to comprehensively show material issues. Also, we adhere to our mission by incorporating the UN Sustainable Development Goals (SDGs) in our environmental and social management approaches. The report also includes disclosures for our subsidiary, Philippine Hydro, Inc. (energy, air pollutants, water withdrawal, water produced, and scope 1 and 2 emissions). Moreover, the data and information disclosed in this Report are grounded on materiality assessment, stakeholder engagement, and other important sustainability reporting guidelines. In terms of data collection and analysis, these were done in accordance with pertinent international, national, and local guidelines or standards.

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Leadership Message

Chairman's message

To our dear stakeholders,

Year 2022 has been a landmark period for us in a number of ways. It was our year of recovery, as we started rising above the lingering impacts of the pandemic on our operations. It also marked the 15th year of Maynilad's re-privatization, as well as the official grant to Maynilad of a 25-year franchise by Congress.



Throughout all of these developments, our people have soldiered on, and there are a lot of accomplishments that we can look back upon with pride.

Milestone: 15th Year of Reprivatization

Over the past 15 years since our re-privatization, we have spent around PhP 210 billion in capital expenditure projects that significantly improved water and wastewater services in the West Zone. We witnessed remarkable growth in water coverage and availability, with water service coverage increasing from 80.5% in 2007 to 94.6% in 2022, and the number of billed water service connections likewise going up by 116% between 2007 and 2022. Meanwhile, our efforts to manage water losses have borne fruit, as non-revenue water (NRW) level went down from a high of 66% in 2007 to as low as 30.3% in 2022 at the District Meter Area. We have also been working towards sustained expansion of sewerage coverage, and we have succeeded in increasing it from 6.8% of the water-served population in 2007 to 22.6% in 2022.



These achievements had a significant positive impact on the communities we serve. Not only did our infrastructure project sustain the water services needed to stimulate the economy, it also created over 397,000 jobs (direct and indirect) during this period. Our employees' hard work and dedication are key driving factors behind such significant growth despite the financial, regulatory, operational, and environmental challenges that we have faced through the years.

2022 Key Developments [207-1, 207-2]

The 25-year legislative franchise grants Maynilad the authority to establish, operate, and maintain a waterworks system, as well as sewerage and sanitation services in the West Zone service area. This franchise introduced provisions that reshaped the business paradigm, including the removal of Corporate Income Tax from recoverable operating expenses, and the replacement of the 12% VAT on customer bills with the smaller local and national franchise tax.

Following a successful rate rebasing exercise, we have obtained approval for our 2023 to 2027 Business Plan and a tariff increase. This enables us to secure funding for critical projects and meet our service obligations. With a substantial capital expenditure allocation of approximately Php 163 billion over the next five years, we will focus on expanding water sources, improving infrastructure, and enhancing wastewater

facilities to provide reliable services, meet growing demand, and achieve sustainability goals.

Financial Performance

We made significant strides in our financial performance and overall operations. We achieved a 4% increase in revenues from PhP 22.0 billion in 2021 to PhP 22.9 billion in 2022, with both our water service revenues and sewer service revenues growing by the same rate.

We also managed to perform with a higher operating income from PhP10.5 billion in 2021 to PhP11.0 billion in 2022 by incurring lower amortization costs. We continue to support the Capex programs through sufficient funding and maintaining a healthy debt-equity ratio level of 1.3.

Water Services Improvement and Recognitions

In 2022, we delivered 928 million cubic meters (MCM) of potable water to 1.5 million billed service connections, or around 10 million people within our coverage area.

We have expended considerable investments in the water treatment space to improve our facilities and services. Our efforts were recognized at the 2022 Europa Awards—organized by the European Chamber of Commerce Philippines to recognize companies with exceptional performance and contributions in promoting sustainability—when Maynilad landed as a finalist under the Water Resource Management category. We are also very proud and pleased that our project on design and construction improvements for our La Mesa Treatment Plant 1 was declared as “Project of the Year” at the 2022 International Federation of Consulting

Engineers (FIDIC) Contract Users Award, which is granted to organizations that strictly comply with the FIDIC golden principles on project execution.

Enhanced Customer Experience

We treat customers as our growth partners and prioritize good customer experience. In line with this, we launched in 2022 a new QR code facility for easy bill payments via contactless transactions, and also established a partnership with SMART Communications to allow customers free access to Maynilad’s “My Water Bill” online customer service portal.

The year 2022 has been a time of learning, progress and growth. In this year’s sustainability report, we sought to provide insights into our approach to materiality, sustainability performance and goals. We conscientiously track and monitor data

across all our operations, and are committed to disclose more meaningful insights in our future reports.

We aim to continue developing innovative solutions for existing and new challenges in the water industry. We will persist in investing in service enhancement projects, research and development, in pursuit of our mission to provide safe, affordable and sustainable water solutions that enable those we serve to lead healthier, more comfortable lives.

We look forward to this sustainability journey together.



Manuel V. Pangilinan
Chairman

Leadership Message

President and CEO’s Message [2-14]

To our dear stakeholders,

The last three years have yielded invaluable and enriching learning experiences for Maynilad, both on business resiliency and sustainability.

The pandemic posed multiple challenges on connectivity, yet we worked tirelessly to overcome the constraints and sustain the delivery of our services so we can continue creating positive economic, environmental, and social impacts.

Our People as Our Greatest Assets

At Maynilad, we firmly believe that our employees are our lifeblood. We recognize that their dedication, skills, and expertise are the driving force behind our success. As a company, we strive to create a positive and supportive work environment where we prioritize their well-being, professional growth, and job satisfaction because we understand that their individual contributions collectively shape our organization’s achievements. By investing in our people, we create an environment where they feel valued, motivated, and empowered to achieve their full potential.

A Culture of Excellence

We are proud to announce that we have achieved the prestigious Gold Level accreditation from Investors in People (IiP). This recognition positions us as the first and only water company in the Philippines



to receive this esteemed honor. The IIP Gold Level accreditation showcases our commitment to exceptional people management, as we surpassed global benchmarks and ranked among the top organizations worldwide. This achievement is a testament to our employees' unwavering dedication and their role in our continued

success. Maynilad remains steadfast in our commitment to providing excellent service, supported by a workforce empowered for sustainable growth.

Innovation and Resilience

Our Sustainability Report this year highlights our commitment to pioneer sustainable solutions to meet the country's water and wastewater needs. One of our landmark initiatives launched this year is the NEW WATER Project, which involves the recycling of used water for potable application—a first in the country. It is also the very first “direct potable reuse” implementation in Asia.

For the pilot implementation of this project, we built a PhP 450-million NEW WATER Treatment Plant in Parañaque City that collects the treated used water discharged by our Parañaque Water Reclamation Facility and converts it to drinkable water. The NEW WATER that we produce has been given a Certificate of Potability by the Parañaque City

Health Office and a Conditional Operational Permit by the Department of Health, proving that it meets the Philippine National Standards for Drinking Water (PNSDW).

We also inaugurated the new and expanded Maynilad WATERLab, located inside the La Mesa Compound in Quezon City. The PhP 70-million facility is earthquake-resistant and houses Maynilad's state-of-the-art analytical instruments used for studying compounds in water samples drawn from 1,155 sampling points throughout the West Zone.

We continue to improve our service delivery, as evidenced by the recertification of our Business Continuity Management System (BCMS). The ISO 22301:2019 recertification underlines the fact that we have established an effective system of water provision that complies with international standards and validates our sustainability and operational resiliency in the event of a disaster, pandemic, and technical and security-related emergencies.

Sustained Social Impact

The steady development of the communities that we serve is integral to our mission as a socially responsible utility. We invested PhP 56 million to sustain projects that focused on water, sanitation, hygiene, poverty alleviation, environmental sustainability, as well as pandemic recovery which continued to be a priority development agenda in 2022. From supporting social enterprises to leading grassroots W.A.S.H. programs to providing disaster response, our commitment to long-term growth and community well-being remains unwavering.

Environmental Stewardship

We actively pursue the target of achieving climate neutrality by 2037 and all our environmental initiatives are directed towards achieving this goal. Our interventions are on track for capacity building on carbon emissions accounting and managing GHG

emissions across Scope 1, Scope 2 and Scope 3. The maintenance of our ISO 50001:2018 certification also signifies our commitment to continuously improve energy management system within the company. This will, in turn, contribute to reduced carbon emissions.

As part of our commitment to clean energy, we set up the company's second solar power farm inside La Mesa Compound in Quezon City to generate more renewable energy for operating our water facilities. The introduction of this solar farm in 2022 led to a significant increase in our solar energy utilization from 503 gigajoules (GJ) in 2021 to 2161 GJ in 2022.

Beyond our operations, our commitment to sustainable development is fundamental in everything we contribute to and invest in.



We continue to support the rehabilitation of the Ipo and La Mesa Watersheds, as well as of Laguna Lake and Manila Bay. In 2022, we planted more than 82,000 saplings at Ipo and La Mesa, and 11,800 mangrove propagules in Bacoor, Cavite, along the Manila Bay coastline. We celebrated a milestone as we planted our one-millionth tree, which we call the “Mega Tree.” We also conducted clean-up activities along the Muntinlupa rivers and creeks that empty out to Laguna Lake, managing to collect more than 2,000 sacks of solid waste. The DENR has recognized Maynilad’s wastewater management and estero clean-up drives, which contribute significantly to the multi-sectoral effort to protect and rehabilitate the Manila Bay

Our Commitment

We have always been conscious of rationalizing our environmental footprint, minimizing the impact of our operations on our stakeholders even as we expand our service coverage. We seek to serve as an example for

our peers by pioneering sustainability initiatives that contribute to achieving the global sustainable development goals (SDGs). Sustainability is integrated in the way we operate, as we always prioritize sustainability considerations and strive to keep our stakeholders engaged.

As we look ahead, we will continue to expand our operations in a resilient and sustainable fashion. Together with you, we will work hard to overcome the challenges and achieve sustainable growth.


Ramoncito S. Fernandez
President and CEO



About Maynilad

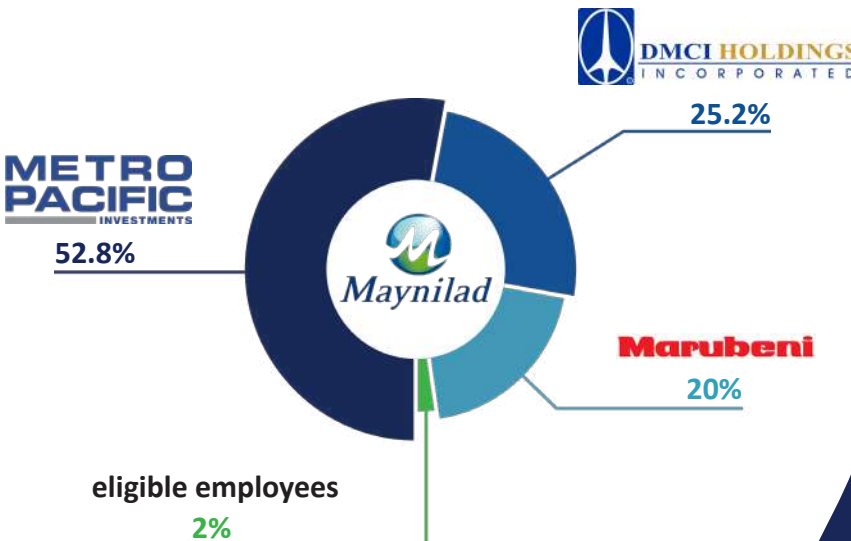
[2-1]

Maynilad is the largest water service provider in terms of customer base in the Philippines, with over 1.5 million water service connections. It is managed by Maynilad Holdings Corporation, which is jointly owned by Metro Pacific Investments Corporation (MPIC), DMCI Holdings (DMC), and Marubeni Corporation.

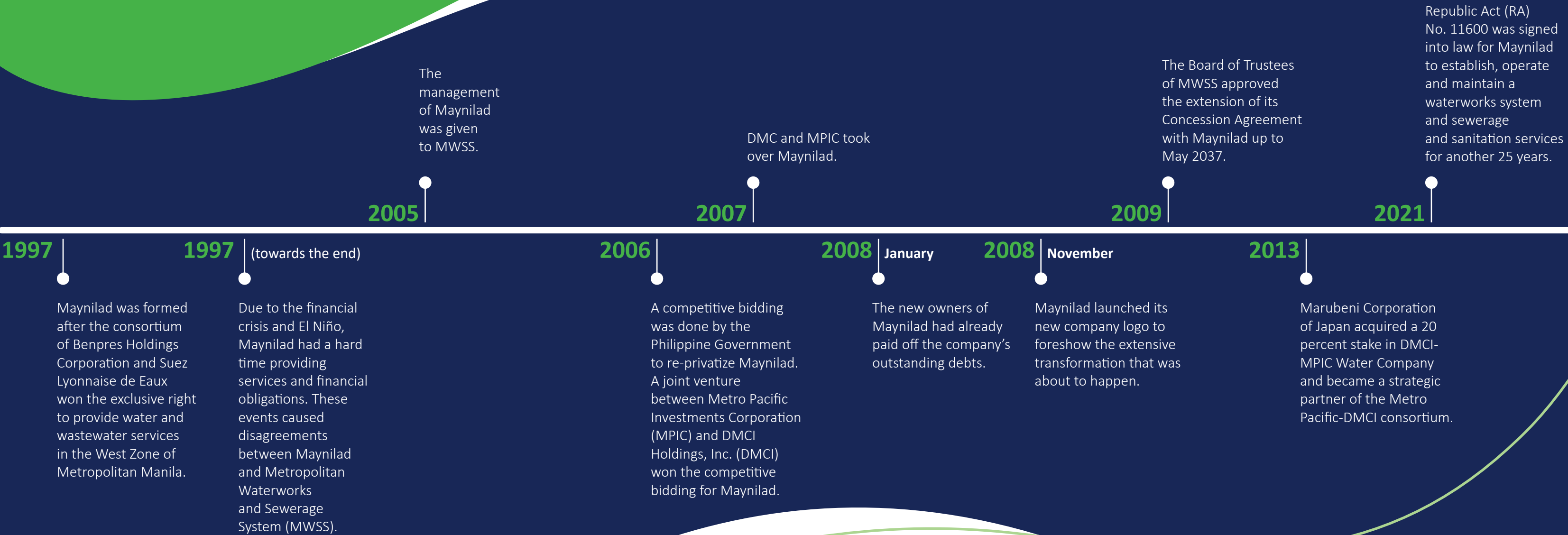
Under Republic Act 11600, Maynilad has a 25-year franchise to establish, operate and maintain the waterworks system and sewerage and sanitation services in the West Zone concession area of Metro Manila and portions of the Province of Cavite.

The company currently operates and maintains five (5) water treatment plants, 23 wastewater plants, 38 pumping stations, 37 reservoirs, 35 in-line boosters, and over 10,000 kilometers of water pipeline.

Ownership and Legal Form



Historical Timeline





Vision

We are the leading water solutions company in the Philippines with a strong presence across Asia.



Mission

We provide safe, affordable and sustainable water solutions that enable those we serve to lead healthier, more comfortable lives.



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, shareholders, and the environment.



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.



Customer Service

We consider our customers as our growth partners. Only by providing them with affordable, high-quality water solutions can we continue generating value for our company and shareholders.



Teamwork

We value our people and consider their success as our own. This is why we provide them with the support, responsibilities, and opportunities that will allow them to develop individually and with the company.



Entrepreneurship

We encourage creative thinking and deliberate execution. We expect our people to manage our company's resources with a strong sense of initiative, ownership, and accountability in order to balance the needs of our customers with those of our other stakeholders.



Love for Country

We actively partner with the public sector so that we can provide even more Filipinos with water solutions that will spur national development and secure the environment.

Corporate Values

Board of Directors

[2-9, 2-11, 405-1]



Manuel V. Pangilinan, Chairman



Isidro A. Consunji, Vice Chairman



Jorge A. Consunji, Director



Ramoncito S. Fernandez, Director



Randolph T. Estrellado, Director



Jose Ma. K. Lim, Director



Masato Hiraoka, Director



Kazuaki Shibuya, Director



June Cheryl A. Cabal-Revilla, Director

Top Management



Ramoncito S. Fernandez,
President and CEO



Randolph T. Estrellado,
Chief Operating Officer



Ricardo F. delos Reyes,
Chief Finance Officer



Marcos D. de Jesus, Head,
Technical Services



Apollo C. Tiglao,
Head Wastewater Management



Eric J. Montes,
Head Integrated Asset Management



Christopher J. Lichauco, Head Customer
Experience & Retail Operations



Lourdes Marivic P. Espiritu,
Head Legal & Regulatory Affairs



Francisco C. Castillo,
Head Information Technology Services



Martin B. de Guzman,
Head Human Resources



Jose Rizal O. Batiles, Head Enterprise Risk
Management & Internal Audit



Roel S. Espiritu, Head Quality,
Sustainability, and Resiliency



Ronaldo C. Padua,
Head Water Supply Operations



Arturo Celso D. Baranda,
Head Supply Chain Management



Yolanda C. Lucas,
Head Program Management



Marie Antonette H. De Ocampo,
Head, Corporate Affairs & Communication



Ryan B. Jamora, Head, Central Non-Revenue
Water Management

The Executive Committee

[2-10]

This committee makes decisions based on its members' majority vote. In instances when the Board is not in session and an urgent resolution is needed, it can carry out business management and corporate affairs decisions.



**Isidro A. Consunji -
Chairman**



Jose Ma. K. Lim



Ramoncito S. Fernandez



Masato Hiraoka



June Cheryl A. Cabal Revilla

The Risk and Audit Committee

Its independent reviews help strategically develop policies on governance, risk management, financial reporting and audits, information technology, and security.



Jose Ma. K. Lim



Masato Hiraoka



Jorge A. Consunji



June Cheryl A. Cabal Revilla

The Compensation and Remuneration Committee

It is responsible for ensuring the most appropriate and equitable compensation for the Company's corporate officers and directors.



Jose Ma. K. Lim



Ramoncito S. Fernandez



Isidro A. Consunji

The Nomination Committee

This committee is responsible for reviewing and evaluating nominees to the Board as well as applicants to company positions that require the Board's approval.



Manuel V. Pangilinan



Isidro A. Consunji

Our External Partnerships

[2-28]

Global Water Intelligence

International Water Association

Management Association of the Philippines

Business for Sustainable Development

Philippine Water Works Association, Inc.

Philippine Green Building Council

Safety Organization of the Philippines

Philippine Association of Water Districts

Water Environment Association of the Philippines, Inc.

Employers' Confederation of the Philippines

Philippine Society for Talent Development

People Management Association of the Philippines

Organization Development Practitioners' Network

International Association of Business Communicators Philippines

Public Relations Society of the Philippines

Philippine Disaster Resilience Foundation

Mt. Balagbag Farmers Association of San Isidro SJDMC Inc.

Water and Life Philippines

ABS-CBN Lingkod Kapamilya Foundation, Inc.-Bantay Kalikasan

United States Agency for International Development

Stakeholders' Chamber on SDGs

Services

[2-6]

Water

We provide our customers with a piped-in water supply that meets the Philippine National Standards for Drinking Water of the Department of Health (DOH). This means our water is safe and fit for drinking, bathing, cooking, and other household activities.

Sewerage

Residents and establishments in Tondo, Paco, Sampaloc, Dagupan, Sta. Cruz, Tondo Foreshore, Legarda in Manila, Malabon, Navotas, Caloocan, Projects 7 and 8 in Quezon City, Magallanes Village in Makati, and parts of Muntinlupa may connect to Maynilad's sewerage system.

Septage

Residential and semi-business customers in areas not covered by Maynilad's sewerage network may maintain their own septic tanks and avail of the septic tank cleaning service at no extra charge every five to seven years.

Water Sources

(based on actual water withdrawal)

Water held in reserve:

8 active deep wells

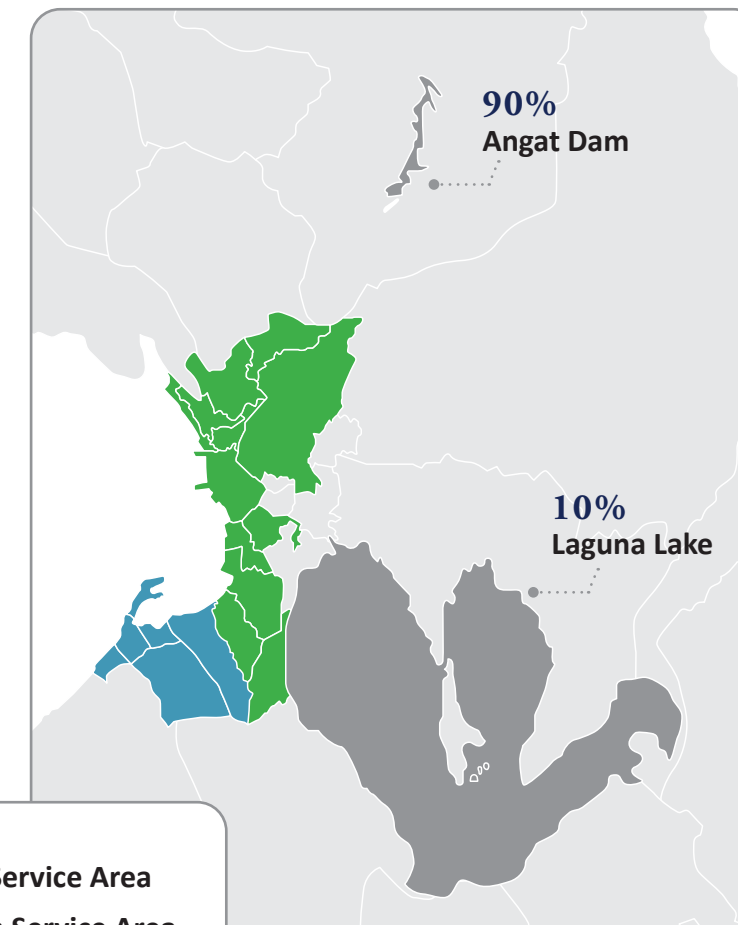
with 5.63 million liters of water per day (MLD) capacity

14 deep wells

for rehabilitation with 8 MLD capacity

37 water reservoirs

with a total holding capacity of 750.17 MLD



Primary Service Area

West Zone of NCR

- Caloocan City (North, South)
- Las Piñas City
- Makati City
- Malabon City
- Manila City
- Muntinlupa City
- Navotas City
- Parañaque City
- Pasay City
- Quezon City
- Valenzuela City

Extension Service Area

Cavite Province

- Bacoor City
- Cavite City
- Imus City
- Kawit
- Noveleta
- Rosario



Water Supply Services

Maynilad delivered 928 million cubic meters (MCM) of potable water to 1,522,992 billed service connections or around 10 million people within its coverage area.

- 5 world-class water treatment plants
- 38 pumping stations
- 37 water reservoirs
- 7,753 kilometers of primary, secondary and tertiary pipelines
- 35 in-line boosters
- Combined treatment capacity of 2,710 million liters per day
- Over 2,000 million liters of potable water per day to over 1,700,000 million customers

Philhydro delivered 19.7 million cubic meters (MCM) of potable water to 1,582 active service connections within its coverage area.

- 4 water treatment plants
- 4 pumping stations
- 1 water reservoir
- 1 Booster station
- 2 Clarifiers
- 1 Booster station
- Over 41.02 kilometers of primary, and secondary pipelines
- Over 54.07 million liters of potable water per day are delivered to its customers



Sewage and Sanitation

- 20 Water Reclamation Facilities
- 2 Joint Sewage and Septage Treatment Plants
- 1 Septage Treatment Plant

- 111 pump/lift stations
- 625 kilometers of sewer lines
- 89 Vacuum Truck Units for sanitation

Service Area

- Norzagaray, Bulacan
- Sta. Maria,, Bulacan
- Bambang, Nueva Vizcaya
- Legazpi City, Albay
- Rizal, Nueva Ecija



Workforce

[2-7, 2-8]

Maynilad's **2,256 workers**, which include regular, probationary, and project-based, serve more than **1.7 million customers** with residential, semi-business, commercial, and industrial accounts.

Year in Service



Water Services

1,726,105

Total number of customers

1,453,081

Billed residential and semibusiness (domestic) accounts

69,911

Billed commercial and industrial (non-domestic) accounts

526.95

Cumulative billed volume (MCM)



Sewerage Services

78,763

Billed sewerage services (total billed accounts)

68,691

Billed residential and semi-business (domestic) accounts

10,072

Billed commercial and industrial (non-domestic) accounts



Sanitation Services

5,831,705

Population covered by sanitation services (individuals)

201,437

No. of accounts offered with sanitation services

134,026

No. of accounts that availed of desludging services

69,924

No. of septic tanks emptied

Financial Highlights

Amounts are in Php million (except earnings per share value)



13,800

Capex



5,874

Reported net income



68

Debt



1,317

Earnings per share value



5,548

Operational expenses



2,786

Payment to government



63

Net equity



Awards, Recognition and Certifications

International

- Special Achievement – 2022 SAG Award by Environmental Systems Research Institute (ESRI)
- Gold Level accreditation – Investors in People (IiP)
- 2022 FIDIC Contract Users’ – Project of the Year Award- International Federation of Consulting Engineers
- CEM Insight Award for Leadership in Energy Management – Clean Energy Ministerial (CEM)

Local

Anvil Awards from the Public Relations Society of the Philippines

- “Mayni-LAD to the Rescue!” Wastewater Digital Campaign Video Series Part 4 (Gold)
- “Project STREAM” Change Management Program (Silver)
- Ripples (Silver)
- Maynilad Simpleng Ginhawa (Silver)

Philippine Quill Awards from the International Association of Business Communicators

- Project STREAM Change Management Program (Excellence Award)
- Pay Your Way: Maynilad’s digital payment push (Merit Award)
- Spreading the gospel of proper handwashing (Excellence Award)
- Taking the discussion on wastewater management and sanitation online (Merit Award)
- Ripples, The official newsletter of Maynilad Water Services, Inc. (Merit Award)
- Maynilad Simpleng Ginhawa Videos (Merit Award)
- “Mayni-LAD to the Rescue!” Wastewater Digital Campaign Video Series Part 4 (Merit Award)
- Effects of Typhoon Ulysses on Maynilad Operations (Merit Award)



Our Value Chain

[2-6, 2-25]

Maynilad is dedicated to delivering safe, affordable, and sustainable drinking water and sanitation services to our customers and communities, recognizing these as essential human rights. Through our comprehensive programs, we actively respond to the needs of our stakeholders while conscientiously caring for our natural resources. As we provide these vital services, we conscientiously handle and minimize any adverse effects that may arise from our operations on both the environment and the community we serve.



Water withdrawal

Maynilad acquires its raw water from two primary sources: the Umiray-Angat-Ipo water system and Laguna Lake. In instances where additional water supply is required, Maynilad also taps into groundwater reserves through deep wells.

Maynilad remains committed to actively seeking and developing alternative water sources to complement its supply from Angat. The company takes great care to responsibly extract water from Angat, adhering to the allocation established by the National Water Resources Board (NWRB) to prevent any over-extraction from this crucial source. In line with our dedication to resource stewardship and addressing climate change, we actively engage in watershed protection and maintenance initiatives. These encompass reforestation efforts and the preservation of biodiversity.



Water collection and treatment

Prior to distribution, Maynilad employs a systematic process where water is gathered and treated at its four water treatment facilities. These facilities operate with a commitment to producing water that adheres to the Philippine National Standards for Drinking Water as mandated by the Department of Health (SDG 3). Additionally, we proactively enhance our facilities to prepare for the potential effects of climate change and natural disasters.



Water distribution to households and business establishments

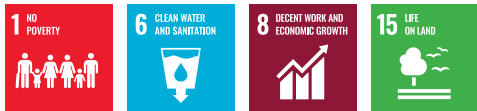
Our objective is to ensure that our customers have access to a continuous water supply, available 24/7, with a pressure level of either 7 or 16 pounds per square inch (psi). Once the water has undergone the necessary treatment, it is efficiently distributed to households and businesses within our concession area. In our commitment to inclusivity, we have implemented programs that specifically address the water and sanitation needs of low-income and underserved communities, aligning with the goals of SDG 6.





Wastewater conveyance, collection, and treatment

Maynilad takes responsibility for the effective management of wastewater and strives to enhance the quality of its treated effluent. Through a comprehensive infrastructure system, we collect and transport wastewater to our extensive network of 23 wastewater treatment facilities, 111 lift stations, and 625 kilometers of sewer lines. By addressing wastewater management, we actively contribute to the goals outlined in SDG 6 and SDG 11, promoting sustainable water and sanitation practices as well as sustainable cities and communities.



Nation Building

Maynilad undertakes initiatives to restore and protect watersheds through plantation establishment, monitoring, and maintenance in Ipo Watershed, as well as enrichment planting in La Mesa Watershed. Additionally, Maynilad implements social enterprise projects that train community members to create sellable products. As part of our advocacy, we lead programs like Daloy Dunong, an award-winning water, sanitation, and hygiene (WASH) education initiative that teaches youth vital skills like handwashing.



Our Sustainability Strategy

[2-22]

The main goal of our business is to provide our customers with consistent and quality water solutions at affordable costs. To achieve this objective, proper management of all natural resources, particularly water, is an essential part of our business strategy. The ripple effects of conscious steps towards stewardship of natural resources include operational efficiency and mitigation of environmental impacts from our end. While managing sustainability proactively, our employee engagement practices, asset management, adherence to regulatory requirements, and customer experience are positively impacted.



Our Sustainability Framework

Maynilad has made significant strides in enhancing our sustainability framework, demonstrating our commitment to sustainable development. The framework is guided by our mission statement, which is “to provide safe, affordable and sustainable water solutions that enable those we serve to lead healthier, more comfortable lives. “Safe” entails meeting water quality

standards, environmental stewardship, employee and community well-being, and addressing governance and regulatory risk management. “Affordable” means providing accessible water services, delivering value to stakeholders, and benefiting employees. Our focus on business growth, operational efficiency, and stakeholder relationships remains unchanged,

with a renewed emphasis on comprehensive social and governance initiatives. These pillars guide our efforts to address economic, environmental, and social sustainability, aligning with the Sustainable Development Goals (SDGs). Our aim is to seamlessly integrate sustainability throughout our organization.



We use these pillars to guide our sustainability initiatives. The aspects covered under each of these pillars are our material topics, identified through an extensive materiality assessment process conducted using GRI 2021 standards as a guide.

The steps followed in this process are outlined in a separate section of this report.

Business Growth

Growing and sustaining as a business is the first step towards achieving our primary goal of providing safe and affordable water solutions to communities. On the other hand, good business performance helps us keep our employees motivated and our stakeholders satisfied which influences improvements in our productivity and output quality. Sustained financial performance also helps us invest in new technologies that help us improve customer satisfaction.

Thematic Area	Material Topic	Relevant Indicators
Data-driven growth	Technology, Innovation, and Business Growth	GRI 204: Procurement Practices
	Cybersecurity & Data Privacy	GRI 418: Customer Privacy
Business Survival in the long run	Business Continuity	GRI 202: Market Presence 203: Indirect Economic Impacts
	Sustained Earnings	GRI 201: Economic Performance 207: Tax
	Asset Management	Non-GRI Asset management policies, practices, and initiatives at Maynilad.

Operational Efficiency

This is one of our most critical pillars since it not only mitigates the environmental impacts of our operations on the communities but also reduces operational costs in the long run. As a company that deals with one of the world’s most vital resources, we consider it our responsibility to be environmentally conscious while extracting and supplying water and engaging in water conservation strategies to prevent water pollution (including wastewater treatment). Educating stakeholders on the importance of responsible consumption and production is also a significant part of our sustainability strategy.

Thematic Area	Material Topic	Relevant Indicators
Water Conservation and Supply	Water efficiency and wastewater treatment	GRI 303: Water and Effluents
	Quality & Reliability of Water Supply	
Climate Change	Energy Management	GRI 302: Energy
	GHG Emissions	GRI 305: Emissions
	Environmental Compliance	GRI 307: Environmental Compliance
External Impacts	Supply Chain, Materials Management, and Quality Assurance	GRI 301: Materials 308: Supplier Environmental Assessment 414: Supplier Social Assessment 416: Customer Health and Safety
	Biodiversity Management	GRI 304: Biodiversity
	Waste Management	GRI 306: Waste

Stakeholder Relationships

Throughout our value chain, we interact with various stakeholders at multiple touchpoints. Maintaining healthy relationships with each of them not only affects business survival but also helps us build our reputation over a period of time. It also establishes an environment of trust around the business, which helps us serve our customers better while also creating a congenial environment for our employees to thrive.

Thematic Area	Material Topic	Relevant Indicators
Internal stakeholder management	Employee Engagement and Development	GRI 401: Employment 402: Labor / Management Relations 404: Training and Education
	Occupational Safety and Health	GRI 403: Occupational Health and Safety
	Diversity, Equality, and Inclusion	GRI 405: Diversity and Equal Opportunity 406: Non-discrimination 407: Freedom of Association and Collective Bargaining 408: Child Labor 409: Forced / Compulsory Labor 410: Security Practices 411: Rights of Indigenous Peoples
External stakeholder management	Community Development	GRI 413: Local Communities
	Fair and Transparent Practices	GRI 2-27: Compliance with laws & regulations 415: Public Policy
	Customer Experience	GRI 416: Customer Health & Safety 417: Marketing and Labelling



Stakeholder Engagement

[2-29, 207-3]

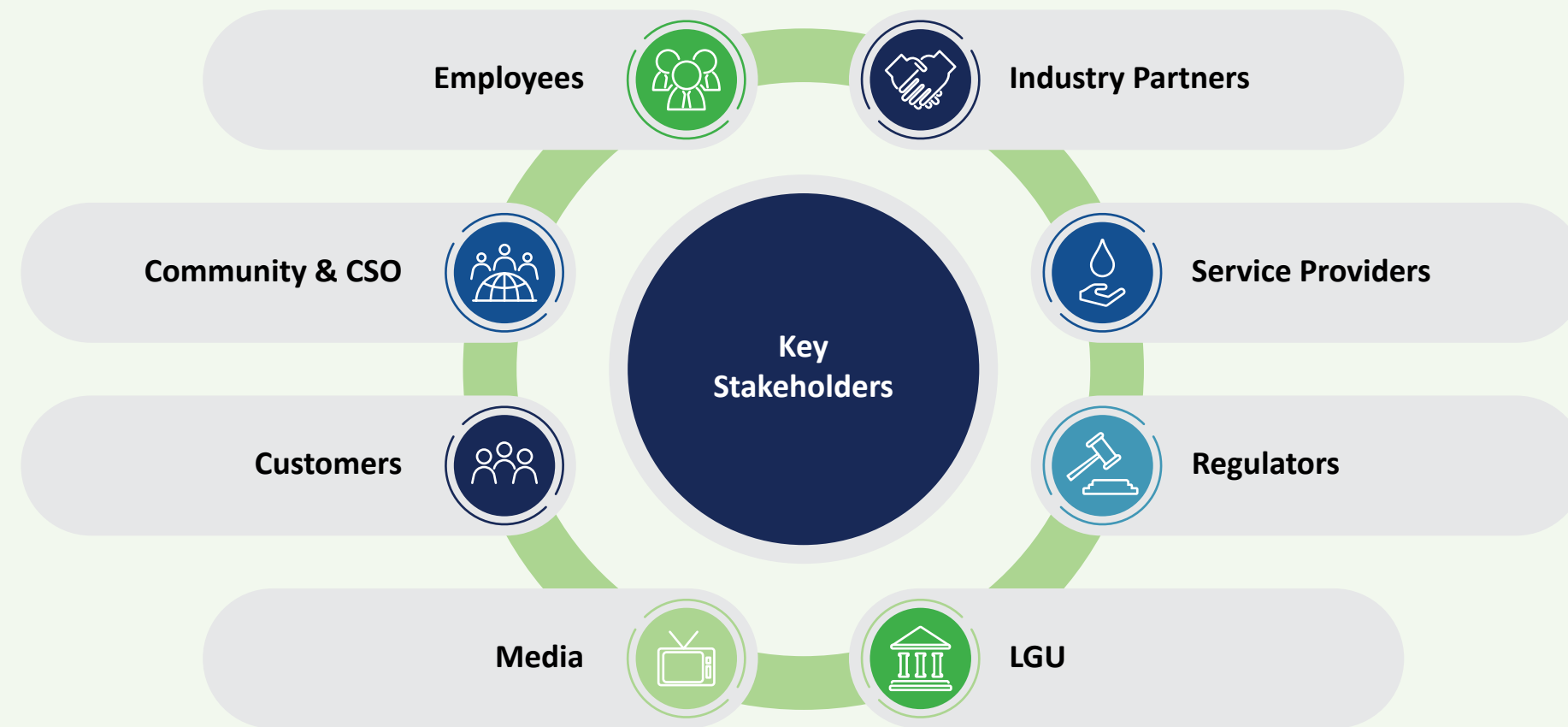
The success of Maynilad’s sustainability interventions and impacts hinges on effective collaboration with our key stakeholder groups. This is why we consider inclusivity as a critical factor in our approach to business operations and sustainable development. As a business, we have identified key

stakeholders and ensured consistent engagement with them to gather insights, feedback, and recommendations.

