



TOGETHER, STRONGER,

2020 Sustainability
Report

ABOUT THE COVER

The Maynilad 2020 Sustainability Report: Together, Stronger cover alludes to the strength of connection within the Company and its people, leveraging on this to collaborate and deliver service, and most importantly take care of our people and our communities, as we overcome the challenges in all aspects brought upon by this extraordinary year.

Along with the threats of the ongoing pandemic and natural disasters, we also had to adapt to the new way of living and working. Social distancing, community quarantines, smiles hidden behind masks, increased risks for those working on-site, virtual meetings, and the blurring of personal and professional space for those working from home -- it was a curious time that distance was required to express that we care. Through all of these, establishing new and nurturing existing connections is how we retained the sense of normalcy and delivered to our commitment of providing access to clean potable water for our customers; safeguarding the basic human right to safe water and sanitation.

This was made possible thanks to all the individuals in Maynilad working together, the coordination among our teams and facilities, and the established trust and confidence between Maynilad and our customers, as well as our partners. 2020 was a year of adversity, but we remain anchored on these strong connections, allowing us to navigate the waves of change at present and towards the future.



EDITORIAL AND DESIGN BY

Drink Sustainability Communications
www.DrinkPH.com

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About Maynilad

[102-1, 102-7]

Maynilad Water Services, Inc. (Maynilad) is the Philippines' largest private water concessionaire in terms of customer base, with the most number of ISO certifications across its sites and facilities. It provides services for 17 cities and municipalities that comprise the West Zone of the Metropolitan Manila area. It is an agent and contractor of the Metropolitan Waterworks and Sewerage System (MWSS).

Maynilad is managed by Maynilad Water Holdings Company, Inc. —a joint venture between Metro Pacific Investments Corporation (MPIC), DMCI Holdings, Inc. (DMCI), and Marubeni Corporation. The consortium took control of Maynilad on January 24, 2007.

In 1997, Maynilad was granted a 25-year exclusive concession by the Philippine Government to operate, maintain and invest in the water and sewerage systems in the cities of Manila (all but portions of San Andres and Sta. Ana), Quezon City (west of San Juan River, West Avenue, EDSA, Congressional, Mindanao Avenue, the northern part starting from the Districts of Holy Spirit and Batasan Hills), Makati (west of South Super Highway), Caloocan, Pasay, Parañaque, Las Piñas, Muntinlupa, Valenzuela, Navotas and Malabon, all in Metro Manila; the cities of Cavite, Bacoor and Imus, and the towns of Kawit, Noveleta and Rosario, all in the Province of Cavite.

On September 10, 2009, the MWSS Board of Trustees approved the extension of its Concession Agreement with Maynilad by an additional 15 years, or up to May 2037.

In 2013, Marubeni Corporation of Japan acquired a 20-percent stake in the company and became a strategic partner of the Metro Pacific–DMCI–Marubeni consortium.



OWNERSHIP AND LEGAL FORM [102-5]

52.80%
**METRO
PACIFIC**
INVESTMENTS

25.20%
 **DMCI HOLDINGS**
INCORPORATED

20.00%
Marubeni

2.00% OTHERS

WATER SOURCES

- A** Angat Dam
- B** Laguna Lake



Water held in reserve:

- **17** active deepwells with 12.85 million liters of water per day (MLD) capacity
- **11** deepwells for rehabilitation with 4.02 MLD capacity
- **33** water reservoirs with a total holding capacity of 740.17 million liters (As of December 2020)



Maynilad delivers potable water at an average of **1,468 MLD** to customers within this coverage area, which has a total population of around **9.8 MILLION**, approximately based on billed connections with an estimated seven persons per household.

PRIMARY SERVICE AREA [102-4, 102-6]

West Zone of NCR

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

EXTENSION SERVICE AREA [102-4, 102-6]

Cavite Province

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



WATER SUPPLY SERVICES [102-2]

- **7,729** kilometers (kms) of primary, secondary, and tertiary pipelines
- **37** pump stations
- **69** mobile water tankers (with a combined capacity of 550,000 liters)



SEWAGE AND SANITATION [102-2]

- **606** kms of sewer lines to collect and convey wastewater to our treatment facilities
- **111** waste pump/lift stations, 102 operational
- **22** water reclamation facilities



EMPLOYEES [102-8]

Maynilad's **2,473** employees serve well over a million customers with residential, semi-business, commercial, and industrial accounts.

Year in Service [102-6]

WATER SERVICES



1,484,128

Total billed accounts



1,418,467

Residential and semi-business
(domestic) accounts



65,661

Commercial and industrial
(non-domestic) accounts

SEWERAGE SERVICES



78,574

Total billed accounts



68,238

Residential and semi-business
(domestic) accounts



10,336

Commercial and industrial
(non-domestic) accounts

SANITATION SERVICES



5,651,380

Population covered by sanitation
services (individuals)



142,111

No. of accounts that availed
of desludging services



244,121

Accounts offered
with desludging services



93,834

No. of septic tanks desludged

About this Report

[102-1, 102-3, 102-45, 102-46, 102-50, 102-51, 102-52, 102-53, 102-54]

REPORTING CYCLE: Annual REPORTING PERIOD: January 1 – December 31, 2020

PREVIOUS REPORT: Optimizing Water Supply for Reliable Service, September 2020

As a private company in a unique position of public service, managing and providing water services, sustainability is critically important for us. It is not just about extracting and provisioning water for the public, we must also integrate sustainability practices in our entire business operations. Along with this, addressing the current challenges of climate change, rapid population growth, poverty, and the ongoing pandemic remain at the forefront of hurdles we need to overcome for 2020.

To do this, Maynilad Water Services Inc. (Maynilad) remains dedicated to our mission and vision, keeping true to our promise and mandate of providing safe and affordable water solutions for our customers. We practice environmental management to reduce our carbon footprint and adhere to mandated regulations. Through advancements in technology and collaborating with partners, we seek to develop optimal water and wastewater solutions to the attainment of the United Nations Sustainable Development Goals (SDGs). For our part and in line with the nature of our organization, our focus is on Goal 6: Clean Water and Sanitation, with the objectives of ensuring availability and sustainable management of water and sanitation for all. To add, we assess our business activities and social development programs through the lens of the SDGs and contribute where we can.

We have an established reporting practice which allows us to communicate our sustainability performance and initiatives. This report has been prepared in accordance with the GRI Standards: Core option. It covers the activities and outputs that are directly under Maynilad's responsibility and control. The company's economic value generated, distributed, and retained, is in the summarized Maynilad financial data. We publish a separate annual report with the complete financial disclosures and other requirements as demanded by current regulations.

For feedback on the 2020 Sustainability Report, please contact:

ROEL S. ESPIRITU

SAVP and Head, Quality, Sustainability, and Resiliency Division
roel.espiritu@mayniladwater.com.ph

JOHN EMMANUEL B. MARTINEZ

Senior Manager & Head, Sustainability Department
emman.martinez@mayniladwater.com.ph

ROSE ANN EUGENIO

QSR Assistant Manager, Sustainability Programs
roseann.eugenio@mayniladwater.com.ph

MAYNILAD HEAD OFFICE

Metropolitan Water and Sewerage Services (MWSS) Complex, Katipunan Avenue, Balara, Quezon City 1119, Philippines

Performance Highlights



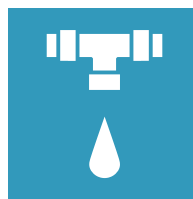
1,484,128
Total number
of customers



134 kilometers
Pipe replaced



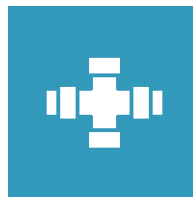
1.46
Personnel per
1,000 connections



21.32%
Total sewerage coverage
for combined and separate



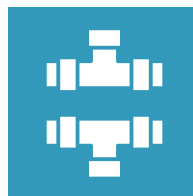
24.47
Average hours of training
(including project-based)



1,104,169
Population served
in the combined sewerage
system connections



54
Total number of days
of safety drills



982,978
Population served
with separate
sewerage connections



23
facilities participated in
Nationwide Earthquake Drills



72,139 million liters
Wastewater treated
and discharged



57.74%
Sanitation coverage
(customers offered
desludging services)



93,824
No. of septic tanks desludged

Financial Highlights [102-7]

AMOUNT IN PHP MILLION EXCEPT EARNINGS PER SHARE VALUE



7,793.80
Capital Expenditures



3,501.12
Operational Expenses



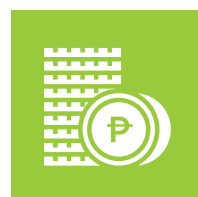
2,999.22
Payments to Government



70,361.60
Debt



6,424.88
Net Income



56,631.79
Net Equity



1,441.05
Earnings per share value

Maynilad remains dedicated to our mission and vision, keeping true to our promise and mandate of providing safe and affordable water solutions for our customers.



[102-14]

Joint Message from the Chairman, and President and CEO

Maynilad values our stakeholders, which include our customers and employees. It is our goal to help restore confidence within communities through these unprecedented times, by bringing comfort and a feeling of safety to the people through our service and initiatives. We hope to empower Filipinos as the country strives to curb the pandemic, moving toward the new normal and on to the future.

The year 2020 was riddled with extraordinary challenges. In the same way that Maynilad has persevered through the difficulties of the past, we shall remain steadfast. Only for 2020, it required much more courage and discipline, it needed us to be stronger together, while also being compassionate. It was a year when taking care of one another called for distance.

As the world battles the pandemic, if there is one certainty that we can hold on to, it is our commitment to taking care of our people and customers. This tenacity is not new to Maynilad, it is part of our DNA. At our core are the values of honesty and integrity, customer service, entrepreneurship, commitment to excellence, and love for country — in everything we do, we seek to live true to these values. It is our calling to serve the Filipinos and our commitment to that mandate did not falter.

As a testament to our commitment, Maynilad's customer base expanded in 2020, with 1,484,128 billed service connections that cater to around 9.8 million Filipinos. Since 2007, Maynilad has created over 350,000 jobs through our capital expenditure program, which include those generated by contractors and suppliers that Maynilad commissioned.

Our activities include the massive rehabilitation and strategic replacement of old pipelines, the laying of new pipes to unserved areas, and installation of valves across the water infrastructure network, as well as the construction of new pumping stations, reservoirs, and treatment facilities. Maynilad was also able to connect waterless communities to our network, to provide safe and affordable water supply to almost 2,000 urban poor families in Caloocan, Malabon, Valenzuela, and Cavite.

THE MAYNILAD COVID-19 RESPONSE

As soon as the COVID-19 pandemic was confirmed in the country and the government issued safety protocols and policies, we immediately responded. From supporting our frontline workers and marshals, working together with the national government agencies (NGAs) and local government units (LGUs), partnering with the health sector and other institutions for other resources, installing handwashing facilities to public spaces, and providing support directly to the local communities as well — Maynilad was an active participant in the fight against COVID-19.

As the nation tried to curb the pandemic, Maynilad played its part through the donation of the Maynilad-Delos Santos Medical Center (DLSMC) RT-PCR Testing Center to help boost the country's testing capacity. Free water supply to six government-run COVID-19 treatment centers and quarantine facilities was provided as well, along with disinfecting stations to sanitize vehicles on national roads and highways.

As soon as the COVID-19 pandemic was confirmed in the country and the government issued safety protocols and policies, we immediately responded.

Maynilad provided hydration support to the frontliners by donating bottled water, which were distributed to government organizations including the military and police, research institutes, public hospitals, LGUs and to the personnel assigned in various checkpoints in the metropolis. Internally, Maynilad also supported our own frontliners manning the facilities and conducting network maintenance to ensure sustained water service for our customers.

Additionally, hygiene packs were also distributed to the urban poor families residing in Quezon City, Muntinlupa, Las Piñas, and Cavite.



BRINGING COMFORT AND ENSURING 24/7 WATER SUPPLY

For 2020, a total of 134 kilometers (km) old pipes were replaced, resulting in improved water pressure and service reliability for customers. With limited operations and personnel due to the quarantine restrictions, Maynilad opted to pursue its pipeline rehabilitation project to sustain service enhancement levels for our customers. Since the re-privatization of Maynilad in 2007, the company was able to replace almost 2,700 km or 67% of the old pipe network. Maynilad also reported a decrease of the Non-Revenue Water (NRW) at the district metered area (DMA) level to 26.08% compared to 26.38% in the previous year.

Due to the three-month hard lockdown imposed in the country, physical meter reading was not possible. We quickly adapted by empowering our customers with innovative services, MyWaterBill and Bill on Demand SMS Bill Facility. These allow customers to avoid bill shock by making it easy for them to check their bills online.

In terms of our raw water sources, challenges remain with turbidity spikes reaching unprecedented levels and the persisting algal bloom in Laguna Lake, along with pressures of a rapidly growing population. To help address the environmental issues on the watersheds, particularly soil erosion and flooding, Maynilad planted 12,900 tree saplings and mangrove propagules at the Ipo watershed, the coastal areas of Cavite, and La Mesa Watershed Nature Reserve.





RESTORING CONFIDENCE AND UPGRADING FACILITIES

Alongside these efforts, Maynilad has been improving its infrastructure and facilities as well. With handwashing as the best and easiest method to avoid the COVID-19 virus, now more than ever, Maynilad is focused on ensuring a consistent supply of water across our concessionaire area.

For 2020, we are glad to report on our newly expanded and upgraded WATERLab. This is one of Maynilad's key infrastructure investments and an important facility in our network. The WATERLab is equipped with state-of-the-art analytical instruments used to study compounds in water samples, allowing Maynilad to improve its capability in delivering quality drinking water for the Filipinos.

Maynilad has also invested PhP350 million for the construction of new modular treatment plants intended to augment our supply by drawing water from Cavite rivers. Maynilad has also initiated the PhP7.9 billion-worth facility upgrade for the La Mesa Treatment Plants.

To increase the capability of our septage collection services, Maynilad purchased new vacuum truck units (VTUs) to provide septic tank cleaning services. Maynilad has also been consistently working on intensifying its sewer service connections, with over 32,000 new customers connected to its sewerage system, including households and establishments located along waterways that drain into Manila Bay.

To further boost the rehabilitation efforts of the iconic Manila Bay, Maynilad joined forces with the Manila City local government, the Department of Environment and Natural Resources (DENR), and the Metropolitan Waterworks and Sewerage System (MWSS), in the PhP969 million Central Manila Sewerage System (CMSS) Project.



SUPPORTING COMMUNITIES AND DISASTER RELIEF

A recognized member of a community, Maynilad is also committed to providing support to those who are in need. For the year 2020, the pandemic was not the only crisis that battered the country. At the start of the year, the Taal Volcano eruption caused significant damage to its surrounding communities. Responding with our strengths, Maynilad installed static water tanks in the evacuation sites in Batangas to help meet the daily water needs of the thousands of displaced families. Bottled water and other relief goods were provided as well.

Later in the year, Typhoon Rolly (international name Goni), one of the most powerful storms recorded worldwide in 2020, caused immense damage in various parts of the Philippines. Maynilad donated bottles of drinking water to the Department of Social Welfare and Development (DSWD) that was managing the relief operations in Catanduanes.

In the education sector, Maynilad participated in the Brigada Eskwela 2020 program of the Department of Education (DepEd) by donating sanitation supplies and refurbished computers to teachers, indigent students, and public school districts. We also reconfigured our youth-focused Water, Sanitation, and Hygiene (W.A.S.H.) program, and provided training to teachers and educators on the topics of water, sanitation, and hygiene; water conservation; and wastewater treatment. Maynilad was able to reach over 800 teachers and the feedback was highly positive, with several DepEd offices requesting the same training for the next cycle.

To help sustain livelihood programs for urban poor communities during the pandemic, we worked with our *Samahang Tubig Maynilad* (STM) groups to produce “pandemic essentials” such as soaps, disinfectants, and face masks. This initiative allowed around 300 indigent individuals to continue earning despite the constraints of the pandemic. The produced items were then purchased by internal departments in Maynilad for donation drives.

In the true spirit of *Filipino Bayanihan*, the *Tuloy Parin ang Pasko* initiative was spearheaded by employees across the MVP Group of Companies. They gathered donations internally to give *Noche Buena** packages to identified beneficiaries, enabling more than 1,300 families to celebrate Christmas a little bit better despite the struggles of 2020.

**Noche Buena: The Filipino tradition of Christmas Eve feast, usually held at midnight up to the Christmas morning.*

EMPOWERING FILIPINOS TOWARD THE FUTURE

Commitment to service and love for the nation is embodied by the Maynilad team. This is the drive that propels us forward and encourages us to persist despite the hurdles. Wherever we may be, we are proud to say that the dedication of our Maynilad employees did not waver.

On the road ahead, we aim to consistently implement best practices in our operations, ensure the delivery of exemplary service to our customers, and continue with our initiatives on conservation and rehabilitation of our natural resources. We will stay true on the promise of leaving no one behind and provide support as necessary – whether through our main service of water and wastewater treatment, or in other forms that would benefit our customers.

Undoubtedly, challenges will remain, but so will our fortitude to rise above them. Dialogue with the current administration remains open as the review of the Concession Agreement and its provisions take place. We are optimistic that we will reach a fair decision and, above all, one that will champion the best interest of the customers we are mandated to serve.

To our stakeholders and shareholders, we are grateful for the resolute trust and support. The landscape of 2020 is definitely one that will always be remembered. We have continued Maynilad's services all these years and we shall keep up in safeguarding its future, transforming and evolving as a sustainable company. The present is rapidly changing, and we shall continue to go beyond and above in serving the people, adapting to the flow of the waves, and emerging stronger together.



MANUEL V. PANGILINAN
Chairman



RAMONCITO S. FERNANDEZ
President and CEO

Governance [102-16]

Building trust with our stakeholders is of paramount importance to us. At Maynilad, we are committed to operating our business according to the highest standards of corporate governance.

OUR VISION

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

OUR MISSION

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

OUR VALUES



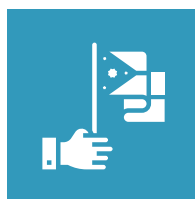
Customer
Service



Commitment
to Excellence



Honesty
and Integrity



Love for
Country



Entrepreneurship



Teamwork

For a comprehensive discussion of values, please visit <https://www.mayniladwater.com.ph/our-company/>.



Board of Directors [102-23]

The Maynilad Board of Directors (BOD or “the Board”) is not only responsible for upholding business ethics but also for ensuring that business operations are aligned with the Company’s vision, mission, and values. The BOD also guides, monitors, and evaluates management performance. The Maynilad Board is composed of nine members who meet a minimum of six times a year. The Chairman of the Board occupies a separate position and role from that of the Chief Executive Officer.



MANUEL V. PANGILINAN

Chairman



ISIDRO A. CONSUNJI

Vice Chairman



JOSE MA. K. LIM

Director



JORGE A. CONSUNJI

Director



RAMONCITO S. FERNANDEZ

Director



RANDOLPH T. ESTRELLADO

Director



MARILYN A. VICTORIO-AQUINO

Director



MASATO HIRAOKA

Director



SEIJIRO CHIBA

Director

Top Management



**RAMONCITO
S. FERNANDEZ**
President and CEO



**RANDOLPH
T. ESTRELLADO**
Chief Operating Officer



**RICARDO
F. DELOS REYES**
Chief Finance Officer



**CHRISTOPHER
J. LICHAUCO**
Head, Customer Experience
and Retail Operations



**LOURDES MARIVIC
P. ESPIRITU**
Head, Legal and
Regulatory Affairs



**FRANCISCO
C. CASTILLO**
Head, Information
Technology Services



IRINEO L. DIMAANO
Head, Central
Non-Revenue Water



RONALDO C. PADUA
Head, Water Supply
Operations



**ARTURO CELSO
D. BARANDA**
Head, Supply Chain
Management



YOLANDA C. LUCAS
Head, Program
Management



MARCOS D. DE JESUS
Head, Technical Services



APOLLO C. TIGLAO
Head, Wastewater
Management



ERIC J. MONTES
Head, Integrated
Asset Management



MARTIN B. DE GUZMAN
Head, Human Resources



JOSE RIZAL O. BATILES
Head, Enterprise Risk
Management and
Internal Audit



ROEL S. ESPIRITU
Head, Quality,
Sustainability, and
Resiliency

COMPLIANCE TO LAWS AND REGULATION [103-1, 103-2, 103-3]

Maynilad complies with Philippine regulations and follows international standards prescribed by the World Health Organization (WHO).

Maynilad strictly adheres to relevant rules and regulations. This is part of our commitment to remain a responsible corporate citizen. The Board of Directors is ultimately responsible for evaluating the effectiveness of Maynilad's socioeconomic compliance practices.

- 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 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
- Supreme Court Mandamus to Clean Up, Rehabilitate, and Preserve the Manila Bay
- Department of Environment and Natural Resources (DENR) Administrative Order (DAO) 2016-08: Water Quality Guidelines and General Effluent Standards of 2016
- 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)



OUR EXTERNAL PARTNERSHIPS [102-13]

- Global Water Intelligence
- International Water Association
- Management Association of the Philippines
- Business for Sustainable Development
- Philippine Water Works Association, Inc.
- Philippine Green Building Council

OUR EXTERNAL INITIATIVES [102-12]

- International Organization for Standardization (ISO)
- Laboratory Quality Management System – World Health Organization (WHO)
- United Nations (UN) Sustainable Development Goals (SDGs)

Awards and Recognition

PHILIPPINE QUILL AWARDS

EXCELLENCE

- Crisis communications program: “Explaining the rotational water service interruption in the West Zone”
- Wastewater program: “Kubeta Talks – Let’s Talk Dirty”
- Wastewater program: “Golden Kubeta Awards – Bringing Wastewater Conversations to the Mainstream”

MERIT

- Social media tool: “Maynilad Simpleng Ginawa Online Videos”
- COVID-19 communications programs: “Development of the Post-ECQ Plan – Workplace Re-entry Guidelines for Maynilad Employees”
- “Maynilad Post-ECQ Sanitation Service Information Campaign”

PHILIPPINE ANVIL AWARDS

GOLD

- 2019 Sustainability Report, Optimizing Water Supply for Reliable Service

SILVER

- Maynilad Simpleng Ginawa (MSG) Facebook campaign
- Maynilad Simpleng Ginawa (MSG) Facebook videos
- Kubeta PH: Taking the discussion on wastewater management and sanitation online

GLOBAL WATER AWARDS 2020

- Award of Distinction “Water Project of the Year” Category: Putatan Water Treatment Plant 2 (PWTP 2)

2020 PHILIPPINE ENTERPRISE INNOVATION AWARD

- For Maynilad’s adoption of digital technology such as Building Information Modeling (BIM) and Distributed Control System (DCS) in the design, construction, operation and maintenance of treatment facilities that require more complex processes

The Philippine Anvil Awards was held last February 28, 2020, before the community quarantine period.



Maynilad and the United Nations' Sustainable Development Goals

Maynilad upholds safe drinking water and sanitation as basic human rights. These are essential services that help people live healthy and productive lives. As a business, we realize our responsibility to provide access to these services to our customers and communities.

The world has less than ten years left to make significant progress on the United Nations' Sustainable Development Goals (SDGs). The task for Maynilad is not easy; we acknowledge the many challenges to achieving Goal 6: Clean Water and Sanitation. We have to deal with very real problems of resource and infrastructure limitations, rapid population growth, and persistent poverty. Still, we continue to explore how we can deliver on our promise of safe, affordable, and sustainable water solutions.

We run our business and operate our facilities as a responsible corporate citizen. This includes managing and mitigating the negative impact of our activities on the environment and society. Our employees are critical to our success and take the lead on our projects and activities. Apart from our regular workforce, we also engage with contractors and suppliers on various aspects of our business and operations.

Throughout our value chain, Maynilad develops and runs programs that meet the needs of our stakeholders and that care for and develop the natural resources that support all our activities. Maynilad's Quezon City headquarters houses our business administration, human resources, legal, regulatory and compliance departments and offices.

While Maynilad's business focuses on providing water and wastewater services, we are also keen to contribute to broader efforts for sustainable development. While we have numerous programs and initiatives that address various SDGs, Maynilad addresses eight primary goals across our value chain.



Through our advocacy activities, Maynilad also works with like-minded groups in both the national and local government, and the civil sector, on programs that cater to the needs of the Filipino people. Such programs may focus on improving access to drinking water and sanitation facilities, livelihood creation and poverty alleviation, enhancing education, and the promotion of environmental awareness and programs to care for the environment on which we all depend.

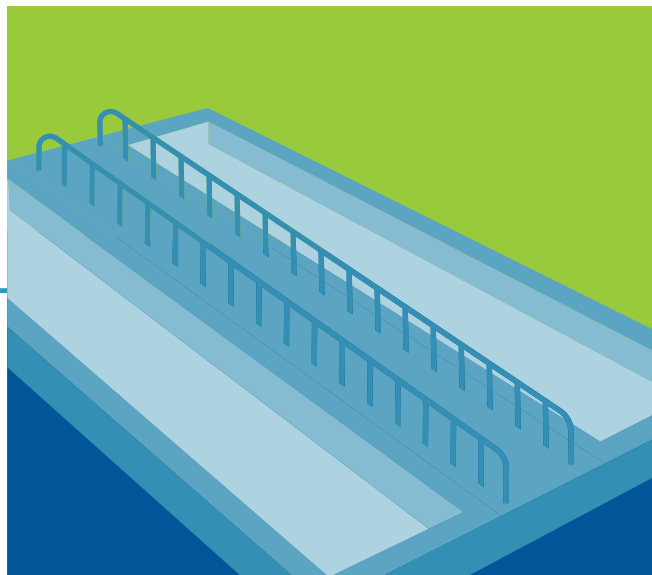
Our Value Chain [102-9]



WATER WITHDRAWAL

Maynilad sources its raw water from the Umiray-Angat-Ipo water system and Laguna Lake. Maynilad also extracts groundwater from deepwells to boost water supply when necessary.

The National Water Resources Board (NWRB) allocates the amount of water Maynilad can withdraw from Angat. Maynilad's water extraction is based on this declared allocation and this amount is closely monitored and no exploitation or over-extraction is possible. We also invest in watershed protection and maintenance activities, such as reforestation and biodiversity conservation to care for the resources we use (SDG15). To supplement the supply from Angat, Maynilad continuously explores and develops new water sources.



WATER TREATMENT

Raw water is treated before distribution. Maynilad operates four water treatment facilities for this purpose. Water produced from these facilities comply with Philippine National Standards for Drinking Water of the Department of Health (SDG3). Maynilad uses best practices in the industry to maintain these assets. We have also undertaken efforts to upgrade our facilities and boost their resilience to the impact of climate change and natural hazards.



WATER DISTRIBUTION TO HOUSEHOLDS AND BUSINESS AREAS

Maynilad distributes treated water to residences and industries in its concession area, through its 37 pump stations and 33 reservoirs. We target 24/7 water supply at a pressure of either 7 or 16 psi to our customers. In support of the goal of water for all, Maynilad also has programs to broaden its service and provide greater water and sanitation access to the low-income and underserved communities. (SDG 10, SDG11)



WASTEWATER COLLECTION, CONVEYANCE, AND TREATMENT

Beyond safe drinking water, Maynilad's services include the management of wastewater. By improving effluent quality and ensuring compliance with DENR Administrative Order (DAO) 2016-08 prior to discharge to waterways, Maynilad is an important partner in achieving environmental sustainability. (SDG14, SDG 17)

With respect to wastewater, Maynilad maintains and operates 22 water reclamation facilities, 111 lift stations, and 606 km of sewer lines. These are all part of the infrastructure system that collects and conveys wastewater to our treatment facilities (SDG11).

Our Sustainability Framework



Sustainability is inherent in our business. We are aware that we must care for the resources that we use in order to guarantee a steady supply of water for our stakeholders. We are also committed to the highest standard of management throughout our business. This means caring for our employees, managing our assets, ensuring compliance with regulatory requirements, and providing the best customer service possible.

We remain focused on the three pillars of operational efficiency, organizational capability, and business growth laid out in the Next Gen Framework. As we reach for our business goals and targets, we continue to seek ways to improve and enhance our sustainability performance, and contribute to sustainable growth and national development.



OPERATIONAL EFFICIENCY

- Lower Non-Revenue Water
- Lower Environmental Footprint
- Secured Water Bodies for Sourcing and Receiving
- Business Process Improvements
- Risk Management
- Health and Safety
- Service Obligations and Legal Requirements



ORGANIZATIONAL CAPABILITY

- Employment
- Good Corporate Governance
- Supply Chain Management (Procurement and Contract Management)
- Asset Management



BUSINESS GROWTH

- Economic Performance
- Customer Service
- Community Development and Social Inclusion
- Service Delivery (Additional Water Connections and Sewerage Services)
- New Products and Services
- Business Expansion Outside Concession Area
- Partnerships

Stakeholder Engagement and Materiality

[102-40, 102-42, 102-43, 102-44]



Maynilad's services, as well as its activities and operations, affect all our stakeholders in various ways. The COVID-19 pandemic spared no one in 2020: our business and our stakeholders were all affected. Despite the challenges, Maynilad remained strong in its commitment to understand and address the most important issues and concerns of our stakeholders.

Maynilad gathered input from its various departments to review the activities of the year and identify our stakeholders' top concerns. Maynilad maintains robust and regular engagement channels to ensure that they are able to communicate with its critical stakeholders and respond to the issues raised.

As Maynilad continues to develop its practice of sustainability reporting, this regular review helps us understand what is important to our stakeholders. Maynilad continues to learn from the feedback of our employees, customers, business partners, and regulators. This process allows us to identify areas of improvement and to enhance and strengthen our services and operations for the benefit of our stakeholders.

EMPLOYEES

Maynilad's people are our frontline heroes and they are also our primary stakeholders. We acknowledge our responsibility to give them a safe and healthy working environment and opportunities to develop their talents and skills.

ENGAGEMENT CHANNELS

Release of advisories via Employee News (Online, Daily); Webinars/Forums/Meetings; emails; Microsoft (MS) Teams, Messenger, Zoom, and other online communication software and social media; Advisories; General meetings and assemblies (Frequency depending on topics to be discussed and target audience); Company newsletter (Quarterly); Trainings (Scheduled for specific audiences, quarterly); Labor Management Councils and Grievance Committees meetings (As needed); Employee Satisfaction Survey (Annually); Employee Engagement Survey (Periodically).



CONCERNS

Business continuity, COVID-19 related resources, issues, and other health-related concerns, safety and security.

MAYNILAD'S RESPONSE

In light of the COVID-19 pandemic, Maynilad implemented 1/3 Work Rule, Stay-in of plant engineers in the Water Reclamation Facilities (WRFs), door-to-door service vehicles, and rapid testing to keep employees safe and to reduce the risk of infection. Continuous competency development was also provided amidst the pandemic, through virtual platforms. Also, with respect to finance, submission of requests and receipts was shifted online.

A New Normal Technical Working Group and a Post-ECQ Team were created to address and manage COVID-related resources and concerns.

Vitamins were distributed to employees on skeletal workforce arrangements, work-from-home arrangements were implemented for employees with underlying health conditions. Personal Protective Equipment (PPE) was distributed for use during operations. Proper work schedules were observed and safety officers were present to ensure guidelines were followed.

Maynilad complied with Health and Safety protocols in accordance with the DOLE Interim Guidelines. For employees re-entering the workplace, Antibody Rapid Tests and RT-PCR tests were provided for employees re-entering the workplace and contact tracing was practiced. A Daily Health Monitoring checklist was provided to employees and the company monitored and reported on its COVID-19 cases. HMO coverage and telemedicine consultation were also provided to employees.

SUPPLIERS AND CONTRACTORS

Maynilad's strong relationships with our business partners make it possible for us to achieve our commitments and targets.

ENGAGEMENT CHANNELS

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



CONCERNS

Impact of lockdowns and quarantines on projects and activities due to the COVID-19 pandemic; longer shipping times and increased prices.

MAYNILAD'S RESPONSE

Maynilad was able to assist its third-party service providers in securing required travel passes to enable them to carry out their activities. Maynilad also facilitated COVID-19 Rapid Testing for third-party personnel. To help ease financial difficulties brought about by the pandemic, Maynilad conducted a Call for Donations program to provide cash assistance for third-party service providers' personnel.

The pandemic had a moderate impact on Maynilad's suppliers and access to essential goods and services were maintained. Maynilad was still able to secure its chemical requirements until the end of the year. To add, there were no significant impacts caused by the disruptions in the supply chain.

For the Business Continuity Plan (BCP) in relation to suppliers and contractors, Maynilad made changes last April 2020 to address the on-going pandemic. We created short-term, mid-term and long-term plans and recommendations, and identified the main issues in the supply chain.



GOVERNMENT AND REGULATORS

Our service agreement with the government guides and governs our business. We are committed to upholding the terms of this agreement and operating in compliance with our regulator's standards and requirements. Due to the pandemic, the application process for required permits were shifted online. During the imposition of the first Enhanced Community Quarantine (ECQ), the regulators relaxed the deadlines for the submission of reports and companies were given grace periods to comply with the regulatory requirements.