As part of this year’s reporting process, we engaged with stakeholders from various groups to gather their perspectives

on Maynilad’s sustainability initiatives. We sought their input on potential areas for improvement and opportunities for collaboration. We compiled this valuable feedback, along with key concerns raised by stakeholders, and addressed them accordingly.

Key Stakeholder Groups



Service Providers and Contractors



Perception of sustainability interventions and impacts

Some of the key touch-points that service providers and contractors have highlighted as manifestations of Maynilad's commitment to sustainability include on-time payment for services; active support and care for the health and safety of contractor personnel during the pandemic through vaccination drives and medical assistance; and regular check-ins to understand concerns and issues to provide quality service.



Collaboration opportunities

The service providers identified opportunities for collaboration in the following areas: promote operational efficiency and cost savings through value engineering programs during construction and design projects,

the institutionalization of advanced forecasting to better manage project timelines, and investments to further reduce carbon footprint and mitigate fuel price surge through sustainability in procurement.

Channels

Emails, Online meetings, Vendor accreditation process, Contractor feedback mechanisms (On a project basis, as needed), Toolbox Meetings.

Frequency

As needed

Concerns

- Initiate a business continuity plan for the 'big one', the major earthquake.
- Improved communication channels to identify changes and recommend improvements to project design.

- Consider using native materials for construction instead of importing.
- Continue to support addressing community grievances regarding water supply issues
- Enhanced approach to demand forecasting for better supply planning

Maynilad's responses

- Institutionalized and renewed BCMS certification.
- Enhanced the first responder team to provide security, emergency assistance, and response for crisis situations.
- Implementing a Project Management Information System.
- Working group to manage government-related transactions and community concerns.

Community & CSO



Perception of sustainability interventions and impacts

The communities and CSO partners acknowledged and appreciated Maynilad's support through livelihood programs.



Collaboration opportunities

Support for mainstreaming the products of their livelihood programs to sustain and grow.

Channels

Public consultations (As needed), phone calls, third-party messaging apps, face-to-face meetings

Frequency

As needed

Concerns

- Reduced number of orders for products from the livelihood programs
- Support in the renewal of cooperative registration

Maynilad's responses

- Exploring partnerships and avenues for increased business opportunities for the communities/CSOs
- Provide assistance in the processing of documents to be submitted in government agencies.

Local Government Units (LGUs)



Perception of sustainability interventions and impacts

The LGU partners value the awareness-raising interventions in the community through water education programs, webinars, and other community briefings-covering parents, youth, and students.



Collaboration opportunities

Based on ongoing efforts, LGUs have recommended joint actions to build advocates and community leaders, fostering long-term growth and progress.

Channels

Emails, SMS messages, phone calls, third-party messaging apps, virtual and face-to-face media briefings, and consultation meetings.

Frequency

As needed

Concerns

- Communication in terms of dissemination of information regarding the water interruptions
- The fast turnover rate of project coordinators/ contact persons in the community side.
- The need to build relationships over and over.

Maynilad's responses

- Maynilad continues to invest in new technologies to mitigate the risks to water availability. It also engages in advocacy for responsible water use and promotes sanitation.
- Have a sustainability group discussion with our volunteer leaders.

Industry Partners



Perception of sustainability interventions and impacts

Maynilad's interventions through investments in watershed conservation, support for marginalized groups, and access to safe water are greatly valued by our industry partner representatives.



Collaboration opportunities

The partners recommend collaboration with schools by creating a common communication platform. They have recommended providing technical assistance to small water operators and supporting communities in critical watersheds for efficient and sustainable operations.

Channels

Conferences, Workshops, Industry events, and Consultation meetings

Frequency

Very often

Concerns

- Have an official group chat with partner school administrators
- Officiate existing collaboration with educational institutions for more increased support

Maynilad's responses

- Meet regularly to discuss concerns about public schools and CSR activities.
- Explore setting up MoAs where applicable

Regulators



Perception of sustainability interventions and impacts

Representatives from government agencies confirmed Maynilad’s commitment to providing projects and financial assistance to stakeholders while ensuring sustainability through strong, achievable strategies. They acknowledged the prioritization of environmental resiliency and compliance with safeguards, while delivering reliable water services.



Collaboration opportunities

Maynilad can collaborate with LLDA through the Adopt a River Project and explore cost-effective initiatives to upscale sustainability efforts. They can also visit existing

programs and prioritize source water protection and watershed management to achieve shared goals of sustainably managed watersheds.

Channels

Emails, SMS messages, phone calls, third-party messaging apps, public consultations, capacity development, coordination meetings, Focus Group Discussion (FGDs), Water Quality Committee, letters.

Frequency

As the need arises; regular meetings are conducted monthly and quarterly

Concerns

- Compliance to effluent and pollution standards
- Conflicting uses of Laguna Lake.
- Delayed reporting from WS Operations.

Maynilad’s responses

- Maynilad conducts clean-up activities and planting of riparian areas that are considered short term solutions.
- The Company abides by the rules and regulations of the governing agencies
- Water Quality-related concerns are communicated through WATERLab and the Legal and Regulatory Affairs.

Media



Perception of sustainability interventions and impacts

Stakeholders from the media consider ongoing sustainability initiatives of the company including Plant for Life, adoption of renewable energy in water treatment plans noteworthy. They still perceive there is room to enhance communications during times of water disruption.



Collaboration opportunities

Share critical plans for community development and sustainability interventions to understand and better disseminate interventions that address existing challenges related to water quality, disruption and community engagement.

Channels

Media conference, Press releases, Social gatherings, One-on-one meetings, Annual reports, Website and Social media, Site visits

Frequency

As needed

Concerns

- Timely update on issues and causes related to prolonged water disruption
- Share insights on plans to address such issues when they occur

Maynilad’s responses

- Issue press releases and notifications during times of water disruption
- Provide interviews as necessary
- Facilitate site visits for media engagement to articulate plans and interventions to address issues

Employees



Perception of sustainability interventions and impacts

Employees recognized the sustainability interventions as relevant and find the Sustainability Report highly informative, which has effectively raised awareness among the workforce. Employees acknowledged the importance of collaboration, Individual Development Programs (IDPs) and leadership development programs, such as the Tatak Maynilad Leader program, Innovation through the annual Innofest program, and performance management process.



Collaboration opportunities

Collaboration across functions, breaking down functional barriers, and fostering collective decision-making are key to accomplishing the corporate goal of reducing non-revenue water (NRW). Utilizing crowdsourcing and knowledge sharing, teams consisting of business process owners from different departments proactively tackle organizational challenges, resulting in a holistic understanding of the organization. This approach facilitates the exchange of best practices and promotes mutual learning among team members.

Channels

Emails, phone calls, virtual meetings, face-to-face meetings, trainings, orientations, employee news, employee portal, spreadsheets, Microsoft Teams, third-party messaging apps

Frequency

As the need arises; regular meetings are conducted monthly and annually

Concerns

- The lack of pre-existing cross-functional collaboration within Maynilad has posed a challenge during the transition from an MWSS agent to a public utility.
- Traditional management behavior and transparency in succession planning is also a concern.
- Incorporating a process improvement category in the Innofest program.
- Expanding Individual Development Programs (IDPs) to all levels.

Maynilad's responses

- Formed Technical Working Groups (TWGs) to foster cross-functional collaboration, cultural alignment, and technical problem-solving.
- Coaching and leadership development programs have been implemented for senior managers, empowering individuals to drive their own learning and development.
- Feedback from participants of innofest is taken into consideration for program improvements.
- Introduced a performance enhancement program that focuses on continuous improvement and development, fostering ongoing discussions about individual growth and aligning performance with organizational goals.

Customers



Perception of sustainability interventions and impacts

Maynilad's customers accept and greatly value the organization's sustainability initiatives and programs. The acceptance on the NEW WATER concept remained high for both residential and commercial customers. Furthermore, customers now experience enhanced convenience through the utilization of the My Waterbill Portal. Overall, most customers expressed satisfaction with Maynilad's services and progressive innovations. However, the minority still encountered challenges relating to water quality, service interruptions, and customer support.



Collaboration opportunities

Support Maynilad's programs in providing safe, affordable, and sustainable drinking water and sanitation. Help in water conservation to mitigate the negative impacts of Maynilad's activities on the environment.

Channels

Emails, phone calls, virtual meetings, face-to-face meetings, trainings, orientations, employee news, employee portal, spreadsheets, Microsoft Teams, third-party messaging apps

Frequency

As the need arises; regular meetings are conducted monthly and annually

Concerns

- Water Quality & Supply Issues (low water pressure, unclean water, unavailability of water supply 24/7, off-putting smell and taste of water)
- Water Interruption & Disconnection Issues (frequent water interruption, no notice given when there is water disconnection, long waiting time for reconnection)
- Water Bill & Payment Issues (expensive/high charges, sudden increase in water bill, inaccuracy in water bill/meter reading, slow bill payment process and paying twice because of late posting)
- Water Application Issues (Disorder and long time application process)
- Customer Service & Complaint Reporting Issues

Maynilad's responses

- Enrolled customers with My Waterbill online portal in now accessing their online account free of charge.
- Online payment channels via Maya, GCash, Online Banking, etc. were made available in Maynilad's social media accounts and website
- SMS Bill Notification and Reminders (by Zone management)
- The customers can scan the QR code to submit their concerns.
- Directly reply to customers through SMS, phone calls, emails, and letters
- Conduct IEC campaigns to increase customers' awareness of their services
- Quick responses to metering requests and proper coordination with customers

- Review complaint handling process and applied best practices of other departments
- De-clog their hotline services and increased number of agents
- Review reported cases of inaccurate water bill
- Consider callbacks to ensure that issues of customers are properly resolved
- Investigate claims on low water pressure after interruption and frequent interruption

Materiality Assessment

[3-1]

Operational Efficiency

Alongside several other companies that are reporting using the GRI 2021 standards this year, we have embarked on the updated process of identifying and prioritizing our material topics for 2022. Our approach in this regard is summarized below:

Step 1

Review of Maynilad's current material topics and research on material topics as well as key issues of companies in similar lines of business from the region to create an extended list of topics.

Step 2

Conduct of in-person materiality assessment workshop among key internal stakeholders (a mix of data handlers and data owners with different ranks from almost all divisions), wherein the concept of materiality and procedure for assessment as recommended by GRI standards were covered.

Step 3

Facilitate a brief brainstorming session among key internal stakeholders to discuss the list of potential material topics and consolidate the most meaningful topics.

Step 4

Setup a survey instrument with nine (9) questions under each material topic:

- 1 How important is the material topic based on the organization's context? Please rate based on the business's primary activities, business relationships, sustainability context, and stakeholders? (A picture of the various factors to be considered under each category was also included along with the question). A scale of 1 to 5 was provided for the purpose of rating, in which "1" referred to "Not Important" and "5" referred to "Extremely Important."
- 2 List 2 potential positive impacts of this material topic on the economy, environment, and society, that could occur in the future.
- 3 On a scale of 1 to 5, rate the likelihood of these potential positive impacts occurring.
- 4 List 2 potential negative impacts of this material topic on the economy, environment, and society, that could occur in the future.
- 5 On a scale of 1 to 5, rate the likelihood of these potential negative impacts occurring.
- 6 List 2 actual positive impacts of this material topic on the economy, environment, and society (current).
- 7 On a scale of 1 to 5, rate the significance of these actual positive impacts.
- 8 List 2 actual negative impacts of this material topic on the economy, environment, and society (current).
- 9 On a scale of 1 to 5, rate the severity of these actual negative impacts.

Step 5

Employees representing different departments answered all these questions listed under all material topics. An average of the scores provided by each function for each question was calculated to assess the likelihood of potential positive/negative impacts and the scale and significance of actual positive/negative impacts.

Step 6

An average of the scores provided by all functions on importance/likelihood/scale/significance was calculated to come up with the final score for each material topic.

Maynilad's sustainability framework outlines a comprehensive list of identified material topics that are crucial for our sustainability efforts.

[2-25, 3-3]

Theme	Material Topic	Description	Relevant Indicators	Impact Boundary	SDGs
Data-driven growth	Technology, Innovation, and Business Growth	We are always on the quest for continuous improvement and innovation that will help us expand our water supply network and wastewater coverage. We believe that this helps us achieve incremental growth in the long run.	GRI 204: Procurement Practices	Within and outside Maynilad	9 INDUSTRY INNOVATION AND INFRASTRUCTURE
	Cybersecurity & Data Privacy	We handle a high volume of customer data in our everyday operations. Therefore, we are committed to ensuring that their data is safe in our hands. We have strict controls in place to ensure data privacy and hope to implement many more initiatives in the future in this regard.	GRI 418: Customer Privacy	Within and outside Maynilad	17 PARTNERSHIPS FOR THE GOALS
Business Survival in the long run	Business Continuity	Ensuring readiness to maintain mission-critical operations during disruptions such as disasters, security breaches, etc. is a significant priority for us, as well as addressing risks that we face to protect the company.	GRI 202: Market Presence 203: Indirect Economic Impacts	Within and outside Maynilad	9 INDUSTRY INNOVATION AND INFRASTRUCTURE
	Sustained Earnings	Earning stable revenues and performing consistently over a period of time help us expand our footprint gradually and take us closer to our goal outlined above. This in turn helps us offer competitive benefits to employees and improve retention rates.	GRI 201: Economic Performance 207: Tax	Within Maynilad	1 NO POVERTY 8 DECENT WORK AND ECONOMIC GROWTH
	Asset Management	Asset management is an essential component of our business since the quality of our equipment directly impacts our ability to serve customers well. Therefore, we are prioritizing optimal asset management practices on an everyday basis (during maintenance checks).	Non-GRI Asset management policies, practices, and initiatives at Maynilad.	Within Maynilad	11 SUSTAINABLE CITIES AND COMMUNITIES
Water Conservation and Supply	Water efficiency & wastewater treatment	Water is our business in every sense of the word; therefore, ensuring that we supply it with minimum wastage and treating effluents responsibly are both critical focus areas for us. We continually look for opportunities to improve water efficiency and ensure that we put in all efforts to recycle wastewater so it does not affect the surrounding communities.	GRI 303: Water and Effluents	Within and outside Maynilad	6 CLEAN WATER AND SANITATION 12 RESPONSIBLE CONSUMPTION AND PRODUCTION

Theme	Material Topic	Description	Relevant Indicators	Impact Boundary	SDGs
Water Conservation and Supply	Quality & Reliability of Water Supply	Every drop of water that we supply to our customers is directly consumed by them; therefore, we take utmost care to ensure that such water is reliable and adheres to the highest local and international quality standards. Our Water Laboratory (WATERLab) department rigorously monitors all requirements in this regard.	GRI 303: Water and Effluents	Within and outside Maynilad	
Climate Change	Energy Management	We are a water-intensive business. We use up energy for running our equipment and for corporate office operations. In the quest to conserve natural resources, we consider energy management as a crucial element.	GRI 302: Energy	Within and outside Maynilad	
	GHG Emissions	Climate change is among the most pressing global challenges. We are committed to playing our part, albeit small, in the global agenda on climate action through our emission management practices, to reduce our carbon footprint in the long run.	GRI 305: Emissions	Within and outside Maynilad	
	Environmental Compliance	We comply with all regulatory requirements with respect to the environment – whether it concerns air emissions, waste management, or other aspects. In the future, we hope to go over and above mandatory requirements to embrace voluntary compliance clauses on the environment.	GRI 307: Environmental Compliance	Within and outside Maynilad	
External Impacts	Supply Chain, Materials Management, and Quality Assurance	As highlighted above, our supply chain is multi-layered, and hence, monitoring ESG impacts across it is a challenging task. This includes understanding how we can optimize the use of raw materials, while also not compromising on the quality of our offerings. We look forward to prioritizing and comprehending this aspect in the future.	GRI 301: Materials GRI 308: Supplier Environmental Assessment GRI 414: Supplier Social Assessment GRI 416: Customer Health and Safety	Within and outside Maynilad	

Theme	Material Topic	Description	Relevant Indicators	Impact Boundary	SDGs
External Impacts	Biodiversity Management	While withdrawing water for our operations, we are cognizant of the fact that water (even unfiltered) is a shared resource inhabited by other life forms. Therefore, we have immense responsibility towards restoring the habitats that are affected by our operations.	GRI 304: Biodiversity	Within and outside Maynilad	 
	Waste Management	Responsible waste management practices reduce health and environmental hazards that could ultimately impact surrounding communities negatively. Hence, we adhere to all regulatory requirements with respect to waste handling and disposal, including treatment of effluents.	GRI 306: Waste	Within and outside Maynilad	
Internal stakeholder management	Employee Engagement and Development	We value employee satisfaction greatly because it is their meticulous execution of duties that helps us maintain our quality standards. We accord utmost importance to the fact that they need a conducive environment to remain safe and productive. We constantly research and implement new approaches to engagement and training to ensure their happiness.	GRI 401: Employment GRI 402: Labor / Management Relations GRI 404: Training and Education	Within Maynilad	 
	Occupational Safety and Health	Post the pandemic, health and well-being have become paramount across the world. We as a business have always been prioritizing our employees'/workers' health and safety according to compliance requirements; however, recently, we have pledged to take our efforts a notch higher to promote their long-term well-being.	GRI 403: Occupational Health and Safety	Within Maynilad	

Theme	Material Topic	Description	Relevant Indicators	Impact Boundary	SDGs
Internal stakeholder management	Diversity, Equality, and Inclusion	The presence of a discrimination-free, judgment-free workplace is essential for employees to employ creative ideas at work. A diverse pool of employees that is multi-talented can bring a lot to the table and Maynilad; therefore, has a strict stand against discrimination in any form at any stage of employee engagement.	GRI 405: Diversity and Equal Opportunity 406: Non-discrimination 407: Freedom of Association and Collective Bargaining 408: Child Labor 409: Forced / Compulsory Labor 410: Security Practices 411: Rights of Indigenous Peoples	Within Maynilad	
	Community Development	Maintaining a cordial relationship with local communities is very important to us- we believe that their socio-economic wellbeing empowers them for growth and enables our business to become sustainable.	GRI 413: Local Communities	Within and outside Maynilad	
External stakeholder management	Fair and Transparent Practices	We have the utmost respect for the law of the land and have also clearly communicated our intent in this regard in our past sustainability reports. Acting with integrity is one of our core business principles that has helped us earn goodwill over a period of time. Hence, this will continue to be a permanent priority for us.	GRI 2-27: Compliance with laws & regulations 415: Public Policy	Within and outside Maynilad	
	Customer Experience	Aside from providing quality and safe water supply, we are also committed to ensuring that customers have a pleasant experience with us. This includes aspects all along the customer journey from connection and customer service to bills payment and service requests.	GRI 416: Customer Health & Safety 417: Marketing and Labelling	Within and outside Maynilad	

Business Growth

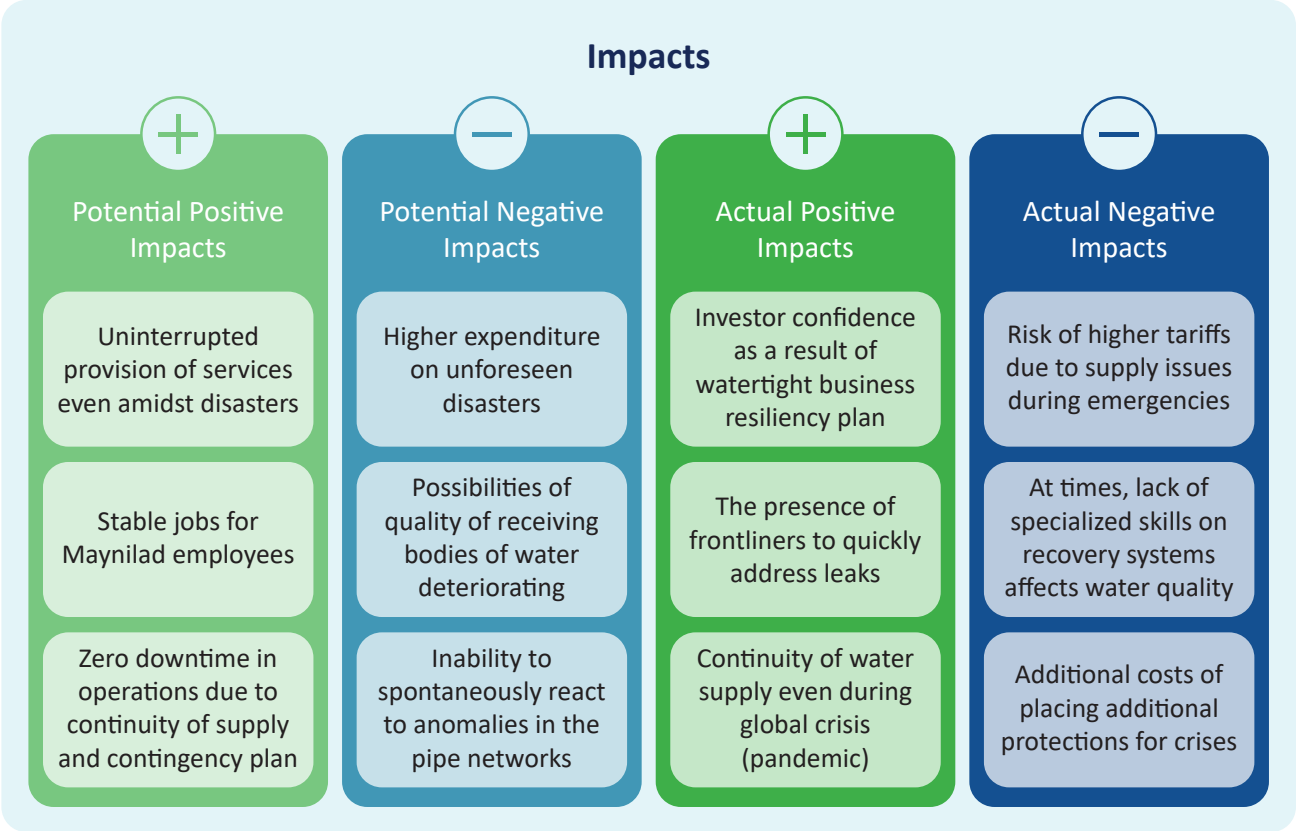
[2-22]



Sustaining our growth over a period of time is an important element in our vision towards ensuring affordable and accessible water for all. For this, we are pursuing a continuous journey of innovation in order to improve process efficiency and the quality of our offerings. Our performance on this front is outlined in the next page.

Business Continuity

[2-17, 202-2]



At Maynilad, we pledge by our core mission and vision statements (outlined in the “About Maynilad” section) while ensuring strict adherence to corporate governance standards. Our Board of Directors is ultimately responsible for monitoring such adherence, and for addressing conflicts of interest, if any. The Board has nine members, all of which are executives. It meets at least six times each year. Moreover, the Chairman of the Board holds a separate role and position from the Chief Executive Officer.

[2-12]

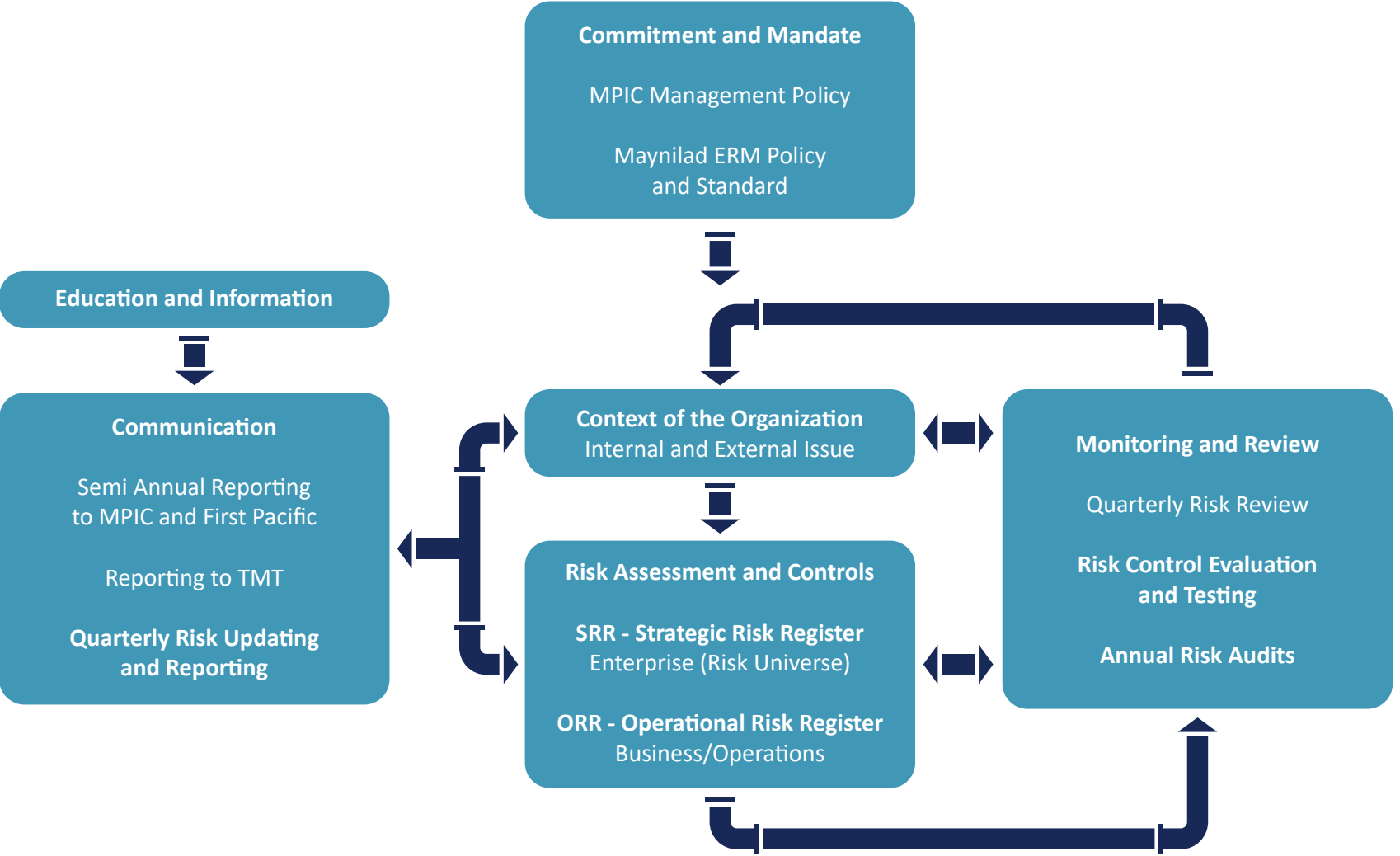
The Audit and Risk Management Committee, composed of the President/CEO, COO, and other top management teams, plays a crucial role in overseeing the implementation and effectiveness of our risk management framework. This committee also assists the Board in fulfilling its corporate governance responsibilities regarding risk management. Our risk identification process involves two key components: the Operational Risk Registry, which operates at the tactical level, and the Strategic Risk Registry, which operates at the top level. Within the Strategic Risk Registry, the top 10 risks are assessed and reported to the Risk Management Committee. These risks include ESG-related concerns such as water supply, climate change, health and safety, and environmental risks. By adopting a risk management system aligned with ISO 31000 and embracing the principles of value creation and protection, Maynilad strives to effectively address these risks and safeguard the interests of our business.



Top emerging risk at Maynilad

Water Source Challenges are major risks in our view (due to raw water quality issues due to turbidity, pollution, high algal count). It causes reduced water production due to raw water quality issues resulting in water interruptions. To mitigate this risk, alternative water sources have been set up (NEW WATER and Installation of Modular Treatment Plants), process improvement initiatives have been implemented in La Mesa Treatment Plants, and we have engaged in dredging and installation of silt curtains in Putatan

Our governance system for risk management is represented in the chart below:



Top 10 Risks		
	Risks	Controls
1	Water Supply Risk Limited/failure in producing the water supply requirement of the concession area.	• Cross-border supply; 50 CMS release from Angat • Valving and PRV resetting • Process Improvements in LMTPs/PWTPs • Alternate raw water sources (MTPs i.e. Paranaque, Julian, and Anabu) • Deep well reactivation projects • Enhanced NRW programs
2	Asset and Equipment Risk Operational downtime of treatment, production and conveyance processes due to asset/ equipment failure/break down.	• Coordination with utility companies to avoid damage to Maynilad assets ▪ Condition-Based Maintenance of Assets/Equipment ▪ Updating of Mitigate Threat to Availability ▪ Asset Renewal Plan ▪ Completion of emergency works
3	Political and Regulatory Risk Business losses and/or operational disruption from adverse political and/or regulatory actions and decision making due to uncertainty or instability within water industry.	• Continue improvements in the water supply delivery ▪ Responded to the notices by RO ▪ Close coordination with MWSS-RO and CO ▪ Continue discussion with the DOF
4	Project Delivery Risk Failure or delay of delivering committed projects that are related to service obligation and business plans.	• Processing of all disbursements before cut-off • Close coordination with government offices and document agreements • Special request with MMDA regarding moratorium • Learning session for the contractors on proper road restoration

Top 10 Risks		
	Risks	Controls
5	Cyber Security, Info Sec, and Data Privacy Risk	Potential loss or failure of the business operations arising from unwanted release of data/information. • Multi Factor Authentication ▪ Improved password policy ▪ Extended Detection and Response (XDR) endpoint protection, whitelisting, encryption ▪ Improved security patches, Data Breach Response Plan (DBRP), collection of customer information ▪ Ongoing training on conducting PIA
6	Liquidity Risk (Collection)	Risk that could lead to the inability to meet cash flow obligations (including projected dividends to shareholders) in a timely and cost-effective manner. • Digital Payment Push ▪ Automation of SMS and email reminders to customers ▪ Collection Improvement Program ▪ Disconnection and reconnection activities
7	Revenue Risk	Potential event or condition that could negatively impact planned/future revenue. • Suyod MRU (Revenue Enhancement Program) ▪ Intensified reconnection/disconnection activities ▪ Commercial loss reduction initiatives and strategies (e.g., walk the line, addressing illegal connections, regular meter replacement, intensifying BCPM)
8	Procurement and Inventory Risk	Risk that threatens the productivity of the business operations caused by sourcing, delivery, cost and quality issues. • Advance procurement of critical materials and a more extended contract period (as needed) ▪ Sourcing from different vendors ▪ Increase chemical storage capacity ▪ Reasonableness price increase review ▪ Improve payment processing

Top 10 Risks		
	Risks	Controls
9	Third Party Risk	Inefficiencies of contractors/ TPSP/ consultants that could potentially affect the Company's business operations and its objectives. • Increase the number of accredited contractors ▪ Partnership program with experienced contractors ▪ Improved schedule of prices ▪ Issuance of SIPAM to vendors with two consecutive failures
10	Climate Change Risk [201-2]	Risk resulting from extreme weather events and conditions including unexpected, unusual, unpredictable, severe or unseasonal weather, that may trigger increase in operating costs, particularly insurance, revenue losses and costly preparation for uncertain events (e.g. black swan) with the end objective of building resilience of the Company. • Alternative water sources using Modular Treatment Plants (ModTPs) ▪ LMTP 1&2 process improvements ▪ Algal Bloom Management (e.g., Chemical treatment, silt curtain, ultrasonic equipment installation, dredging) ▪ Reforestation activities; Coastal and river cleanups ▪ Renewable energy and carbon neutral initiatives



The Company's commitment to enhancing its business continuity practices is manifested through the successful recertification of its Business Continuity Management System (BCMS). This recertification included the upgrade to the new version of the standard - ISO 22301:2019, for nine sites including the head office. ISO 22301:2019 has offered Maynilad a practical framework to manage disruptions and establish a robust BCMS.

By implementing these standards, the Company has fortified its resilience, capable of effectively navigating local and global events that impact its operations, such as the pandemic, natural calamities and technical or security-related emergencies.

The Resiliency Department at Maynilad plays a crucial role in managing emergency preparedness and response. Accordingly, each business unit within our organization

has its own Emergency Preparedness and Response Team (EPRT) which serves as initial responders for emergencies within their respective areas, ensuring prompt action. In the event that additional support is required, requests for emergency assistance are escalated to the resiliency department to ensure seamless collaboration and efficient handling of emergency situations.