Maynilad also had to comply with the protocols and regulars prescribed by the Inter-Agency Task Force (IATF) in terms of office set up, as well as for the deployment of third-party suppliers and contractors.

In terms of Maynilad's operations, prior to the pandemic, regulators required the monitoring of both influent and effluent. The requirement to monitor the influent was discontinued with the onset of COVID-19, because of the possibility that the virus might be present in the wastewater.

ENGAGEMENT CHANNELS

Emails, public consultations, coordination meetings, Focus Group Discussion (FGDs), letters, mass media.

CONCERNS

- Compliance of treated water to the DENR effluent standards
- Implementation of sewerage projects and sanitation programs
- Inconveniences caused by implementation of sewerage projects
- Water availability and supply
- Review of the Concession Agreement
- Local Government Units (LGUs), National Government Agencies (NGAs)
- Response to COVID19, new normal plans and programs, livelihood recovery programs
- Department of Environment and Natural Resources (DENR)
- Manila Bay Rehabilitation
- Transactions shifted online including permit applications, as well as submission of reports, requests, and receipts
- Protocols and regulations prescribed by the IATF

regarding limited mobility, lockdowns, office set up, deployment of third-party suppliers and contractors

- Monthly reporting of COVID-19 cases within the company, as mandated by the Department of Labor and Employment (DOLE)

MAYNILAD'S RESPONSE

- Maynilad conducted regular effluent sampling and reported on the laboratory results
- Undertook constant communication and coordination with government agencies and LGUs
- Regarding water availability and supply concerns, Maynilad posted notices and advisories prior to water service interruptions and also provided updates on water supply from different water sources
- Provided water sources for drinking, decontamination, and sanitation purposes for LGUs, quarantine facilities, hospitals, and other government offices, as well as alcohol to secondary hospitals
- Supported clean up activities in relation to Manila Bay
- Regular reporting of COVID-19 cases

CUSTOMERS

We aim to provide our customers with high-quality and reliable water and wastewater services. With the increasing pressure on water resources from population growth and environmental degradation, Maynilad also recognizes our responsibility to raise our customers' awareness on the importance of responsible management and use of resources.

ENGAGEMENT CHANNELS

Public consultations; Community briefings; Customer Satisfaction Survey; Census (House-to-House); Written communication and emails; Advisories, Text Blasts, Customer Hotline, Email, Social Media (Facebook, YouTube)



CONCERNS

- Desludging services and new sewer service connections
- Responsiveness to desludging and sewer line-related request
- Quality of wastewater services
- Water availability and supply including unplanned water service interruptions
- Inaccurate meter reading
- Collection Efficiency
- Bill Shock

MAYNILAD'S RESPONSE

Maynilad delivered information, education, and communication campaigns to boost awareness of its services.

Customer satisfaction surveys were also undertaken to get a better understanding of customers' perceptions and evaluations of Maynilad's services. Maynilad conducted investigations to resolve any customer issues and complaints and address requests.

Maynilad responded quickly to metering activity requests and properly coordinated with customers to ensure all concerns were addressed.

Regarding collections and billing, Maynilad promoted the MyWaterBill (bills presentment system). All Maynilad customers were also informed to pay their Maynilad bills using online bank payment and e-wallet options, such as Paymaya and GCash. Step-by-step procedures for online payments were posted in Maynilad's social media accounts. Authorized Zone and Technical Teams also did on-site cheque collection. Zone management provided bill notifications and reminders through SMS.

On the issue of Bill Shock, Maynilad carried out a massive revision of statements of account, as well as a communication campaign to explain the post-ECQ water bills.

COMMUNITIES

Our core service of accessible and affordable water and wastewater solutions is a critical element for healthy and sustainable communities.

INDUSTRY PARTNERS

The water industry faces many challenges. We collaborate with our counterparts in business, as well as in the government, to develop realistic and innovative responses to water issues.

CIVIL SOCIETY

Maynilad partners with a broad-based network of organizations to develop long-term solutions to development challenges.

ENGAGEMENT CHANNELS

Public consultations (As needed); Emails, Meetings; Social Perception Survey (As needed)

ENGAGEMENT CHANNELS

Conferences (As needed); Workshops (As needed); Industry events; (As per scheduled)

ENGAGEMENT CHANNELS

Dialogues (scheduled as needed); Partnerships with LGU and other related government offices

CONCERNS

Right-of-Way issue

MAYNILAD'S RESPONSE

Maynilad actively participated in the creation and revision of the Sewerage and Septage Management Ordinance (SSMO) drafted by LGUs. Meetings were conducted to resolve right-of-way issues. Maynilad also coordinated with and sought assistance from DENR, MWSS, and the relevant LGUs.

CONCERNS

Water pressure improvement; Right-of-way acquisition (this is usually for projects which affects communities and LGU); Lot identification (this is usually for projects which affects communities and LGU); Updating of standards (materials, equipment, methods); Delayed payments

MAYNILAD'S RESPONSE

Maynilad participated in national conferences to present and learn best practices. Also, Maynilad conducts regular coordination meetings, and participates in the planning and assessment of LGUs comprehensive development plan and other action plans.

CONCERNS

Corporate Social Responsibility (CSR) programs

MAYNILAD'S RESPONSE

Maynilad participated in dialogues with LGUs, NGAs, and NGOs

Our Material Topics [102-47]

Our sustainability report covers material issues that cover not only important business topics, but also the concerns raised by our valued stakeholders. Maynilad continues to use the Next Gen Framework pillars to identify and categorize our material topics. We also reference the priority areas in our Five-Point Strategy for growth, our Mission-Vision Statement, and our Quality, Environment, Energy, Safety, and Health Management Framework. Visit <https://www.globalgoals.org/> to know more about the UN SDGs.

NEXT GEN FRAMEWORK	MATERIAL TOPICS	SDG ALIGNMENT	RELEVANT GRI STANDARD
Operational Efficiency	- Lower NRW (Boundary: within the organization) - Lower Environmental Footprint (Boundary: within the organization, with external impacts) - Secured water Bodies for Sourcing and Receiving	       	- GRI 201: Economic performance - GRI 301: Materials - GRI 302: Energy - GRI 303: Water - GRI 304: Biodiversity - GRI 304: Emissions - GRI 306: Waste - GRI 307: Environmental Compliance
	Business Process Improvements (Boundary: within the organization)	  	- GRI 201: Economic Performance - GRI 203: Indirect Economic Impacts
	Asset Management (Boundary: within the organization)	  	GRI 103: Management Approach
	Risk Management (Boundary: within the organization, with consideration for impacts on the community)	 	GRI 102-11: Precautionary Principle or approach
	Service Obligations and Legal Requirements (Boundary: within the organization, with consideration for impacts on the regulatory environment)	   	- GRI 307: Environmental Compliance - GRI 416: Customer Health and Safety - GRI 417: Marketing and Labeling - GRI 419: Socioeconomic Compliance

NEXT GEN FRAMEWORK	MATERIAL TOPICS	SDG ALIGNMENT	RELEVANT GRI STANDARD
Organizational Capacity and People Development	■ Good Corporate Governance (Boundary: within the organization, and by extension, third-party vendors under contract impacts on the community) ■ Employment (Boundary: within the organization, with impacts on supply chain) ■ Supply Chain Management (procurement and contract management) (Boundary: within the organization, with external impacts due to business partners) ■ Health and Safety (Boundary: within the organization, with consideration for impacts on the community)	      	■ GRI 102–9 Supply Chain ■ GRI 102–16: Values, principles, standards, and norms of behavior ■ GRI 102–18: Governance structure ■ GRI 102–23: Chair of the highest governance body ■ GRI 102–41: Collective Bargaining Agreement ■ GRI 204: Procurement Practices ■ GRI 308: Supplier Environmental Assessment ■ GRI 403: Occupational Health and Safety ■ GRI 419: Socioeconomic Compliance ■ GRI 401: Employment ■ GRI 402: Labor-Management Relations ■ GRI 404: Training and Education ■ GRI 405: Diversity and Equal Opportunity ■ GRI 407: Freedom of Association and Collective Bargaining

NEXT GEN FRAMEWORK	MATERIAL TOPICS	SDG ALIGNMENT	RELEVANT GRI STANDARD
Business Growth	- Economic Performance (Boundary: within the organization, with external impacts) - Service Delivery (Boundary: Extended outside the organization) - New Products and Services (Boundary: Extended outside the organization)	 	- GRI 201: Economic Performance - GRI 203: Indirect Economic Impacts
	Customer Service (Boundary: Within the organization, with customer impact)	 	GRI 416: Customer Health and Safety
	Partnerships (Boundary: Extended outside the organization)	    	- GRI 102-12: External Initiatives - GRI 102-13: Memberships of Associations
	- Corporate Social Responsibility and Social Inclusion (Boundary: Extended outside the organization) - Community Development Projects (Boundary: Extended outside the organization)	  	



Bringing Comfort: COVID-19 Response

[413-1]



MAYNILAD COVID-19 RESPONSE TEAM

Actively taking part as the nation battles the ongoing pandemic, Maynilad collaborated with the private and public sectors. Working together to look after our fellow Filipinos, Maynilad actively demonstrated our values of teamwork and love for the country.

PhP6,454,249

Total Equivalent Cost of Free Water Provided to COVID-19 Quarantine and Treatment Facilities

PhP1,112,190

Total Equivalent Cost of Hydration Support for Frontliners

DONATION OF RT-PCR LABORATORY

To further increase the testing capacity of the country, Maynilad donated a PhP15-million worth facility to its sister company, the Delos Santos Medical Clinic (DLSMC) in Quezon City. The Maynilad-DLSMC RT-PCR Testing Center has the capacity to conduct and process Reverse Transcription-Polymerase Chain Reaction (RT-PCR) tests for around 200 patients daily. The RT-PCR is the recommended procedure by the World Health Organization (WHO) as the standard in detecting COVID-19. The facility was inaugurated last July 2020.

ASSISTANCE TO GOVERNMENT-RUN COVID-19 QUARANTINE AND TREATMENT FACILITIES

In 2020, in support of national efforts, Maynilad provided free water supply in response to the government's request for aid. Beneficiaries of the free water supply include nine government-run COVID-19 quarantine and treatment facilities.

For the University of the Philippines (UP) Gymnasium facility for recovering patients, Maynilad provided PhP1.7 million worth of donations to help set up the facility, along with a free water supply. Included in these donations are 100 isolation tents and hygiene kits, shower and toilet facilities, beddings and mattresses, as well as water dispensers.

In Pasay City, the World Trade Center, the Philippine International Convention Center (PICC), the Cultural Center of the Philippines (CCP) Sunken Parking, and the Rizal Memorial Sports Complex were converted into COVID-19 facilities.

These treatment centers in Pasay City have a combined total capacity of 1,000 patients, while the

UP Gymnasium in Quezon City, has a capacity of 100, and the Bagong Nayong Pilipino in Parañaque City can accommodate 500 patients.

Maynilad also provided free water to the Department of Health's (DOH) mega-swabbing centers at Palacio de Maynila in Manila and SM Mall of Asia Arena in Pasay City.

Free technical assistance, worth PhP150,000 to connect the Philippine Arena quarantine center to the water supply provided by PhilHydro, a Maynilad subsidiary, was provided as well. The service included the set-up of free metering and piping works. For the PICC facility, a container van shower room was donated. Desludging operations were also provided in the North and South areas, completing an equivalent volume of 2,285.74 cubic meters of septage.

In support of the "Bayanihan to Heal as One Act" (RA 11469), Maynilad assisted the Department of Public Works and Highways (DPWH) in sanitizing



the vehicles traversing national roads and highways. Maynilad water tankers were used to store and spray the disinfection solution across various locations in Manila, Quezon City, Muntinlupa, and Cavite, as well as entrance and exit points along the North Luzon Expressway (NLEX). For both North and South areas of our concession, Maynilad was able to donate a total volume of 749,500 liters.

With continuous water supply essential to the operations of these facilities and disinfection stations, Maynilad was glad to partner with the public sector in helping stop the spread of the virus. As of December 2020, a total of 72,482 water bottles were donated by Maynilad.

Maynilad continues to support government initiatives on a per request basis, from time to time. To date, only World Trade Center and Palacio de Maynilad have ended their operation as COVID-19 Facilities. As for the facilities with the provision of free water, only PICC and CCP are active.

FREE WATER PROVISION TO GOVERNMENT-RUN QUARANTINE AND TREATMENT FACILITIES

Quarantine Facility (QF)/ Treatment Facility (TF)	Provision of Free Water Status*	Approved Debit Memo/ Credit Memo (DMCM)**	Start Date/ Meter Installed
World Trade Center (WTC)	Ended 9/30/2020	1,916,270.12	4/1/2020
Philippine International Convention Center (PICC)	On-going	277,061.95	4/14/2020
Rizal Memorial Sports Complex (RMSC)	Ended	1,054,158.01	4/9/2020
Cultural Center of the Philippines (CCP)	Extended until June 2021	1,874,677.03	6/13/2020
Mall of Asia (MOA) Arena	Ended	767,124.86	5/8/2020
Palacio de Maynila	Ended	104,622	5/6/2020
Nayong Pilipino	Ended	328,549.22	8/11/2020
Arkong Bato Nat'l HS	Ended	62,678.46	9/6/2020
Caloocan City Medical Center	Ended	69,107.72	9/7/2020

*As of June 2021

**DMCM is the equivalent cost of the volume of free water provided to the facilities

DONATIONS TO FRONTLINERS AND COMMUNITIES

Maynilad extended its support as well to the frontliners braving the pandemic to answer the call of duty. For the health workers and on-ground checkpoint personnel, Maynilad turned over 72,482 bottles of water to the Philippine Navy, Philippine National Police (PNP), Metro Manila Development Authority (MMDA), National Capital Region Police Office (NCRPO), Research Institute for Tropical Medicine (RITM), Philippine General Hospital (PGH), several local government units, and to various checkpoints in Metro Manila.

For the local communities, Maynilad distributed hygiene packs to 1,200 urban poor families in Quezon City, Muntinlupa, Las Pinas, and Cavite. The packs include alcohol, hand sanitizers, and washable face masks. This donation was in partnership with Maynilad's two social enterprise communities, *Samahang Tubig Maynilad* (STM) in Tondo and Riverview.

The STM-Tondo and STM-Riverview initially started as water cooperatives then later received training to produce home-care products and clothing items. With the pandemic, these are modified to “pandemic essentials,” wherein the items are then purchased by Maynilad for donation to other communities. The accredited pandemic essentials include soaps, disinfectants, and reusable face masks. Through the sale of their products to Maynilad and other buyers, the STM communities were able to augment their income.

To further help prevent the spread of the virus, Maynilad coordinated with the local government units (LGUs) to identify public spaces with large influx of people such as markets, city halls, and health centers, and installed 26 handwashing facilities. Maynilad also donated 100 sacks of rice in support of the Bantay Gubat campaign organized by the World Wildlife Foundation (WWF) for the forest rangers patrolling the surrounding areas of Ipo Dam.



Maynilad extended its support as well to the frontliners braving the pandemic to answer the call of duty.

PROVISION OF HYDRATION SUPPORT TO THE FRONTLINERS				
Recipient	Purpose	Quantity	Unit of Measurement	Cost (PhP)
LGUs: All LGUs within concession area of Maynilad Checkpoints: Boundary of Tunasan and San Pedro National Road, Susana Heights Exit Tunasan, SLEX Filinvest to Barangay Alabang and Malabon-Navotas Hospitals: Makati Medical Center, Rizal Medical, PGH, RITM, Lourdes Hospital, Rizal Medical, San Juan Medical, Cardinal Santos Medical, V Luna, Pasay Gen Hospital, PNP Army Medical, Jose Rodriguez Memorial, Muntinlupa Hospital National Govt Agencies / Others: NCRPO, MMDA, Phil Navy, Office of VP Leni Robredo, Joint Task Force NCR, Office of the Civil Defense, Office of Cong Ruffy Biazon, Office of Winnie Castelo, Camp Aguinaldo	COVID-19	72,482	350 ml	896,964.00
Batangas, Calaca Batangas, Trece Martires, Malagasang 2B Imus Cavite, Malagasang 1A Imus Cavite, Lemery/San Jose Batangas, Silang/Tagaytay	Taal Eruption	3,000	350 ml	17,850.00
		4,300	6 liters	173,376.00
LGUs: Muntinlupa, Paranaque, Malabon, Quezon City, Manila, Tanay Rizal, Marikina, San Mateo Rizal, Cagayan/Tuguegarao, Catanduanes NGA/Others: CMOU NCR, NAMRIA, MWSS	Typhoon	15,276	350 ml	90,892.20
		200	Blue jugs container	24,000.00



TULOY PARIN ANG PASKO [413-1]

Coming together as one, the *Tuloy Parin Ang Pasko* project, is a group-wide effort initiated by the employees of the MVP Group of Companies, including Maynilad. Employees pooled together personal funds to help lift the spirits of the Filipino families during the pandemic. The campaign ran for six months covering 13 business areas, wherein Maynilad employees worked together in gathering donations internally.