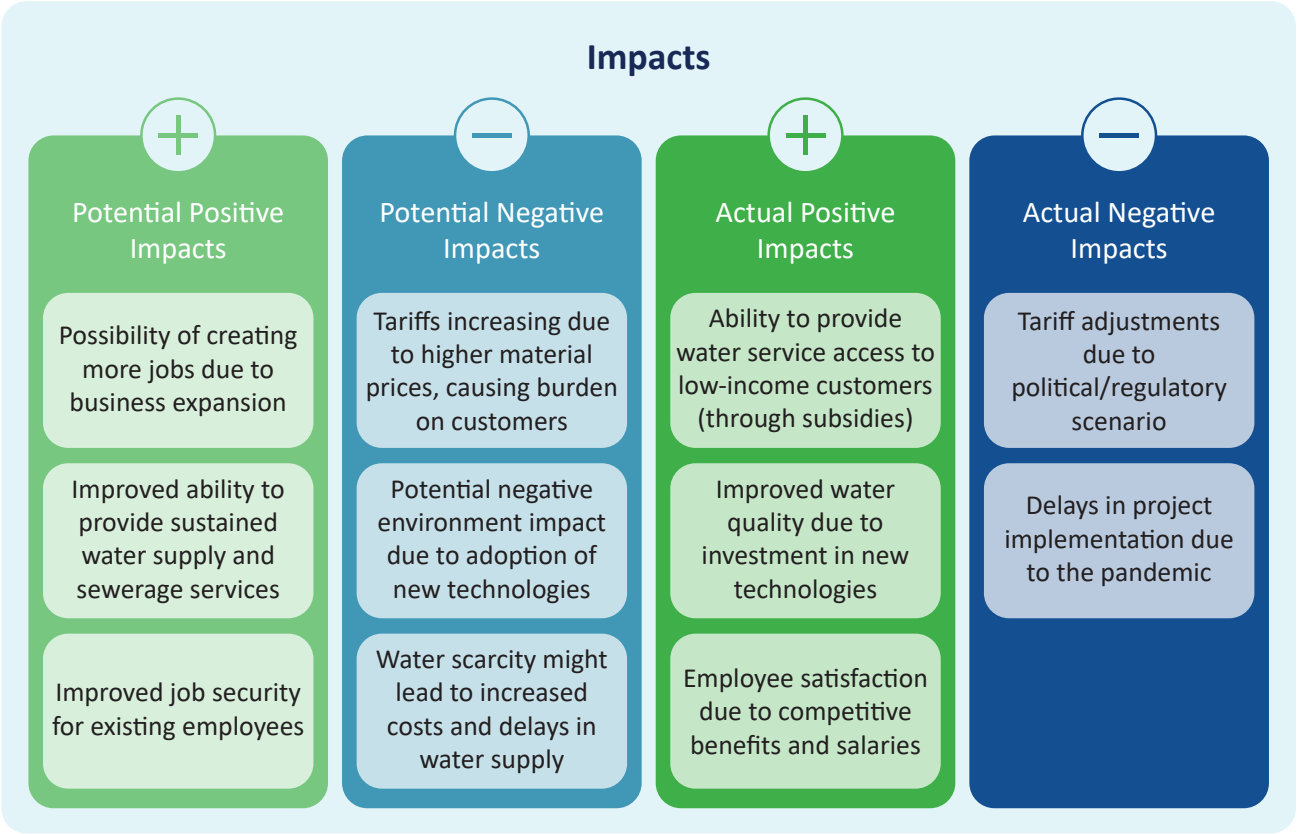
The EPRT carry out the following responsibilities:

- ✓ Conduct training and drills for fires, earthquakes, and other emergencies identified through Hazard Identification, Risk Assessment, and Control Measures (HIRAC) or other methods.
- ✓ Regularly check fire hazards in offices, plants, and working areas.
- ✓ Inspect fire extinguishers and ensure that each is in operable condition.
- ✓ Keep fire extinguishers in their designated places for use when necessary.
- ✓ Designate a Trained First Aider at each business unit in charge of providing medicines, medical assistance such as, but not limited to, blood pressure checks, and counsel patients.
- ✓ Provide first aid kits that will be installed at the satellite clinic or other location/s within the business unit's facility.
- ✓ Ensure the availability of stand-by service vehicles that can be used for emergencies.
- ✓ Post telephone numbers and contact persons of the nearest hospital and fire station as well as the evacuation route map.
- ✓ Designate and train employees that are part of the EPRT to handle fire extinguishers or other emergency equipment.
- ✓ Familiarize employees and project-based workers with emergency procedures for nonresponders, emergency routes, and assembly areas.
- ✓ Coordinate and provide resources required by the organizational units or various locations for the successful implementation of the business continuity plans.
- ✓ Implement the business continuity plan determined by assessing the received information and evaluating the severity of the situation.

Through these practices, Maynilad ensures its preparedness to swiftly restore normal water supply to its valued customers even during crisis situations.

Sustained Earnings

[201-1]



We also made a number of commercial investments during the year as listed below:

Infrastructure Investments or Services	Program Description	Expenditure (Php)
Hydration Support for Samahang Basketball ng Pilipinas- Gilas Pilipinas	Maynilad is helping the Philippine National Basketball Team in their quest in qualifying for the FIBA World Cup 2023. Maynilad provided a total of 24,000 pcs of bottled water for all the qualifying window matches in 2022.	144,000.00
Ronda Pilipinas Sponsorship	Maynilad, along with our subsidiary (PhilHydro Inc), supported the country's largest cycling event by being one of the official hydration partners providing 10,000 pcs. of bottled water and an on-site hydration station at the race venue.	61,500.00
PAWD Convention	PAWD Convention is the biggest gathering of Water District leaders in the country and is a platform to exchange new management and technological ideas. Maynilad and the Water Academy help in organizing and sponsoring the annual event.	200,000.00
PWWA PhilWater Conference	PWWA PhilWater Conference is the annual gathering of most of the country's public and private water utilities. The annual exhibit connects utilities with the suppliers and features the newest available technology on water. Maynilad is one of the presenters of PWWA. Maynilad President and CEO Mr. Ramoncito Fernandez was featured in the opening plenary session of the conference, where he shared the status of the country's first large-scale Water Reuse program, which is a model of a water security/conservation that can be replicated by other utilities in the country.	40,812.00
WEAP Convention	The Water Environment Association of the Philippines (WEAP) 16th National Annual Convention with the theme of: “Valuing Water for the Environment, Health, and Economic Development” featured technology presentations and technical sessions where water experts and specialists, both from the private and government sectors, discussed topics related to water security and environmental protection. WEAP members are mostly composed of water and wastewater professionals from various water utilities and local water and environment organizations. We showcased our efficient energy management program implemented in our water treatment facilities. 900 delegates attended this program.	50,000.00

Infrastructure Investments or Services	Program Description	Expenditure (Php)
Support for the Philippine Rowing Association	Maynilad supports the programs and training of the national sports association for Rowing, a sport for which the Philippines has qualified for the Olympics in Tokyo 2021. Maynilad has contributed to the association through financial support.	100,000.00
PhilPop 2022	Advocacy to promote OPM and local songwriters.	2,000,000.00
Kubeta PH- Golden Kubeta Awards	The Kubeta PH campaign aims to spread awareness on the topic of wastewater and proper wastewater management. The campaign addresses gaps in wastewater knowledge among Filipinos and capitalizes on their positive sentiments after discovering Maynilad’s efforts in treating wastewater before returning it to the environment. It also aims to establish Maynilad as the thought-leader and champion of proper wastewater management, which can lead to greater take-up of our wastewater services. 53 attendees from 7 organizations attended the program.	38,5000.00

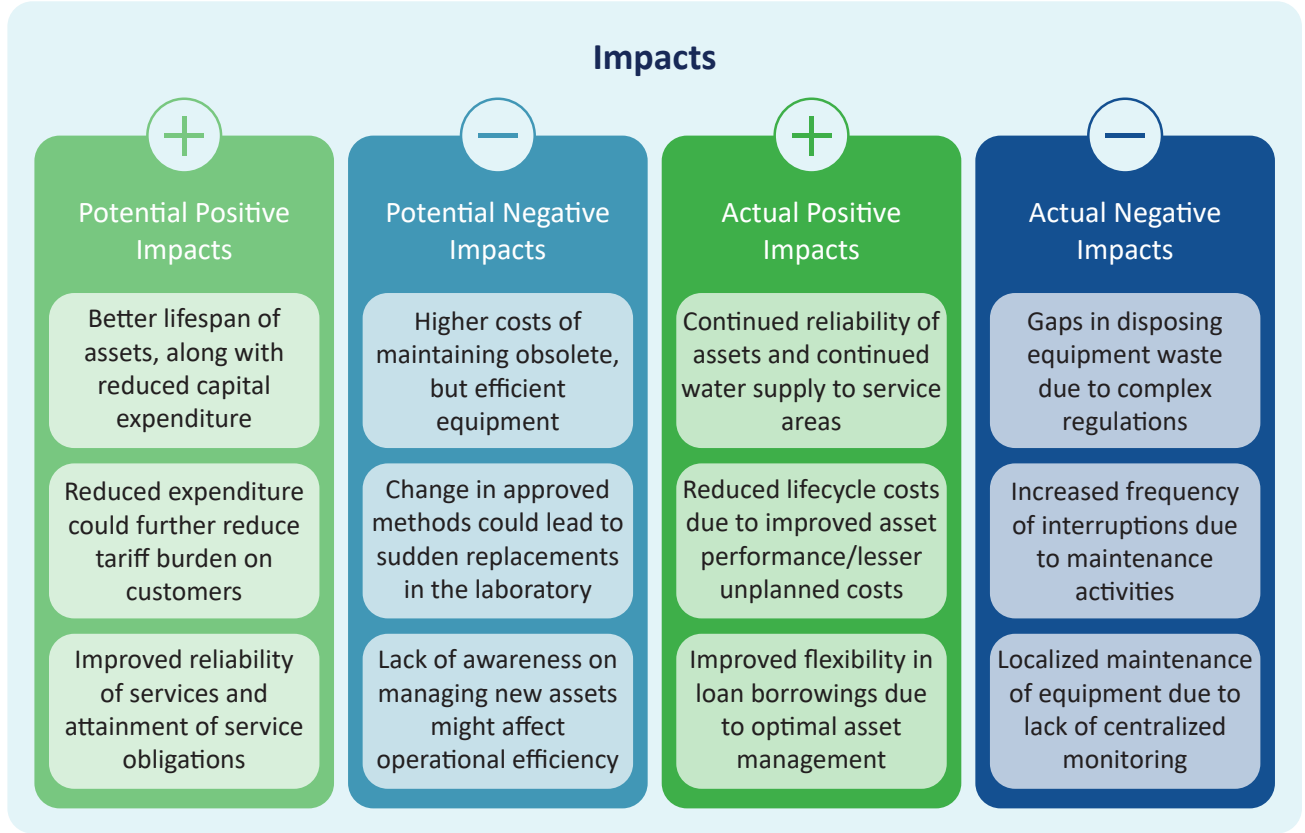


Infrastructure Investments or Services	Program Description	Expenditure (Php)
World Water Day Awards	Maynilad, in collaboration with DENR and NWRB as the lead government partners along with other government and private organizations in the water, sanitation, and environment sectors, celebrated the World Water Day (WWD) on March 22, 2022 by recognizing 14 water and environment champions through the annual awards program. 120 attendees from 22 agencies were present.	233,000.00
Yes, I Believe! fundraising concert	In a bid to fight child malnutrition, the Rotary Club of Makati Central (RCMC) The Manila Hotel, the Rotary District 3830, the Lions Club, Kiwanis, Jaycees, World Vision, and the Philippine League of Government Midwives, undertake a yearly nationwide nutrition intervention program for Filipino mothers and children during the latters' first 1,000 days of life. This is in support of the Philippine Plan of Action for Nutrition (PPAN) being spearheaded by the National Nutrition Council (NNC), an attached agency of the Department of Health (DOH).	50,000.00
2geder for Water Campaign	Talk BIG for Tubig brought together stakeholders to discuss critical issues on water and sanitation access, including climate resiliency and inclusion of the marginalized. Private sector organizations, governments, water operators, NGOs, and community leaders consolidate efforts to maximize the impact of initiatives to improve WaSH services to Filipinos. Eau et Vie (E&V), in tandem with sister organizations Water and Life Philippines and Tubig Pag-asa, launched the 2gether4water campaign on November 8, 2022. The launch was marked by a conference that gave Maynilad a strong platform to raise awareness of NEW WATER as an innovative solution to augment water supply in a climate crisis. 60 water & sanitation professionals and policymakers participated in the conference.	30,000.00

Infrastructure Investments or Services	Program Description	Expenditure (Php)
ECCP Water Challenge Forum	The ECCP reaffirms its commitment to work with the government to address the evolving water crisis in the country. As part of its sustainability-related advocacies, the Chamber has launched various initiatives focusing on the water sector with the main objective of raising awareness on challenges and opportunities in the said sector. Among these initiatives is the Water Challenge Forum Series (WCFS), supported by Maynilad and other water and sanitation organizations. Maynilad conducted a dialogue with 110 WASH professionals & policymakers.	30,000.00
Philippine Water Challenge Competition 2022-23	The Philippine Water Challenge (PhWC) is the first ever competition in the country that recognizes innovative solutions to help water service providers (WSPs) and water users to manage water efficiently. Community demonstration projects are also conducted to improve access to water and sanitation in water-stressed communities. The PhWC is organized by USAID Safe Water Project in collaboration with the Philippine Disaster Resilience Foundation, Manila Water Company, Inc. and Maynilad Water Services, Inc. 16 organizations participated in this competition.	24,000.00
Integrated Water Resources Management Consultation (IWRM)	The Global Water Partnerships and NWRB conducted the IWRM consultation to formulate a joint IWRM action plan that consists of aligned contributions from different agencies/organizations and different sources of funds to achieve water security goals in the country. 30 water and sanitation professionals and policy-makers participated in the project.	10,000.00

Maynilad has undertaken other infrastructure investments, such as upgrading La Mesa facilities, constructing modular treatment plants, implementing innovative projects like the Paranaque NEW WATER Facility and Valenzuela Modular Treatment Plant, and carrying out rehabilitation projects such as the Central Manila Sewerage System Rehabilitation Project and Valenzuela Water Reclamation Facility. Additionally, initiatives like the Cupang WRF, Tunasan WRF, Southvale Village WRF, CAMANA WRF, LMTP 1-1 MW Solar Power Farm, Laguna Lake Silt Curtain Installation and Dredging works, and Algae Control at Laguna Lake have been implemented. These endeavors collectively aim to enhance water treatment, reduce pollution, and improve overall water quality in the region. For more details, please refer to the Quality & Reliability Section.

Asset Management



Last 2022, Maynilad’s asset management strategy is geared towards improving Plant Reliability thru enrichment of Asset Information in our Enterprise Asset Management, Asset Renewal Planning, efficient execution of maintenance activities and expanding the usage of Condition Based Maintenance strategies for our Water and Wastewater facilities as well in our pipelines.

Since the inception of Maynilad’s Enterprise Asset Management System, efforts are being done to enrich the Asset Information. This is to ensure that maintenance cost, failure and asset performance are being accounted for each facility and critical equipment. In the long-term, the organization will be able to leverage on the data generated for the purpose of failure analysis and forecasting.

The system currently contains the following:

- **5 Treatment Plants (Water)**
- **38 Water Pump Stations (Water)**
- **36 Inline Boosters (Water)**
- **19 Deep wells (Water)**
- **21 Water Reclamation Facilities (Wastewater)**
- **103 Lift / Pump Stations (Wastewater)**
- **Pipelines and Appurtenances (Water)**
- **Sewer Network**
- **Water and Wastewater Laboratories**
- **Other Facilities (Leak Detection Training Facility, Meter Laboratory)**

Maynilad’s Asset Management group also executes asset renewal studies in consideration of the condition, performance, age, and financial aspects. Asset Renewal is defined as any work on an asset that attempts to bring the asset back to its “as new” condition. It can be classified to either repair or replacement. Last 2022, the group was able to accomplish asset renewal studies for 17 Wastewater Pump / Lift stations, 5 Water Pump Stations, Binuksuk Reservoir and La Mesa Water Treatment Plant.

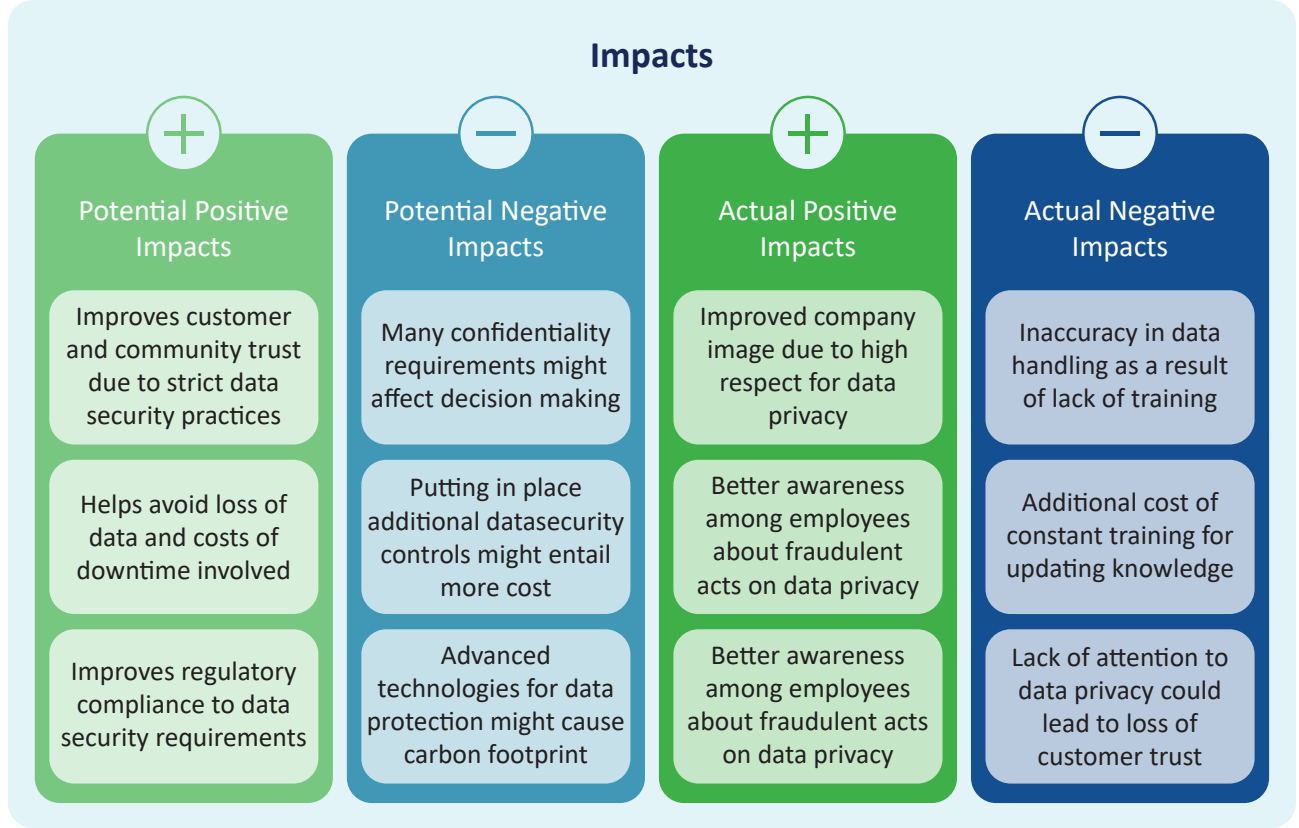
In reference to Maintenance Execution, compliance to the timeliness of execution of Preventive Maintenance significantly improved last 2022 from 76% to 91%. In terms of Repairs and Maintenance Requests, the organization was able to complete 92% of emergent works and an overall Water Notification Completion of 81%. Maynilad’s Enterprise Asset Management System enabled the organization to effectively automate and these monitor key processes. In addition to this, a new add-on in the Maintenance Mobility device called dynamic

forms was developed. This is to eliminate the need of usage of paper forms and allow single data entry by converting to digital forms synchronized with our SAP System.

With close collaborations with maintenance units of Water Supply and Wastewater – Integrated Asset Management conducted consistent inspections and asset health/condition monitoring of critical facilities (Pagcor PS, Villamor PS, La Mesa PS and Paranaque WRF, among others) with the used of Condition Based Monitoring (CBM) Tools such as Thermal Scanning, Vibration Analysis and Airborne Ultrasonic Testing. Coupled with proper analysis, it enabled us to accurately identify potential failures and timely execution of preventive/ corrective actions, thus, equipment breakdown and unplanned plant shutdown were avoided. Otherwise, areas affected by these facilities could have experienced unplanned service interruptions, and on the part of Maynilad- negative impact on our reputation, loss of revenue, higher maintenance/repair cost (emergency) and potential penalties.

Customer Privacy and Cybersecurity

[418]



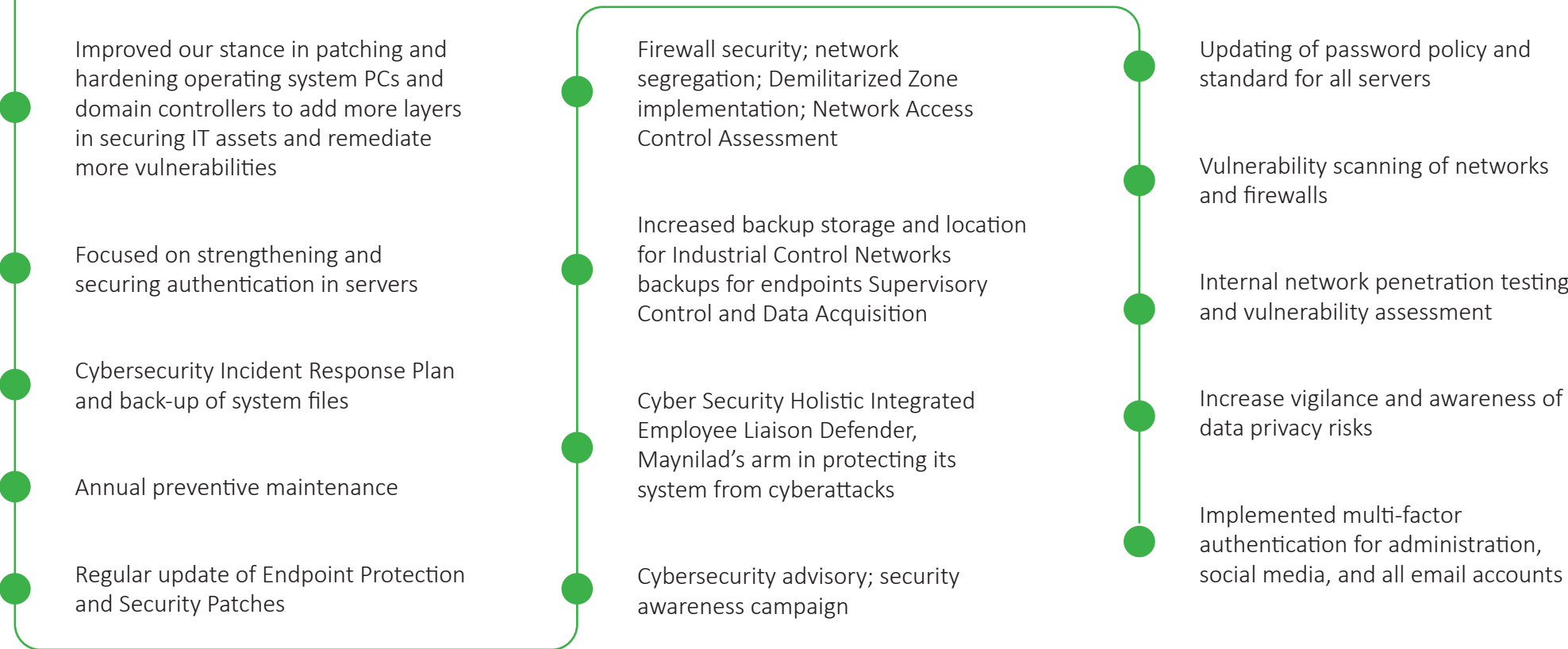
With the shift to digital channels for new water line applications, handling customer complaints, requests, etc., we have taken on the responsibility of managing such high volumes of customer data. Our information technology services team handles all matters with respect to information security while ERMIA handles data privacy and protection. We have an appointed Data Privacy Officer (DPO), who is the head of Data Privacy Compliance under the Enterprise Risk Management and Internal Audit Division, and a Data Privacy Committee (DPC). The DPO regularly monitors and updates the top management on data privacy-related information from the National Privacy Commission.

The DPC has representatives from all divisions, who are called Data Privacy Compliance Champions (DPC Champs), and help in the implementation and monitoring of all data privacy-related initiatives of the Company. Their role is to ensure that data privacy policies are cascaded well among employees, who thereafter accept, process, handle, and store personal information.

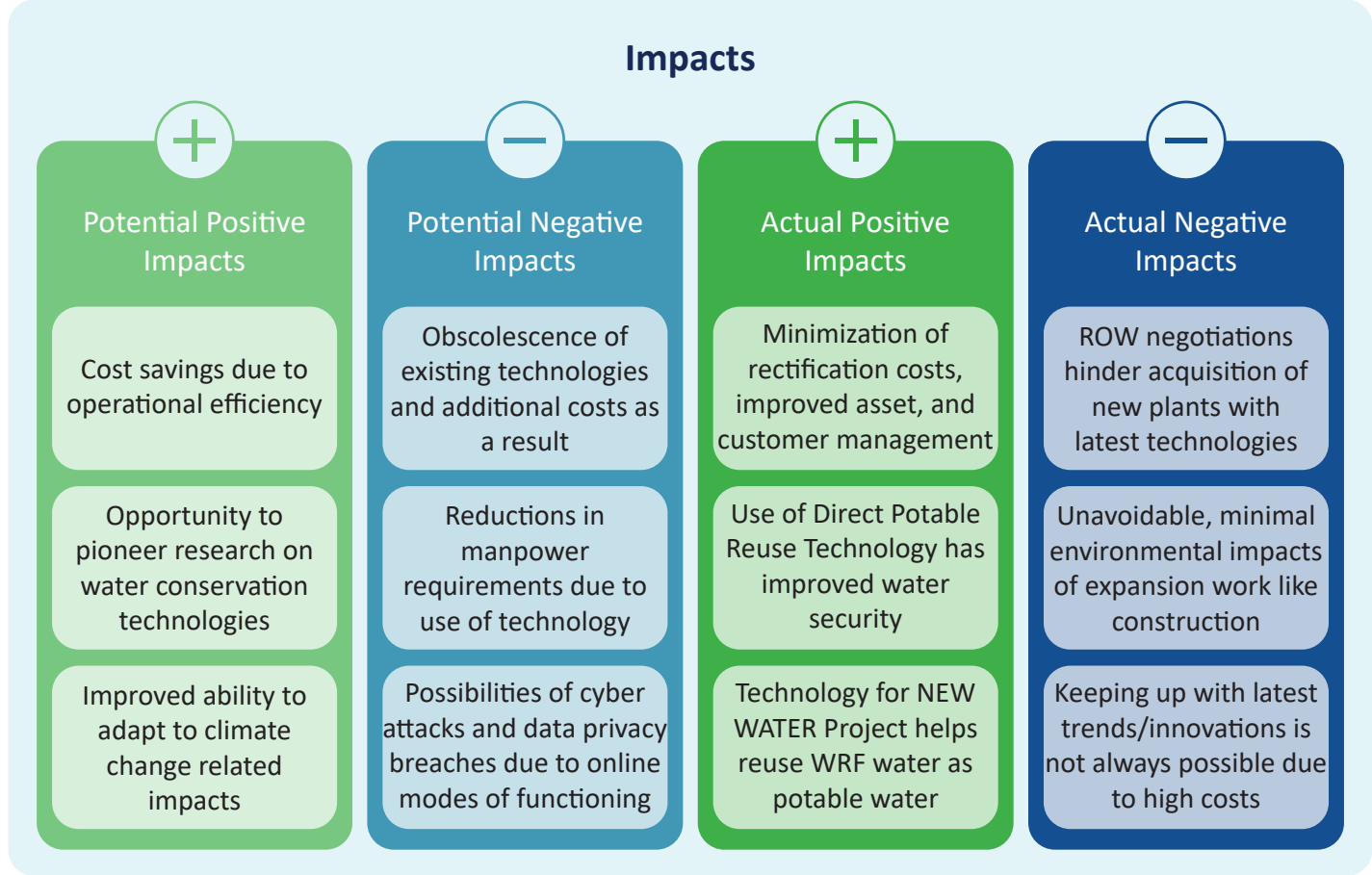
We have a privacy policy, conduct privacy impact assessments, and also have a data breach response plan to establish accountabilities and processes on the management and minimization of data privacy risks. In addition to these, a host of policies that drive accountability on this front:

- Service Desk Policy, that outlines guidelines for handling and resolving incidents, requests, and problems logged by customers online, and for advisory and other communications
- Computer Peripherals and other IT Equipment Policy: Guidelines on acquisition, provision, usage, repair, maintenance of IT equipment, as well as on processes to be followed for lost and damaged computers, disposal and donation, and computer buy-outs.
- ITS Projects: Guidelines on conceptualization, start of an ITS project, until its completion.
- Application Maintenance: Guidelines on system upgrades and patch updates, performance monitoring and tuning, and application change requests
- Encryption policy: Guidance on the use of encryption technologies
- IT Software Management: Guidelines on software purchase and acquisition, software use, installation, and monitoring, monitoring of files and applications, and software maintenance
- Internet Usage Policy: Guidelines on internet access provision, internet usage, and access revocation (compliance)
- Email Usage Policy: Guidelines on granting of email accounts, use of email, and removal of email access
- System Security Policy: Control requirements for user access management, network administration and firewall management, password management, protection from virus, confidential information / documents, and physical access to IT facilities
- Server Security Policy: Control requirements for physical security, operating system, account-related security, user rights policies, and file system security

Apart from ensuring adherence to the above policies, the ITS Division implemented an Industrial Control Network (ICN) Firewall Project. The department also formed endpoint protection proxy servers in ICN to mitigate cyber-attacks. Additionally, they used a vulnerability assessment scanner to check for vulnerabilities that could be exploited by cyber-attacks. We are also taking the following steps to mitigate cyber security risks:



Technology, Innovation, and Business Growth



In our operations, technology plays an instrumental role in helping us improve process efficiency (as described above, and in the “customer experience” system). Some of the key technology-based initiatives that we have implemented over the years are as follows:

- ✓ Pressure-regulating valves (PVR) help reduce pressure during off-peak hours, spread water supply in a wider area, and reduce stress on pipes. We installed these at a cost of 410 PhP million, and has helped us promote cost and energy efficiency.
- ✓ Maynilad is one of the first water concessionaires in the country that analyzes cyanotoxins through the enzyme-linked immunosorbent assay protocol in-house. We conduct this analysis since Laguna Lake is one of our water sources.
- ✓ One of our recent projects was the realignment of a 2,000 mm trunkline to give way for the flood control project of the Department of Public Works and Highways (DPWH) along Cristobal, Sampaloc, Manila. We used line-stopping technology to plug the replaced pipelines
- ✓ Our mobile water treatment plants (MTP) remove bacteria and contaminants from water through reverse osmosis and chlorination technology. Using water from rivers or floods, these MTPs can produce a total of 43,000 gallons of potable water per day. This can help meet the drinking water needs of over 80,000 people.
- ✓ WATERLab continues to generate high-quality water quality monitoring data to support Maynilad’s SDG 6 goals. The lab monitors 1182 sampling points, including homes, schools, health institutions, and commercial establishments. It passed DENR-ELR audits, expanded its analysis capabilities, and obtained necessary licenses. WATERLab played a crucial role in Maynilad’s Direct Potable Reuse venture and secured a permit for the Paranaque NEW WATER facility. It analyzes Giardia, Cryptosporidium, Helminths, Salmonella, and E. coli O157 strain. The lab also enhanced its chemistry capability, analyzing various compounds and achieving ISO/IEC 17025:2017 accreditation. WATERLab supports research collaborations and provides mentorship and capacity building activities.
- ✓ Water utility companies are tasked with monitoring their water consumption since nature may be unable to keep up with these rates and replenish them at a balanced pace. Given this, Maynilad carries out its duty to care for the watershed areas that support its water sources to the best of its ability. To fulfill this, Maynilad routinely conducts studies and always tries to introduce innovations in its processes and operations.



Operational Efficiency

As outlined in the initial sections of the report, operational efficiency is one of the main priorities of our business. Along with focusing on water quality and efficiency, considering our other environmental impacts is almost an absolute necessity in our everyday operations. This includes prioritizing the mitigation of internal and external impacts to the best of our capacity. Our performance in this regard is outlined in the next page.



Some of the common policies governing our performance on environmental impact include the following:

The Quality, Sustainability, and Resiliency Policy

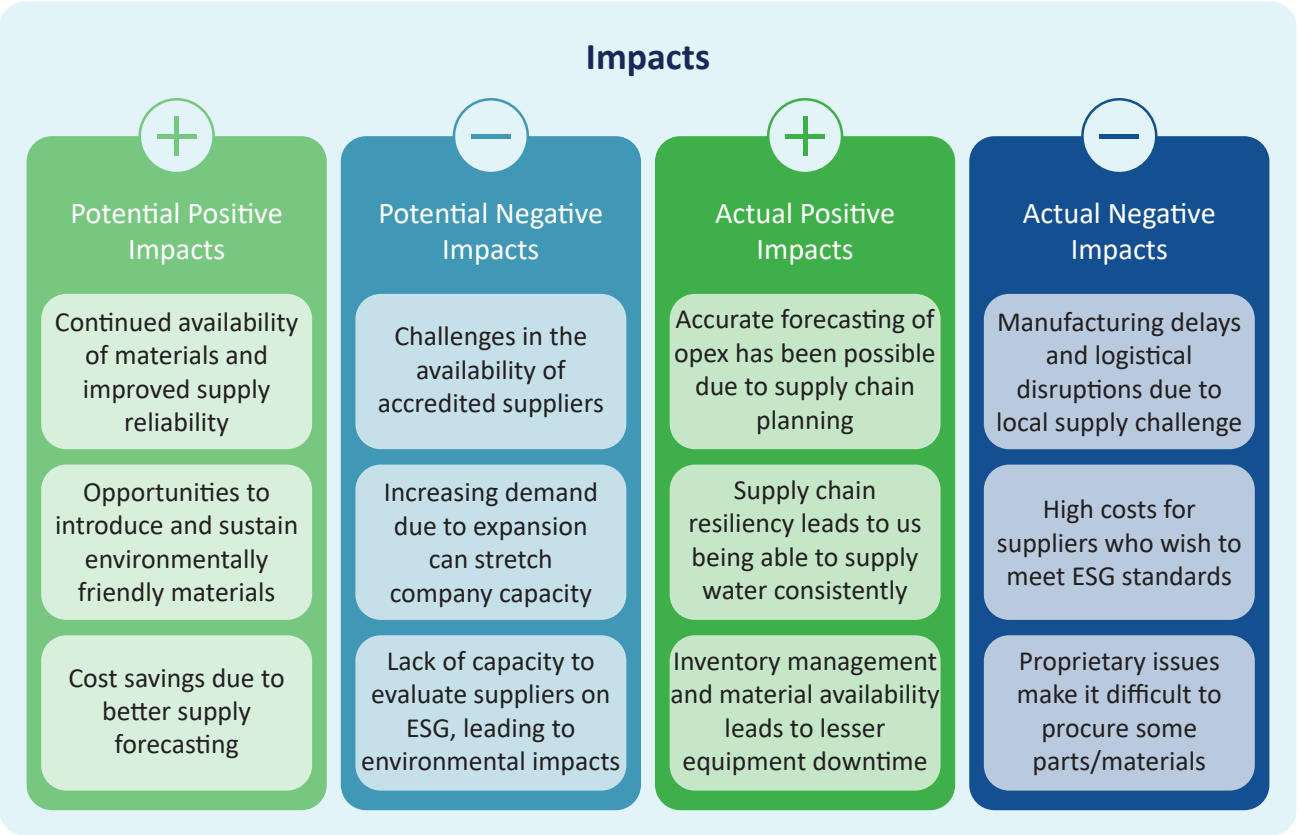
The objectives of this policy are to provide reliable and quality water supply to all, minimize and manage the adverse impact of operations and services (energy, waste, emissions), and optimize the ownership and operation of assets through life cycle management. We also have a separate document outlining the integrated management system audit procedures.

“Conservation of Resources” Policy

This policy includes guidelines for conserving resources during everyday operations at Maynilad such as the use of electricity, water, fuel, paper, and other office supplies, printer ink, etc. This policy aims to bring about behavioral change among employees to reduce the use of resources and make this an everyday habit.

Supply Chain, Materials Management, and Quality Assurance

[204-1, 308, 414]

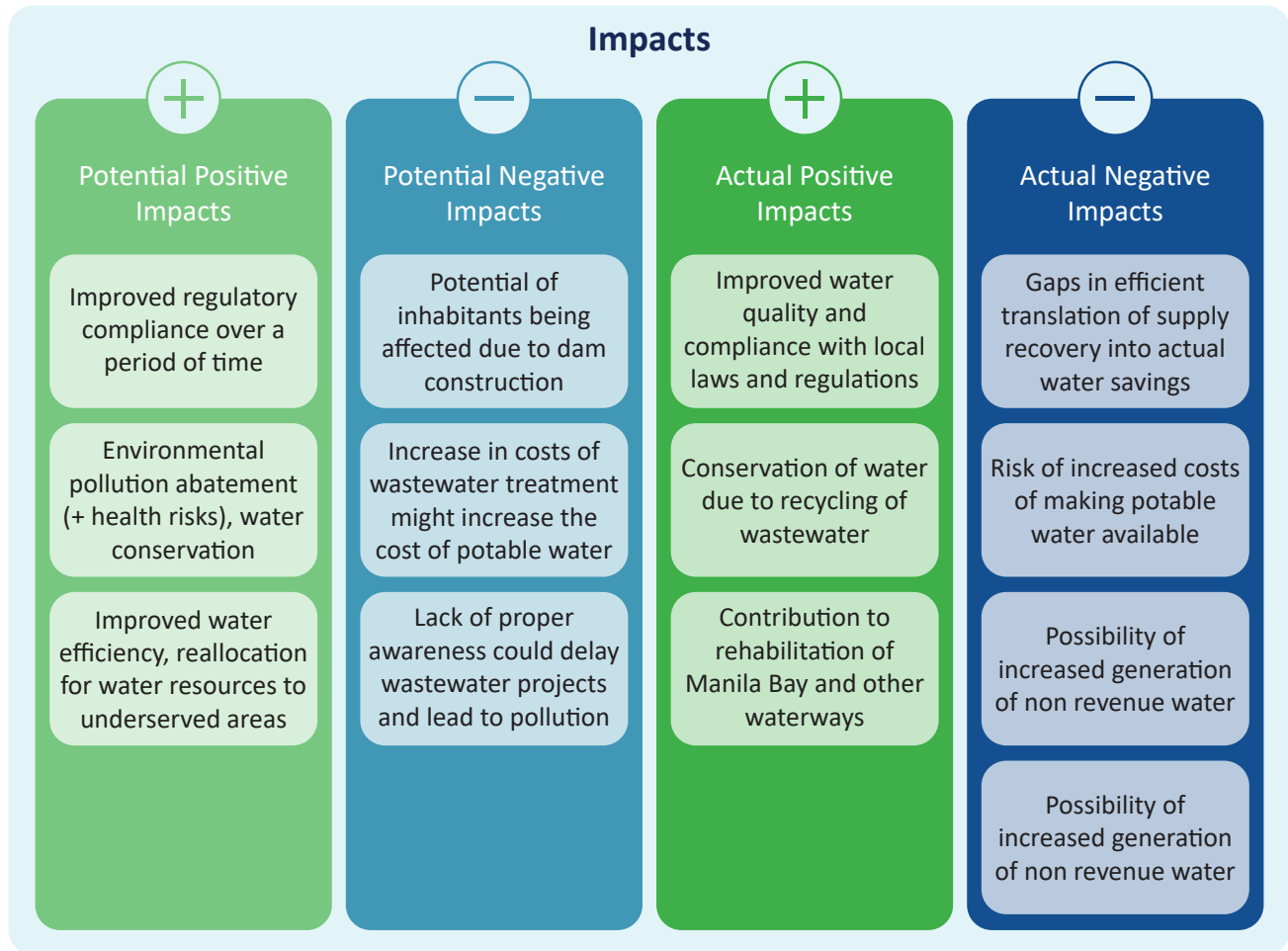


Our supply chain team is guided by the policies and standards on vendor management, which provide guidelines on the following: planning and sourcing of new vendors and products and selection, accreditation, and approval; performance monitoring and rating; site audits and assessment; complaints handling; rewards and recognition; and risk management. We also have a Vendor Handbook which contains a code of conduct.



Water efficiency and wastewater treatment

[301-1, 301-2,303]



Maynilad is deeply committed to the preservation and sustainability of water bodies, which serve as our primary sources of supply. In line with this commitment, we diligently adhere to the allocations set by the National Water Resources Board (NWRB) and closely monitor our water withdrawal to ensure compliance with prescribed limits.

Our Water Supply Operations (WSO) division plays a crucial role in managing our water supply, while the Wastewater Management Division (WMD) oversees the efficient management of our sewer network and sanitation services. One of their key responsibilities is ensuring that our water discharge meets the stringent wastewater effluent quality standards established by the Department of Environment and Natural Resources (DENR). To fulfill these responsibilities effectively, we actively engage with suppliers and vendors who provide us with cutting-edge technology and innovative

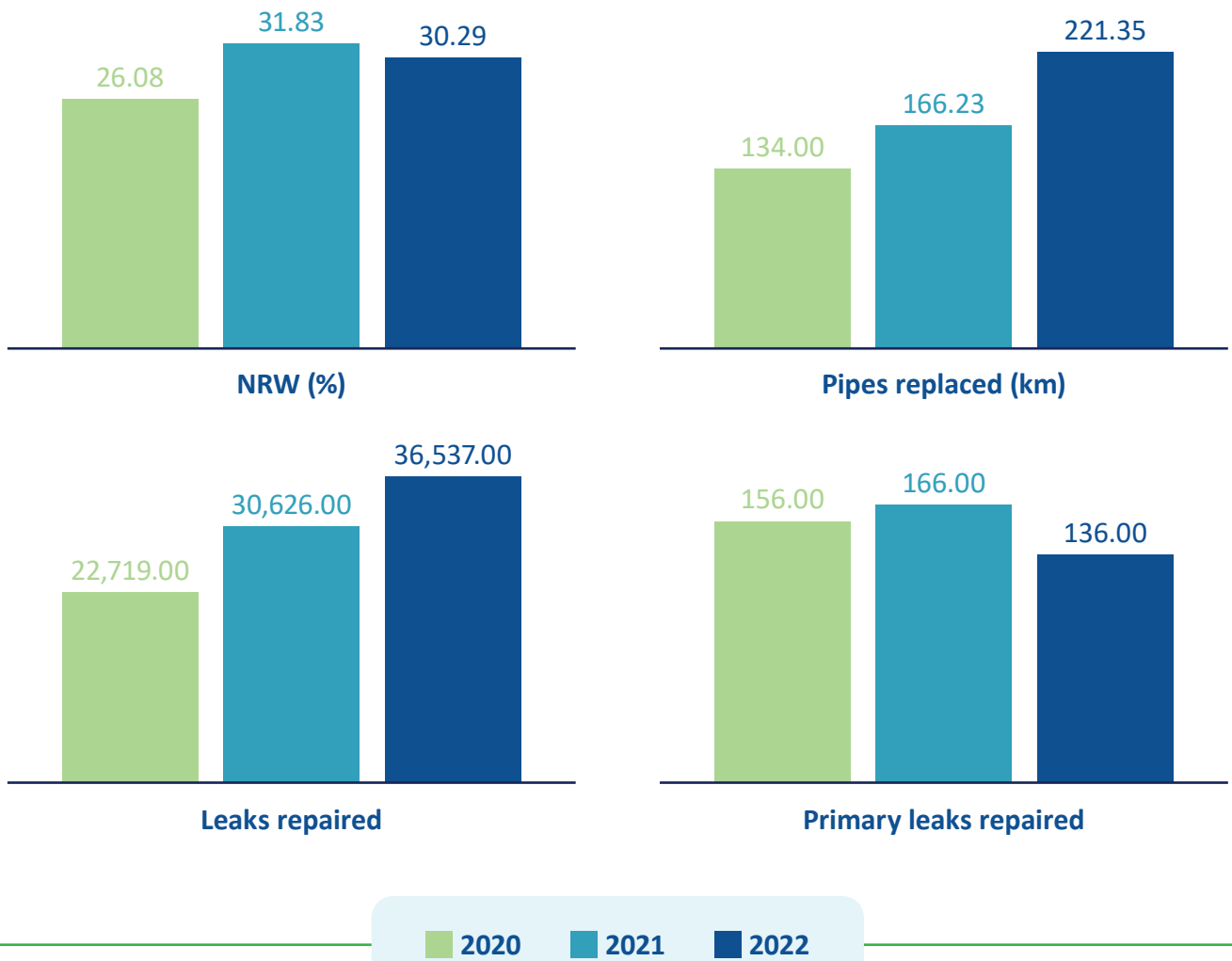
solutions for efficient water management. Through these collaborative partnerships, we continuously strive to enhance our water management practices and contribute to the sustainability of this precious resource.

Our performance, service standards, and rates are subject to regular audits under the concessionaire agreement. The NWRB monitors and regulates Maynilad's activities in the Angat-Ipo-La Mesa Watershed, while our activities in Laguna Lake are supervised by the Laguna Lake Development Authority.

Maynilad utilizes several water sources, primarily the Angat Dam, Laguna Lake, and deep wells, to meet the water demands. In October 2022, we incorporated an additional water source, the Paranaque NEW WATER facility, which converts treated effluent water into potable water. To identify and address water-related impacts, we engage in public consultations and develop Environmental Management and Monitoring Plans. These

impacts are further assessed through consultations, meetings, and partnerships with regulators, local government units (LGUs), government agencies, non-governmental organizations (NGOs), and private organizations.

To ensure responsible water management, we strictly adhere to the minimum standards outlined in DAO 2016-08, which encompasses the Water Quality Guidelines and General Effluent Standards. In addition, we consider specific parameters established in the new DAO 2021-19. Both DAO 2016-08 and 2021-19 are applicable to all our locations. Our practices align with the Philippine National Standards for Drinking Water (PNSDW) and the guidelines set forth by DAO. Furthermore, we take into account the standards established by the Department of Environment and Natural Resources (DENR) and the Department of Health (DOH) in our operations.



Maynilad's Non-Revenue Water Initiatives

In 2022, as part of our ongoing commitment to optimizing water management, enhancing service quality, and contributing to a more sustainable and resilient water utility sector, we achieved a reduction in non-revenue water (NRW). NRW refers to the water lost through incidents like leakages or broken pipes. Our efforts resulted in a decrease in NRW from 31.83% to 30.29%. This can be attributed to a 26.02% increase in repaired leaks and the replacement of a total of 221 km of pipes, surpassing the previous year's 166 km of pipes replaced.

Water Withdrawal

In Million Liters (ML)

Item / Facility	2020	2021	2022
Surface Water			
Maynilad- LP 1 and 2 (Angat- Ipo)	832,293.30	882,672.80	878,742.40
Maynilad- PWTP 1 and 2 (Laguna Lake)	116,726.60	107,176.70	101,703.70
PHILHYDRO- Bulacan Water Treatment Plant (Angat)	Not in the report scope	12,043.30	11,896.40
PHILHYDRO- Legazpi Water Treatment Plant (Yawa & Pawa)	Not in the report scope	6,231.80	6,469.10
PHILHYDRO- Rizal Water Treatment Plant (Pantabangan)	Not in the report scope	Not in the report scope	575.30
PHILHYDRO- Bambang Water Treatment Plant (Magat)	Not in the report scope	Not in the report scope	796.70
Groundwater			
Deep Well	241.33	79.48	391.39
TOTAL	949,261.30	1,008,204.10	1,000,575.03

Water withdrawal from each of the sources listed above, by the following categories:	Amount in Million Liters (ML)		
	2020	2021	2022
Freshwater (<1000 mg/L Total Dissolved Solids)	949,261.29	1,008,204.10	1,000,575.04
Other water (>1,000 mg/L Total Dissolved Solids)	-	-	-

Water Discharge

In Million Liters (ML)

2022 Discharge for Areas by Type	Discharge in Million Liters (ML)			Discharge Location	Average Biological Oxygen Demand (mg/L)
Facility	2020	2021	2022		
Freshwater (Water with concentration of total dissolved solids equal to or below 1,000 mg/L)					
Paco WRF	94.78	105.10	72.68	Estero De Santibañez	9.54
Alabang WRF	2,502.93	1,896.93	2,129.41	Pasong Diablo River	7.22
Dagat-dagatan WRF	129.40	92.90	0	Maypajo Creek	0
Congressional WRF	168.71	175.91	126.59	Culiat Creek	9.89
Baesa WRF	69.40	132.07	133.68	Dario Creek	9.61
Legal WRF	187.92	191.36	169.57	Dario Creek	6.51
Grant WRF	225.84	246.24	286.16	Dario Creek	4.82
Tandang Sora WRF	216.76	296.14	250.23	Dario Creek	3.37
Bahay Toro WRF	1,368.43	1,338.27	1,280.85	Dario Creek	5.29
Bagbag WRF	3,542.31	3,016.56	2,556.18	Dario Creek	3.70
San Antonio WRF	771.47	716.07	685.60	San Francisco River	26.16
Del Monte WRF	745.82	579.16	717.09	San Francisco River	11.67
Paltok WRF	1,314.05	1,400.14	928.90	Maribolo Creek	8.53
Samson WRF	355.10	370.50	430.22	San Francisco River	17.34
Kapiligan WRF	562.27	540.83	929.56	San Juan River	9.66
Talayan WRF	2,013.16	3,283.50	1,655.47	Talayan Creek	9.96
Tatalon WRF	2,180.74	1,666.52	1,652.61	San Juan River	32.23
Veterans WRF	451.84	498.95	430.42	Culiat Creek	17.22

2022 Discharge for Areas by Type	Discharge in Million Liters (ML)			Discharge Location	Average Biological Oxygen Demand (mg/L)
Facility	2020	2021	2022		
Pasay WRF	8,652.25	9,538.24	8,697.80	Delain Creek	8.25
Paranaque WRF	6,646.32	7,423.46	6,449.42	Malabon Creek	4.47
South Septage	Not in the report scope	Not in the report scope	52.20	Alabang-Zapote River	2.07
Putatan WTP 1	942.17	123.56	281.44	Laguna Lake	4.92
Putatan WTP 2**	1,430.83	276.55	606.95	Laguna Lake	4.67
Other Water (water with concentration of total dissolved solids greater than 1,000mg/L)					
Tondo Sewage Pumping Plant***	39,939.54	35,968.30	35,988.00	Manila Bay	67.39



In 2022, Maynilad discharged a total of 30,523.01 ML of effluent into surface water. We are pleased to share that our efforts to improve sustainability have resulted in a notable reduction in surface water discharge. Compared to 2021, we achieved a 10% decrease, and compared to 2020, a 12% decrease. This achievement can be attributed to our initiatives focused on reusing backwash water and treated wastewater for potable purposes. While our surface water discharge has shown a positive trend, other water discharges have remained relatively consistent over the past three years. In 2020, we discharged 39,939.54 ML, followed by 35,968.30 ML in 2021, and 35,987.64 ML in 2022. It is important to highlight that we actively avoid discharging water to areas experiencing water stress, prioritizing responsible water management practices. The domestic wastewater we release contains various substances, including fecal coliform,

sulfates, phosphates, nitrates, and ammonia. To ensure compliance, we adhere to the discharge limits stipulated in DAO 2016-08 and DAO 2021-19 General Effluent Standards. In 2022, we experienced 38 incidents of non-compliance with water-related standards (see page 111 for details). We remain committed to addressing and rectifying these incidents, continuously striving to uphold the highest environmental standards in our operations.

20 No. of STPs
Passing 95%

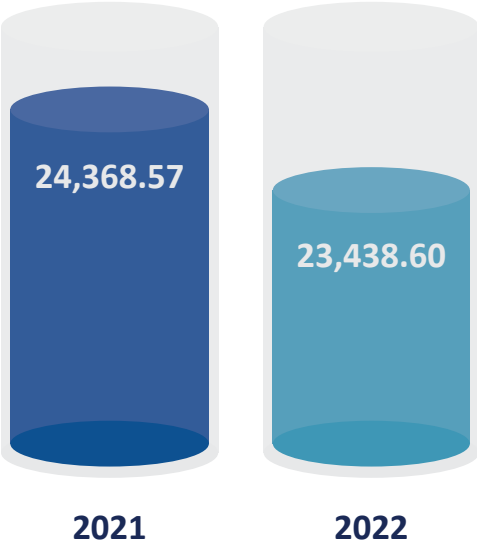
21 No. of STPs
tested

95.24%
Overall performance



Total Water Recycled

Amount in Million Liters

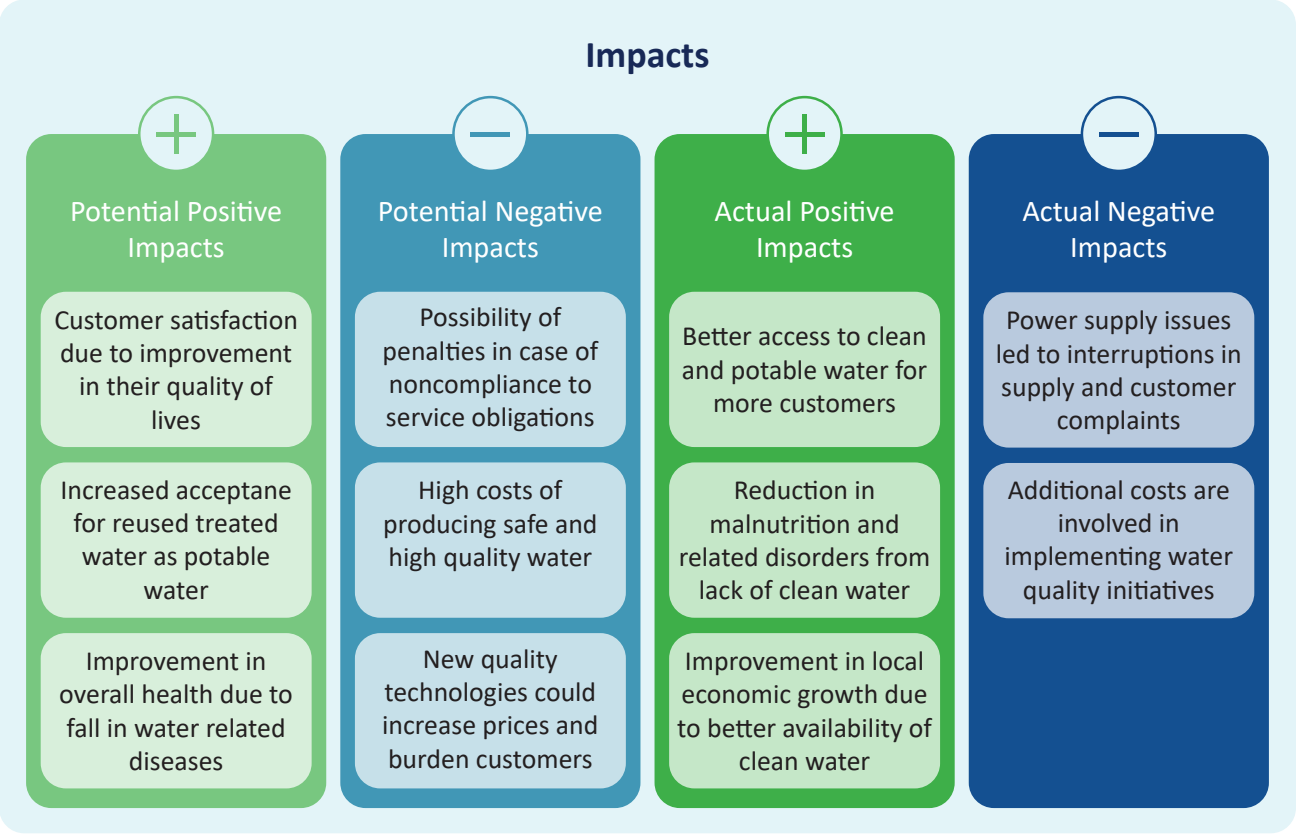


We recycled 23,438.6 ML of water in 2022, as compared to 24,368.57 ML of water in 2021. The volume of water recycled was lower in 2022 as it was driven by plant production, and both our LMTP and PWTP water production was low in the first half of 2022. The following are the water reuse and recycling initiatives consistently implemented over the past three years:

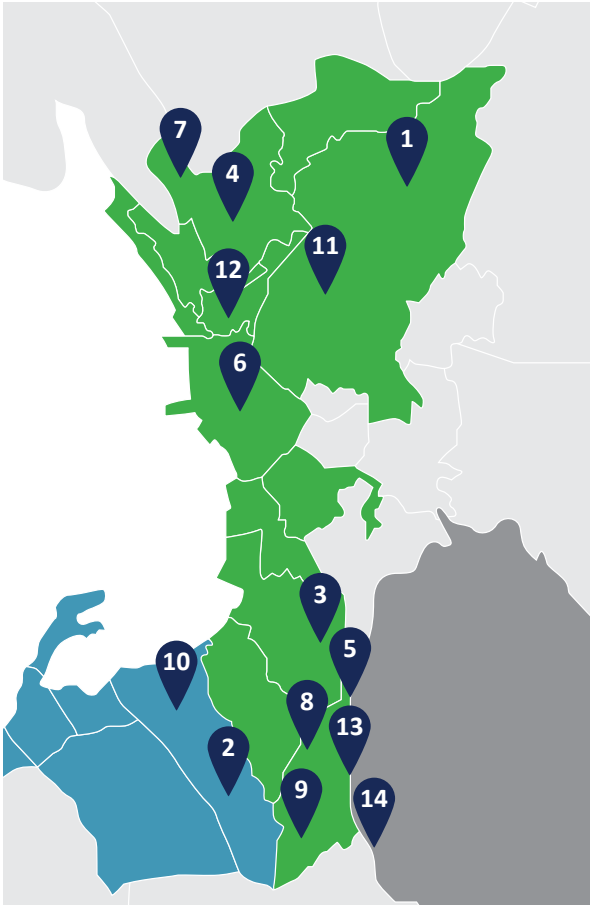
- To ensure resilience to water scarcity, treated wastewater is reused in the polymer preparation stage for the dewatering process, cleaning and washing of equipment, maintenance of VTUs used in desludging, in toilet flushing in our Combined Sewage and Septage Plant (Veterans WRF), and in most of our wastewater facilities.
- In Alabang WRF, treated wastewater is used to water a golf course.
- The Paranaque Modular Treatment Plant, the “NEW WATER” facility, became operational in 2022. It is the first direct potable reuse initiative in Asia.

Water augmentation infrastructure projects such as the rehabilitation of our major water treatment facilities and groundwater sources and the construction of new water treatment and modular treatment plants were also implemented. The details of these projects are discussed in the “business growth” section.

Quality & Reliability of Water Supply



We have made significant investments in enhancing water quality and reliability through various initiatives. Some of the notable investments include:



1

Upgrading of La Mesa facilities: This 7.9 billion PhP project includes the construction of additional facilities and installation of additional equipment inside these treatment plants, as follows: sludge treatment facility, pumping stations, solar power system, settlers, sludge scrapers, control units, safety and security systems. This also includes rehabilitation of the existing sedimentation and filtration basins, and installation of systems to handle high turbidity raw water and structures intended to withstand a 7.2 magnitude earthquake. This will reduce operational expenditure on chemicals and power by replacing motorized mixing into hydraulic mixing, using solar power, and enhancing the design to optimize chemicals to be used- thus reducing its consumption and cost. This will help mitigate the impact of poor

raw water quality on customers during the rainy season. As of EO 2022, the La Mesa project's LP1 is substantially complete with a 96.49% actual completion rate, while LP2 is at 92.29%. LP1 is currently in the process proving stage and is projected to be completed by June 2023, while LP2 is focusing on ancillary tasks and aiming for completion in November 2023. Although there may be minor deviations, the team remains unwavering in their commitment to accomplishing the project objectives within the designated timeframes.

2

Cavite of Modular Treatment Plants: Updates as of end of 2022 on facilities that will supply a total of 46.7 MLD (Million liters of water per day).

- Julian ModTP (100% Completed, Waiting for Permit to Operate from DOH);

- Anabu ModTP (% completion: ModTP 14%, Dredging 100%, Pipelaying 100%);
- Ligas ModTP (% completion:Planning/ Engineering 100% Procurement 39%);
- Molino ModTP (% completion:Planning/ Engineering 100%,Procurement 41%).

These facilities will supply a total of 46.7 MLD of water. They are slated to provide 24/7 water supply to an estimated 250,000 customers in Cavite area even when there's water supply shortage in Angat. The cost of this investment is 2.3 billion PhP.

3

Paranaque WRF Modular Treatment Plant (ModTP - NEW WATER): Operational since October 2022, this is the first direct potable reuse initiative in Asia. The facility converts treated effluent into potable water. It can produce around 10 million liters of NEW WATER per day. DOH-accredited laboratories collected samples from the facility to test whether the water was safe to drink. After these tests, the Parañaque City Health Office issued the Certificate of Potability to the facility. This certificate ensures that the facility's "NEW WATER" meets the Philippine National Standards for Drinking Water. The cost of this investment is 450 million PhP.

4

Valenzuela Modular Treatment Plant: The plant will draw water from the Tullahan River and provide an additional supply of 1 MLD. Moving bed biofilm reactor (MBBR) started operation last Oct 14, 2022. Through this project,

5

Construction of Laguna Lake Water Treatment Plant in Muntinlupa City (Poblacion WTP): The new treatment plant will be built in Poblacion, Muntinlupa, and will add 150 MLD of potable water to address the needs of the growing population in the area. The new water treatment plant will be equipped with several treatment technologies that effectively convert water from Laguna Lake into potable water. These innovative technologies include Dissolved Air Flotation, Reverse Osmosis, Ultrafiltration, Biological Activated Filtration, and Chlorination, in accordance with the parameters set by the Philippine National Standard for Drinking Water (PNSDW). The project, being executed at a cost of 11.3 billion PhP, is

6

Central Manila Sewerage System (CMSS) Rehabilitation Project: The project involves rehabilitation and upgrade of approximately 9,600 linear meters of sewer lines. This is to further boost the rehabilitation efforts of the iconic Manila Bay. This project is also expected to be completed in 2026. Its cost is around 9 billion PhP.

7

Valenzuela Water Reclamation Facility (WRF): The facility is planned at 60 MLD capacity. The WRF will be operated in accordance with the Department of Environment and Natural Resources (DENR) effluent

8

Cupang WRF: This comprises 46 MLD Capacity of wastewater

9

Tunasan WRF: This 868 MPhP project 's main objective is to treat the wastewater generated within Muntinlupa currently flowing untreated through a series of drainage and collection channels into the Laguna Lake to a degree needed to comply with the applicable and current standards for the discharge of

10

Southvale Village WRF: The Southvale Village Water Reclamation Facility Project with a 210MPhP budget shall have a maximum treatment capacity of 710 CMD of domestic wastewater based on system capacity, situated within a total land area of 779 square meters of parcel of land.

11

LMTP 1-1 MW Solar Power Farm: The second solar power project is the La Mesa Treatment Plant (LMTP) 1- 1 MW Solar Panel, connected to the Motor

effluents (DENR-DAO). This is in line with Maynilad's commitment to improve sanitation and sewerage services within its concession area and to reduce the pollution to water bodies. The capacity of this plant is 20 MLD, and the population that will be served is 265,000, with a service area: of 2,200 ha. The cost is 868 million PhP.

12

Upgrading of CAMANA WRF: Upgrade of Dagat-Dagatan STP to 205 MLD-Caloocan- Malabon-Navotas (CAMANA) Water Reclamation Facility. The purpose is to extend the service coverage of wastewater collection and treatment facilities in the west concession area. Reduction

Control Center (MCC) at the Main Electrical Room. The solar power generated will reduce the power consumption of Water Treatment Plant 1 (excluding the Sludge Treatment Facility (STF)) by approximately 30% per day. In addition, the solar plant can also be used to power the south sedimentation and filter basin, as well as other areas that have been energized by the new MCC including the West and East buildings. It became operational in April 2022. 102 million PhP was spent on this project.

14

Algal Control at Laguna Lake: The project involved deployment of 6 Ultrasonic Transducers for Algae Control as of September 2022, at a cost of 5.9 million PhP.

13

Laguna Lake Silt Curtain Installation and Dredging works: Activities include silt curtain installation, dredging works, hauling and drying, at a cost of 137.2 million PhP.

of water pollution and the improvement of water quality in the connecting water system are potential impacts of the facility, which is expected to serve 1.4 M customers (cost: 10.5 billion PhP).



Waste Management

[306]

Impacts			
+ Potential Positive Impacts	− Potential Negative Impacts	+ Actual Positive Impacts	− Actual Negative Impacts
Diversion of waste from water bodies	Improper handling of hazardous waste could be detrimental to human health	Aids in compliance to regulatory requirements and prevents pollution	Delayed waste disposal/storage due to logistical issues
Opportunity to set an example on waste management for other companies	Gaps in coping with changing regulations could cause pollution due to non-compliance	A portion of the treated wastewater was recycled to produce potable water instead of being discharged.	Poor cost effectiveness of certain waste management procedures
Cost savings due to responsible waste management/recycling	High level of electricity consumption for treating waste	Improved reputation among stakeholders due to innovative waste management	If waste management is not efficient, it could lead to penalties for violations

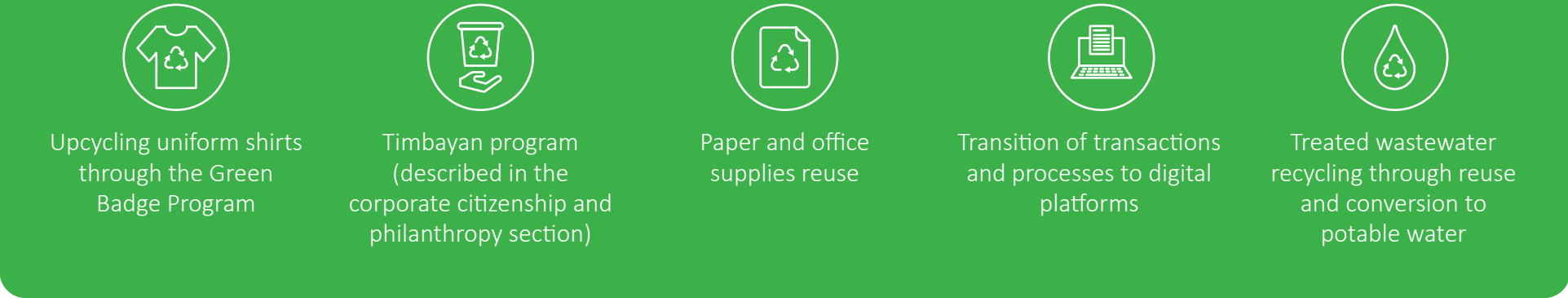
The waste management policy of Maynilad set the guidelines and procedures to effectively manage its wastes through environmentally sound procedures. The policy outlines the procedure on waste classification, reduction, minimization and segregation, waste collection, handling and storage, waste treatment and disposal, and waste monitoring and reporting.

Wastes are managed in the following hierarchy:



Disposal of wastes differs for non-hazardous and hazardous wastes; non-hazardous wastes are disposed through local government waste management services while hazardous wastes require to be disposed through a DENR-accredited transporters and treaters. The Sustainability Department, together with the Administration and the Pollution Control Officers of each facility, ensures that wastes are being managed properly from collection to final disposal.

To minimize waste generation from our end, we implement the following initiatives:



WASTE GENERATION
[306-3, 306-4, 306-5]



A total of 49 MT of non-hazardous waste, specifically biosolids, were successfully diverted from disposal and redirected towards recycling efforts. Meanwhile, the 116.58 MT of the remaining non-hazardous waste were sent to landfills for proper disposal. This represents an increase compared to the previous years, with 54.19 MT in 2021 and 50.68 MT in 2020. The notable rise in non-hazardous waste generation can be attributed to the resumption of construction activities at the Valenzuela WRRF (Water Reclamation and Recycling Facility) in 2022.

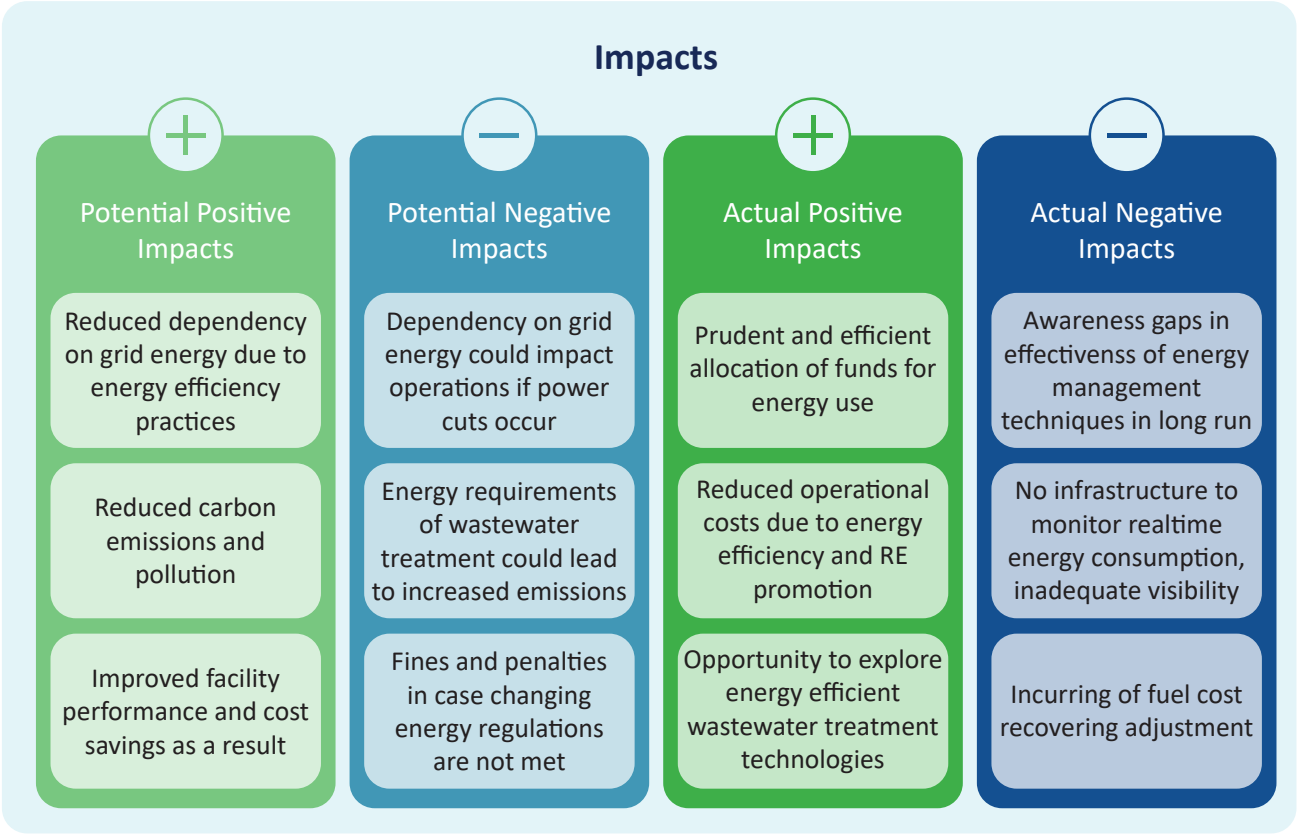
In 2022, the amount of hazardous waste sent to a third party for disposal increased significantly to 93.06 MT, compared to 40.7 MT in 2021 and 22.99 MT in 2020. However, this increase in disposal was accompanied by a 20% decrease in the total generated hazardous waste. The decrease can be attributed to the ongoing construction activities at the Caloocan-Malabon-Navotas Sewerage System. These construction activities have resulted in limited operations at the facility, thus impacting the amount of hazardous waste generated.