The *Tuloy Parin Ang Pasko* movement provided *Noche Buena** packages to identified beneficiaries. The initial target was 500 families, however, with the outpour of support, the program was able to reach 1,300 families. The beneficiaries were not limited to those within Metro Manila, as the *Noche Buena* packages were able to reach as far as Marinduque and Nueva Ecija, as well as the Dumagat tribes. The overall gathered donation amounted to PhP1.35 million.

**Noche Buena: The Filipino tradition of Christmas Eve feast, usually held at midnight up to the Christmas morning.*



CUSTOMER CARE INITIATIVES

With our steadfast promise of always putting our customers first, we ensured continuous service despite the pandemic — providing safe, secure, and stable access to water for our customers. These adjustments and initiatives were driven by our core values of Honesty and Integrity, Customer Service, Entrepreneurship, and Commitment to Excellence.

With the lockdowns, Maynilad personnel were not able to do physical meter readings. To augment this, Maynilad released a manual billing guide to help customers be more aware of their water consumption. Disconnections were suspended as well and discounts were provided to customers experiencing underground leaks. Several initiatives were also introduced to prioritize the welfare and convenience of customers, including the online MyWaterBill, online payment channels, and cheque pickup for select customers.

Frequent communications through phone calls were established with customers for continuous engagement, including requests for services and service investigations. Free desludging and septic tank cleaning drives were made available after the enhanced community quarantine (ECQ) period.

MAYNILAD NEW NORMAL TECHNICAL WORKING GROUP [403-1]

Within Maynilad's internal operations, the health and safety of our employees were highly prioritized as well. To establish a safe working environment, a Technical Working Group (TWG) on New Normal, composed of 10 female members and eight male members was created.

Part of the New Normal TWG directives include:

- Re-imagining operational processes to adapt to the new realities, including:
 - Capitalizing learnings during the ECQ to institutionalize new processes such as working from home and work hubs
 - The need for automation and IT support
 - The need to adjust supply chain strategies
- Reviewing and developing strategies for business resiliency and continuity
- Recommending retro-fitting of facilities to attain physical distancing and sanitation requirements
- Developing cost-effective strategies in ensuring health and safety of employees including COVID-19 screening, vaccinations for employees, and health insurance, among others



Cybele Regalado
Finance



Star Gravides
SCM



Ronald Abas
IIS



Eman Martinez
QESH



King Ramos
WSO



Chris Chua
WMD



Daboy Baylas
CXRO



Cherry Marilla
CNRW



Lau Chua
TSD



Camille Pena
PMD



Ivan Censon
ERMIA



Elsie Luna
HR



Abi Ho
C&M



Atty. Eryll Pinili
LRA



Wally Emnace
OP



Stanley Cleto
IAM

MAYNILAD POST-ECQ TEAM

The Maynilad Post-ECQ Team involved men and women from each division who were tasked to enforce strict compliance to COVID-19 safety protocols and regulations, including social distancing, daily disinfection, and supplies of pandemic essentials including Personal Protective Equipment (PPEs) gears. The Post-ECQ TWG team also made the decisions on company activities that best serve the health and welfare of everyone within its premises in the "New Normal."



BUSINESS UNUSUAL ++

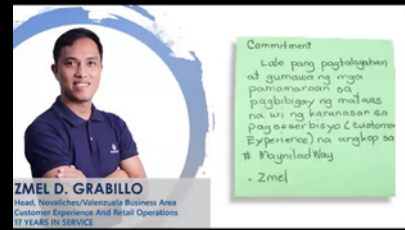


TRANSITIONING TO VIRTUAL AND ONLINE ENGAGEMENT

For the HR Department, it stepped up to create opportunities for employee engagement using a virtual platform. Some of these previously face-to-face events that shifted to virtual include general assemblies, the Christmas Party, the Golden Meter Awards and conferences, to name a few.

Virtual Events Held:

- 1st Virtual Maynilad General Assembly
- 2nd Virtual Maynilad General Assembly
- First Virtual Cadet Engineer Program Graduation
- Mini Employee Engagement Activity: Wear Your Feelings (Valentine's Day)
- Mini Employee Engagement Activity: Share Your Story (Quarantine Stories)
- Mini Employee Engagement Activity: E-Bring Me 2020 (Online Game)
- Mini Employee Engagement Activity: Trick or Treat
- Virtual Golden Meter Awards 2020
- Paskong Pasko 2020



First to reply with a valid photo will be published through Maynilad Employee News



Get a chance to win a Maynilad car pillow!



POST-ECQ PLAN GUIDELINES AND POLICIES

The team developed a “Post-ECQ Plan,” a document outlining the policies and regulations in place towards a safe working environment during the pandemic. The plan included new work arrangements, COVID-19 testing schedules, physical distancing protocols, and new safety requirements to be implemented prior to workplace re-entry in compliance with the Department of Labor and Employment – Department of Trade and Industry (DOLE-DTI) Interim Guidelines. The plan covered not just Maynilad employees, but suppliers and contractors as well.

Additional guidelines in the Post-ECQ plan are the designated Maynilad COVID-19 hotline, teleconsultation for employees, and endorsements of RT-PCR testing for suspected cases. The Safety

department provided expertise on safety protocols in the workplace, while the Enterprise Risk Management and Internal Audit (ERMIA) division developed a system to measure the exposure of employees and the probability of contracting the virus. For the operational employees that need to work on field or in the facilities, the Supply Chain Management division procured all COVID-19 related supplies.

The Post-ECQ plan was released via the Employee News channel and was reinforced by Safety Orientation webinars led by the safety personnel from the Quality Environment Safety and Health (QESH) division.. The workshops were not only to educate the employees, contractors, and service providers with the new protocols, but also to remind everyone that their health is also the Management’s priority.



MAYNILAD EMPLOYEE SAFETY AND WELL-BEING [103-1, 103-2, 403-1]

Due to the nature of our business, some Maynilad personnel must be physically present in the facilities for operation, maintenance, and monitoring. As much as Maynilad has been supporting the public sector, we are also adamant in ensuring the safety of our own frontline workers.

Instead of hiring a third-party service provider, the Maynilad Housekeeping Team from the SCM worked together with the Safety Department in the regular disinfection and sanitation of all the facilities. The offices and office equipment were disinfected daily while the on-site premises and perimeters were disinfected twice a week.

Moreover, the SCM fleet and its drivers played a critical role in making sure the Maynilad operations continued by ferrying our employees from home to the office and vice versa. Orientations on Work Re-Entry Protocols based on the national guidelines along with a Rapid Antibody Testing required prior to re-entry were also mandatory.

The Safety Team ensured the safety of the passengers and drivers with thorough disinfection of the vehicles along with the standard COVID-19 guidelines. Personnel who opted to stay in the facilities during the lockdowns were provided with temporary housing amenities as well

as supplies. Provision of face masks and face shields, disinfectant/sanitation tools, hazardous materials suits and goggles, thermo-scanners, and vitamins to employees and service providers were implemented as well. For all critical-mission facilities, appropriate supply of emergency medical kits were ensured.

For Maynilad frontliners, they were provided with temporary housing and supplies. Maynilad Disinfection Tents designed by our very own engineers, chemists, and technicians, were also set up at the La Mesa facility and the Arroceros Compound. The tents were equipped with a foot bath and disinfectant spray system that serve as an added protection for our frontliners. Despite the pandemic, Maynilad personnel need to be present in the facilities to ensure that treatment plants and pump stations are running 24/7.

For the COVID-19 prevention and control, Maynilad has implemented guidelines in reference with the issued protocols by Inter-Agency Task Force (IATF), Department of Health (DOH), Department of Trade and Industry (DTI) and Department of Labor and Employment (DOLE), as well as Department of Public Works and Highways (DPWH). These guidelines are strictly implemented in all Maynilad facilities, offices and all contracted projects.



Room



Pantry

REVERSE TRANSCRIPTION POLYMERASE CHAIN REACTION (RT-PCR) SWAB TESTING

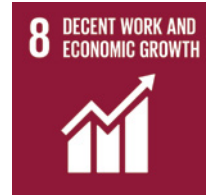
Regular Employee & Project Based	546
Subsidiaries	0
3rd Party	302

MAYNILAD COVID-19 CASES*	Regular Employee	Project Based	Subsidiaries	3rd Party
Confirmed	61	4	0	26
Active	0	0	0	0
Recovered	60	4	0	26
Deceased	1	0	0	0

*Regarding the COVID-19 cases within Maynilad, it is not possible to declare that the cases are absolutely work-related as the employees could have also been exposed outside the workplace and inside their home environment. We can only say possibly work-related in the context that he was exposed and identified during a contact tracing to a confirmed COVID-19 co-employee who reported for work while he was also at work.

MAYNILAD COVID-19 CASES ADMITTED PER ISOLATION/QUARANTINE VENUE

Hospital	First Pacific Leadership Academy (FPLA)	Local Government Unit (LGU) Facility	Home Quarantine
8	0	1	52



WORK-FROM-HOME AND SPECIAL WORK ARRANGEMENTS IN LIGHT OF COVID-19 PANDEMIC

To continue to perform essential and vital service to the public and to ensure the health and safety of our employees due to the COVID-19 pandemic, a Split-Work-Arrangement (SWA) arrangement was implemented by the Company.

The following guidelines were followed immediately:

1. The Division Head shall have the discretion to identify organizational functions that are Mission-critical roles ("Operational"), defined as positions that perform functions affecting core operations and require field deployment, 24/7 operations or customer interaction, and Non-mission critical roles ("Support"), defined as positions that can perform their duties and responsibilities remotely.
2. Work-From-Home (WFH) will be asked of employees who are performing functions that can be performed remotely.
3. Employees who have Mission-critical roles functions cannot avail the WFH arrangement unless the same is due to exceptional circumstances as may be determined by the Division Head. Regular timekeeping guidelines shall be followed.
4. Employees diagnosed with COVID-19 cannot avail of a WFH arrangement under these guidelines, and shall be deemed to be on sick leave.

5. Overtime is not allowed for WFH.
6. An employee under an approved WFH arrangement shall not be charged as vacation leave or sick leave.
7. This arrangement shall be initially implemented from March 16 until March 31, to be extended as necessary. The Division Head shall rotate the employees working under the WFH arrangement on the said period. Employees with underlying chronic disease conditions (i.e. hypertension, cancer, diabetes, asthma) and pregnant women shall automatically be part of the WFH.

Changes in work arrangements are based on the Inter-Agency Task Force (IATF) guidelines, including the 1/3 rule. Some options for possible work schemes were:

- 1 week work in office; 2 weeks remote work
- 2 weeks work in office; 2 weeks remote work
- 2 days work in office per month

The said guidelines are being implemented all throughout the community quarantine, ongoing up to the present reporting period. Telecommuting and flexible-working hours are provided on a case-to-case basis and are dependent on the function of the employees.

Sustaining Service to Customers and Overcoming Adversities



UNITED IN PUBLIC SERVICE

Given that we are in the business of water — a necessary service and a basic human right — Maynilad understands the weight of our responsibility to our customers and upholds this at all times. In times of a global health and economic crisis, now more than ever, it is important for the public to have access to safe water. To do this, Maynilad works united in its mission of providing safe and affordable water.



DEDICATION TO EXCELLENT CUSTOMER SERVICE

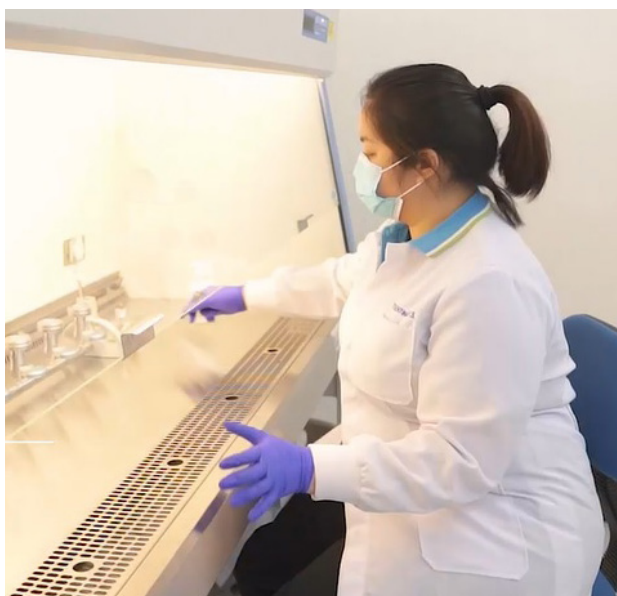
Maynilad puts customer service and satisfaction at the heart of what we do. Going beyond the services of the water meter, we ensure the well-being of our customers and hope to lessen their financial concerns through the implementation of no disconnection policies and payment moratorium. It was imperative for Maynilad to maintain consistent communication with the customers, especially to avoid bill shock.

We also prioritized communication campaigns explaining the post-ECQ water billing, guidelines on reading the bill from home, and massive revisions and adjustments on the Statement of Account.

Customers were encouraged to call in their requests and concerns and Maynilad conducted thorough investigations to resolve reported issues and complaints. We exerted efforts to address activity requests and coordinated these with customers properly. Water availability and supply, maintenance work, and unplanned water service interruptions were carefully monitored and communicated as soon as possible to the customers.

Regarding collection, we promoted MyWaterBill, which is an online portal for the customers to view their billing history, for convenience. Customers were encouraged to maximize different payment options including online bank payment, PayMaya, GCash, and other channels. Step-by-step procedures on how to pay using online payment channels were made available on Maynilad's social media accounts.

For selected customers, on-site cheque collection by authorized Zone and Technical Teams was allowed. Customers were also provided access to the SMS Bill Notification and Reminders, along with the reactivation of the SMS functionality of MyWaterBill.



ASSISTANCE TO CONTRACTORS AND SERVICE PROVIDERS

Maynilad also considered how best to help the contractors and service providers that we work with every day. As part of our dedication to being of service to others, Maynilad assisted our service providers through financial assistance from the Management-initiated "*Panawagan para sa Donasyon*," a fund-raising campaign that collected cash or leave donations from Maynilad employees. A total of PhP9.5 million was raised through the program, half of which was from the employees, a donation that was matched by the Management.



STATE-OF-THE-ART WATER LABORATORY

Reinforcing the capability of Maynilad through the latest technology and innovations, the Water Laboratory (WATERLab) facility was unveiled and completed in 2020. Now fully operational, the newly expanded WATERLab adds valuable advantages to the Maynilad services and operations. It enhances Maynilad's capability to provide optimum water quality to the public, and supports the effort to meet the targets of the Sustainable Development Goal (SDG) No. 6: Clean Water and Sanitation.

The WATERLab is a PhP70-million facility that ensures improved compliance to the modified and stricter quality parameters required by the Department of Health's (DOH) amended Philippine National Standards for Drinking Water. The facility

also tests the effluent from Maynilad's treatment facilities, in compliance with the requirements of the Ambient Water and General Effluent Standards of 2016, as mandated by the Department of Environment and Natural Resources (DENR).

Maynilad's WATERLab is equipped with state-of-the-art instruments for testing over 1,100 samples from the West concession area. This technology enables our chemists to monitor and measure organic compounds, along with other by-products that may be present in the effluent.

Despite the restrictions and limited manpower due to the pandemic, the WATERLab team was able to exceed the required sampling and analytical targets. This was made possible through the collaboration of the members of the WATERLab team and Maynilad's dedication to customer welfare and commitment to provide potable water that meets regulatory standards.

WATERLab is located inside the La Mesa Compound in Quezon City. It is also certified by the International Standards Organization (ISO) for quality, environment, safety, and health, as well as for Business Continuity Management System. Investments were also made to future-proof the laboratory, making it resistant to earthquakes and other natural hazards.

WATERLab also holds a Biosafety Level II compliance as a microbiology laboratory. This ensures that WATERLab strictly adheres to the rigorous environmental requirements for handling live control cultures and conducting microbiological testing. The laboratory will also house Maynilad's high-tech testing equipment for water and treated effluents quality analysis.

The Maynilad WATERLab is licensed by the Philippine National Police (PNP) and the Philippine Drug Enforcement Agency (PDEA) to purchase, possess, and handle chemicals regulated by law.





Investments were also made to future-proof the laboratory, making it resistant to earthquakes and other natural hazards.

With WATERLab, Maynilad is able to reduce its expenses for outsourced testing. This will result in an annual savings of approximately PhP5 million. With in-house testing, Maynilad will also achieve faster turnaround time (TAT) and access to actionable data on key water quality parameters in times of crisis.