Breakdown of Waste Generation (Metric Tons)	2020	2021	2022
Hazardous Waste			
A. Wastes with Cyanide	0	0	0.04
B. Acid Wastes	0.36	7.37	25.66
C. Alkali Wastes	0	0.03	0.17
D. Wastes with Organic Chemicals	21.46	32.23	28.39
E. Reactive Chemical Wastes	0	0	0.00
F. Inks/Dyes/Pigments/Paint/Resins/Latex/Adhesives/Organic Sludge	2.77	3.36	6.34
G. Waste Organic Solvents	0.33	0.46	0.38
H. Organic Wastes	0	0	0.00
I. Oil	72.37	76.22	40.76
J. Containers	29.93	30.82	16.94
K. Stabilized Waste	0	0	0.00
L. Organic Chemicals	0.93	0	0.00
M. Miscellaneous Wastes	15.89	19.57	22.79
Total	144.00	170.10	141.47
Non-Hazardous Waste			
A. Recyclables	14.16	16.71	21.34
B. Residuals	14.10	11.41	15.96
C. Biodegradables	22.42	26.08	30.20
D. Biosolids	-	-	98.09
Total	50.70	54.20	165.59

Energy Management

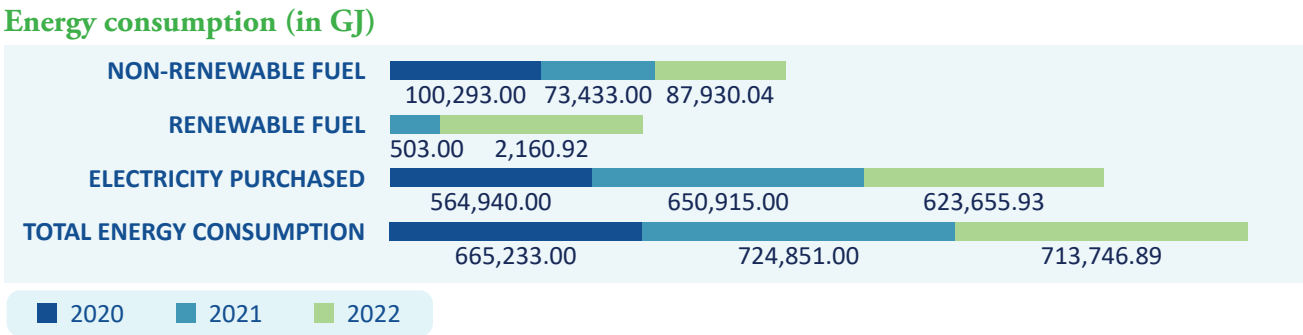
[302-1,302-3,302-4]



We believe in optimizing energy consumption for a more efficient, prudent and sustainable business operation necessary in meeting the needs of its growing customer base through ISO 50001:2018, Energy Management System (EnMS) implementation.



We have comprehensive systems in place to track our energy consumption and monitor energy reduction. We are also exploring renewable energy options such as solar energy to reduce our dependence on fossil fuels. Our energy data is presented below:



Stationary Fuel Consumed		2020		2021		2022	
Item / Facility	Fuel Type	In Liters (L)	In Gigajoules (GJ)	In Liters (L)	In Gigajoules (GJ)	In Liters (L)	In Gigajoules (GJ)
Maynilad	Diesel consumption (generator sets and other equipment)	587,779.00	21,353.00	704,139.00	26,840.00	984,957.00	37,717.00
Philhydro	Diesel consumption (generator sets and other equipment)	Data not available	Data not available	39,489.00	1,512.00	23,560.00	902.00

Vehicle Fuel Consumed		2020		2021		2022	
Item / Facility	Fuel Type	In Liters (L)	In Gigajoules (GJ)	In Liters (L)	In Gigajoules (GJ)	In Liters (L)	In Gigajoules (GJ)
Maynilad (Diesel)	Diesel consumption (vehicles)	1,134,574.00	41,534.00	1,124,909.80	43,077.00	1,106,861.40	42,386.00
Maynilad (Gasoline)	Gasoline consumption (vehicles)	39,905.00	1,323.00	57,823.32	2,004.11	193,635.81	6,711.26
Philhydro (Diesel)	Diesel consumption (vehicles)	Data not available	Data not available	Data not available	Data not available	3,979.79	152.00
Philhydro (Gasoline)	Gasoline consumption (vehicles)	Data not available	Data not available	Data not available	Data not available	1,763.31	61.00

Renewable Fuel Consumed		2020		2021		2022	
Item / Facility	Fuel Type	In Kilowatt-hours (kWh)	In Gigajoules (GJ)	In Kilowatt-hours (kWh)	In Gigajoules (GJ)	In Kilowatt-hours (kWh)	In Gigajoules (GJ)
Maynilad Solar Power Farm (La Mesa PS/ ARPS)	Solar	-	-	139,806.00	503.00	116,986.00	421.00
Maynilad Solar Power Farm (La Mesa TP 1)	Solar	-	-	-	-	483,270.00	1,740.00
Total		-	-	139,806.00	503.00	600,256.41	2,160.92

In 2021, we began utilizing solar energy for our operations, installing solar panels. Our solar energy consumption in 2021 reached 503 GJ, and significantly increased to 2,160.92 GJ in 2022 with the addition of a one-megawatt solar power farm in La Mesa Treatment Plant 1 in April 2022.

To measure our energy efficiency, we calculate the energy intensity ratio. In 2022, our energy intensity ratio was 47.60, compared to 42.94 in 2021 and 42.75 in 2020. This ratio is determined by converting our electricity (KWh) and fuel (liters) consumption into a common unit,

Liters of Oil Equivalent (LOE), divided by the volume of total water production and total wastewater treated in million liters (ML). The conversion factors used are provided by the Department of Energy (KWh = 0.261, liters of gasoline = 0.847, and liters of diesel = 0.924).

The following basic energy conservation initiatives that we implemented are also mentioned in our resource conservation policy:



Turning off lights when not in use



Replacement of motor controller/ drive to Variable-frequency drive (VFD)



Use of LED lights



Use of inverter AC units



Avoiding idling of vehicles

Maynilad became one of the 26 organizations who have earned the Clean Energy Ministerial (CEM) Energy Management Insight Award in recognition of the Company’s valuable insights in raising consciousness on the benefits of using energy management systems certified to the ISO 50001 standard. The Company earned the same award for the second year in a row.

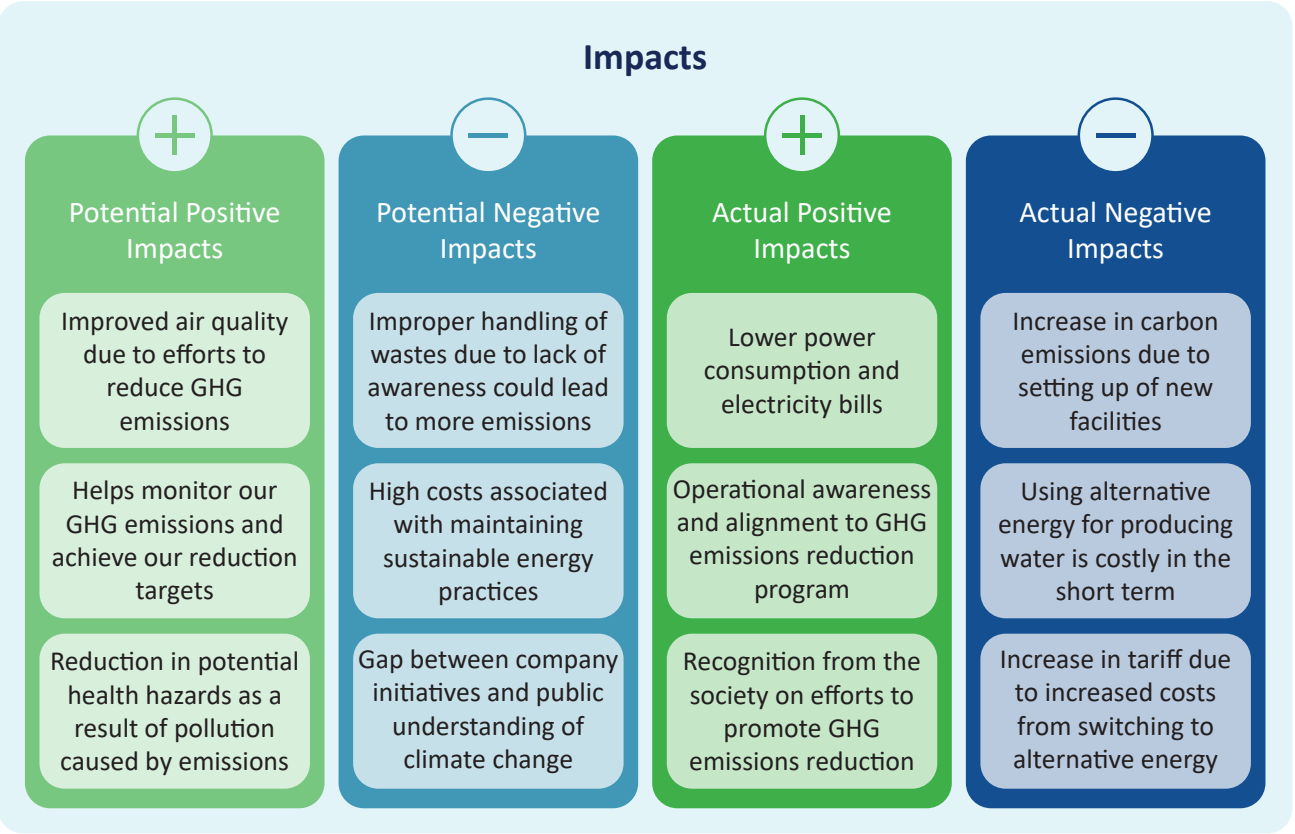


“Reducing our energy consumption is not easy, given our constantly expanding service coverage. But by reviewing our processes and improving certain practices, we managed to further reduce energy use without compromising our production levels”

—Ramoncito S. Fernandez, President and CEO

GHG Emissions

[305]

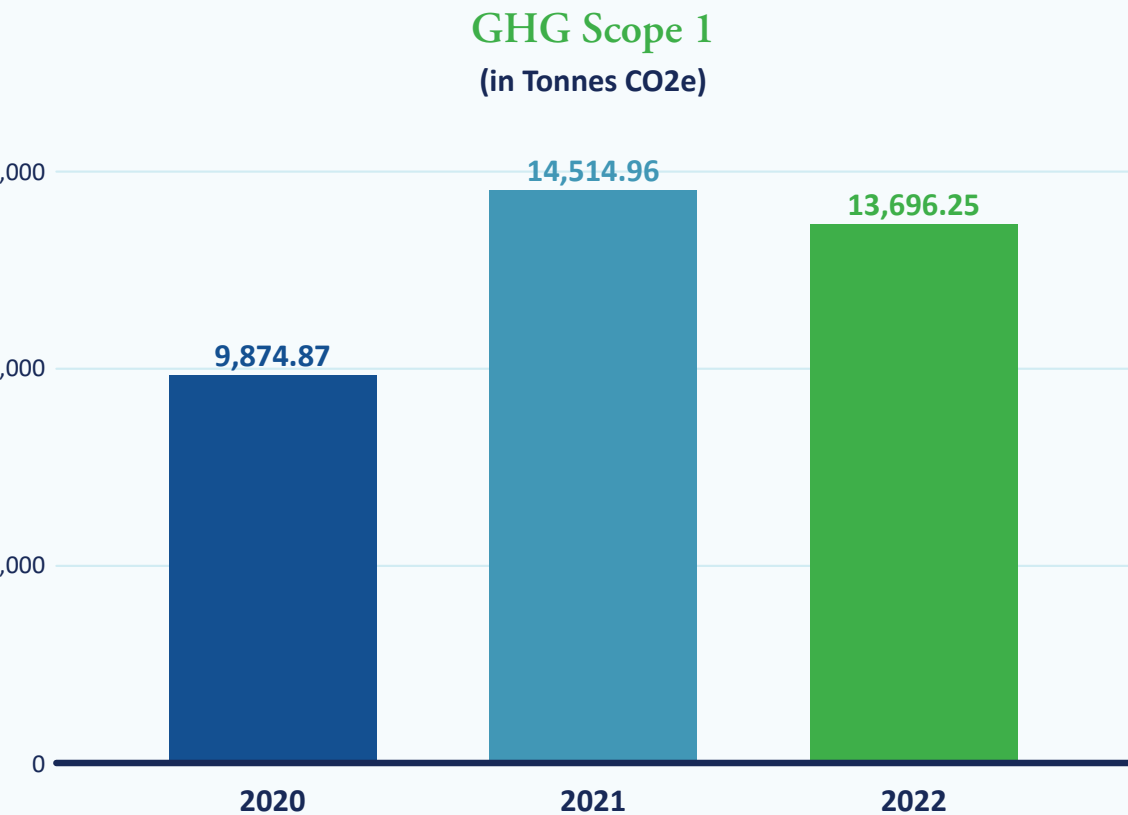


The Energy Management section in our Sustainability Department, with the support of Energy Managers, is responsible for managing GHG and air emissions. To reduce our reliance on non-renewable energy sources and decrease electricity expenses, we introduced a 1-megawatt solar power farm in the preceding year. These initiatives have resulted in a significant reduction of 577.5 tCO2 in Scope 2 emissions. Additionally, we conduct internal audits and submit the results for verification by an international certification body every three years.

[305-5]

Completion of Maynilad's 2nd Renewable Energy Source: The LMTP 1 Solar Power Farm

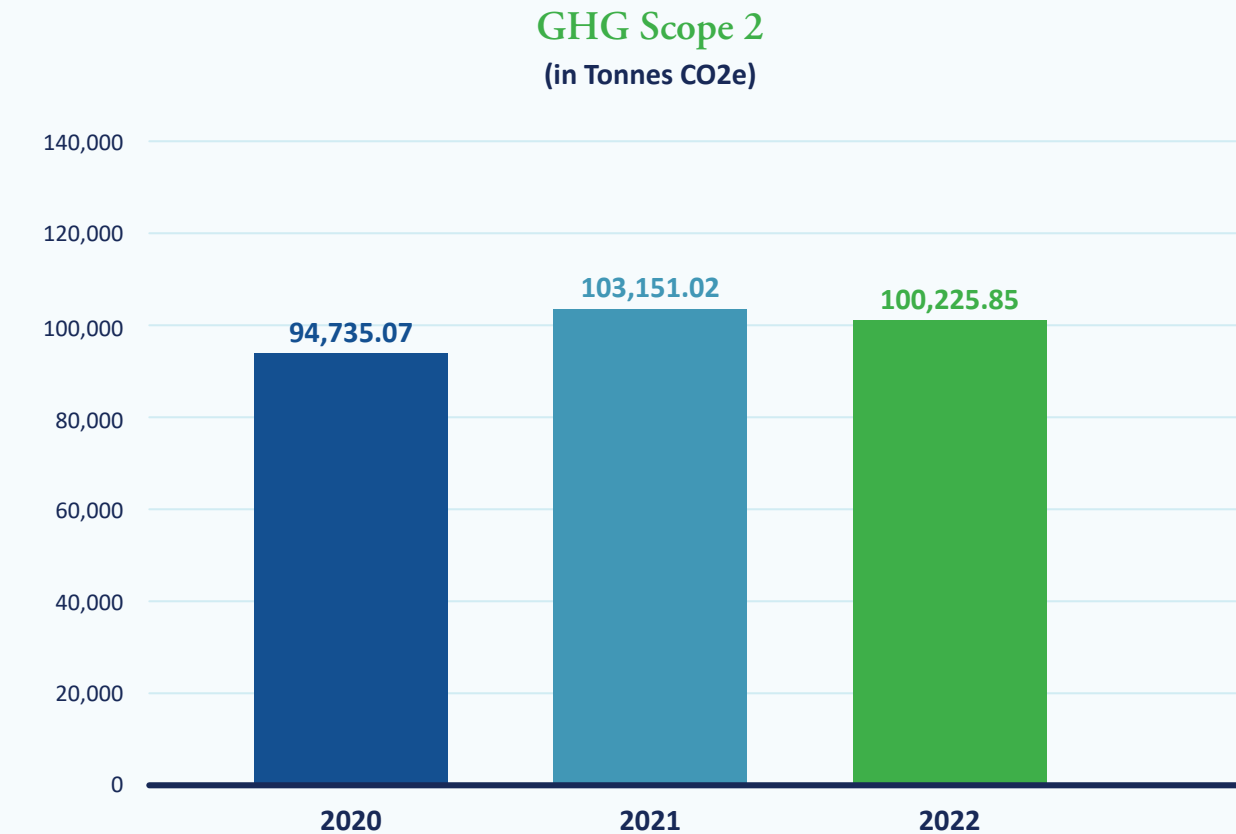
In 2022, we inaugurated another one-megawatt PV solar farm in Quezon City's La Mesa Compound, intended to supplement the power needs of La Mesa Treatment Plant 1 and various pumping stations. This marks our second solar farm, following our initial foray into renewables in the previous year. The new solar farm is expected to substantially reduce electricity consumption by approximately 90,000 kWh per month, lower carbon emissions by 21 tons monthly, and generate cost savings of around PhP 7 million to PhP 10 million annually by reducing reliance on purchased electricity. These efforts demonstrate our commitment to environmental sustainability and reducing our ecological impact.



Restatement of 2021 data: Direct (Scope 1) GHG Emissions – 14,514.96 Tonnes CO₂e

The data represented in the graph above shows Scope 1 emissions from our business. These are from stationary, mobile fuel, refrigerants, and wastewater treatment. The gases included in Scope 1 emissions are based on our GHG calculation tool. The gases considered are CO₂, CH₄, N₂O, PM, NO_x, Sox, CO, and VOC. For the 2020 report, GWP values are based on the IPCC Fifth Assessment Report (AR5) published in 2013 at 100 years' time horizon. For 2021 and 2022, we referred to the IPCC Sixth Assessment Report (AR6).

[305-1]



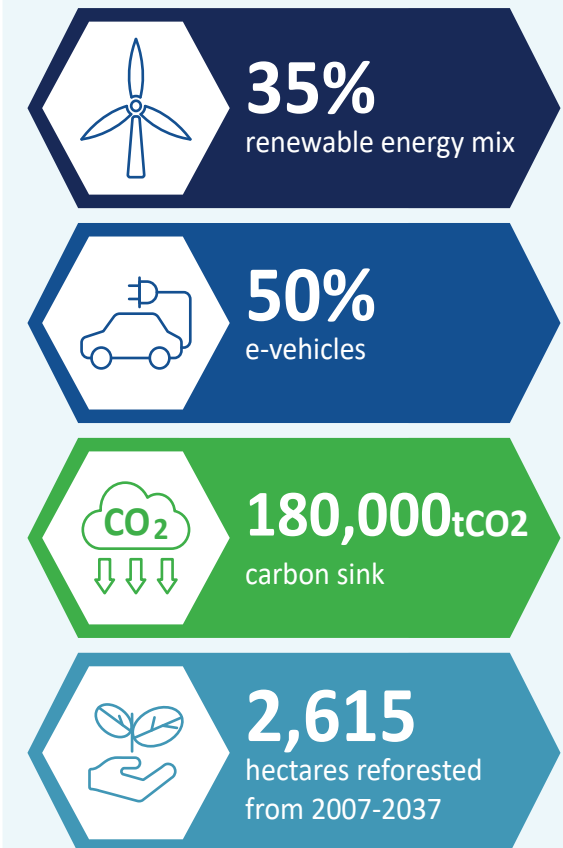
Our Scope 2 emissions are represented in the graph above, in metric tons of tCO₂e. They are from electricity purchased. The ISO 14064-1:2018 standards were used for calculating Scope 2 emissions. Our GHG emissions intensity was 0.13 for 2022, compared to 0.12 in 2021 and 0.11 in 2020. An increase in GHG emissions intensity at this point is inevitable as we are continuously expanding our infrastructure to provide better service to our customers.

[305-2, 305-4]

In 2022, we recorded the emissions from business travels (air), which amounted to 18.49 tCO₂e.

[305-3]

Our Climate Neutrality Targets that we seek to achieve by 2037 are:

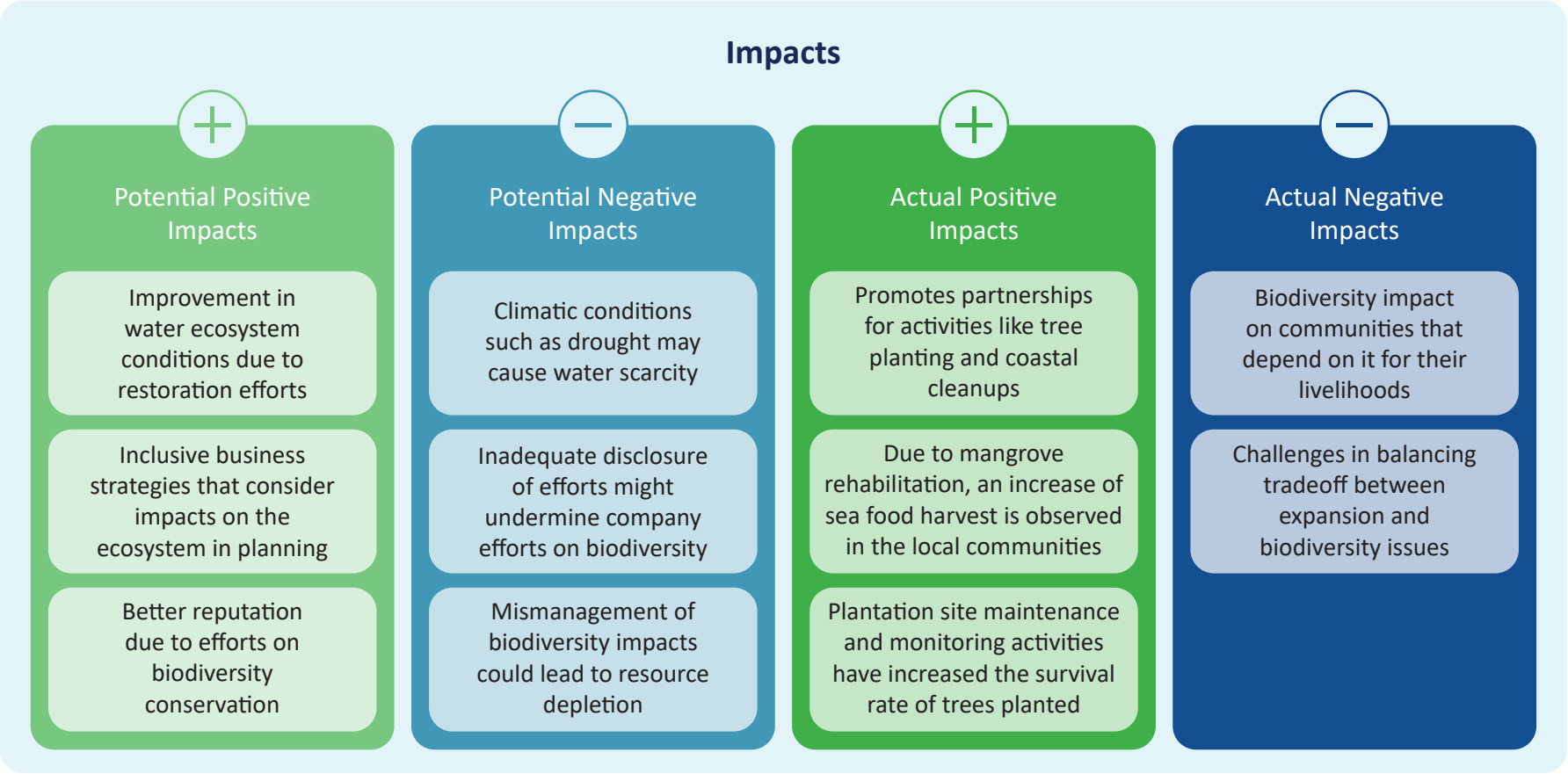


NITROGEN OXIDE (NO_x), SULFUR OXIDES (SO_x), AND OTHER SIGNIFICANT AIR EMISSIONS, IN TONS

	2020	2021	2022
NOx	344.98	334.26	334.55
SOx	2,209.34	2,398.96	2,331.21
Volatile Organic Compounds (VOC)	10.07	10.07	10.06
Particulate Matter (PM)	4.85	3.95	4.05
Other standard categories of air emission identified in relevant regulations (CO)	46.66	38.89	40.82

Biodiversity Management

[304]



Habitats Protected or Restored [GRI 304-1, 304-3, 304-4]

Name of intervention	Area	Description
La Mesa Watershed	26.59 sq. km. (2,659 has.)	La Mesa Watershed is known as the "green lung" of Metro Manila since it absorbs 3-5% of the carbon emissions of the metropolis. It is a protected area under the joint administration, supervision, and control of DENR and MWSS. The watershed is being rehabilitated and protected through ABS-CBN Lingkod Kapamilya's (ALKFI) Bantay Kalikasan Program since it entered into a partnership with MWSS in 1999. Maynilad also pays half of the fund provided to ALKFI for the rehab and protection of the watershed.
Ipo Watershed	72.36 sq. km. (7,236 has.)	The Umiray-Angat-Ipo Watersheds supply 98% of Metro Manila's water needs. It is located northeast of the metro and covers 7,236 hectares in Norzagaray and San Jose del Monte in Bulacan, and Rodriguez in Rizal. Maynilad pays half of the wages of the Ipo Watershed forest rangers who are in charge of forest protection in the area. Aside from that, Maynilad continuously adopts areas within the watershed for reforestation and rehabilitation.
General Nakar Watershed	1,456.00 sq. km. (145,607 has.)	General Nakar and Infanta cover the largest land area in the watershed and the Real municipality only covers a small portion. In 2017, a MOA signing was conducted for the protection of the General Nakar Watersheds in relation to the Umiray Angat Transbasin Project (UATP) Rehabilitation Phase 2 and Sumag River Diversion Project (SRDP). A Sustainable Integrated Area Development Project Office (GN SIADPO) was formed under the LGU of General Nakar in charge of community development, forest management, and protection. Maynilad is also in-charge of funding half of the value of the project.

Operational Sites Affecting Biodiversity Protected Areas

La Mesa Compound: LMTP 1 and 2, WATERLab, Common Purpose Facility, Water Maintenance Shop, La Mesa Pump Station and Reservoir, North C Annex Pump Station, North A Annex Pump Station, and the Safety Center.

Ipo Dam: Ipo Dam Office, Ipo Dam Housing, Ipo Multi-Purpose Building, Ipo Dam Control Room, Ipo Dam Conference Room, Manila Water Watershed Office, Ipo Dam Security Barracks, Ipo Dam Security Office, Ipo Dam Military Barracks.

Plant for Life

Plant for Life is the reforestation and afforestation program of Maynilad which aims to rehabilitate the vital watersheds that provide raw water supply for millions of consumers. It is the company's flagship environmental conservation program that rallies volunteers from government agencies, private companies and other organizations to help recover denuded forestlands through annual planting activities.



Originally conceptualized to reforest the watershed in Angat, Ipo, and La Mesa, this tree-planting initiative later became a multi-site reforestation program that includes areas along the Manila Bay coast and Laguna Lake.

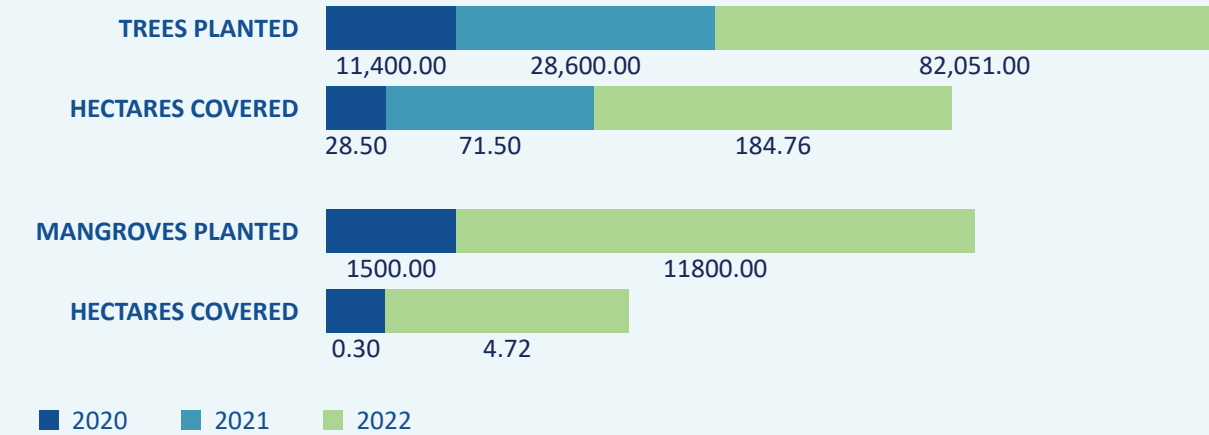
On the 15th anniversary of Plant for Life, Maynilad planted its 1-millionth tree, which is dubbed as the "Mega Tree".

Plant for Life supports the Metropolitan Waterworks and Sewerage System's "Annual Million Tree Challenge", which set a goal to plant 10 million trees by 2030.

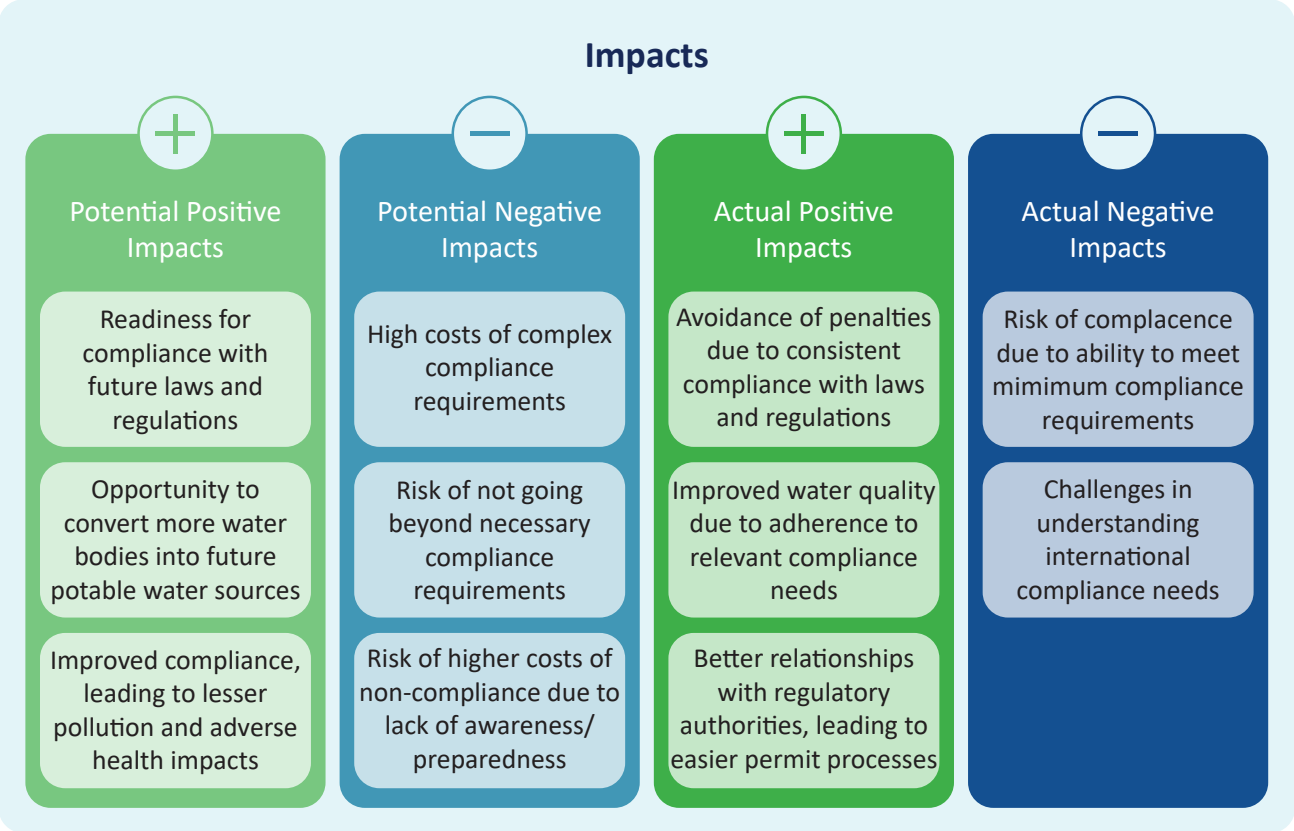
Trees and mangroves planted since 2007



3-year data for seedlings planted



Environmental Compliance



Our performance with respect to environmental compliance is represented in the table below:

Aspect	2020	2021	2022
Total number of cases of non-compliance with environmental laws and/or regulations	18.00	47.00	38.00
Total amount of monetary fines for non-compliance with environmental laws and/or regulations (in PHP)	0	90,118,218.00	619,500.00
Number of non-monetary sanctions for non-compliance with environmental laws and/or regulations	18.00	46.00	36.00
Number of cases resolved through dispute resolution mechanism	0	2.00	2.00

Throughout the reporting period, a total of 38 incidents of non-compliance were identified, leading to the issuance of corresponding warnings. Among these, two specific incidents of non-compliance occurred, resulting in the imposition of fines or penalties. However, it is worth highlighting that there were no instances of non-compliance with voluntary codes.

To prevent risks with respect to environmental compliance, risk assessment

is conducted regularly. An Environmental Management Database has been created to monitor compliance with legal requirements, permit applications, and licenses, as well as other environmental monitoring and inspection schedules. Training and refresher courses are conducted for PCOs to augment their knowledge and skills in ensuring environmental compliance.