The laboratory and its activities will complement water education advocacies through academic partnerships and in-house training for subsidiary laboratories. This provides an increase in Non-Regulated Business (NRB) clients that can generate up to PhP3 million in revenue per year.

WATER NETWORK MAINTENANCE SHOP [203-1]

The Water Network Maintenance Shop was completed and turned over in 2020 to the Maynilad team working in the North Area. The shop is envisioned to be the headquarters for repairs, pump and motor installation for inline boosters, hot works like welding, bearing pull outs, and equipment installation and assessment. The shop also serves as a storage and warehouse for Maynilad's different electro-mechanical assets like bearings, impellers, and fuses to name a few. These materials are necessary for Maynilad as spare supplies for pump stations. The shop also houses the primary pipeline assets, such as valves and pipes. The North Booster Management engineer's office is also located here.

With the maintenance shop, we are able to reduce our operational expenses from outsourced services, while also enhancing the skills of our employees. The shop will also provide reliability and immediate response in providing spares for critical units.

With the use of the Water Network Maintenance Shop, the Booster Management section will be able to respond faster during incidents involving facility breakdowns. Through this, Maynilad is able to measure the performance of its Booster Management section, targeting 5% improvement in Reaction Time on Corrective Maintenance, with the objective of improving it compared to the previous year.

WATER STEWARDSHIP AND ENVIRONMENTAL CONSERVATION

[103-1, 103-2, 103-3]

Maynilad cares for and sustains the water bodies that are the source of our supply. We comply with the allocations set out in our concession agreement with the Metropolitan Waterworks and Sewerage System (MWSS), and carefully monitor our water withdrawal to ensure that we stay within the prescribed limits.

Maynilad's Water Supply Operations (WSO) is responsible for managing the source, production, and distribution of the water that we consume, including the operation and administration of Water Treatment Plants (WTPs), Reservoirs, and Pump Stations (PS). On the other hand, our Wastewater Management Division (WMD) provides wastewater solutions within and outside the West Zone, along with the management of our sewer network and sanitation services within the concession area. This includes ascertaining that our water discharge is compliant with wastewater effluent quality standards established by the DENR.

Our performance, service standards, and rates are subject to regular internal and external audits under the concessionaire agreement. The National Water Resources Board (NWRB) monitors and regulates Maynilad's activities in the Angat-Ipo-La Mesa Watershed, while our activities in Laguna Lake are overseen by the Laguna Lake Development Authority.

WATER WITHDRAWAL [303-3]

Total water withdrawal from ALL areas in million liters and a breakdown of this total by source

ITEM / FACILITY	PROCESS WATER / 2020 PLANT OPERATIONS
SURFACE WATER: Occurs naturally on the Earth's surface in ice sheets, ice caps, glaciers, icebergs, bogs, ponds, lakes, rivers, and streams	
La Mesa WTP 1	517,805.98
La Mesa WTP 2	314,487.37
Putatan WTP 1	59,198.21
Putatan WTP 2	57,528.40
TOTAL	949,019.96
GROUNDWATER: Held in, and that can be recovered from, an underground formation	
Deep well	241.33
TOTAL	241.33

Maynilad's services are able to provide improved quality of life as our customers get to have access to safe and potable water. More households are able to experience 24-hour water availability, while our sewer and sanitation services help improve the quality of our bodies of water, as we ensure that our water discharge meets government standards. **[303-2]**

For raw water sources, Angat Dam can store up to 850,000 million liters and Ipo Dam can store up to 5,900 million liters; together, they can supply 4,000 million liters per day. To lessen dependency on the primary water source, Maynilad also withdraws from Laguna Lake, which stores up to 3,200 billion liters.

To add, Maynilad utilizes groundwater from deepwells. Throughout these operations, Maynilad abides by the withdrawal limits set in the concession agreement with Metropolitan Waterworks and Sewerage System (MWSS) for Angat and Ipo Watersheds, Laguna Lake Development Authority (LLDA) for Laguna Lake, and the National Water Resources Board (NWRB) for the deepwells. **[303-1]**

WATER WITHDRAWAL [303-3]

TOTAL WATER WITHDRAWAL BROKEN DOWN BY SOURCE IN MILLION LITERS

Surface water	949,019.96
Groundwater	241.33

WATER WITHDRAWAL FROM EACH OF THE SOURCES LISTED ABOVE, BY THE FOLLOWING CATEGORIES, IN MILLION LITERS

Freshwater (<1000 mg/L Total Dissolved Solids)	949,261.28
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PLANT FOR LIFE CAMPAIGN [103-1, 103-2, 304-3, 413-1]



Maynilad's Plant for Life Campaign is an ongoing program since 2007 that is dedicated to the adoption of planting areas within identified watersheds. The program involves planting saplings and seedlings as well as mangrove propagules with the hope of rehabilitating the watersheds and their surrounding natural spaces.

Ensuring environmental conservation, the Plant for Life campaign was conceptualized to adopt, establish, monitor, maintain, and protect the watersheds within Maynilad's concession area. The campaign covers the four critical watersheds for freshwater supply, namely the La Mesa, Angat, Ipo, and Manila Bay watersheds.

The initiative was part of its watershed management program to prevent soil erosion and flooding. The Save the Ipo Watershed is an ongoing campaign, aimed towards the reforestation of the area. The Ipo Dam, together with Angat and La Mesa watersheds, are crucial water sources on which over 15 million Filipinos rely for potable water supply. There are concerns however about the high turbidity of water sourced from Ipo Watershed. The turbidity is caused by soil erosion due to deforestation in the watershed.

For almost 13 years since the Plant for Life campaign was conceptualized, Maynilad has planted close to 600,000 indigenous trees in the Ipo Watershed. These trees include, but not limited to, Cupang, Narra, Acacia, and Amisan. Maynilad also successfully planted 208,000 mangrove propagules in the coastal areas of Cavite since 2013.

Along with looking after the environment, Maynilad supported the fisherfolk of Kawit, Cavite whose livelihoods were significantly impacted by the pandemic. The planting activities were usually done by the Maynilad team and partners, but due to travel restrictions, this has not been possible during the pandemic. Instead, Maynilad hired the local fisherfolk to plant mangroves propagules along the Manila Bay coastline of Kawit, Cavite, allowing them to generate some additional income. Mangroves play a significant role in the marine ecosystem, as they protect the shore from floods and improve the water quality of Manila Bay. **[304-3]**

In La Mesa Watershed, the planting was done in partnership with the business process solutions company, TELUS International Philippine, Inc. Maynilad has collaborated with TELUS for three years. In 2020, Maynilad conducted a virtual environmental seminar for TELUS for the first time. The seminar covered wastewater management, watershed conservation, and water in relation to the pandemic. The virtual event received positive

feedback and Maynilad was able to raise more than PhP100,000 donations from the company. This was allotted to the conservation efforts and enrichment planting of the La Mesa Watershed. **[304-3]**

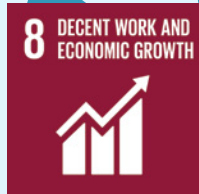
Maynilad has also been continuously monitoring the 35-hectare Mt. Balabag plantation, resulting in a seedling survival percentage of 82.50%. An additional focus for watershed activities and management was put in place as well. **[103-3]**

The Plant for Life campaign was made possible with the support of the Department of Environment and Natural Resources (DENR), Metropolitan Waterworks and Sewerage System (MWSS), local government units (LGU), some private organizations, and volunteers.

Building on the initiatives to promote responsible water consumption and the importance of wastewater treatment, additional virtual events and educational campaigns were done as well. These will be further discussed in the Community Empowerment section of this report.

MAYNILAD TREE PLANTING 2020

LOCATION	PARTICIPANTS	SEEDLINGS PLANTED
Kawit, Cavite	Cavite National High School Class 1970	500
	FARMC (PO)/Community	1,000
Mt. Balagbag, Ipo Watershed	Balabag Farmers	10,000
La Mesa Watershed Nature Reserve	Maynilad-TELUS Ceremonial Planting and Bantay Kalikasan	1,400
GRAND TOTAL OF SEEDLINGS PLANTED FOR 2020 IS 12,900 COVERING APPROXIMATELY 28.80 HECTARES		



ON TOP OF THE USUAL: INSPIRING STORIES OF PEOPLE GOING ABOVE AND BEYOND

The strength of Maynilad as an organization comes from its strong business structure, steadfast management, robust divisions, and the great men and women that comprise it.

2020 was an epic year that called for great fortitude and persistence. Amidst the trials of the year, we were able to forge stronger bonds and test our resilience and ingenuity. Together, Maynilad as a team answered the call of service, faced the adversities of 2020, and went above and beyond in delivering to the Maynilad promise of excellence.

Highlighted in this section are the inspiring stories within Maynilad and its people, overcoming hindrances and exceeding expectations.

- **Project Stream Members of the Integrated Asset Management (IAM) Department** for the timely completion of Project Stream Batch 2.
- **Wastewater Management Division (WMD)** for recording the highest compliance, with 91% capture rate and a score of 3.71 in customer satisfaction rate, a few points shy of the highest 4.00.
- **Customer Experience and Retail Operations (CXRO)** for the initiatives on enhancing customer experience and handling customer concerns.
- **Water Supply Operations (WSO)** for an increase of 4% or 94MLD in total production, 4kms additional primary pipelines, a reported water level at Angat Dam 8 meters higher by the end of 2020 compared to the previous year, and the construction of modular treatment plants (modMTPs).
- **Information Technology Services (ITS)** for ensuring overall business productivity and efficiency, along with heightened cybersecurity in the work from home set-up.
- **Human Resource (HR)** for effectively facilitating the Split-Work-Arrangement (SWA) and the Work-From-Home (WFH) scheme.
- **Supply Chain Management (SCM)** for ensuring transportation and temporary housing and supplies for the Maynilad staff who have to be on-field and on-site as well as handling concerns of external suppliers. The SCM team also made sure Maynilad has a stable supply of chemicals during the ECQ.
- **Quality Environment Safety and Health (QESH) – Safety Department** for ensuring a safe work environment during the COVID-19 pandemic and Typhoon Ulysses.



- The **WATERLab Team** for exceeding the required samplings on regulatory requirements, enabling Maynilad to supply safe potable water to our customers.
- **Government Relations Department** for facilitating Maynilad initiatives including support to government-run COVID-19 initiatives, donations, disaster-related activities, and coordination with the national and local government units. The Department was also instrumental in enabling Maynilad to process its requirements needed by the teams to operate.
- The **Central Non-Revenue Water (CNRW) Division** for successfully implementing its non-reusable water reduction programs, bringing down the NRW level to 26.08%.
- The **Legal and Regulatory Affairs (LRA) Department and Finance** for support to Maynilad in the review of the Concession Agreement.
- The **Enterprise Risk Management and Internal Audit (ERMIA) Division** for spearheading the Anti-Fraud Policy to promote good governance within the organization. ERMIA also facilitated several virtual trainings and developed e-learning courses on Anti-Fraud, Whistleblowing Policy, and Basic Internal Controls.
- And the **Advocacy Team** of Maynilad, which moved from on-site programs to virtual events, driven by the same goal of empowering communities and advocating for responsible water consumption.

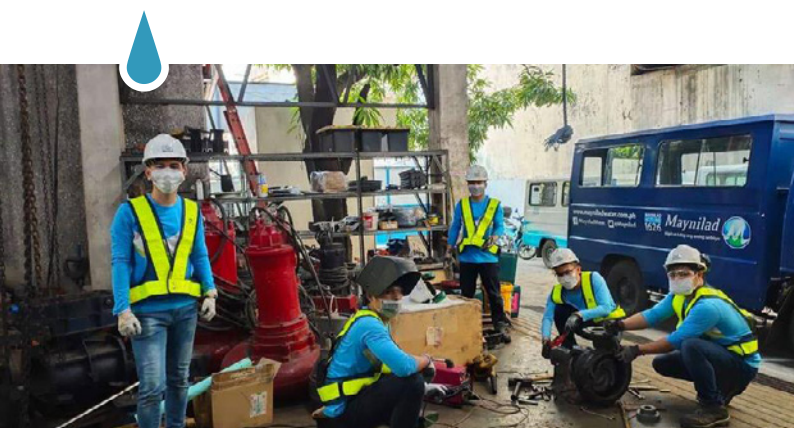
THE GOLDEN METER AWARDS

For the first time in its decade-long history, the Golden Meter Awards (GMA) of Maynilad was done virtually. Maynilad recognizes the exemplary performance of its divisions and personnel through the GMA. In 2020, the awardees are:

- **Team Category:** Asset Management Team for the successful Go-Live of Project Stream Batch 1
- **Employee of the Year:** Joshua Bon A. Roco of Wastewater Management
- **Employee of the Year:** London-Philip L. Israel of Water Supply Operations
- **Outstanding Project-based Employees:**
 - Lojilyn G. Dinglasan (CNRW)
 - Mark Josef Avelino and Elpedio Henoguín (Technical Services)
 - Paul Henric I. Raymundo (Project Management)

There were a total of 26 nominations for the “Employee of the Year” award, with seven finalists making it to the final cut. The top nominees were then assessed based on their contributions to the company, passion for excellence, and espousal of the core values of Maynilad.

For the Project Stream Team Batch 1, its members include representatives of Information Technology Services; Finance; Integrated Asset Management; Supply Chain Management; Quality, Environment, Safety and Health; and Human Resources. Other nominees for the Team Award are the Utility Management System Team (runner-up), Seismic Risk Management Strategy Team, Process Proving Team, Team Planning Analytics, and Putatan 2 Project Construction Team.



Creating Value: Supporting Families, Caring for the People



OVERCOMING ADVERSITIES: COMMITMENT TO SERVICE DURING THE PANDEMIC

As a private business providing service to the public, Maynilad is duty-bound to ensure 24/7 water supply within its concessionaire area. In the context of the 2020 pandemic, now more than ever, it is crucial to deliver on this promise. As a basic need, knowing that there is access to water gives people one less thing to worry over. [\[103-1\]](#)

Hand washing is also the most effective way to fight the pandemic. Knowing that there is a stable supply of water helps people ensure their own safety, as well as that of their loved ones and households.



24/7 WATER SERVICES AND CONTINUOUS OPERATIONS

Ensuring raw water availability and extracted water quality is critical as well for Maynilad. With the lockdowns, travel restrictions, and limited manpower, it proved to be a challenge for Maynilad to continuously conduct test sampling and monitoring. However, as we have persisted in the past, our dedicated teams, driven by the mission and vision of Maynilad, soldiered through these obstacles and emerged successfully. Some divisions such as the Wastewater Management Division (WMD) and the WATERLab team were even able to go beyond the required metrics.

Notwithstanding the obstacles presented by the pandemic, the WMD team continued to:

- Provide free desludging services to customers requesting the service.
- Operate and maintain Maynilad's water reclamation facilities to continuously treat wastewater. The WMD plant engineers chose to stay in the WRFs for several months, operating and monitoring the plant, as well as avoiding the spread of the COVID-19 virus.
- Monitor the effluent discharge by the Water Reclamation Facilities (WRFs) for consistent compliance with general effluent standards.

Other initiatives within the Maynilad divisions were put in place and contributed

to the overall excellence of the company, delivering outstanding service for our customers. Continuous construction of WRFs and modular treatment plants are ongoing as well.