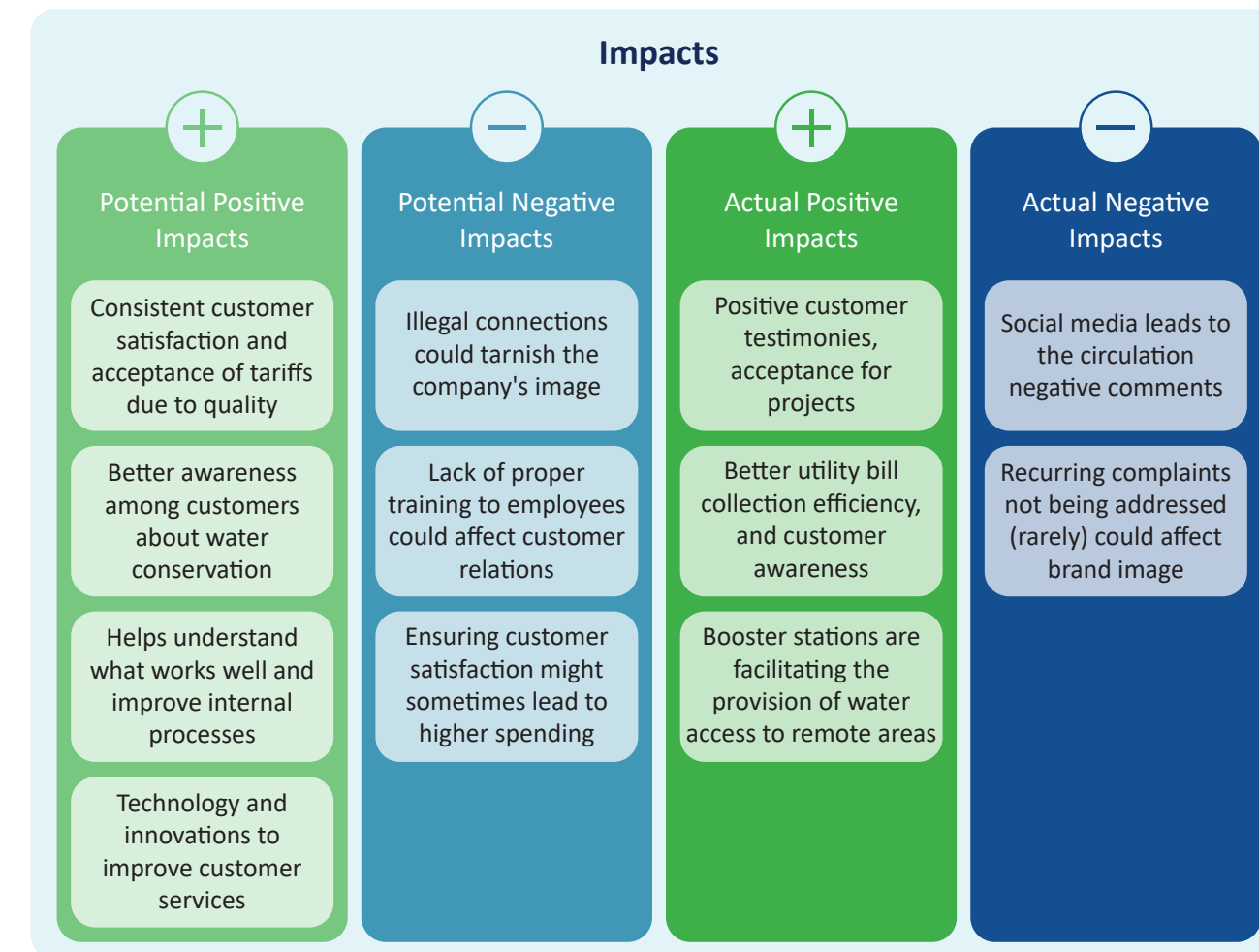


Stakeholder Relationships

Being cognizant of the needs of stakeholders that we interact with regularly is an essential ingredient in our sustainability journey. We are on a continuous mission to explore new ways to understand their needs and expectations, in order to meet them to the best of our ability. Our stakeholders are important players in our ESG journey, and we look forward to achieving our goals on sustainability by collaborating with them.

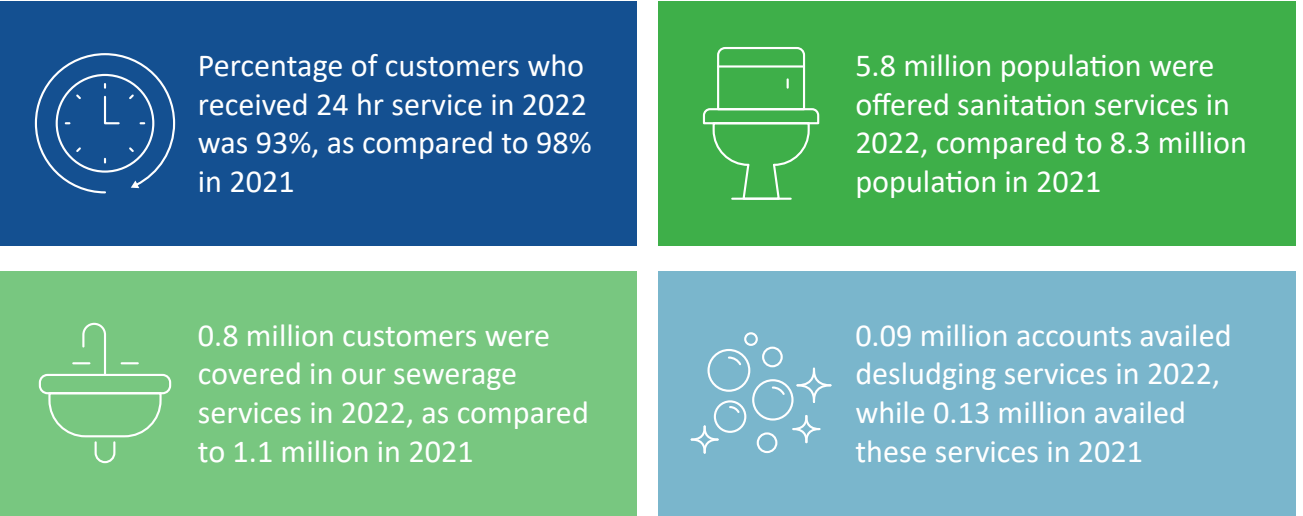
Customer Experience

[416]

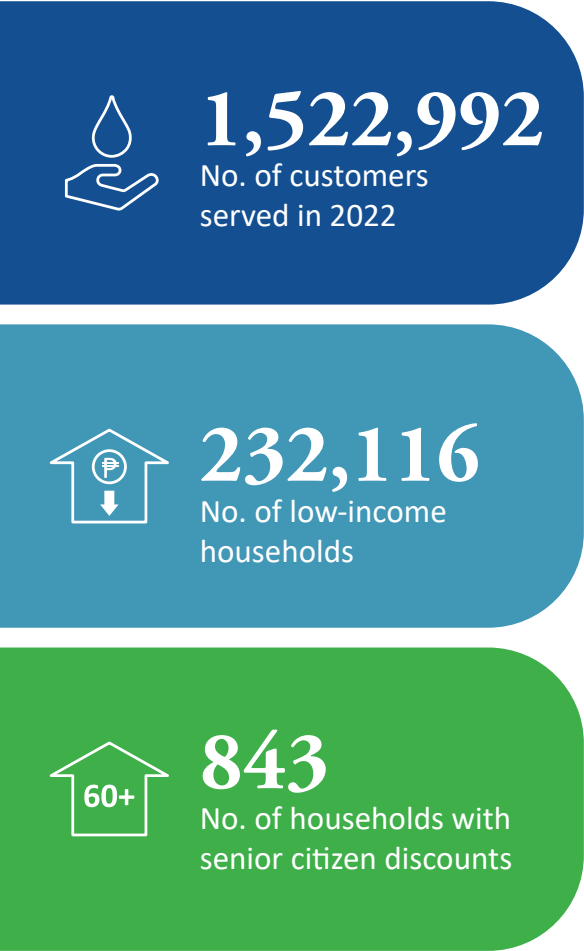


Our Customer Experience and Retail Operations team plays a crucial role in managing customer-related data. To adapt to the shift towards online transactions during the pandemic, we introduced a convenient online bill portal (MyWaterBill) and various online payment channels such as Maya and GCash. To ensure that customers stay informed about their bills, we send SMS alerts as reminders. Whenever customers encounter issues related to billing, water quality, or water availability, we provide direct assistance through SMS, phone calls, emails, or letters. Alternatively, customers can visit our business areas to personally consult with our specialists. Onsite investigations and verifications are conducted by our dedicated Zone Management teams.

Some of our key performance indicators with respect to customer management are represented in the infographic below:



A 5% decrease in the percentage of customers who receive 24-hour service was caused by reduced water production, the same reason why recycled water went down, specifically, low production for the first half of 2022 due to reduced allocation in LMTP and poor raw water quality in Laguna Lake for PWTP.



A Customer Satisfaction Survey was conducted by a third-party call center on a monthly basis to determine customer perception of the effectiveness of Maynilad’s approach to handling customer concerns. The scores from this survey are presented in the table below:

Customer Service	2020	2021	2022
Service-related complaints	22,711.00	23,817.00	31,805.00
Billing-related complaints	35,098.00	42,093.00	51,298.00
Application requests	23,436.00	26,033.00	31,344.00
Installation requests	17,687.00	17,657.00	19,877.00
Leakage Complaints	25,841.00	30,005.00	19,877.00
Resolution Rate (within 10 days)			
Service-related complaints	96%	95%	98%
Billing-related complaints	86%	93%	99%
Application requests	85%	95%	99%
Installation requests	78%	93%	96%
Leakage Complaints	93%	96%	96%
CSAT Scores (Out of 4.0)			
Service-related complaints	3.25	3.58	3.43
Billing-related complaints	3.54	3.51	3.48
Application requests	3.96	3.95	3.97
Installation requests	3.85	3.88	3.80
Leakage Complaints	3.84	3.83	3.89

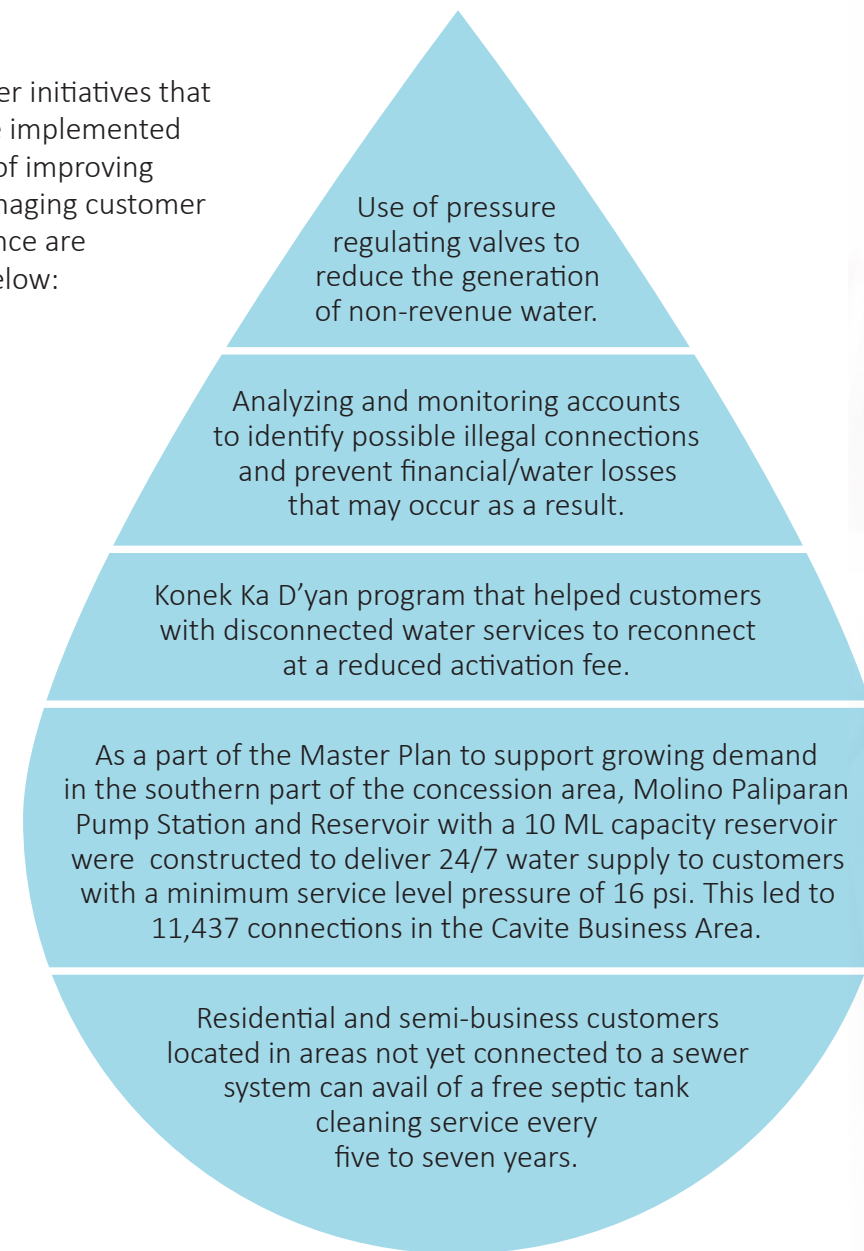
Of the above scores, 4 refers to “outstanding”, 3.0 to 3.99 to “exceeds standards”, 2.0 to 2.99 to “meets standards”, and 1.0 to 1.99 to “below standards”.





There were no acute health-based, non-acute health-based, or non-health-based drinking violations in the reporting year. All of our services undergo thorough assessments to evaluate their impact on customer health and safety. Throughout the year, we received a total of 20,964 complaints related to product health and safety, and all of these complaints were successfully resolved, demonstrating our commitment to addressing customer concerns promptly and effectively.

The other initiatives that we have implemented as part of improving and managing customer experience are listed below:



Sewerage services are provided in areas where sewer pipes are already in place. These pipes serve the purpose of collecting wastewater from the households we cater to. The collected wastewater is then transported through the sewer system to the sewage treatment plant. At the treatment plant, the wastewater undergoes a comprehensive treatment process before it is safely discharged into rivers, creeks, and other water bodies. This ensures that the wastewater is properly treated and does not cause harm to the environment.

Below are the highlights of the program:

- **Maynilad’s Customer Experience and Retail Operations, Information Technology Services, Water Supply Operations, and Technical Services divisions:** They formed a process through which information on water service interruptions is provided to customers in real-time so that they can be prepared beforehand for using / sparing water accordingly.
- **Distribution of laptops and tablets to Zone Specialists:** This is to enable processing of water service connection applications, customer complaints, requests, and inquiries on-site.
- **Lifeline Discount:** The 41% you just put in the details like this- 41% discount is being provided to our “lifeline” customers or those consuming 10 cubic meters and below per month
- **Social Acceptability on Alternative Water Source (NEW WATER)** – Conduct of concept-product tests among target users of NEW WATER to obtain customer acceptability (including aspects such as smell, taste, and look).

Project Starex 1.0 and Project Starex 2.0: Concept-Product Test on Maynilad NEW WATER. To serve its customers better, Maynilad started to produce potable water from its WRF effluents, with the use of ultrafiltration, reverse osmosis, and disinfection. In order to assess the customer acceptability of NEW WATER, we conducted a quantitative concept-product test led by our Strategic Insights (SI) team. For this study, we partnered with Organic Intelligence, Inc. to carry out the research. The findings of the study showed that the acceptance of the NEW WATER concept remained strong among both residential and commercial customers, even after informing them that a portion of the untreated water would come from toilets instead of natural water sources. This indicates a positive reception and willingness to embrace the innovative approach of NEW WATER.

- **Maynilad-wide Customer Satisfaction Study 2022 (Project Chrysler).** Annual conduct of customer satisfaction study among Maynilad’s customers, which was also initiated by the Strategic Insights team. The Company commissioned Organic Intelligence, Inc. to conduct the study and data collection was done from August 4 – November 4, 2022.

Project CHRYSLER's primary objective was to obtain vital information and valuable insights concerning customer satisfaction, which would play a critical role in optimizing the overall customer experience and planning service deliveries. To achieve this, the project focused on collecting and analyzing consumer data from various types of Maynilad customers.

The specific areas of customer experience and insights that Project CHRYSLER aimed to investigate include:

1. Customer experience with Disconnection Suspension
2. Customer experience with Payment Extension
3. Customer insights regarding New Channels for viewing bills and making payments
4. Customer insights regarding Bill Accuracy
5. Customer experience with Desludging Services
6. Customer experience with Complaint Handling
7. Customer experience with Call Centers, Social Media interactions, and Zone Specialists Transactions
8. Customer experience with Water Quality & Pressure
9. Customer experience with Maynilad Roadworks

- **My Waterbill Portal whitelisting:** Last April 2022, Maynilad partnered with telecom Smart and Talk ‘N Text to allow free access to the company’s online customer service portal, “My weWater Bill”, for Maynilad customers who are also Smart and Talk ‘N Text subscribers. The "My Water Bill" portal provides convenient access for customers to their Maynilad online account, allowing them to view their water bills from the previous 12 months. Postpaid users can enjoy free access to the portal without incurring mobile data charges, except when they access and use external online payment channels. This accessibility ensures that customers can conveniently monitor their water bills and manage their accounts without any additional cost or inconvenience.
- **ALAB CXRO Midyear Pep Rally 2022:** This program was conducted to boost morale and to motivate CXRO employees to meet targets/goals through securing management support and employee recognition. It was initiated by the Customer Experience (CX) Department on August 17, 2022. The CX Department came up with a half-day program that will keep the employees enticed and motivated and it was branded as ALAB CXRO, which will be used as the umbrella program for future campaigns and activations of the CXRO Division. The pep rally also won a silver award in the 58th Anvil Awards.
- **Enhancements for Maynilad Concern Resolution Monitoring:** Maynilad’s Concern Resolution Monitoring is being tracked and analyzed by CXRO to ensure that the solutions that the company provides its customers are suitable to customer needs and of topmost quality. To evaluate the project, the division initiated a comprehensive assessment, conducting data collection between July 7 and July 22, 2022. The insights gathered reveal that 82% of customers expressed satisfaction, while the remaining 18% reported dissatisfaction.

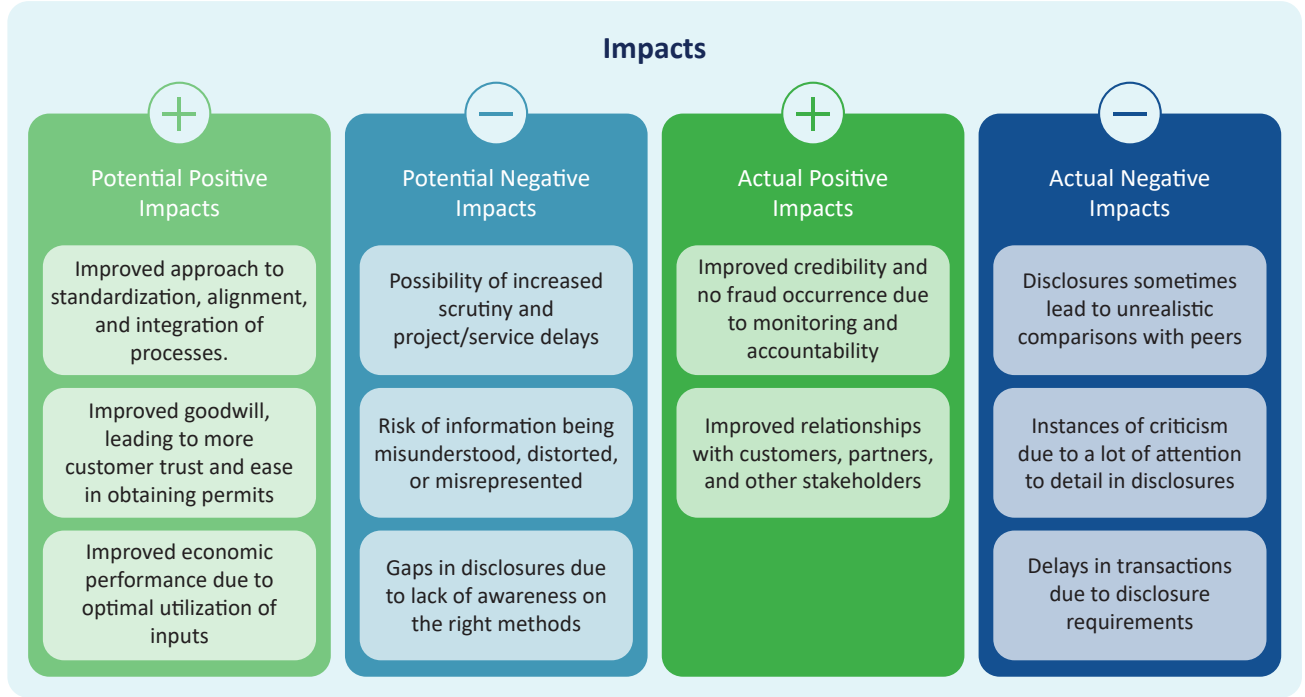


Given the evaluation results, the SI team was able to identify the following corrective actions for the concern resolution monitoring:

- Education + refresher sessions, Face-to-face training
- Fool-proofing and fewer fields to accomplish in the tool/software used for concern resolution database
- Improved Customer Satisfaction Study among customers that contacted Maynilad to report concerns, which will run from January to December 2023

Fair and Transparent Practices

[416]



As a subsidiary of Metro Pacific Investments Corporation (MPIC) and DMCI Holdings Incorporated, Maynilad has adopted the Group’s commitment to communicating economic, environmental, social, and governance (EESG) disclosures in accordance with global standards for sustainability reporting. Additionally, Maynilad reports its sustainability performance to the MVPGroup Sustainability Council.



The Company adheres to all national laws and guidelines, some of which are listed below:
[2-27]

- Philippine National Standards for Drinking Water
- Republic Act (RA) 9275: The Philippine Clean Water Act
- RA 6969: Toxic Substances and Hazardous and Nuclear Wastes Control Act of 1990
- RA 9003: Ecological Solid Waste Management Act of 2000
- RA 8749: Philippine Clean Air Act
- RA 9275: Philippine Clean Water Act of 2004
- Supreme Court Mandamus to Clean Up, Rehabilitate, and Preserve the Manila Bay

- Department of Environment and Natural Resources Administrative Order (DAO) 1990-35: Revised Effluent Regulations of 1990
- DAO 2016-08: Water Quality Guidelines and General Effluent Standards of 2016
- DAO 2021-19: Updated Water Quality Guidelines and General Effluent Standards for Selected Parameters
- Labor Code of the Philippines RA 9231: Anti-Child Labor Law
- RA 7322: Increasing Maternity Benefits in Favor of Women Workers in the Private Sector
- RA 10151: An Act Allowing the Employment of Night Workers
- RA 11058: An Act Strengthening Compliance with Occupational Safety and Health Standards and Providing Penalties for Violations thereof (OSH Law)
- RA 8041: National Water Crisis Act of 1995
- RA 9136: Electric Power Industry Reform Act
- RA 9165: Comprehensive Dangerous Drugs Act
- Presidential Decree (PD) 1586: Philippine Environmental Impact Statement System
- PD 856: Sanitation Code of the Philippines
- PD 1067: Water Code of the Philippines
- RA 10173: Data Privacy Act of 2012

Aside from the national laws and guidelines, Maynilad and MWSS signed the Revised Concession Agreement (RCA) that will govern Maynilad’s provision of water and wastewater services in the West Zone and validate Maynilad’s concession period until 2037. The RCA also turned Maynilad into a public utility, which means it is now more accountable to the government and the public.

[205]

We have zero incidents of corruption. 47% of our employees received training on anti-corruption practices, particularly on anti-fraud policies through e-learning.

Internal Audit will disseminate the approved policies to the Document Controllers of each division. Simultaneously, the policy owner will also cascade the approved policies through roadshows, employee news, and email blasts.

A brief description of our governance-related policies that help us uphold the values of fairness and transparency are provided below:

[2-15, 2-16, 2-23, 2-24, 2-26]

Policy	Brief Description
Whistleblowing Policy	Awareness on maintaining internal corporate justice; reporting channels and guidance on Whistleblowing. Individuals with concerns can raise them to the Corporate Governance Officer (also the Chief Investigating Officer), who determines how investigations should proceed.
Code of Business Ethics	Guidelines on conducting business transactions and business relationships in adherence to Maynilad’s core values. The standards of business code and ethics include compliance with government and regulatory requirements, competition and fair dealing, political activities and contributions, the confidentiality of the information and proper use of property, conflicts of interest & corporate opportunities, commitment to the community and the environment, promoting a safe working environment, risk management, supplier and contractor relationships, and employee welfare.
Conflict of Interest Policy	Guidelines on what constitutes conflict of interest – financial interest with suppliers, consultants, partners, etc., investments in other companies that may have dealings with Maynilad, having relatives within the company, acceptance of gifts, use of company property for personal purposes, and other situations.
Anti-Fraud Policy	Describes Maynilad’s commitment to promote and maintain an anti-fraud culture, and guidelines on maintaining the integrity of business transactions involving Maynilad, internal controls to prevent fraud, concrete guidelines on implementation of the policy, and internal controls put in place.
Anti-Bribery and Anti-Corruption Policy	The top management ensures adherence to these policies, which outline what counts as acts of bribery and corruption. The corporate governance head, internal audit, and HR division prepare IEC material in this regard and circulate it to the Director, Employees, Consultants, and Third Parties.
Gifts, Entertainment, and Sponsored Travels	Guidelines governing gifts, entertainment, and sponsored travels offered by third parties with whom the company, directly or indirectly, does business or proposes to do business.
Risk Management Policy	Description of Maynilad’s commitment to a comprehensive approach to risk management, organizational roles, and responsibilities on risk, structure, framework, and guidelines in managing vulnerabilities.



0
incident of child labor [408]



0
incident of Forced or Compulsory Labor [409]



0
incident of Violations involving Rights of Indigenous Peoples [411]

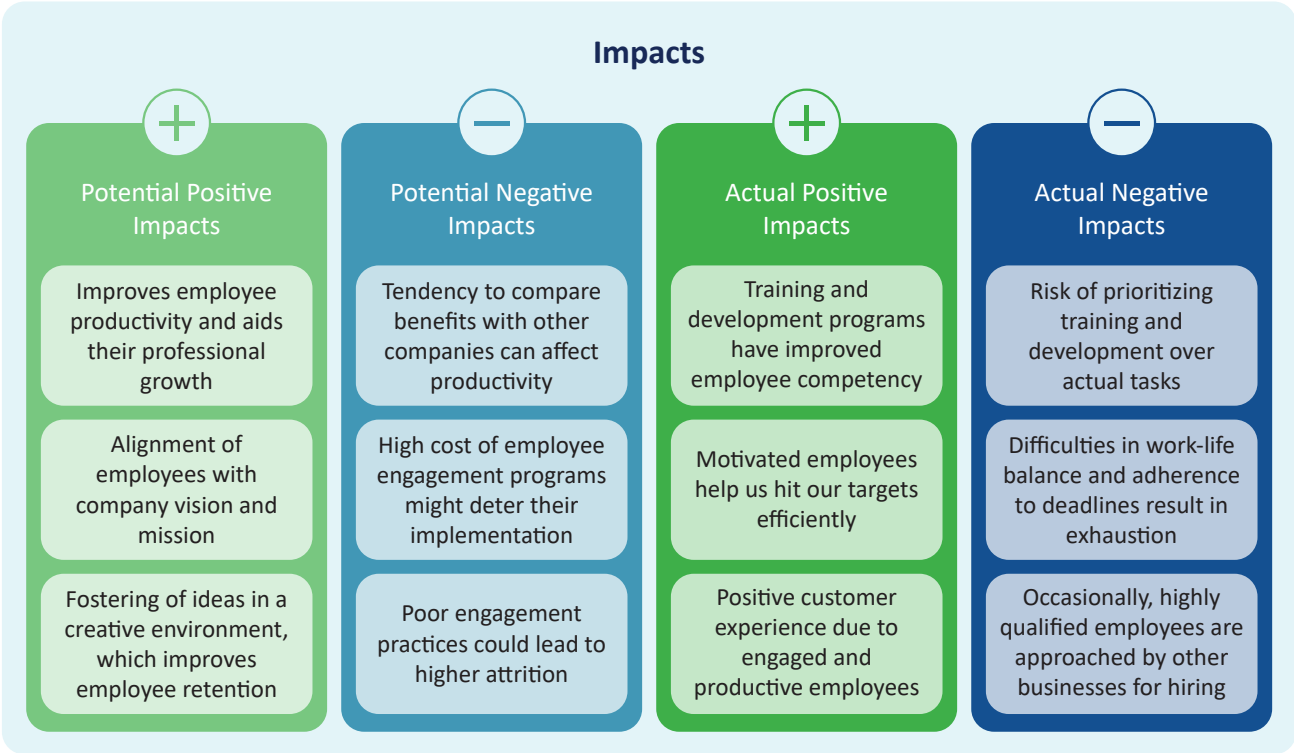


32
Security personnel trained in human rights policies or procedures [410-1]



Employee Engagement and Development

[2-23, 201-3, 202-1, 401,402]



Maynilad’s Human Resources Division is responsible for meeting the Company’s workforce requirements. A Workforce Planning Committee, composed of senior-level managers from Maynilad’s different divisions works alongside HR to review any possible organizational changes that would impact efficiency. Maynilad is also guided by the Integrated Management Systems (IMS) Operational Procedure for Organization Planning and Design to plan and implement activities that are critical to the business goals.

We also have HR policies in place to govern aspects of recruitment and selection, hiring, employee engagement, workplace behavior, leave, etc. The various policies that are in place, and a brief description of their contents are provided below:

[2-23, 2-30]

Policy	Brief Description
Mental Health Policy	Definitions on mental health, list of support initiatives by Maynilad, guidelines on non-discrimination, and monitoring strategies.
Anti-Sexual Harassment Policy	Policies and actions on what to do when sexual harassment is committed, on where sexual harassment can be committed, forms of sexual harassment, filing a report, investigation and proceedings, education and training.
HIV and Aids Prevention & Control in the Workplace Program	Definition of HIV / AIDS, advocacy, IEC, non-discrimination, confidentiality, work accommodation and arrangement.
Policy on Respect for and Protection of the Rights of the People	Policies and standards on the promotion of a safe and healthy workplace, prevention of child labor, forced labor, and human trafficking, respect for human dignity and prevention of discrimination, freedom of association and collective bargaining. [2-23, 2-30, 407]
Anti Violence Against Women and their Children Act of 2004 and Magna Carta for Women	Description of entitlements for female employees, requirements for application of benefit, approvals, documentation, etc. Policies for women having gynaecology disorders, entitlement, leave benefit, etc.
Recruitment and Selection Policy	Standards and procedures of recruitment and selection of full time and project-based employees. It also promotes good practice for those with the responsibility of sourcing, interviewing, and hiring.
Diversity and Inclusiveness Policy	Policy to promote diversity and inclusiveness in the workplace primarily through equal employment opportunity, equal opportunity for promotion and leadership roles, diverse and balanced representation, workplace discrimination, grievance redress mechanism, monitoring and evaluation, and communication.



A range of employee engagement initiatives were undertaken throughout the reporting period, including:

Innofest Campaign - the innovation program of Maynilad opened its new season and accepted entries from Maynilad employees. Total of 45 entries focusing with the organization’s needs were collected during the submission period

14th Golden Meter Awards (GMA) - There were 71 attendees at the Core Values Hall

and 774 attendees joined the live stream via MS Teams. The 14th GMA was also redesigned last 2022 to give a special award to the employee who embodied the Public Utility Mindset

Maynilad Virtual Bike Ride - all 125 participants were given a Maynilad jersey and the winners with the fastest time to finish the required distance were given a prize. The top 3 divisions who participated were CNRW, WSO, and WMD.

20 Years of Service Awarding - The 30 awardees were given plaques and tokens during the awarding. The awardees shared their stories since they started last 2002

IiP Gold Level Status: Presentation of Assessment Results - Maynilad was awarded with We Invest in People Gold Plaque from the Investors in People during the IiP Gold Level Status: Presentation of Assessment Results. All interviewers and champions were invited during this activity

Trick or Treat - Maynilad celebrated the Trick or Treat online by collecting creative photos from employees for the three categories – kid, pet, and self. The theme of this activity is birthday party as this was aligned with Maynilad’s 15th Anniversary of reprivatization.

Recognition of 25 Years of Service Awardees through Maynilad Employee News - Maynilad celebrated its 25th anniversary since it was formed in 1997. There were 254 employees hired in August 1, 1997 who were recognized via Maynilad Employee News.

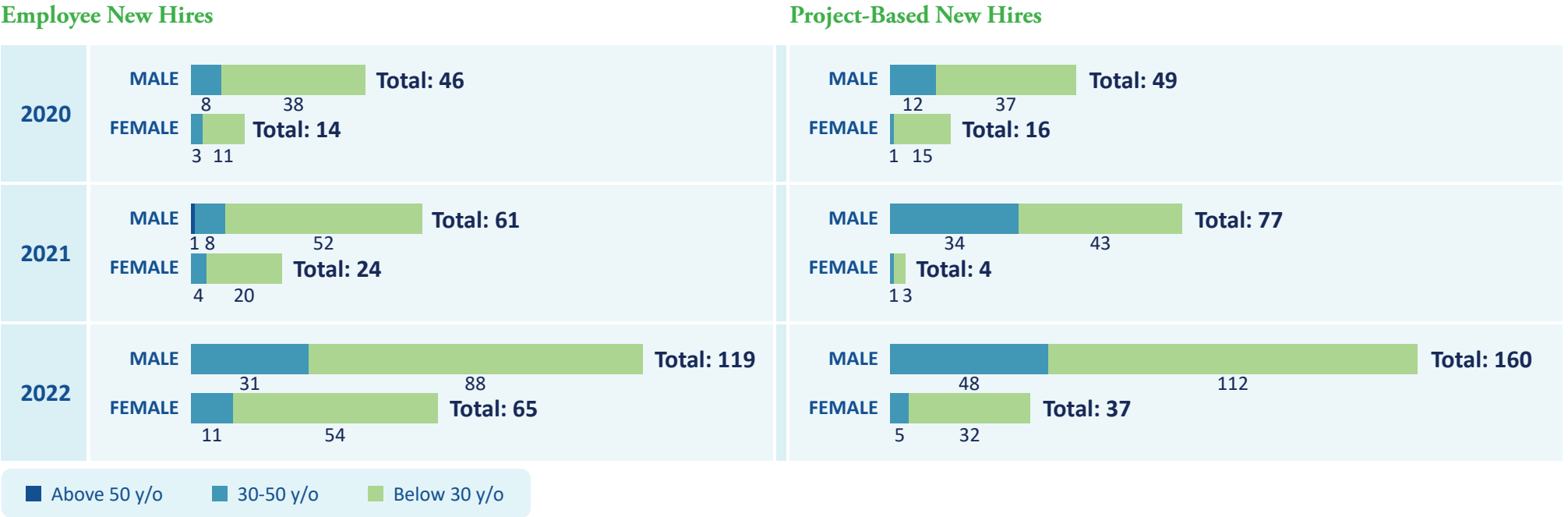
Labinlimang Aguinaldo para sa Labinlimang Taon ng Ginhawa - 15 major prizes were raffled during the Maynilad Christmas Program via MS Teams. 10 winners were also able to take home PHP 15,000 each.

The section below presents our data on employment in the reporting year.