Adding to this, Maynilad's Business Development (BD) Department is in charge of the development of avenues for business expansion, generating additional income streams for the company. The BD Head develops the business/project and serves as the overall project manager. There is a team composed of the various divisions, called the Internal Service Providers (ISPs), that implement the projects. The ISP depends on the type of project. **[103-2]**

DIRECT ECONOMIC VALUE GENERATED AND DISTRIBUTED [201-1]	AMOUNT
Direct economic value generated (revenue)	PhP22,936,990,482.43
Direct economic value distributed:	PhP11,118,209,668.30
a. Operating costs	PhP3,501,115,386.11
b. Employee wages and benefits	PhP2,372,577,129.39
c. Payments to suppliers, other operating costs <i>Total payment to local and foreign suppliers</i>	PhP1,613,872,105.00
d. Payments to providers of capital	PhP2,149,842,608.34
e. Taxes given to government	PhP2,999,222,254.25
f. Investments to community (e.g. donations, CSR)	PhP95,452,290.21

Maynilad's Next Gen Framework highlights both operational efficiency and business growth as key focus areas. We implement strategies and programs to enable us to continue providing our stakeholders with high-quality water, wastewater, and sanitation services. As we do so, we acknowledge that we must manage our resources — both the natural resources upon which we depend and the finances that support all our activities. **[103-1]**

In line with this, we aim for efficient and optimal capital and operational expenditures that will boost business expansion initiatives. This includes infrastructure investments in upgrading our assets and facilities, as well as in the maintenance and expansion of our pipeline. While we place importance on growing core income and shareholder value, Maynilad also understands and acknowledges that water is a public good and service. As such, our goals go beyond simply profit, as we seek to contribute to the sustainable development and health of the communities we serve. **[103-2]**

As a responsible corporate citizen, we run our business in alignment with the relevant national laws and regulations and abide by the terms of our concession agreement with the government. We provide competitive compensation and benefits packages for our employees. We promote local economic development by working with local suppliers and contractors and contribute to national development through timely and correct payment of taxes. **[103-2]**

Maynilad's Finance Department is responsible for the allocation and management of budgets and processing of payments. Maynilad's financial reports are prepared, audited, and reported annually. **[103-2, 103-3]**

PIPE REPLACEMENTS AND NON-REVENUE WATER REDUCTION PROGRAM

One of Maynilad's main projects is the Non-Revenue Water Reduction program, under the CNRW Division. This includes the pipe replacement efforts along with active leakage control, network diagnostics, implementation of anti-water pilferage activities, installation of pressure-regulating valves, pipe segments and meter replacements, and the District Meter Area management. It is critical to ensure the water pipes are in good condition and are monitored regularly to avoid water loss, water contamination, and increased water pressure. **[103-2]**

In 2020, Maynilad was able to replace 134 km of pipes, improving water pressure and service reliability to our customers, reducing the non-revenue water to 26.08%. The pipe fixes amounted to a total of PhP1 billion and covered areas of Quezon City, Caloocan, Manila, Valenzuela, Navotas, Pasay, Paranaque, Muntinlupa, Las Pinas, and the cities of Bacoor, Imus, and Cavite. This is building on the achievement from the previous year, wherein a total of 35 million liters of water per day was recovered from the repaired pipes, enough to supply 60,000 households.

Since its re-privatization in 2007, Maynilad has already spent around PhP17.3 billion in replacing almost 2,700 km or 67% of the old leaky pipes.

Our goals go beyond simply profit, as we seek to contribute to the sustainable development and health of the communities we serve.

PIPE REPAIRS FOR GOVERNMENT INFRASTRUCTURES

In support of government projects, Maynilad was able to replace and relocate around 6.7 km of water pipelines in 2020. We also implemented the reconfiguration of primary and secondary pipelines along Caloocan, Quezon City, Paranaque, Valenzuela, and Las Pinas, to facilitate construction of new railways and drainage lines, among others. Included in these government projects are the Philippine National Railways North, the MRT-7, and the LRT1 Extension.

Maynilad contributed as well in the MRT Line 7 construction, which was envisioned to provide improved public transportation to thousands of commuters from San Jose del Monte, Bulacan to the North Avenue station in Quezon City. The 22.8 km train line with 14 stations involved realignment of 600mm-diameter primary pipeline along the northbound lane of Commonwealth Avenue and in Novaliches, Quezon City.

To date, Maynilad was able to realign and replace 85.42 km of pipelines in support of vital government infrastructure projects, including road upgrade and flood controls. These are in collaboration with national government agencies such as the Department of Public Works and Highways (DPWH), the Metro Manila Development Authority (MMDA), along with the local government units (LGUs).

PIPE LEAKS PLUGGING - ABOVE AND UNDERGROUND

Along with pipe replacements, Maynilad also plugged a total of 22,500 pipe leaks in 2020, bringing the total leaks repaired to almost 300,000 since 2007. For 2020 alone, Maynilad spent around PHP189 million in repairing pipe leaks, mostly found on the primary and secondary lines of Quezon City, Paranaque, and Muntinlupa. After the quarantine restrictions, Maynilad resumed the pipe replacement projects to sustain service level enhancements for our customers. At the same time, this enabled the organization to provide jobs for contractors and suppliers.

Some of the leaks are not visible aboveground and require the use of state-of-the-art technology such as the Sahara® mobile leak detection system. This equipment isolates and detects the affected pipes before the repairs are implemented. Using innovative technology, the Sahara® system accurately detects leaks, trapped gas pickets, and structural water line defects. Driven by its commitment to excellent customer service and utilization of the technology available for the best service, Maynilad is reportedly the first water utility company in Asia to use this technology.

MANILA SEWER CONNECTIONS AND NEW SEWAGE TREATMENT PLANTS

For its sewerage service, Maynilad's Wastewater Management Division (WMD) has 664 million liters per day (MLD) combined sewage treatment capacity and an existing 92,818 customers connected to the sewerage system. For sanitation, Maynilad is equipped with 1.19 MLD combined septage treatment capacity and 110 vacuum truck units. A total of 142,111 customers were offered with the desludging services.

The WMD also unveiled its Central Manila Sewerage System (CMSS) Rehabilitation Project with a budget of PhP969 million, to ensure the reliability of the sewer lines in the city and to accommodate a larger volume of wastewater generated by the increasing population in the area. The project covers 9,600 linear meters of sewer lines within 30 barangays. With Manila City being at the forefront of Manila Bay, it is important to replace the existing sewer lines to help reduce the pollution load that is currently being discharged to the bay.

Within the West Zone concessionaire, we were able to connect more than 32,000 additional customers into the Maynilad sewerage system in the past two years. These include residential and commercial establishments that are located along the waterways that drain into Manila Bay. These efforts are also part of the Manila Bay Rehabilitation project, spearheaded by the Department of Environment and Natural Resources (DENR).

Along with this, Maynilad also provided septic tank cleaning services to around 1.6 million customers, covering the areas from North Caloocan to Cavite, since 2019. Within this period, around 317,000 cubic meters of septage were collected and treated by Maynilad. The septic tank cleaning or sanitation services are free to be availed by the customers, around every five to seven years. This service is offered to residential and semi-business customers in areas not yet connected to a sewer system.



For customers in sewerage areas, they are highly encouraged to apply for a sewer connection to facilitate direct conveyance of the wastewater to Maynilad's Water Reclamation Facilities (WRFs).

There are also constructions of new WRFs in Valenzuela City, Southvale in Alabang, and Cavite City, as well as in Barangay Tunasan and Barangay Cupang in Muntinlupa City, adding to the currently operational 22 wastewater facilities.

Since its re-privatization, Maynilad has invested over PhP40 billion into wastewater projects, providing the Company with its current wastewater infrastructure including 606 km of sewer lines, 22 treatment facilities (from just two in 1997), which include water reclamation, septage treatment, and combined septage and sewage treatment facilities and 111 wastewater pumping/lift stations.

Additional accomplishments of the WMD include:

- 2,717 new sewer service connection (domestic)
- 72,139 million liters wastewater volume treated
- 93,824 septic tanks desludged
- 164,372 cubic meter septage desludged
- 3,264 sewer manholes cleaned
- 252 kilometers (km) sewer lines cleaned

ENHANCED SERVICES AND INFRASTRUCTURE WITH WATER SUPPLY OPERATIONS

For 2020, Maynilad's Water Supply Operations (WSO) division commenced the year with the water level at Angat Dam, 8.18 meter higher than the previous year. Additional highlights include a 4% increase in total production translating to 94 million liters per day (MLD) more, additional 4 kilometers (km) of primary pipelines laid, and a 24 hours 7 pounds per square inch (psi) increase by 41% compared with 2019.

The testament of dedication by the WSO division was also reflected by the significant reduction of customer complaints, with 10,000 less received for 2020. For our manpower, a total of 54% reported on duty for operation work as well, notwithstanding the risks present during the pandemic. For the staff working from home, 11 learn from home sessions were conducted to facilitate capability building and continuous learning for the WSO team members.

The efforts to further enhance our water supply services were prioritized as well for 2020. One of the main initiatives is the optimization of chlorine disinfection in the treatment plants and distribution lines.

Trihalomethanes (THM) is a recently identified emerging concern in drinking water, as a by-product of the chlorination of organic matter from the raw water supply. In 2017, THM was added in the Philippine National Standards for Drinking Water (PNSDW) parameter. To ensure compliance, Maynilad enhanced its chlorination process as part of the disinfection in the plants and distribution system. The THM levels in the supplied water

are closely monitored, along with tight controls of organics and other factors from the Laguna Lake water. The WSO is also exploring alternative disinfectants and technologies that could prevent or control the formation of THM.

In addition, Maynilad has also established a water quality forecasting tool. It features 10 monitoring points within a five-kilometer radius within Laguna Lake. The tool is designed to detect impurities in the raw water supply early in the process, to prepare adjustments within the treatment plant for increased efficiency in the plant output.

Maynilad has also recalibrated its processes and developed an enhanced future-proof approach to address the risks brought by the surge of continuous typhoons. In 2020, Typhoon Ulysses brought alarming turbidity issues causing severe impact on Maynilad's raw water supply. Included in the strategies designed to address this are the following:

- Turbidity profiling from Angat to Igay Basins
- Investigation for landslides along Angat river from Angat tailrace to Ipo Dam
- Hourly sampling of raw water at Ipo Dam to alert the Water Production in case of sudden spike of raw water turbidity

The Habagat Protocol was developed as well to outline the coordinated preparation and response before and during the Habagat season in the country. During this time, Maynilad experiences severe water quality issues in our raw water sources. The Habagat Protocol covers a communication matrix involving all critical sections and their direct responsibilities. These range from efficient implementation of the prescribed supply rotation schemes and the timely release of water service advisories to the affected areas. The protocol also considers forecasts from Philippine Atmospheric, Geophysical and Astronomical Services Administration (PAGASA) along with turbidity forecasts.



ASSET MANAGEMENT

Maynilad is focused on boosting efficiency of operations and its Asset Management oversees the physical assets of Maynilad's water supply and wastewater facilities. Through the efforts of the Integrated Asset Management Division, we seek to achieve proper management and maintenance of our assets, which include our treatment plants and other facilities. In order to streamline processes and automate scheduling of preventive maintenance and budget planning, the Integrated Asset Management Division uses a Computerized Maintenance Management System (CMMS).

With the objective to provide Maynilad with a unified software for maintenance work for enhanced efficiency and transparency, in particular preventive maintenance compliance, the Asset Management Department developed the Project Stream or Strategize, Think, React: Enterprise Asset Management in 2019. This innovative system is designed to digitize and automate the maintenance management system integration to the existing modules. These include materials management, finance, HCM, and the FieldMOUS (Field Monitoring User System) technology.

With Project STREAM, Maynilad will be able to automatically generate preventive maintenance advisories and fully integrate its vital business processes such as Work Order Management, Inventory Management, Procurement, and Accounting to name a few. These new systems are highly beneficial to the Maynilad maintenance unit and operations, Supply Chain Management Division, and Finance.

For Batch 1, 7 facilities were covered with a compliance target of 75%. This was revised to 54.7% for Batch 1 and 2 to accommodate more facilities. Initially, there were four batches of implementation. Later it was decided that Batch 4 will be merged with Batch 3. All batches follow the same steps, only with Batch 2 and 3 done remotely due to pandemic. The key difference among the various batches were the facilities covered.

	PROJECT STREAM IMPLEMENTATION			
	Batch 1	Batch 2	Batch 3	
DATE	September 12, 2019	June 8, 2020	March 8, 2021	TOTAL/FACILITY
Facility: Linear	12	653	697	1,362
Facility: Non-Linear FLOC Level 4	7	144	78	229
TOTAL/BATCH	19	797	775	1,591
2020 COMPLETION	Overall Preventive Maintenance Target: 54.7%			
	Overall Preventive Maintenance Achieved: 66.48%			

Batch 1 went live in September 2019 and generated key insights regarding asset maintenance, resulting in a common process.



IT SERVICES [203-2]

Safe and secure remote working and ensured business continuity was made possible through the IT Services (ITS) team. ITS provided remote access through a Virtual Private Network (VPN) connection for the entire Maynilad organization. Along with this, the team strengthened network security and performed several security tests and simulations, critical in safeguarding confidential data within the Maynilad system. Through these initiatives, the Maynilad system demonstrated security maturation.

ITS INFORMATION AND CYBER SECURITY POLICIES AND INITIATIVES

- CSHIELD (Cyber Security Holistic Integrated Employee Liaison Defender) Maynilad's arm in protecting its system to cyber-attack, conducted an assembly last May 29, 2020 to discuss latest cyberattacks/threats and latest activities and initiatives during ECQ
- Cybersecurity advisory
- Implemented two factor authentications
- Updating of password policy and standard for all servers
- Vulnerability scanning of networks and firewalls
- Internal network penetration testing
- Hardened passwords for users and administrators
- Simulations of cyberattacks to assess vulnerabilities and improve cybersecurity

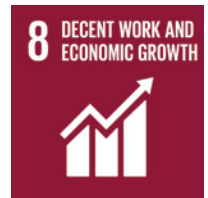
It also enabled Maynilad to comply with data regulation policies and critical infrastructure network requirements, as mandated by the Republic Act 10173 – Data Privacy Act of 2012 of the National Privacy Commission (NPC) and the Department of Information and Communications Technology (DITC).

To add, the ITS division also launched the Field Monitoring User System (FieldMOUS) designed to automate and centralize the monitoring of water pressure across all plants, as well as the water level of Angat Dam.

Updates on FieldMOUS include extension of its coverage to several branches, plants, and pumping stations, as well as inclusion of more equipment. In 2020, FieldMOUS was also involved in the PI System integration to other existing systems such as the SAP and the Maynilad Web Map.

Through the challenges faced by Maynilad as an organization including the water crisis, FieldMOUS was of great help to the company and its operations. The system was able to provide accurate and timely data, benefiting the employees as well as the customers. The tool also promotes collaboration and enhanced coordination among different operating units, allowing the divisions of Maynilad to further work together as a single unit towards its common goal.

With the strengthening of Maynilad's cybersecurity and IT security, the Company is able to save money in potential breach or fines from the government or regulatory offices.



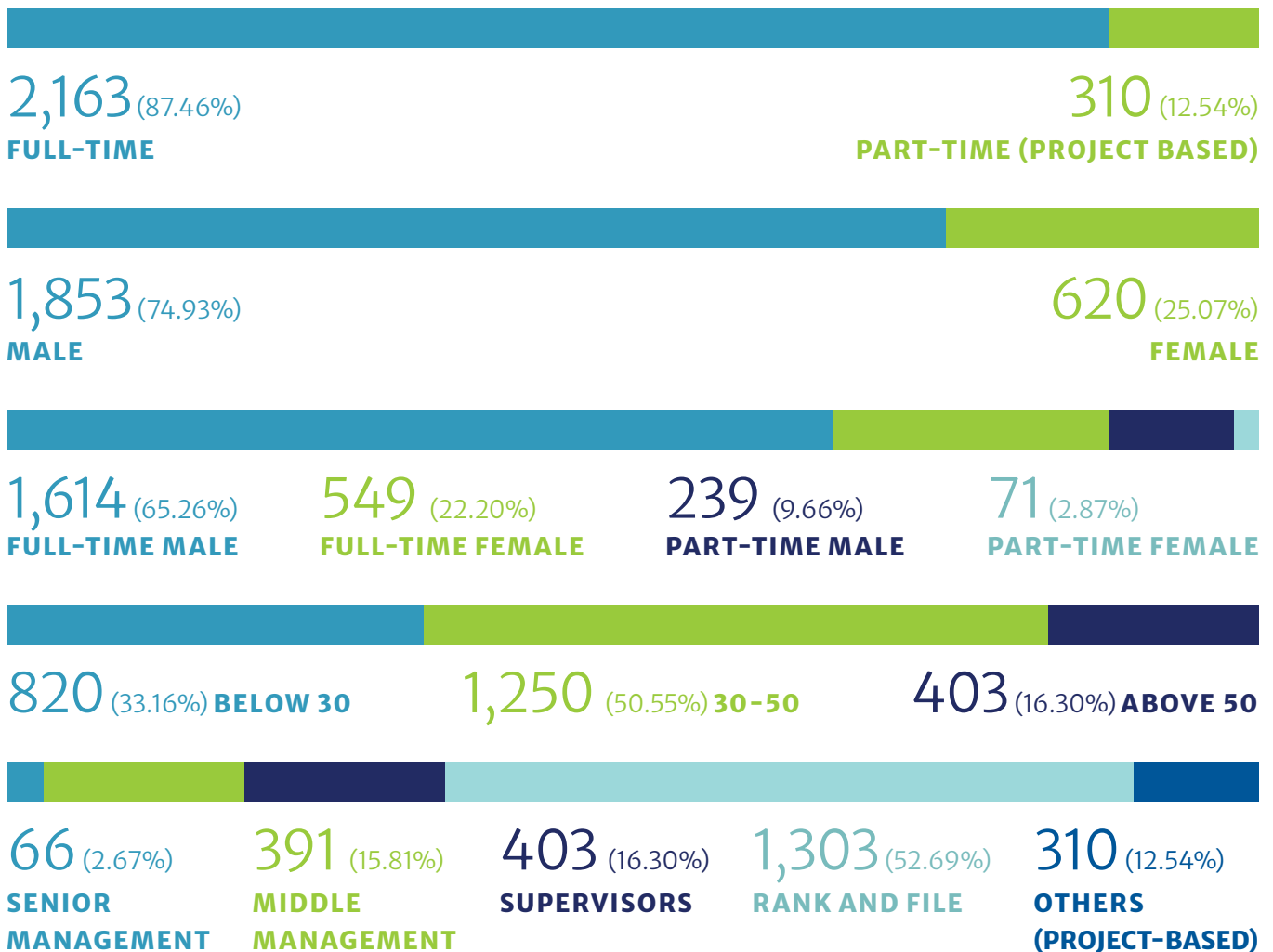
HR AND EMPLOYMENT [103-1, 103-2]

Delivering safe and reliable water and sanitation service is only possible through the efforts of our engaged and committed workforce. To ensure the engagement and commitment of Maynilad personnel, annual employee satisfaction surveys are conducted per department. The survey results are validated and considered for future programs. The Human Resources (HR) Business Partners also facilitates an employee engagement survey periodically.