New Hires

[401-1]

The table below represents the number of new employee hires in the reporting period:

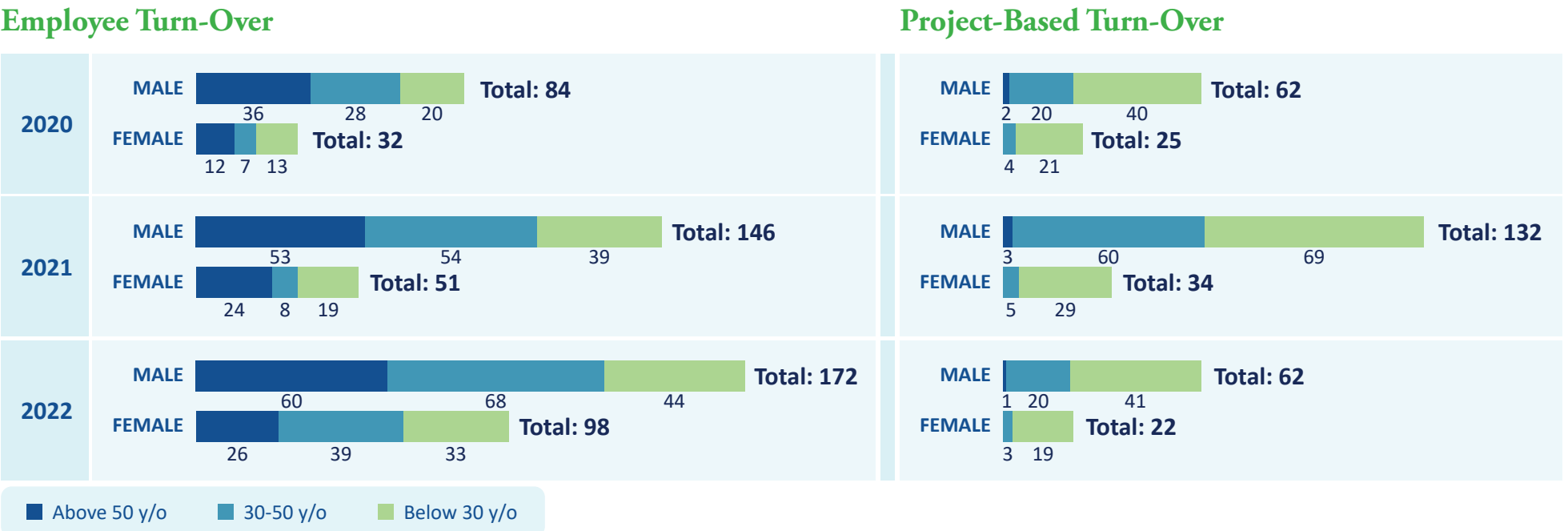


Our hiring increased substantially in 2022, owing to economies opening up after the pandemic and our actions on the expansion plans.

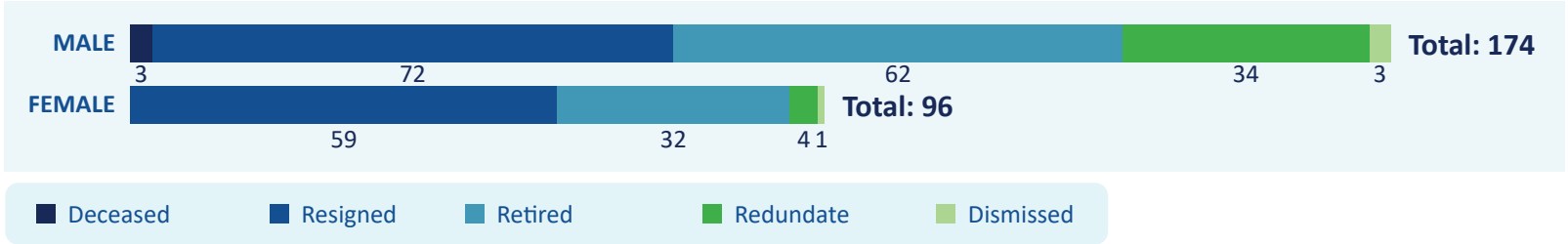
Turnover

[401-1]

Employee turnover data is represented in the table below:



Reason for Employee Turn-Over



Reason for Project-Based Turn-Over



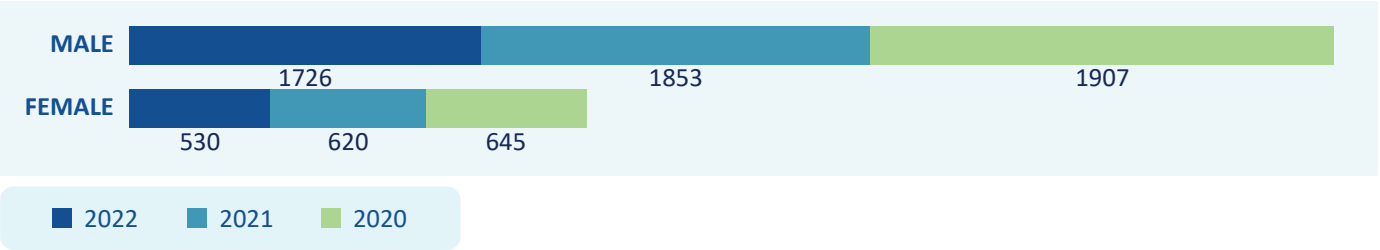
Our attrition rate stands at -4.29%. All our employees are above minimum wage.
[202-1]

Parental Leave

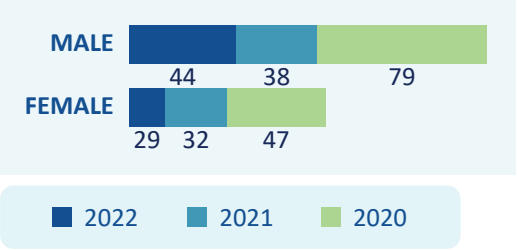
[401-1]

Details on parental leave taken in the year 2022 are below:

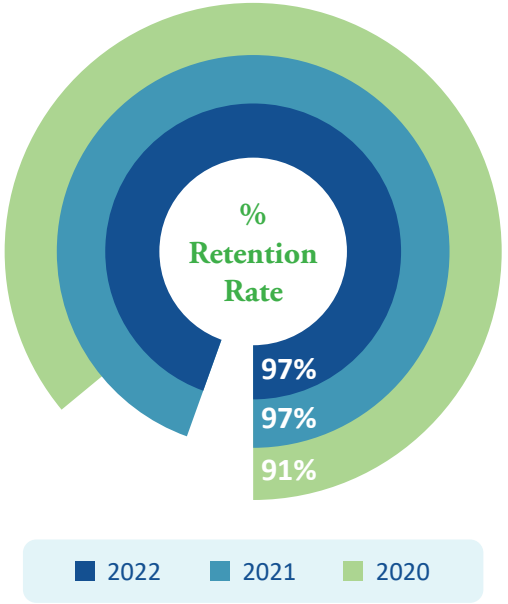
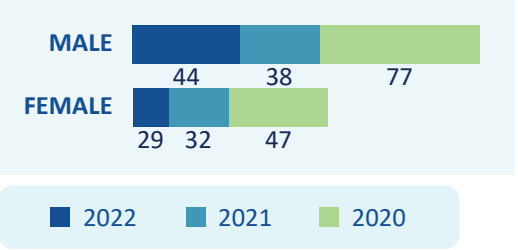
Number of entitled to parental leave



Employees who took parental leave



Employees who returned to work after parental leave ended



Benefits Provided to All Workers

[401-2]

All Employees (Regular / Probi / Contractual)		
Benefits provided to ALL employees*	No. of male employees who availed benefit	No. of female employees who availed benefit
SSS	1,726.00	530.00
PhilHealth	1,726.00	530.00
Pag-IBIG	1,726.00	530.00
Parental leaves	44.00	29.00
Medical benefits (aside from PhilHealth)	1,097.00	455.00
Life insurance	3.00	0
*All employees are eligible for the benefits listed above. The data displayed only includes benefit utilization.		

Benefits for Regular Employees Only		
Benefits provided to REGULAR employees*	No. of male employees who availed benefit	No. of female employees who availed benefit
Vacation leaves	1,351.00	436.00
Sick leaves	791.00	285.00
Retirement fund (aside from SSS)	67.00	32.00
Company stock funds	1,060.00	309.00
The data displayed only includes benefit utilization.		

Benefits for Contractual Employees Only		
Benefits provided to CONTRACTUAL employees*	No. of male employees who availed benefit	No. of female employees who availed benefit
Service incentive leave	255.00	40.00
The data displayed only includes benefit utilization.		

Performance and Career Development Reviews

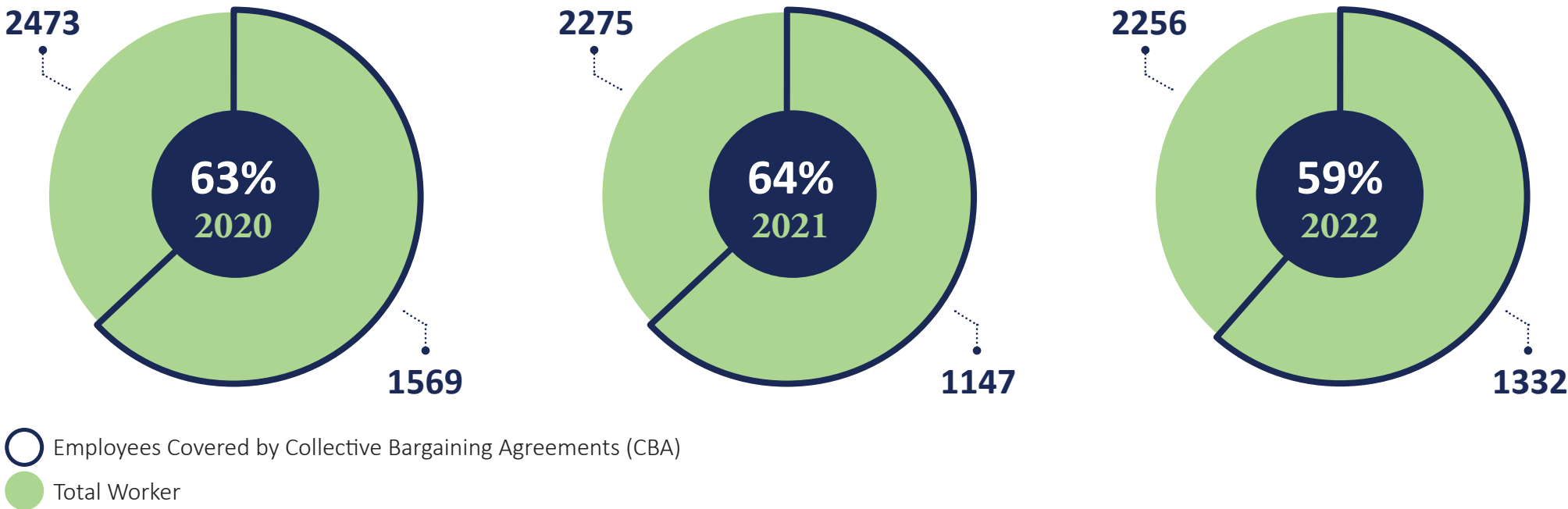


of employees received **regular performance and career development reviews** in 2022.

[404-3]

Employees Covered by Collective Bargaining Agreement

[407]



Training and Development

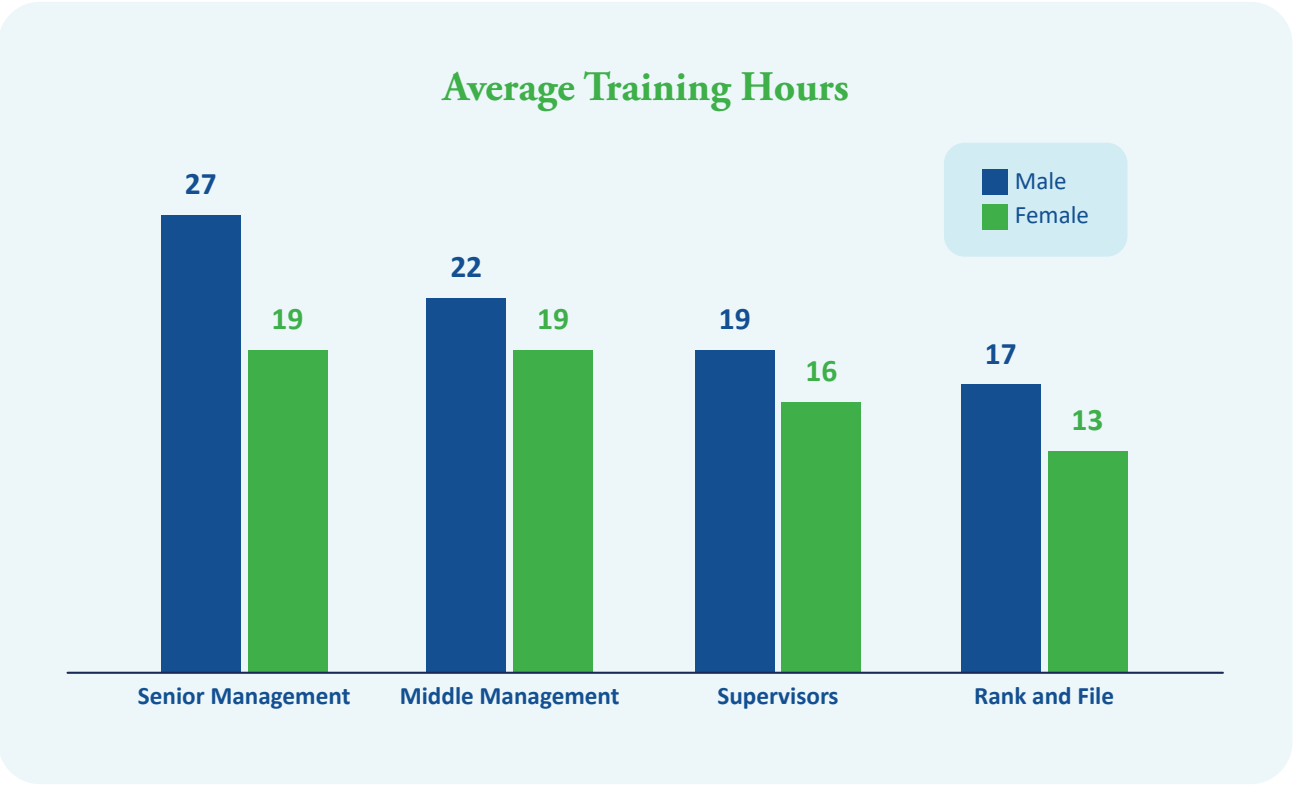
[404]

Apart from the benefits listed, we provide our employees with training and development opportunities that help them in performing their tasks and support their personal and professional growth. Specifically, we curate a lot of technical training on water conservation and wastewater treatment. The Training Policy outlines operating procedures for training and education efforts. The Organization Development Department of the Human Resources Division is responsible for executing training-related activities. An annual budget is set aside for planned training programs including onboarding, coaching, leadership, and technical skills training and workshops. Our training data is represented in the table below:



Total Number of Training Hours	2020			2021			2022		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Senior Management	1,409	881	2,290	1,296	606	1,902	1,293	423	1,716
Middle Management	11,112	6,132	17,244	10,688	4,281	14,969	5,622	2,600	8,222
Supervisors	8,481	4,285	12,766	6,731	3,888	10,619	4,283	2,545	6,828
Rank and File	20,320	6,010	26,330	15,540	5,557	21,097	15,814	2,251	18,065

[403-1]



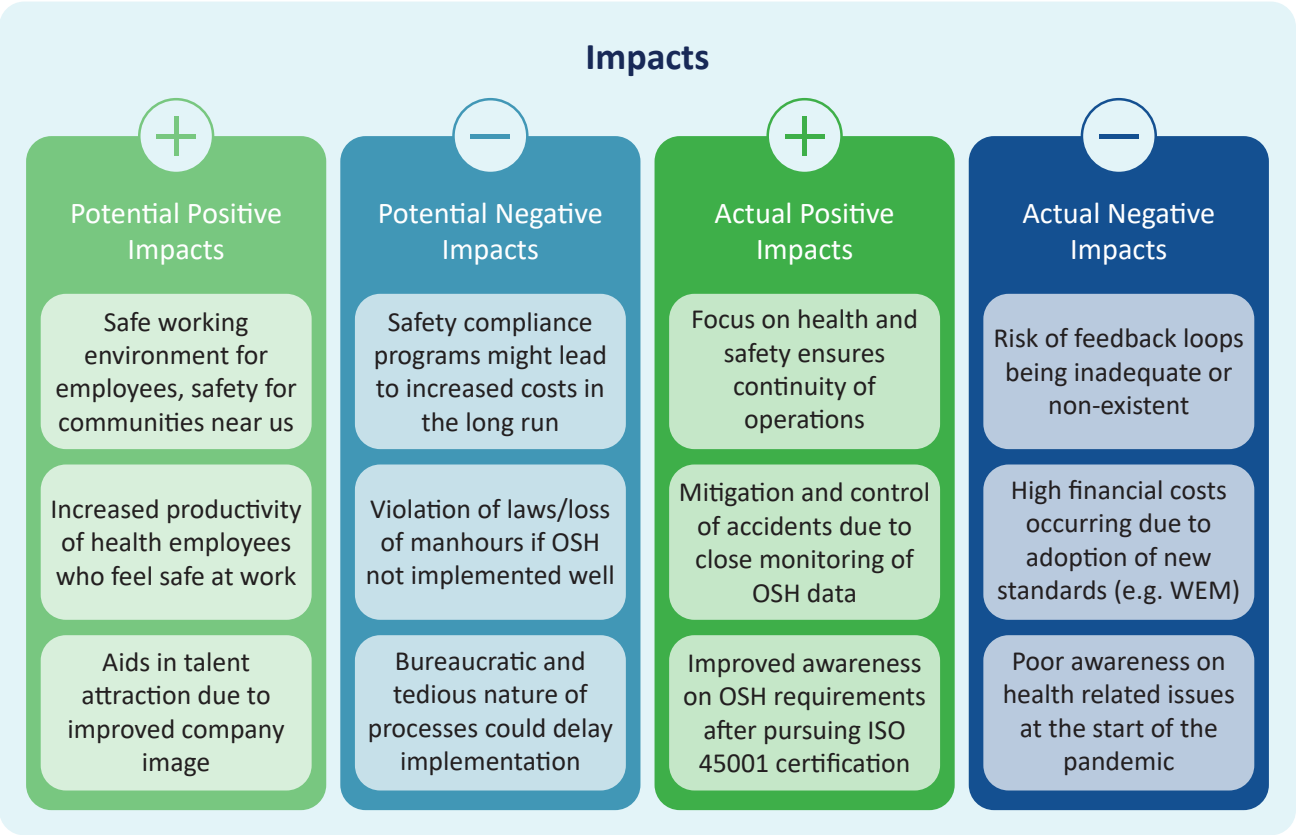
The types of training that we provide include programs to improve and develop technical and soft skills. We also provide financial coverage for external training.

Some of our employee development programs in 2022 are listed below: [404-2]

- Tatak Maynilad Leader Program (Essentials of Leadership and Management)
- Coaching for Section Heads
- Leadership Development Program
- Technical Ladder Program
- Supervisor Skills Development Program

Occupational Safety and Health

[403]



Maynilad's Human Resources Division is responsible for meeting the Company's workforce requirements. A Workforce Planning Committee, composed of senior-level managers from Maynilad's different divisions works alongside HR to review any possible organizational changes that would impact efficiency. Maynilad is also guided by the Integrated Management Systems (IMS) Operational Procedure for Organization Planning and Design to plan and implement activities that are critical to the business goals.

General Policies and Procedures

[403-1]

Maynilad is fully dedicated to ensuring the health and safety of our employees. In accordance with the Philippines' RA 11058, also known as "An Act Strengthening Compliance with Occupational Safety and Health Standards and Providing Penalties for Violations Thereof," we have implemented a robust system to internally monitor and manage health and safety concerns. This includes the establishment of a Central Safety and Health Committee (CSHC) and the implementation of Environment, Health, Safety, and Security (EHSS) Reporting practices. Our CSHC comprises 131 members, and we have 290 Safety Officers who are

all Maynilad employees. To familiarize employees with our health policies and programs, we provide comprehensive information during their onboarding process. Additionally, our HR team regularly disseminates Health Bulletins and Health Alerts, and organizes forums addressing specific health issues. By taking these proactive measures, we prioritize the well-being and safety of our workforce.

The CSHC meets on a monthly basis and undertakes monitoring and management of activities that have been assessed as having safety and health risks, such as construction,

chemical processes, and COVID-19 case updates. Through EHSS reporting, the Company monitors the status of incident investigations, corrective actions taken, as well as the number of incidents closed. EHSS reporting has also helped Maynilad improve its categorization of reported incidents and the facility audit inspections. Safety Officers are actively engaged in this process and report incidents on a monthly basis. Employees that report safety incidents are protected from reprisal, and this has helped promote and improve incident reporting. The EHSS reporting system also makes it possible for employees to file reports in real-time.



On the other hand, Maynilad's health-related policies include:

- Drug-Free Workplace Policy
- No Smoking Policy
- Policy on the Prevention and Control of Tuberculosis, Hepatitis B, and HIV/AIDS
- Policy on Breastfeeding Promotion in the Workplace
- Policy on Mental Health
- Maynilad Health Financial Assistance Program
- Policy on Privacy, & Confidentiality of Health Records.

For COVID-19 prevention and control, Maynilad continues to strictly implement COVID-19 protocols and guidelines in all facilities, offices, and all contracted projects.



Hazard Identification and Risk Assessment

[403-2]

Maynilad conducts an annual review and update of the Hazard Identification, Risk Assessment, and Control (HIRAC). This follows a structured process to identify and assess hazards and implement control measures using the hierarchy of controls. To ensure employees are equipped to perform their specific tasks, they undergo relevant training. Safety Officers are appointed and classified based on their training qualifications. To enhance the effectiveness of our

occupational health and safety practices, we conduct various activities, including regular monthly safety and health committee meetings, post-activity discussions, and management reviews. These initiatives contribute to the continuous improvement of our occupational health and safety management system, fostering a safe working environment for our employees. In addition to this, employees were provided awareness regarding their right to refuse to work

when and during imminent danger in the workplace. A Work Stoppage Order is issued if, during assessment, the workplace poses a danger to the worker. The rights of workers are discussed during an 8-Hours Mandatory OSH Training. Processes for investigating work-related incidents take a maximum of five days, with the issue considered resolved after root cause analysis and mandatory employee retraining.



Occupational Health Services

[403-3]

Occupational health services provided by Maynilad include medical/dental services provided by clinic-based and roving doctors, nurses, and dentists in three (3) full-sized clinics and mini-clinics, a 24/7 in-house ambulance (based in Head Office, deployed to work sites), screening for metals in the bloodstream, hearing testing for plants and pump operators, and mental health care initiatives and assistance. Maynilad employs a Health Management Organization (HMO) medical insurance provider that employees may use to avail diagnostic, emergency,

out-patient, and hospitalization services. The subsidized HMO coverage is extended to employees’ dependents. To ensure the confidentiality of employee health data, there is a disclaimer stating that workers' personal health-related information will be kept confidential in accordance with the Data Privacy Act of 2012.

In 2022, we continued the implementation of the “We Got Your Vac” program – a COVID-19 vaccination program that started in 2021. Due to the COVID-19 pandemic, Maynilad

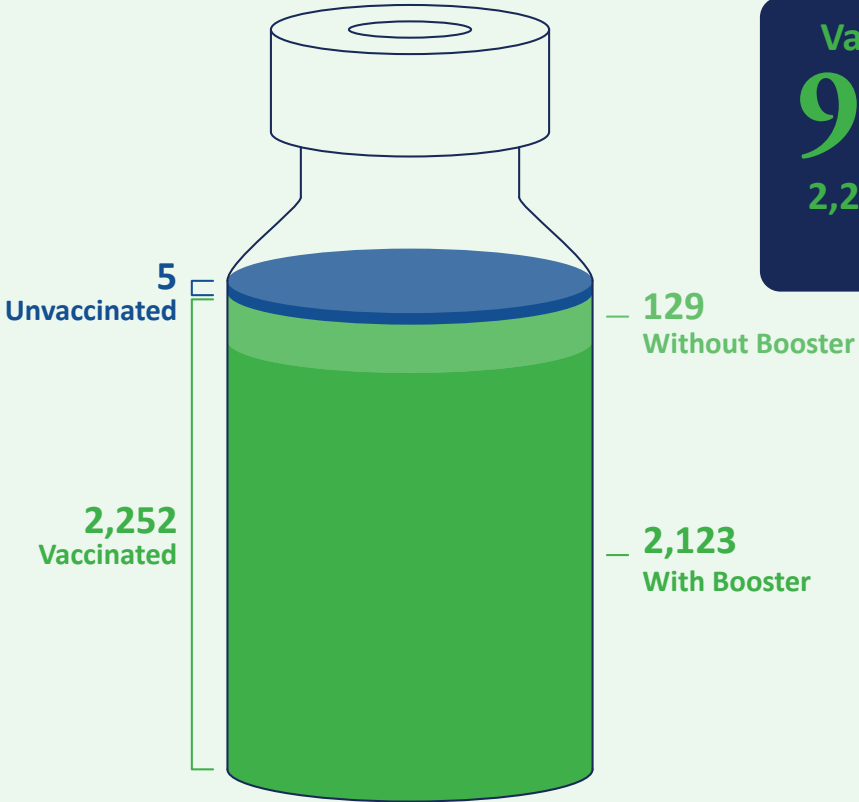
established a Post-ECQ Team that formulated the post-ECQ plan to ensure the safety and health of employees, "normalize" business operations and help diminish the spread of COVID-19. The Post-ECQ Plan contains general guidelines regarding workplace re-entry, rapid testing, and health and safety protocols. The New Normal TWG, on the other hand, leads efforts to adapt to the realities brought about by the COVID-19 pandemic.

COVID-19 Vaccination Data



Moreover, Maynilad’s company clinics and ambulances are available to both employees and workers. In compliance with the OSH Law, hospitals accredited by our HMO provider are also accessible to our workers.

Maynilad Vaccination Program Update



Vaccination Rate
99.8%
2,252 out of 2,257 employees

In areas that do not have an HMO-accredited facility, we make sure that we identify medical facilities that can cater to them. We also create health awareness through bulletins posted in the employee news. We

conduct webinars such as Mental Health & Stress Management Webinar, Immune Boosters Webinar | Necessity or Luxury?, Online Lay Forum- Proper Office Ergonomics, and Monkeypox Awareness Webinar.

Worker participation & training in health and safety

[403-4]



11,972

Hours of health and safety training for employees, contractors and service providers



4

Earthquake drills were conducted



2,256

employees, including project-based, are covered by the OHSMS

Maynilad conducts regular Safety and Health Committee meetings, organized into clusters, to address Occupational Safety and Health (OSH) concerns and COVID-19-related issues. These meetings serve as platforms for sharing best practices, incident learnings, and near misses. Each cluster, namely North, Central, and South, has an Environment Safety and Health (ESH) Committee, with sub-committees dedicated to specific facilities. The ESH Committee meetings provide a forum for discussing and addressing all ESH-related matters within the cluster and ensure effective communication and implementation at the facility level. The committee consists of members from top management, safety officers, workers' representatives, and representatives from service providers and contractors, ensuring the inclusion and involvement of all employees in ESH initiatives.



Work-related injuries

[403-9]

<i>For all employees:</i>			
Type of Incident	2020	2021	2022
Fatalities as a result of work-related injury	0	0	0
High-consequence work-related injuries (excluding fatalities)	0	0	0
Recordable work-related injuries	3.00	23.00	11.00
Lost-time work-related injuries	94.00	0	17.00
Total Number of Hours Worked/ Safe man-hours	1,869,732.00	6,942,513.00	3,695,184.00
Main types of work-related injury	Caught in manhole cover	Vehicular accident, chemical spill, equipment damage, hit by object	Hit by moving object, fall, exposure to chemicals, exposure to UV light
<i>For all contractors:</i>			
Type of Incident	2020	2021	2022
Fatalities as a result of work-related injury	0	0	0
High-consequence work-related injuries (excluding fatalities)	0	0	0
Recordable work-related injuries	0	1.00	0

Work-related hazards that pose the risk of a high-consequence injury are vehicular accidents, electric shock due to energized line / electrically charged equipment, slight contact with / possibility of being struck by/ struck against hard/ sharp/pointed objects/ tools, risk of getting caught in between, contact with hazardous chemical, and Slip/ Trip/ Fall to the same level. These hazards were identified by the hazard identification and risk assessment committee.

The significant decrease in safe man-hours during 2022 can be attributed to a work-related injury suffered by an employee in February. However, the count was subsequently resumed when the said employee returned to work later in the same year.

Work-related ill health

[403-10]

For all employees:			
Data on Work-related ill health (numbers)	2020	2021	2022
Fatalities as a result of work-related ill health	0	2.00	0
Cases of recordable work-related ill health	0	67.00	150.00
Main types of work-related ill health		COVID-19 cases tagged as exposure in the workplace through our monitoring system.	COVID-19 related

For all contractors:			
Data on Work-related ill health (numbers)	2020	2021	2022
Fatalities as a result of work-related ill health	0	0	0
Cases of recordable work-related ill health	0	0	7.00
Main types of work-related ill health			COVID-19 related

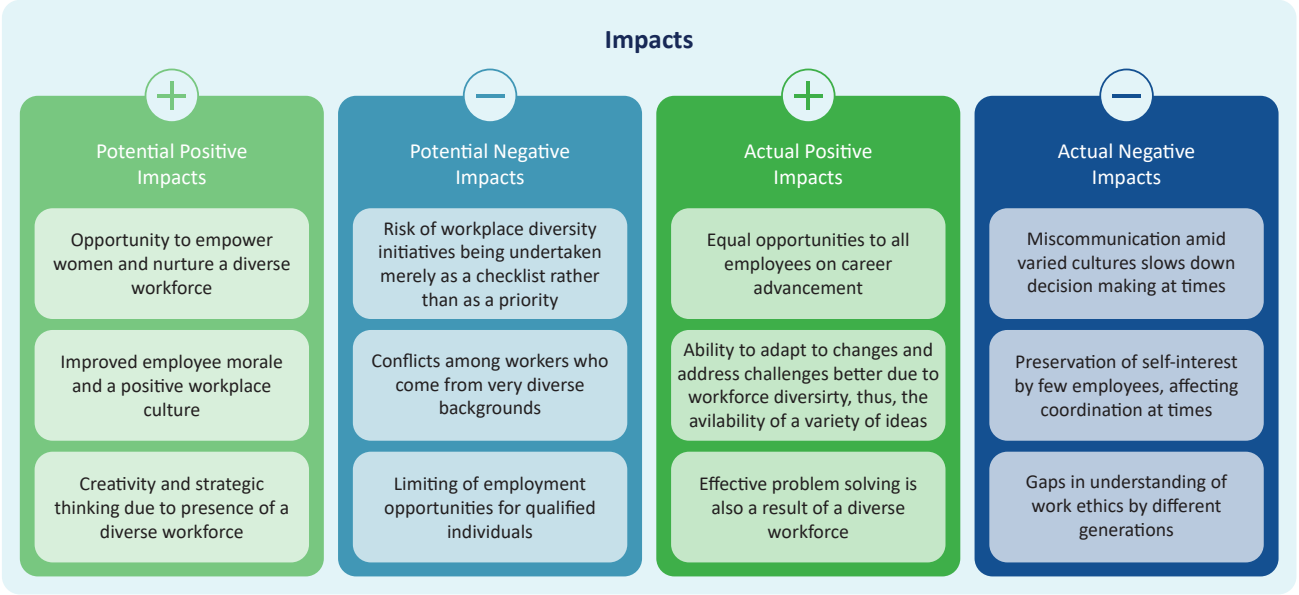
Work-related hazards that pose a risk of ill health are prolonged exposure to high-level noise, exposure to chemicals/ hazardous materials, and exposure to COVID-19 positive people.

Administrative Controls in place to prevent work-related injuries and ill health include:

- Installation of Warning Signages regarding the presence of hazards.
- Conduct of WEM (Work Environment Measurement) to determine the actual condition of the work environment and measure hazards in the workplace. This is necessary for managing occupational health to ensure employee well-being.
- Establishment of HIRAC and operational procedures.
- Vaccination Program for COVID-19.
- Ensuring that personnel and visitors inside all Maynilad facilities that are determined to pose hazards like the treatment plants and construction areas, are provided with appropriate Personal Protective Equipment (PPE) depending on the nature of work.

Diversity, Equality, and Inclusion (DEI)

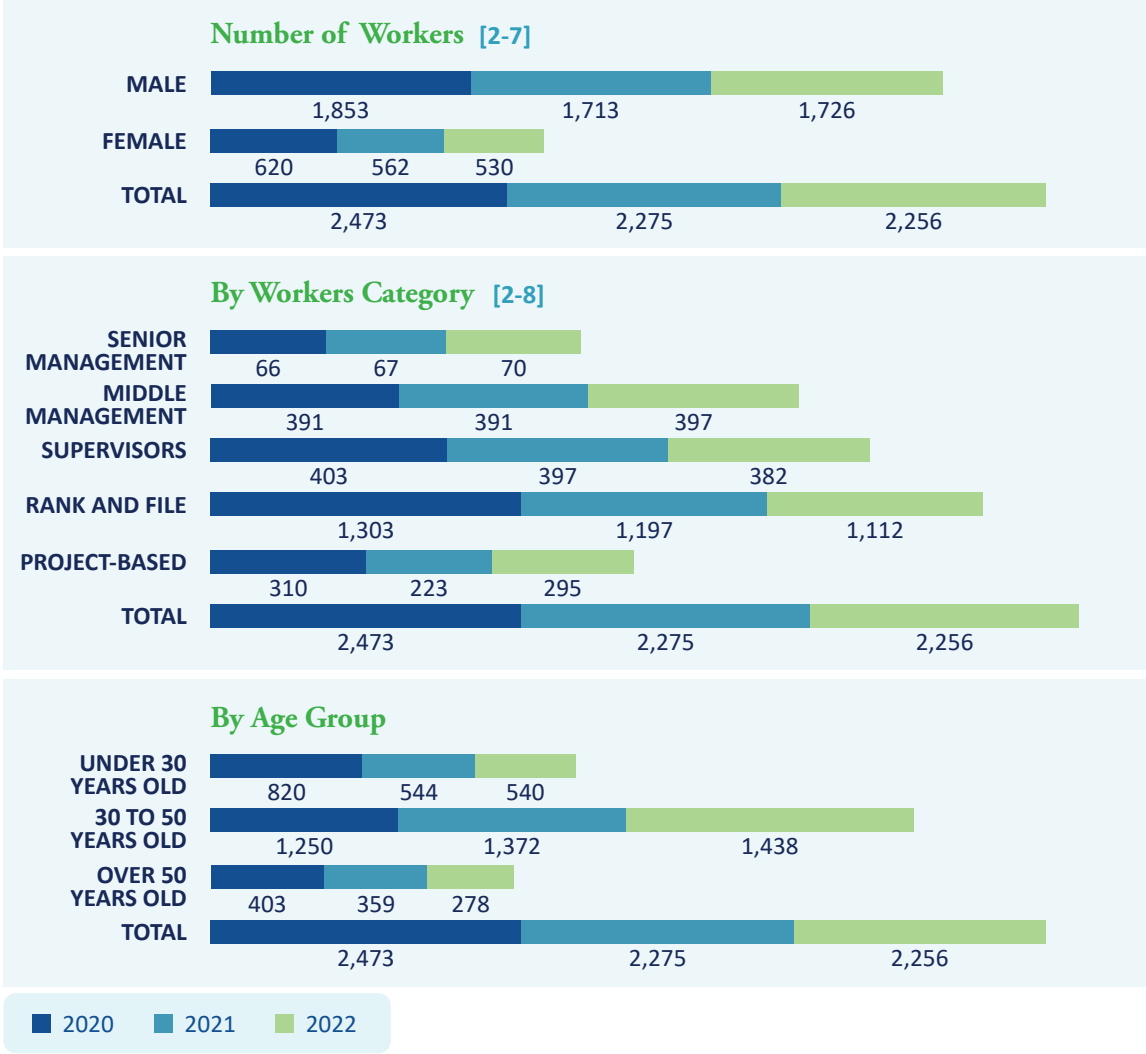
[405]



Recognizing that inclusiveness contributes to higher employee engagement and performance, we accord high importance to aspects related to diversity and inclusion. The policy governing diversity and inclusiveness covers the following: equal employment opportunity, equal opportunity for promotion and leadership roles, diverse and balanced representation, workplace discrimination, and grievance redress mechanisms. The Human Resources Division leads the implementation of the policy which includes designing and developing programs that promote diversity and inclusiveness in the organization.



On the other hand, the Enterprise Risk Management and Internal Audit Division is in-charge of reviewing compliance and effectiveness of the policy. Apart from the above, our diversity and inclusion data for the year is presented below:



[406-1]

There were no incidents of sexual harassment or incidents of discrimination in Maynilad in 2022. The initiatives on diversity and inclusion that we implemented in 2022 are:

- We put in place a system to create baseline data, that will include gender-related statistics and employee perception on DEI.
- We are currently in the process of co-creating the Maynilad DEI Program with our employees, which has already led to the curation of DEI-related activities for different groups.

Ratio of basic salary and remuneration of men to women
[405-2]





"I am well aware of the challenges that women encounter in the workplace, particularly within a male-dominated setting. I see these circumstances as transformative opportunities for personal growth. They provide a platform to refine communication skills and showcase strong leadership capabilities. Emphasizing gender equality is crucial, as it ensures that every individual's contributions, regardless of gender, significantly impact our company's growth. At Maynilad, we are proud of our remarkable work environment that cultivates inclusivity and fosters a culture of respect for women. Here, women's skills and expertise are deeply valued and effectively harnessed, empowering them to excel in their careers."

— Yolanda C. Lucas, VP-Head Program Management Division



"The women who have participated in Maynilad's NEW WATER project have showcased that gender should not restrict our capabilities and performance. I consider myself fortunate to be a part of an organization that not only appreciates gender diversity but also respects and acknowledges the significance of gender identity. Our accomplishments in the project were assessed based on our individual engineering skills and expertise as water professionals."

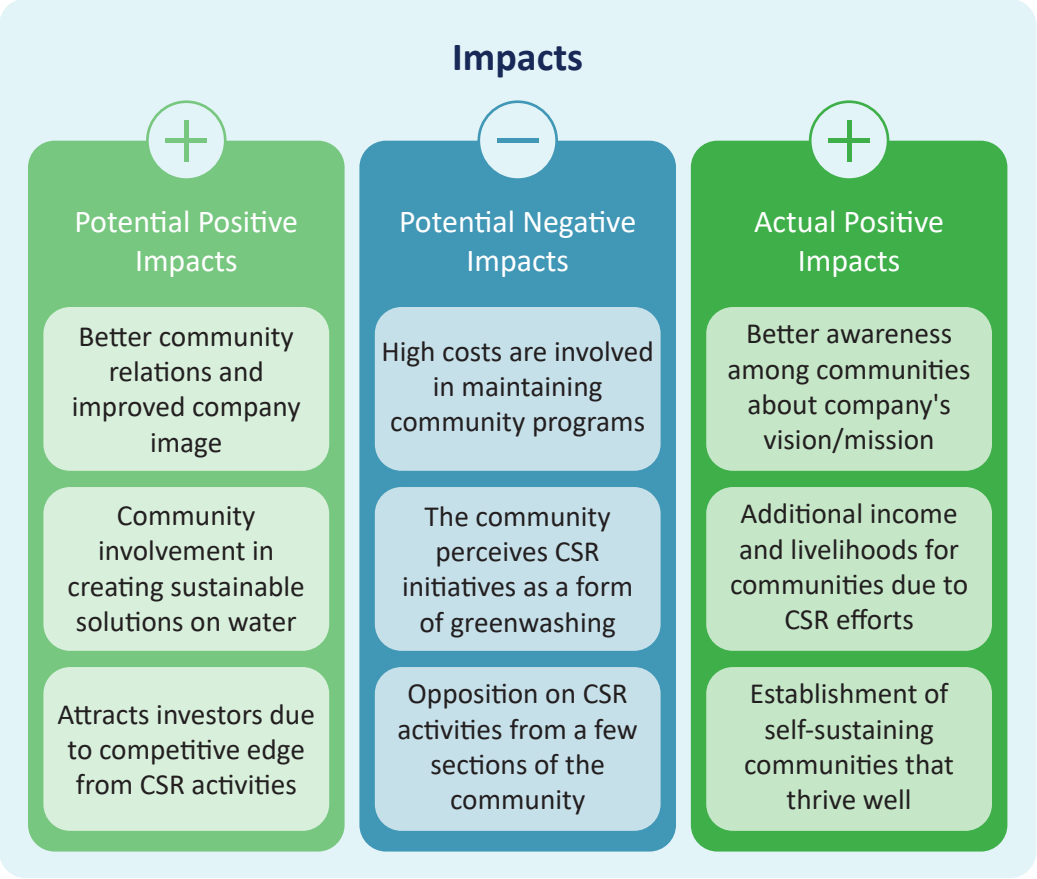
Creating an environment that offers equal opportunities and resources to all is essential for fostering the continuous growth of innovative ideas, as demonstrated by the remarkable success of the NEW WATER project."

— Ma. Cristina A. Tajon, WSO Assistant Manager, Process Engineering



Community Development

[413]



At Maynilad, though our main business is concerned with supplying affordable and quality water to all and provision of wastewater services, we also believe in giving back to the community in ways that will help them develop sustainably in the long run. The Community Partnerships section under the Corporate Affairs and Communication division is responsible for implementing and overseeing CSR activities. In 2022, we spent 56,270,878.57 PHP on community development initiatives, a 57% reduction from last year. This is because a significant amount was spent on COVID-19 prevention and support initiatives last year. For more details, please refer to our 2021 sustainability report.

Our CSR focus areas include water, sanitation and hygiene (WaSH) development; poverty alleviation; and environmental sustainability. The initiatives that we implemented in 2022 are as follows:

Educational Support Programs

Brigada Eskwela

Maynilad continued its participation in the DepEd’s Brigada Eskwela program by donating hygiene and sanitation supplies to 14 DepEd Schools Division Offices in the West Zone. Water, sanitation, and hygiene are among the chief priorities of DepEd, for which Maynilad has been extending support for several years. With the support of social enterprises Green Badge and Kapwa, Maynilad procured hygiene and sanitation supplies for 14 public school districts. 5,300-pcs of bottled water were also provided to Brigada Eskwela volunteers in select schools. The program resulted in improved hygiene conditions and compliance with COVID-19 protocols by 112 schools when in-person classes started.



Ginha WASH drinking water fountains and bidets

Four (400) hundred bidets were donated to 6 medical facilities, while twenty (20) drinking water fountains were donated to 15 establishments that provide public service (15 medical facilities, and 5 LRT stations).

Ginha W.A.S.H. - Modular Lavatories

Modular handwashing stations (MHS) designed for easy relocation and installation were donated to over 68 public schools. Six contactless handwashing stations (CHS) were also installed in markets, parks, multipurpose halls, and other public spaces in collaboration with partner LGUs. These touch-free hand wash stations aim to minimize the cross-transmission of COVID-19 while reminding users about proper handwashing in light of the ongoing pandemic.

Daloy Dunong Online: Creative Techniques to Teach W.A.S.H.

Daloy Dunong is the flagship multi-award-winning W.A.S.H. education program of Maynilad. It has been teaching life skills like handwashing to the youth even before such habits became mandatory during the pandemic. In order to sustain WASH education needs during lockdown restrictions, Daloy Dunong Online has been designed to function as a “trainers’ training” on creative techniques to teach W.A.S.H. concepts. It is a multi-faceted WASH education initiative that aims to train and inspire educators to employ tools such as storytelling, music, theater and other creative techniques to fully engage students in teaching W.A.S.H. concepts.

Daloy Dunong Campus Tour

With face-to-face engagements resuming, Daloy Dunong Campus Tour has begun again after a 2-year hiatus through the celebration of Global Handwashing Day in October. GHD is an annual call-to-action by and for various stakeholders to promote the value of proper handwashing. Over time, GHD has created opportunities for handwashing advocates to implement creative ways that encourage communities to wash their hands with soap as and when required.

The second set of Daloy Dunong Campus Tour destinations focused on rallying the youth for water sustainability and environmental responsibility.

R.I.T.E. (Refurbished IT Equipment) Donation Program

We refurbished 20 desktop computers and donated those to Navotas Schools Division Office and Tanong Integrated School in Malabon.

Disaster Response

Relief Operations

We provided W.a.S.H, food, and other aid to families displaced by calamities (in and out of the service area) and armed conflict (Ipo-Angat communities), in partnership with the MVP Group, MWSS, DSWD, and other government agencies.

Typhoon Odette Relief Program (Christmas 2022)

Maynilad facilitated the donation of Drinking Fountains to the Tagbilaran City Hall and provided financial aid to the Dr. Cecilio Putong National High School and the Liboron Organic Farmers and Cacao Growers Association (Php 150,000 each). This project is in cooperation with Alagang Kapatid and the PLDT-Smart Foundation.



Hospital-in-a-Bike Project

Along with the PLDT-Smart Foundation, Makati Medical Center Foundation, and other partners, and in coordination with the local government of Surigao Del Norte, we donated a total of 5-Bikes (Roving Hospital kits) to the island of Siargao (1 per municipality). The mobile hospital project addresses the absence of sufficient emergency medical equipment in times of need and will enable first aiders to reach remote areas within the island.

Social Entrepreneurship Support

Social Entrepreneurship Support

Kapit-Kapwa Livelihood Seminar

Enable heads-of-households to acquire new skills and enhance their income by providing livelihood training to 100 residents of Las Pinas. As a water and sanitation service provider, we strive to play an important role in enabling marginalized communities to improve their quality of life. This seminar is an effort to this end, and its objective were:

- To reduce poverty and inequality by generating employment among poor households
- To empower the community to create a small business during pandemic
- To increase capacity of the communities in production, management and marketing of agricultural and non-agricultural products, including micro-enterprises.
- To enable communities in managing economically-viable and sustainable community-based organizations through successful production and marketing

- Promoting increased awareness and knowledge among the communities on the impact of natural disasters on economic sustainability.

Ginhawa Gardening Infrastructure and Supplies

10 community gardens from Caloocan and Valenzuela are beneficiaries of Maynilad's 2022 urban gardening campaign. Each community garden received vertical garden frames, soil, seedlings, and other gardening supplies. In addition to this, we sustained our partnership with Metro Pacific Investments Foundation (MPIF) for Bayan Tanim, which also advocates sustainable food security among underprivileged communities through backyard gardening. This project aims to encourage families to become self-sufficient and responsible for their own food security.

Ginhawa Gardening Workshop

Apart from providing physical infrastructure, Maynilad also conducted a "green lifestyle" seminar called the "Ginhawa Gardening

Workshop", with the aim of influencing consumer behavior positively, in line with the LGUs' nutrition and clean-and-green programs. Knowledge on urban gardening skills like proper watering methods, hydroponics, enriched potting preparation and setting up and drip irrigation system were shared to 52 participants by experts from the Department of Agriculture, DOST and Maynilad. Maynilad speakers also discussed water, wastewater reprocessing (MEW WATER) and watershed management.

Social Enterprise Support

Maynilad supports three (3) social enterprises, enabling communities to produce items that address the ongoing health crisis and adapt to the "new normal" situation. Through Maynilad's efforts, along with face-to-face engagements and COVID-19 outreach activities, Kapwa, Green Badge, and Sining Ipo have generated a total revenue of P1,272,650.

Kapwa, based in STM-Tondo, specializes in handwash and soap products. With Maynilad's training, they expanded to

produce sanitizers, room and linen spray, and other cleaning products. Each Kapwa member earns an additional income ranging from P1,500.00 to P2,300.00.

Green Badge repurposes old Maynilad uniforms into face masks, tote bags, and plush toys. This initiative reduces waste and provides economic opportunities, with Green Badge members earning an extra income of P2,200 to P4,000. These enterprises, along with the Sining Ipo program benefiting Dumagats artisans, highlight Maynilad's commitment to empowering communities and fostering sustainability.



Environmental Sustainability

Green Badge Uniform Upcycling Drive

Every 18 months, we issue a new set of logo-branded uniforms to more than 3,000 employees. Since the uniforms cannot be worn outside the employee's line of work, nor should it be worn once a new set is issued, most employees have to dispose of their old uniforms on their own. Green Badge aims to upcycle old, unusable Maynilad uniforms by converting them into new items like the "retaso" tote bags. Retaso or fabric scraps refer to small leftover pieces of fabric that are collected after cutting cloth for sewing or tailoring. The new retaso bags serve as incentives for employees who donate their uniforms and unused clothes.

Timbayan

Timbayan aims to repurpose and/or upcycle containers of chemicals that we use daily for water treatment. These containers are made of high-quality plastic and can serve as heavy-duty pails or trash bins. Among the sectors that received these donated buckets from Maynilad are low-income communities that benefitted from our water-for-the-poor programs, fisherfolk organizations, wet markets, and small health centers. As a part of this program, 590 used containers were recovered and distributed to customers.

Rainwater Harvesting Facility

Through RA 6716 or the Rainwater Collector and Springs Development Act of 1989, the government encourages schools, communities, and other institutions to use rainwater to help alleviate water scarcity, a very practical and immediate solution to water supply issues. To help promote this Act and as part of the Brigada Eskwela program of Advocacy, in 2020, we collaborated with School Division Offices to install Rain Water Harvesting facilities in priority schools within the concession area.





Water Academy Initiatives

Local Government Officials Lakbay Aral

Through its Water Academy and Government Relations, MWSS collaborated with Maynilad to conduct Lakbay Aral, a program aimed at imparting a fundamental understanding of water management and encouraging cooperation between local government and the water industry. Last July 11, 2022, the event comprised lectures and facilities visit for 18 municipal authorities from Muntinlupa, Malabon, Makati, and Quezon City. Participants gained valuable insight into water operations and facilities by touring the Maynilad Control Room, La Mesa Treatment Plant 2, Water Lab, and Veterans Village Water Reclamation Facility.

Water Education through a Poster Competition

The Maynilad Water Academy and the National Historical Commission of the Philippines-Museo El Deposito collaborated to host a Poster Making Contest on June 25, 2022, with the theme "Ground Water, Making the Invisible Visible." The contest aimed to inspire water education and artistic expression among students, as well as promote awareness of water conservation and sustainable practices. The competition drew 15 talented contestants from public schools in Maynilad's concession area, giving them an opportunity to express their creativity while also raising awareness about the importance of maintaining our water resources.

Maynilad Water Academy trains BJMP Officers in Hydraulic Modeling for Enhanced Water Pressure in Correctional Facilities

The International Committee of the Red Cross (ICRC) teamed up with the Maynilad Water Academy to organize a training session titled "Hydraulic Modeling Using EPANET" for uniformed officers from the Bureau of Jail Management and Penology (BJMP) at Arroceros Manila. The workshop, which took place from November 21 to 24, 2022, sought to provide participants with the information and skills needed to construct hydraulic models for boosting water pressure in BJMP facilities. Participants studied important hydraulics principles throughout the program, discussed about crucial features for model building, and improved their ability to effectively explain model results using visual aids. This partnership aimed to improve BJMP's water management skills.

Online Training for ADB Project Officers on NRW Reduction

Maynilad Water Academy successfully conducted an online training session for Asian Development Bank (ADB) Project Officers on NRW reduction through the establishment of District Metered Areas (DMA) from July 18-21 and 27, 2022, with the support of Subject Matter Experts from Maynilad's Central Non-Revenue Water. The training session was designed to provide participants a solid grasp of NRW management concepts, the advantages of DMAs, and the critical aspects involved in their implementation. The training program aims to improve participants' abilities to handle NRW concerns by increasing their knowledge and skills, ultimately leading to enhanced efficiency and sustainability in water utility operations.

Way Forward



As we step into yet another year, we look forward to more opportunities to consider ESG as not just another box to check, but as a culture to be integrated within Maynilad. In 2022, we engaged in a comprehensive assessment of all our internal functions on sustainability prioritization, integration, execution, and roles and responsibilities. Based on this assessment, we have identified some key aspirations for ourselves over the next few years:

Over the next 3-5 years, we plan to exert significant efforts towards achieving these goals, while also migrating to more comprehensive disclosure standards such as those identified above. We already strive to monitor and collect most of our

data on ESG performance but are still looking forward to honing our efforts in this regard to make our future disclosures as transparent as possible.

In this journey, the role of all stakeholders is crucial; therefore, we also hope to achieve milestones in improving their welfare in tandem with achieving our ESG goals. We predict that we will have several, priceless learning experiences along the way and look forward to pioneering ESG initiatives in our region – so that we set an example for others to follow.

External Assurance



INDEPENDENT ASSURANCE STATEMENT

ACCELERATING INNOVATION 2022 Sustainability Report

Maynilad Water Services (“Maynilad”) has engaged GCSS Inc. to undertake independent assurance of sustainability / non-financial disclosures in 2022 Sustainability Report – Accelerating Innovation (the “Report”) for the year ended 31st December 2022. This assurance engagement was conducted using AccountAbility, UK - AA1000 Assurance Standard (AA1000AS v3) and AA1000 AccountAbility Principles (AA1000AP) 2018. The report is prepared in accordance with Global Reporting Initiative (GRI) Standards 2021.

Scope of Engagement

The scope of assurance included a review of sustainability activities and performance data of Maynilad. The boundary of the report for identified material aspects and performance indicators are defined in ‘About the Report’, ‘Our Value Chain’ and ‘Our Sustainability Approach’ section respectively of this report. The scope of assurance engagement

is limited to the non-financial information associated with Maynilad operations covered within the report boundaries. This report was evaluated for adherence to the reporting principles of Global Reporting Standard (GRI) and AccountAbility principles.

Our responsibility is to carry out a reasonable assurance engagement on the full Report. We performed a Type II, Moderate Level of Assurance and evaluated the Company’s Sustainability performance based on the information made available during the interviews to the assurers.

Assurance Procedure

We used the GRI Principles to evaluate the performance data together with the company’s data protocols for how the sustainability performance data is measured, recorded and reported. This formed the basis of the Reporting Criteria for undertaking our assurance work. In doing so, we have:

- Reviewed the approach towards stakeholder engagement and materiality analysis;
- Validated the accuracy and integrity of performance data disclosed in the sustainability report;
- Assessed the reliability of internal process for data collection and management;
- Reviewed consistency of data/information within the report as well between the report and the original source;
- Conducted online interviews / discussions with senior management and decision makers;

Financial data reported in the 2022 Sustainability Report is taken directly from the independent audited financial statements and the same has not been checked against its source as part of this assurance process.

Limitations

Our scope of work did not include providing conclusions in relation to:

- The completeness or accuracy of information relating to areas other than the subject matters.
- Information reported by Maynilad other than in its 2022 Sustainability Report.
- Management’s forward-looking statements.
- Any disclosure made by the subsidiaries not covered within the report boundaries.
- Remote verification of data sources.

Adherence to AA1000 Principles

Inclusivity:

Maynilad have a variety of well-managed mechanisms to regularly engage with its key stakeholders on a timely basis. The company considers stakeholder concerns and addresses them through proper channels as reported. This report clearly indicates the various stakeholders company engages along with their method of engagement and concerns raised.

Materiality:

We reviewed and analyzed the process of defining and assessing the material topics for Maynilad addressed in this report. The company has identified material topics based on stakeholder concerns and business objectives.

Responsiveness:

The company has adequate set of policies and guidelines in place to respond to the stakeholder concerns. Some of the key process has been defined in the stakeholder management section of the report.

Impact:

The company creates significant impact to the society by providing clean, safe and potable water to the population supporting the UNSDG on Clean Water and Sanitation (SDG6).

Conclusion

Subject to the section on limitations above and on the basis of our procedures for this limited assurance engagement, we conclude that information included in this report is reliable and is presented clearly for stakeholders to make conclusions. The sustainability disclosures are fairly presented in accordance with the stated criteria.

In our opinion, the company has represented its Sustainability Performance in the report in a fair and balanced manner and meets the requirement of **Type-2, Moderate level** of assurance. All material issues of the company's business are adequately reported, and the report gives reliable, accurate and complete information about its sustainability performance for the year. The report adheres to the AA1000 principles of Materiality, Inclusivity and Responsiveness.

The reporting principles for defining the report content and quality are followed in accordance with the "GRI Standards".

All the Standard disclosure and Performance Indicators disclosure related to the identified material issues have been externally assured and the accuracy of the data disclosed has been verified.

Reliability and Quality of Information:

The data sources for the sustainability performance data are based on the reports submitted by the company to the respective regulatory bodies as required. Hence the reliability of data is maintained through regular monitoring and reporting.

Recommendations

Based on the activities conducted during the assurance as stated in the procedure, the assurance team has the following recommendations:

1. Improve on data management process with regards to environmental protection.
2. Define time-based, measurable goals and targets the company wants to attain against the identified UN SDGs.
3. Provide elaborative disclosures on risk related to climate change and Maynilad's contribution towards it.
4. Highlight on how sustainability performance is assessed and monitored at the Board level in future disclosures.

Opinion

Nothing has come to our attention during the assurance engagement that suggests that the company does not adhere to the AccountAbility principles of assurance.

Responsibilities

The Sustainability Report was prepared by the management of Maynilad, who is responsible for the integrity of the assertions, statements, and claims made therein (including the assertions over which we have been engaged to provide limited assurance), the collection, quantification and presentation of the Specified Performance Indicators and the selection of and adherence to the stated criteria. In addition, Maynilad management is responsible for the identification and prioritization of stakeholders with respect to the material topics based on its review of the business and the views and expectations of its stakeholders.

Maynilad management is responsible for maintaining adequate records and internal controls that are designed to support the reporting process and ensure that the Sustainability Report is free from any misstatement.

Our responsibility as the assurance provider is to express an independent conclusion on the company's Sustainability performance disclosed and defined within the scope of work as mentioned above. Our statement represents independent opinion of Maynilad performance to all stakeholders.



Arpit Shrivastava
Lead Assurer
GCSS Inc.



AA1000
Licensed Report
000-244/V3-W50T6

Date: July 28, 2023
Place: Quezon City, Philippines

GRI Content Index

GRI Standard / Other Source	Disclosure	Location	Omission		
			Requirement Omitted	Reason	Explanation
General disclosures					
GRI 2: General Disclosures 2021	2-1 Organizational details	13-15			
	2-2 Entities included in the organization’s sustainability reporting	4			
	2-3 Reporting period, frequency and contact point	4			
	2-4 Restatements of information	104			
	2-5 External assurance	164-167			
	2-6 Activities, value chain and other business relationships	24-27			
	2-7 Employees	148			
	2-8 Workers who are not employees	148			
	2-9 Governance structure and composition	23			
	2-10 Nomination and selection of the highest governance body	22			
	2-11 Chair of the highest governance body	18			

GRI Standard / Other Source	Disclosure	Location	Omission		
			Requirement Omitted	Reason	Explanation
	2-12 Role of the highest governance body in overseeing the management of impacts	57			
	2-13 Delegation of responsibility for managing impacts				The Top Management Team convenes every week to discuss about the management of the organization's impacts on the economy, environment, and people.
	2-14 Role of the highest governance body in sustainability reporting				The highest governance body is responsible for reviewing and approving the reported information, including the organization's material topics
	2-15 Conflicts of interest	125			
	2-16 Communication of critical concerns	125			

GRI Standard / Other Source	Disclosure	Location	Omission		
			Requirement Omitted	Reason	Explanation
	2-17 Collective knowledge of the highest governance body	56 - 63			
	2-18 Evaluation of the performance of the highest governance body	-	2-18-a, 2-18-b, 2-18-c	Confidentiality constraints	Maynilad maintains confidentiality regarding the evaluation process of the President's performance and refrains from publicly reporting this information.
	2-19 Remuneration policies			Confidentiality Constraints	
	2-20 Process to determine remuneration			Confidentiality Constraints	

GRI Standard / Other Source	Disclosure	Location	Omission		
			Requirement Omitted	Reason	Explanation
	2-21 Annual total compensation ratio	-	2-21-a, 2-21-b, 2-21-c	Confidentiality constraints	Maynilad maintains confidentiality regarding its annual total compensation ratio to safeguard employee privacy and avoid potential conflicts or disparities among team members.
	2-22 Statement on sustainable development strategy	33 - 39			
	2-23 Policy commitments	125 - 128			
	2-24 Embedding policy commitments	125			
	2-25 Processes to remediate negative impacts	51-54			
	2-26 Mechanisms for seeking advice and raising concerns	125			
	2-27 Compliance with laws and regulations	123-124			
	2-28 Membership associations	23			
	2-29 Approach to stakeholder engagement	39-48			
	2-30 Collective bargaining agreements	128, 135			

GRI Standard / Other Source	Disclosure	Location	Omission		
			Requirement Omitted	Reason	Explanation
Material topics					
GRI 3: Material Topics 2021	3-1 Process to determine material topics	49-54			
	3-2 List of material topics	51-54			
Economic performance					
GRI 3: Material Topics 2021	3-3 Management of material topics	64-69			
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	65			
	201-2 Financial implications and other risks and opportunities due to climate change	-			
	201-3 Defined benefit plan obligations and other retirement plans	134			
	201-4 Financial assistance received from government	None			
Market presence					
GRI 3: Material Topics 2021	3-3 Management of material topics	132			
GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	132			

GRI Standard / Other Source	Disclosure	Location	Omission		
			Requirement Omitted	Reason	Explanation
	202-2 Proportion of senior management hired from the local community	20-21			
Indirect economic impacts					
GRI 3: Material Topics 2021	3-3 Management of material topics	66-69			
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	66-69			
	203-2 Significant indirect economic impacts	66			
Procurement practices					
GRI 3: Material Topics 2021	3-3 Management of material topics	79-80			
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	80			
Anti-corruption					
GRI 3: Material Topics 2021	3-3 Management of material topics	125			
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	125			
	205-2 Communication and training about anti-corruption policies and procedures	125			

GRI Standard / Other Source	Disclosure	Location	Omission		
			Requirement Omitted	Reason	Explanation
	205-3 Confirmed incidents of corruption and actions taken	125			
Anti-competitive behavior					
GRI 3: Material Topics 2021	3-3 Management of material topics	125			
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	125			
Tax					
GRI 3: Material Topics 2021	3-3 Management of material topics	7			
	207-1 Approach to tax	7			
	207-2 Tax governance, control, and risk management	7			
	207-3 Stakeholder engagement and management of concerns related to tax	39			
	207-4 Country-by-country reporting	Not Applicable			
Materials					
GRI 3: Material Topics 2021	3-3 Management of material topics	81-89			
GRI 301: Materials 2016	301-1 Materials used by weight or volume	84			
	301-2 Recycled input materials used	89			

GRI Standard / Other Source	Disclosure	Location	Omission		
			Requirement Omitted	Reason	Explanation
	301-3 Reclaimed products and their packaging materials	Not Applicable			
Energy					
GRI 3: Material Topics 2021	3-3 Management of material topics	99-102			
GRI 302: Energy 2016	302-1 Energy consumption within the organization	100-101			
	302-2 Energy consumption outside of the organization		302-2-a, 302-2-b, 302-2-c	Data Not Available	Priority is to account within the organization.
	302-3 Energy intensity	102			
	302-4 Reduction of energy consumption	102	302-4-a	Data Not Available	Energy savings were not quantified.
	302-5 Reductions in energy requirements of products and services	102			
Water and effluents					
GRI 3: Material Topics 2021	3-3 Management of material topics	81-89			
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	81-89			

GRI Standard / Other Source	Disclosure	Location	Omission		
			Requirement Omitted	Reason	Explanation
	303-2 Management of water discharge-related impacts	81			
	303-3 Water withdrawal	84			
	303-4 Water discharge	85-87			
	303-5 Water consumption	84			
Biodiversity					
GRI 3: Material Topics 2021	3-3 Management of material topics	107-109			
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	107-109			
	304-2 Significant impacts of activities, products and services on biodiversity	107			
	304-3 Habitats protected or restored	107-109			
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	Not Applicable			
Emissions					
GRI 3: Material Topics 2021	3-3 Management of material topics	103-106			
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	104			

GRI Standard / Other Source	Disclosure	Location	Omission		
			Requirement Omitted	Reason	Explanation
	305-2 Energy indirect (Scope 2) GHG emissions	105			
	305-3 Other indirect (Scope 3) GHG emissions	105			
	305-4 GHG emissions intensity	105			
	305-5 Reduction of GHG emissions	103			
	305-6 Emissions of ozone-depleting substances (ODS)	Not available			
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	106			
Waste					
GRI 3: Material Topics 2021	3-3 Management of material topics	95-98			
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	95-98			
	306-2 Management of significant waste-related impacts	95-98			
	306-3 Waste generated	98			
	306-4 Waste diverted from disposal	97			
	306-5 Waste directed to disposal	97			

GRI Standard / Other Source	Disclosure	Location	Omission		
			Requirement Omitted	Reason	Explanation
Supplier environmental assessment					
GRI 3: Material Topics 2021	3-3 Management of material topics	79-80			
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	79-80			
	308-2 Negative environmental impacts in the supply chain and actions taken	79-80			
Employment					
GRI 3: Material Topics 2021	3-3 Management of material topics	127-137			
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	130-132			
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	134			
	401-3 Parental leave	133			
Labor/management relations					
GRI 3: Material Topics 2021	3-3 Management of material topics	124-128			
GRI 402: Labor/ Management Relations 2016	402-1 Minimum notice periods regarding operational changes				

GRI Standard / Other Source	Disclosure	Location	Omission		
			Requirement Omitted	Reason	Explanation
Occupational health and safety					
GRI 3: Material Topics 2021	3-3 Management of material topics	138-146			
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	144			
	403-2 Hazard identification, risk assessment, and incident investigation	141			
	403-3 Occupational health services	142			
	403-4 Worker participation, consultation, and communication on occupational health and safety	144			
	403-5 Worker training on occupational health and safety	144			
	403-6 Promotion of worker health	144			
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	138-141			
	403-8 Workers covered by an occupational health and safety management system	144			
	403-9 Work-related injuries	145			
	403-10 Work-related ill health	146			

GRI Standard / Other Source	Disclosure	Location	Omission		
			Requirement Omitted	Reason	Explanation
Training and education					
GRI 3: Material Topics 2021	3-3 Management of material topics	134-135			
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	135			
	404-2 Programs for upgrading employee skills and transition assistance programs	135			
	404-3 Percentage of employees receiving regular performance and career development reviews	133			
Diversity and equal opportunity					
GRI 3: Material Topics 2021	3-3 Management of material topics	147-151			
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	148			
	405-2 Ratio of basic salary and remuneration of women to men	149			
Non-discrimination					
GRI 3: Material Topics 2021	3-3 Management of material topics	147-149			

GRI Standard / Other Source	Disclosure	Location	Omission		
			Requirement Omitted	Reason	Explanation
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	149			
Freedom of association and collective bargaining					
GRI 3: Material Topics 2021	3-3 Management of material topics	135			
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	135			
Child labor					
GRI 3: Material Topics 2021	3-3 Management of material topics	123-126			
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	126			
Forced or compulsory labor					
GRI 3: Material Topics 2021	3-3 Management of material topics	123-126			
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	126			
Security practices					
GRI 3: Material Topics 2021	3-3 Management of material topics	123-126			

GRI Standard / Other Source	Disclosure	Location	Omission		
			Requirement Omitted	Reason	Explanation
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	126			
Rights of indigenous peoples					
GRI 3: Material Topics 2021	3-3 Management of material topics	123-126			
GRI 411: Rights of Indigenous Peoples 2016	411-1 Incidents of violations involving rights of indigenous peoples	126			
Local communities					
GRI 3: Material Topics 2021	3-3 Management of material topics	152-161			
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	152-161			
	413-2 Operations with significant actual and potential negative impacts on local communities	152-161			
Supplier social assessment					
GRI 3: Material Topics 2021	3-3 Management of material topics	79-80			
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	79-80			

GRI Standard / Other Source	Disclosure	Location	Omission		
			Requirement Omitted	Reason	Explanation
	414-2 Negative social impacts in the supply chain and actions taken	79-80			
Public policy					
GRI 3: Material Topics 2021	3-3 Management of material topics	123-124			
GRI 415: Public Policy 2016	415-1 Political contributions	Not applicable			
Customer health and safety					
GRI 3: Material Topics 2021	3-3 Management of material topics	113-121			
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	113-121			
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	116			
Marketing and labeling					
GRI 3: Material Topics 2021	3-3 Management of material topics	Not applicable			
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	Not applicable			
	417-2 Incidents of non-compliance concerning product and service information and labeling	No Recorded Incidents			

GRI Standard / Other Source	Disclosure	Location	Omission		
			Requirement Omitted	Reason	Explanation
	417-3 Incidents of non-compliance concerning marketing communications	No Recorded Incidents			
Customer privacy					
GRI 3: Material Topics 2021	3-3 Management of material topics	72-74			
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	No Recorded Incidents			
Topics in the applicable GRI Sector Standards determined as not material					

Annexes

No.	Treatment Facility	2022 Average Performance per Parameter								2022 Performance
		BOD	MBAS	TSS	Oil and Grease	TC/FC	Nutrients			
							PO4-P	NO3-N	NH3-N	
1	Manila Bay Effluent	50%	20%	10%	15%	4%	n/a			99%
2	Dagat-Dagatan	n/a	n/a	n/a	n/a	n/a				n/a
3	Alabang	50%	20%	10%	15%	5%				100%
4	Bagbag	50%	20%	10%	15%	5%				100%
5	Bahay Toro	50%	20%	10%	15%	5%				100%
6	Talayan	50%	20%	10%	15%	5%				100%
7	Pasay	50%	20%	10%	15%	5%				100%
8	Paco	50%	20%	10%	15%	5%				100%
9	Alazap	50%	10%	10%	10%	5%	4%	0%	2%	91%

No.	Treatment Facility	2022 Average Performance per Parameter								2022 Performance
		BOD	MBAS	TSS	Oil and Grease	TC/FC	Nutrients			
							PO4-P	NO3-N	NH3-N	
10	Veterans	50%	20%	10%	15%	5%	n/a			100%
11	Samson	50%	20%	10%	15%	5%				100%
12	San Antonio	50%	20%	10%	15%	5%				100%
13	Del Monte	50%	20%	10%	15%	5%				100%
14	Congressional	50%	20%	10%	15%	5%				100%
15	Legal	50%	20%	10%	15%	5%				100%
16	Grant	50%	20%	10%	15%	5%				100%
17	Baesa	50%	20%	10%	15%	5%				100%
18	Tandang Sora	50%	20%	10%	15%	5%				100%
19	Kapiligan	50%	20%	10%	15%	5%				100%
20	Tatalon	50%	20%	10%	15%	5%				100%
21	Paltok	50%	20%	10%	15%	5%				100%
22	Parañaque	50%	10%	10%	10%	5%	5%	5%	5%	100%

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