Maynilad is an equal opportunity employer and has an inclusive hiring policy. Maynilad hires based on qualifications, and does not discriminate against applicants for their nationality, ethnicity, faith, gender and orientation, age, or disability. Maynilad has also partnered with professional organizations, government agencies, and academic institutions to ensure a stable pipeline of applicants.

2020 EMPLOYEE BREAKDOWN BY TYPE, GENDER, AGE, AND RANK [102-8, 405-1]

2,473 TOTAL WORKERS (INCLUDING EMPLOYEES AND OTHERS)

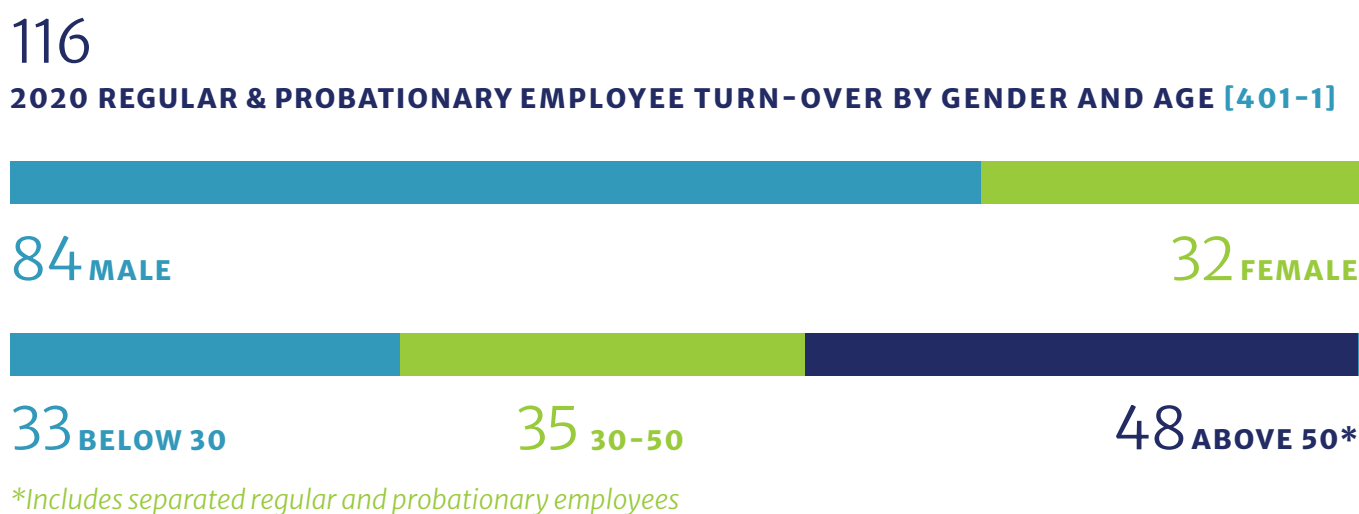
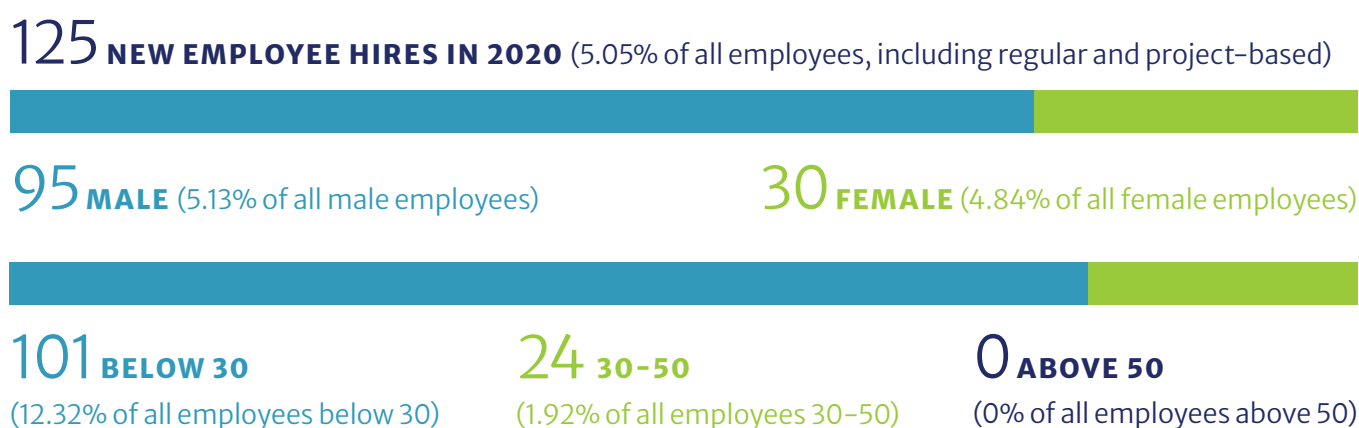


Maynilad's Human Resources Division is responsible for meeting the Company's workforce requirements. A Workforce Planning Committee, composed of senior level managers from Maynilad's different divisions, works alongside HR to review any possible organizational changes that would have an impact on efficiency.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

Maynilad tracks its performance through a corporate scorecard. **[103-2, 103-3]**

The pandemic required everyone to adapt to changes in systems processes. For Maynilad, the streamlined transition was implemented by the HR division. Along with the Split-Work-Arrangement (SWA) and the Work-from-Home (WFH) schemes, additional support was provided as well in terms of an increase in communications allowance for heavy data users and the early release of the 13th-month pay.

NUMBER AND RATE OF NEW EMPLOYEE HIRES BY GENDER AND AGE **[401-1]**



ATTRITION RATE **[401-1]** (Calculation includes resigned regular and probationary employees)



The pandemic required everyone to adapt to changes in systems processes.



No part of Maynilad's operations pose risks to employees' freedom of association and collective bargaining. Maynilad upholds freedom of association and collective bargaining to promote workplace harmony. The rank and file are represented by the Maynilad Water and Sewerage Union–Philippine Trade and General Workers Organization (MWSU–PTGWO), whereas the supervisory employees are represented by the Maynilad Water Supervisors' Association (MWSA). Maynilad and each of the two unions hold regular negotiations to arrive at agreements to regulate working salaries, working conditions, compensation and benefits, and workers' rights.

Both of Maynilad's unions have active Collective Bargaining Agreements (CBAs); these agreements will be up for the next negotiation in 2021. [\[102-41\]](#)

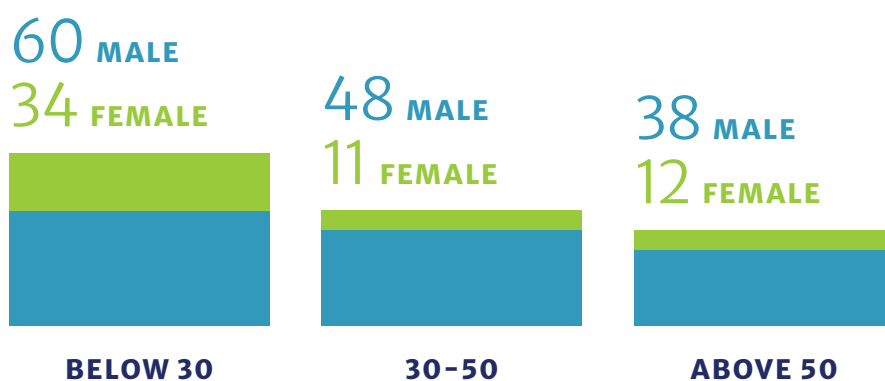
1,569 (72.5%)
EMPLOYEES COVERED BY
COLLECTIVE BARGAINING AGREEMENTS [\[407-1\]](#)

To add, local hiring was also prioritized in project areas; thus, providing job opportunities to the community. As indicated in the Environmental Impact Assessment of projects, proponents will prioritize qualified local residents. There will be close coordination with the barangay officials to certify and endorse qualified residents to the contractor.

LOCAL HIRING [203-2]		
Water Reclamation Facility	No. of Locals Hired	Remarks
Cavite City WRF	14	As of Dec 2020: 14 – Active Local Hired 8 – refused to return due to COVID 11 – end of contract but priority if additional manpower is required 10 – either went absent without leave (AWOL) or resigned
Cupang WRF	10	As of June 2020: no submission for H2 2020 CMR
Tunasan WRF	9	

TOTAL TURNOVER

INCLUDING REGULAR, PROBATIONARY, AND PROJECT-BASED



100%

of male and female employees, from senior management, middle management, supervisors, and rank and file

PERCENTAGE OF EMPLOYEES RECEIVING REGULAR PERFORMANCE AND CAREER DEVELOPMENT REVIEWS BY GENDER AND RANK [404-3]

Performance monitoring is conducted throughout the year to check the status of committed initiatives and targets.

Performance reviews are conducted annually using the performance scorecard of every Maynilad employee as reference. The scorecards are designed and developed using a top-down approach. At the beginning of each year, Top Management sets the general direction and targets of the company. Business units and their personnel translate these into specific actionable initiatives and targets, that are then made part of their respective scorecards. The scorecards are then signed both by the employee and his superior to signify commitment to deliver the targets set. **[103-3]**

This is facilitated by the line managers in each business unit. These conversations also provide opportunities to discuss developmental interventions for individual employees. **[103-2]**

At the end of the year, a full performance review and assessment is conducted throughout the organization. HR Division spearheads this activity, which finds its culmination in the submission of all reviewed and signed scorecards to HR. The scorecard results are then recorded and archived by HR for proper documentation.

BENEFITS PROVIDED

TO REGULAR EMPLOYEES [401-2]

- Government-mandated benefits: Social Security System (SSS), PhilHealth, Pag-Ibig Fund
- Life insurance
- Medical benefits, inclusive of health care and disability and invalidity coverage
- Parental leave (upon regularization)
- Vacation and sick leaves
- Retirement provisions
- Stock ownership
- Support for further education (for selected managers)
- Telecommuting and flexible working hours, as needed depending on the role and function of the employee

**TOTAL NUMBER OF EMPLOYEES ENTITLED TO
AND AVAILED PARENTAL LEAVE [401-3]**

Gender	Entitled to Parental Leave	Employees who took Parental Leave	Employees who returned to work after parental leave ended	Employees who returned to work after parental leave ended who were still employed twelve months after their return to work	% Retention Rate
Male	1,653	77	76	74	97%
Female	565	46	46	45	98%
TOTAL	2,218				

MINIMUM NOTICE PERIODS REGARDING OPERATIONAL CHANGES [402-1]

Minimum number of weeks typically provided to employees and their representatives prior to the implementation of significant operational changes that could substantially affect them	4 Weeks*
For employees covered by CBA, are the notice period and provisions for consultation and negotiation specified in the agreement?	Yes

***Maynilad doesn't have a policy for the minimum notice period but by practice, follows the 30 day-notice required by the Department of Labor and Employment (DOLE)**

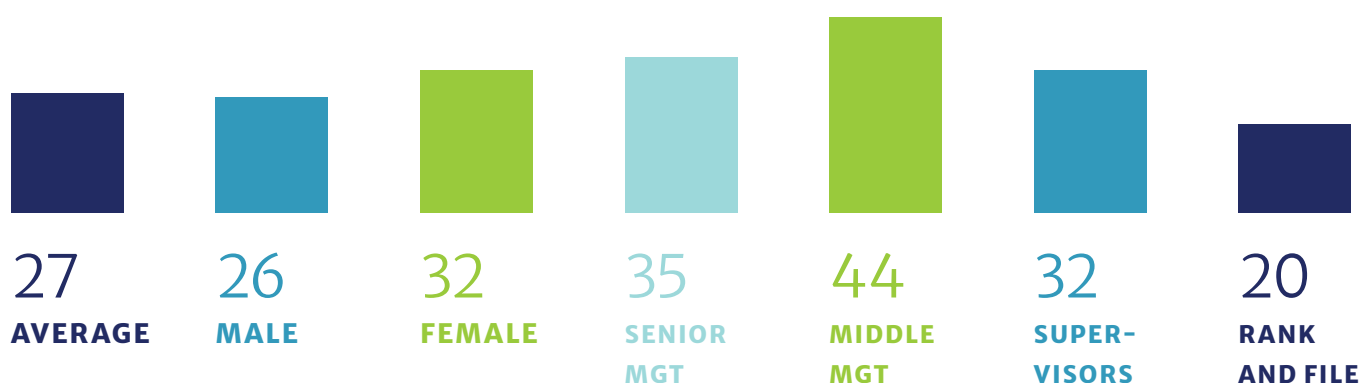
DEVELOPING TALENT, SUPPORTING OUR DIVERSE WORKFORCE [103-2]

As Maynilad shifted to a work-from-home arrangement due to the COVID-19 pandemic, HR made the significant transition of delivering its training programs online to ensure the continued development of its employees. HR is currently working on launching a virtual learning platform (SAP Enable Now) to allow employees to complete training programs at their own pace. In Maynilad, there are training programs administered by HR for all employees, but each department, division, and unit, may also carry out sessions that specifically address their training needs. In 2020, due to the pandemic, most training programs were conducted online. A total of 359 HR-initiated online trainings were held in 2020. This number includes both internal and external live classroom training, conducted via video-conferencing platforms.

HR has also been working on enhancing Maynilad's internal pool of trainers and subject matter experts to act as contributors and instructional designers, with the ultimate goal of eventually launching a virtual corporate university.

TOTAL HOURS OF TRAINING OF REGULAR/ PROBATIONARY EMPLOYEES [404-1]			
<i>By Rank & Gender</i>	Male	Female	TOTAL
Senior Management	1,409	881	2,290
Middle Management	11,112	6,132	17,244
Supervisors	8,481	4,285	12,766
Rank and File	20,320	6,010	26,330
TOTAL	41,322	17,308	58,630

HOURS OF TRAINING PER REGULAR AND PROBATIONARY EMPLOYEES



EMPLOYEE DEVELOPMENT PROGRAMS [404-2]

- Tatak Maynilad Leader (Essentials of Leadership and Management)
- Coaching for Success Workshops for Maynilad Leaders
- Supervisor Skills Development Program
- Water Utilities Operations Training
- 2020 Cadet Engineer Program
- Predictive Analytics
- Basic Course on Hydrology
- Introduction to Network Hydraulic Modeling
- Technical Management 101
- Commercial Management 101
- Zone Management 101
- New Employee Onboarding Program
- Business Analytics
- Intermediate Vibration Analysis ISO Cat-II Certification
- Certified Maintenance & Reliability Professional (CMRP) Certification
- Reliability, Availability, Maintainability, and Safety (RAMS)
- Safety and Traffic Control During Road Construction

HEALTH AND SAFETY TRAINING [403-5]

Due to the pandemic, orientations and training were shifted to online platforms in the interest of complying with government protocols and to keep our employees safe and healthy amid the pandemic.

- 9,009 hours of health and safety training
 - For employees, contractors, and service providers
- Work Re-entry Protocols for COVID-19 prevention and control**
 - 3,200 training hours*
 - 95.37% of total employees
- 8-Hour Mandatory Occupational Safety and Health (OSH) Orientation
 - 3,339 training hours
 - 96.46% of total employees
 - estimated savings: PhP417,000.00
- 54 safety drills conducted
- Other OSH related trainings and orientations**
 - 2,470 training hours of First Aid, Basic Occupational Safety and Health (BOSH) and Contractor Safety Orientations, Emergency Preparedness and Response (EPR) Lectures

** A total of 402 participants. Training hours computed by multiplying the number of participants and actual training hours.*

***Internally provided by Safety Department*

Maynilad established the Post-Enhanced Community Quarantine (ECQ) Team to formulate plans to prevent and control COVID-19 and reduce health hazards in the workplace. The team focused on providing employees access to a safe and healthy workplace during the pandemic and to aid the overall physical and mental wellness of all employees, service providers and contractors. The established Post-ECQ Team has formulated guidelines and protocols in COVID-19 prevention and control. These guidelines were discussed and explained during the Work Re-entry Orientations and safety orientations. Health Management, HR and Safety Department issues Health Bulletins and Safety awareness campaigns in forums and in Employee News. **[103-1, 103-2]**

The Central Safety and Health Committee (CSHC) undertakes monitoring and management of activities that have been assessed as having safety risks, such as construction and chemical processes; the committee meets and reports on a monthly basis. Through the Environment, Health, Safety, and Security (EHSS) reporting, Maynilad can monitor the status of any incident investigations, corrective actions taken, as well as the number of incidents closed. **[103-3]**

Maynilad conducts clustered Safety and Health Committee meetings to discuss Occupational Safety and Health (OSH) concerns, COVID-19 related concerns and also to share best practices and learnings from incidents and near misses. There are Environment Safety and Health (ESH) Committee in the North, Central, and South clusters as well as sub-ESH committee per facility wherein all ESH related issues and concerns discussed in cluster meetings were cascaded in their respective facilities and offices. Members from top management, safety officers to workers' representatives and service providers/contractors' representatives comprise the ESH Committee. **[403-4]**

The EHSS reporting has also helped Maynilad improve on its categorization of reported incidents and the facility audit inspections. The Safety Officers are actively engaged in this process and report on a monthly basis. Employees that report on 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. **[403-1]**



OPERATIONAL EFFICIENCY: CORPORATE SAFE MAN HOURS NO LOST TIME ACCIDENT



1,869,732

Corporate Safe Man Hours
without Lost Time Accident
as of December 31, 2020



0.63%

Frequency Rate (total number
of disabling injuries per million
employee hours of exposure)



19.65%

Severity Rate (total number of
days lost or charged per million
employee hours of exposure)

FACILITY SAFETY INSPECTION

91.04%

compliance of facilities on
issued 78 safety inspection
report based on checklist

Top 5 Common Findings:

Fire Safety, Other Safety
Findings, Housekeeping,
Work Environment
Conditions, Electrical Safety

PROJECTS SAFETY INSPECTION

88.24%

compliance of projects on
issued 17 project inspection
report with violations

Top 5 Common Findings:

Safety Signages, Cleanliness of
Worksite, Personal Protective
Equipment, Fire Protection
and Control, Excavation

WORK ENVIRONMENT MONITORING AND MEASUREMENT

79.90%

compliance of facilities on
passed sampling of 62 Work
Environment Measurement
(WEM) Reports with 6,258
sampling points conducted
by Safety personnel on
62 Man-days

SAVINGS:

PhP625,800.00*

*Price per sampling based
on Department of Labor and
Employment – Occupational
Safety and Health Center (DOLE
– OSHC) and CRL Environmental
Corporation (CRL)



The EHSS reporting has also helped Maynilad improve on its categorization of reported incidents and the facility audit inspections.

INCIDENT REPORTING



*Most common accidents: Vehicular accident (vehicle to vehicle; vehicle to fixed object), and Motorcycle accident (employee-owned)

REVIEW & EVALUATION OF CONTRACTOR'S HEALTH & SAFETY RESUMPTION PLAN (HSRP)



LEGAL/REGULATORY COMPLIANCE



With the ongoing pandemic, mental health has been an important factor as well within Company.

In addition, Maynilad also enforces an Occupational Health and Safety management system (OHS), based on the Implementing Rules and Regulations (IRR) of RA 11058, “An Act Strengthening Compliance with Occupational Safety and Health Standards and Providing Penalties for Violations Thereof.”

The OHS system covers all employees including regular, probationary, and project-based. All Maynilad’s activities, including operations and support, as well as all workplaces and project sites are within the scope of the system as well. Subcontractors who are not Maynilad employees but who work in a workplace controlled by the organization are still covered by the OHS system. However, the monitoring of OHS compliance falls under the management of the contractor. Contractors report disabling and fatal incidents to Maynilad. **[403-1]**

This management system is also aligned with international standards and is certified with the Occupational Health and Safety Assessment Series (OHSAS) 18001:2007 for health and safety management. In addition, Maynilad abides by its Corporate Safety Code, as well as the relevant government standards, such as those of the Bureau of Fire Protection. Maynilad’s OHS System covers 2,163 employees and 310 other workers, for a total of 2,473 individuals. **[403-8]**

MAYNILAD'S HEALTH-RELATED POLICIES [103-1, 403-1]

- 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

The effectiveness and productivity of the Maynilad operations were further made possible as the Health and Safety Department worked together with the Supply Chain Management (SCM) division as well as the Administration Team. Partnering with the Safety Department, the team ensured that all Maynilad protocols were properly implemented and understood by all employees and customers. Health Management also conducted webinars to continuously educate employees on health and wellness.

With the ongoing pandemic, mental health has been an important factor as well within Company. The Maynilad Mental Health Policy, launched in 2018, includes activities focused on promoting and caring for one's mental health. Part of the initiatives are focused group discussions on Mental Wellbeing and Stress Management in the workplace, financial assistance, and establishing a referral system to psychiatric and psychological consultation, and treatment and/or rehabilitation. In 2020, campaigns on mental health awareness were reinforced, providing employees recommendations on how to ensure a healthy mental state through the challenges of 2020. An open line of communication remained as well for employees looking for a safe space to communicate their concerns.

[103-1, 103-2, 403-3, 403-4]

In addition, Maynilad's company clinics and ambulances are available to both employees and workers. In compliance with the Occupational Safety and Health (OSH) Law, hospitals accredited by our health maintenance organization (HMO) provider are also accessible to our workers. In areas that do not have an HMO-accredited facility, we make sure that we identify medical facilities that would cater to them. **[403-3, 403-6]**

Maynilad employs an HMO benefit that provides employees with:

- Diagnostic
- Emergency
- Out-patient
- Hospitalization services

The subsidized HMO coverage is extended to employees' dependents.

HMO UTILIZATION [403-3]

- Special Outpatient Services Executive Check Up (ECU) Package: PhP20,614.00
- Project Based Employees Outpatient Services: PhP123,143.17
- Total ECU Package availed by Regular Employees and Executive Level: PhP442,677.18
- Flexible Benefits for all employees: PhP1,183,349.18
- Inpatient Services: PhP6,063,300.62
- Outpatient Services: PhP10,276,637.88

In accordance with the Data Privacy Act of 2012, workers' personal health related information will be kept confidential.

HAZARD IDENTIFICATION, RISK ASSESSMENT, AND CONTROL (HIRAC) REVIEW [403-2, 403-7]

The annual HIRAC review and update identifies and evaluates hazards and provides appropriate control. Corresponding controls were identified based on the hierarchy of controls. Maynilad assesses its operations for risks and hazards that may occur in the production and delivery of its services, even for those operations of its suppliers and contractors. Workers in project sites managed by Maynilad are obliged to comply with the Company's safety policies and measures. The accreditation process for contractors and suppliers covers these concerns, and they are reinforced in the workers' orientation. Alignment and compliance to the occupational health and safety management system is monitored throughout the life of the project.

Employees undergo training for the specific activities and processes they must perform. From this training, personnel were classified for their competency and qualification. These classifications of Safety Officers include SO1, SO2, SO3, and SO4, and were based on the guidelines of RA 11058. Regular monthly safety and health committee meetings, post-activity discussions, and management review were conducted in order to identify gaps in the processes and discuss corrective actions and improvement strategies.

Regarding imminent danger in the workplace, employees were provided awareness regarding their right to refuse to work. This was also covered in the mandatory 8-hour OSH training. A Work Stoppage Order will be issued when during assessment the workplace poses danger to the worker. For work-related incidents, investigations should take a maximum of five days, with the issue considered resolved after root cause analysis and mandatory employee retraining.

OCCUPATIONAL HEALTH SERVICES [403-6]

90.75%

Annual Physical Examination compliance

40.30%

ECU compliance

86.78%

Random Drug Testing
Audiometry Test Compliance

100%

CNRW, LDM, WSO (Water Production),
CQESH/ Environmental

3.1

Satisfaction Survey Rating

All information on health promotion services including vaccinations and Annual Physical Examination (APE) are announced via Employee News.

NON COVID-19 VACCINATION PROGRAM

(Only for preventable diseases including flu, pneumonia, combined hepatitis A & B, hepatitis B, chicken pox, Japanese encephalitis and MMR or measles, mumps, and rubella)

667

Enrolled employees*

95.05%

Total Vaccination compliance*

50.04%

Negotiated discount

2,563

Vaccination compliance target
for all preventable diseases

**only for flu and pneumonia*

VACCINES AGAINST PREVENTABLE DISEASES/ NON COVID-19

667

Employee

1,896

Dependents

2,563

Total No. of Employee and Dependents

2,487

Total Compliance*

97%

Total Compliance Percentage*

**includes Employee and Dependents*

BLOOD DONATION PROGRAM

For its Bloodletting Activities for 2020, partner hospitals were the Philippine Children's Medical Center, Our Lady of Lourdes Hospital, and Cardinal Santos Medical Center.

107

No. of Participants Signed Up

104

No. of Successful Donors

46,800 cc

Total blood donation
(104 donors x 450 cc bag)

WORK-RELATED INJURIES [403-9, 403-10]

Rates are calculated based on 1,000,000 hours worked.



Accident records data are monitored and maintained in the Environment and Human Health, Safety, and Security (EHSS) software, along with standards, guidelines, permits and licenses. In 2020, there were three lost-time accidents (LTA). Due to these incidents, Maynilad's safe-man hours went back to zero. Maynilad began counting safe-man hours again in September 2020.

For 2020, there were zero incidents of work-related illnesses. Some work-related hazards that pose a risk of ill-health among the employees are attributed to prolonged exposure to high level noise and to chemicals/hazardous materials. The risks are determined by each business unit using a HIRAC-based approach on their respective operational procedures.

The Safety Department monitors the LTA of contractors and service providers. For the APE records of service providers, these were submitted to the concerned business units.

**ACTIONS TAKEN OR ARE UNDERWAY
TO ELIMINATE THESE HAZARDS AND MINIMIZE RISKS
USING THE HIERARCHY OF CONTROLS**

Administrative Controls	Personal Protective Equipment
■ Installation of Warning Signages regarding the presence of hazards ■ Conduct of Work Environment Measurement (WEM) ■ Establishment of HIRAC and operational procedures	■ Ensuring all personnel inside all Maynilad facilities were provided with appropriate PPE depending on the nature of work ■ All provided PPE were evaluated complying with the standards

SUPPLY CHAIN AND MATERIALS MANAGEMENT [102-9, 103-1, 103-2]

MAYNILAD PAYMENTS TO LOCAL AND FOREIGN SUPPLIERS [204-1]		
PROCUREMENT	2020	2019
Payment to local suppliers	PhP3,642,276,810.08	PhP2,618,929,357.72
Payment to foreign suppliers	PhP39,895,294.92	PhP43,679,897.37
TOTAL	PhP3,682,172,105.00	PhP2,662,609,255.09

**Total cost from Procurement of Goods and Services (POGS), Supplier Management, and Procurement of Infrastructure (POI)*

Maynilad sources its materials both here and abroad. By local suppliers, we refer to Philippine-based companies. For 2020, the percentage of Maynilad's procurement budget spent on local suppliers was 98.92%.

PROCUREMENT OF INFRASTRUCTURE (POI) FIGURES

PhP2,068,300,000	N/A	PhP2,068,300,000
Payment to local contractors	Payment to foreign contractors	Total procurement

Maynilad engages with a range of suppliers, contractors, consultants, and other service providers in the course of its operations. These business partners undergo a screening and accreditation process before they are contracted for their services and their performance is monitored and regularly evaluated. Strong and healthy relationships with this network of partners enable Maynilad to carry out its activities and deliver on its service commitments. Maynilad's efforts to engage with its supply chain have helped promote timely transactions, improve work quality, and reduce delays in project implementation.

By working closely with this network of partners, Maynilad has seen a remarkable improvement in the quality of work and reduction in project delays, as well as to motivate brand loyalty from the partners themselves.

Maynilad's Inventory and Warehouse Management Department (IWMD) is tasked with maintaining the supply of materials needed for our operations. It is also their responsibility to optimize inventory to manage costs. *Strategies:* Creation of a new process flow for the bidding and order of Materials Requirement Planning (MRP), Conversion of Contractor Supplied Materials to Maynilad-Supplied Materials, and Setup of back-up supplier system for required chemicals.

The Procurement of Goods and Services Department (POGS) also established Business Continuity Plans (BCP) and shall be used in case of any unplanned event/s such as pandemic resulting in the inability of businesses to run in normal operations (in whole or in part). The BCPs include contract creation, bidding and delivery acceptance.

Strong and healthy relationships with partners enable Maynilad to carry out its activities and deliver on its service commitments.

Maynilad's inventory is based on forecasts of end users, and also takes into consideration historical use. IWMD coordinates with end users to discuss movement, requirements, stocks, and other concerns with respect to materials. Maynilad maintains five strategically located satellite warehouses. IWMD also monitors inventory and use of chemicals to reduce purchasing cost.

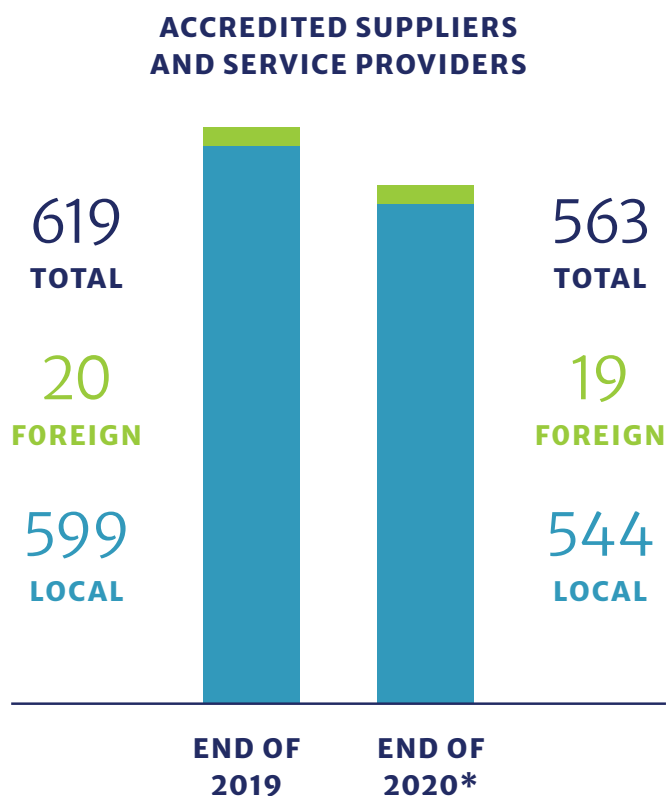
[103-1, 103-2]

Maynilad has a total of 563 accredited suppliers for 2020. There was a decrease of accredited suppliers from the previous year which was at 619. The decrease was due to the expiration of accreditation of the vendors by year end. All suppliers undergo the accreditation process based on their financial, technical, and commercial capabilities as business entities. The approval is awarded by the Logistics Head. Vendors who failed the accreditation process shall be notified, while for vendors who failed to meet the accreditation standards/ requirements, violates company policy and loses company's trust and confidence, the Logistics Division has the option to revoke its accreditation.

[103-2]

For 2020, there are no reported incidents of negative environmental impacts, no significant actual and potential negative environmental impacts identified in the supply chain, no suppliers identified with significant actual and potential negative environmental impacts, and three new suppliers assessed for environmental impact.

[103-3, 308-2]



**The 3-year validity of accreditation was first implemented in December 2017 which is why a lot of vendors' accreditations expired in December 2020.*

MATERIALS

[103-1, 103-2, 103-3]

Maynilad practices supply chain and inventory management to ensure that it has the necessary materials for its projects and operations. Inventory and forecasting help prevent over or under supply of materials, which has an impact on expenses and may result in cost savings. [103-2]

A Technical Working Group (TWG) holds responsibility for reviewing the technical specifications of the materials needed. The TWG evaluates the materials before they are accepted for Maynilad's use. Cross-collaboration across departments also helps to manage material requirements and their use to achieve on-time execution of Maynilad's activities. A variety of materials must be kept in stock to allow Maynilad to operate continuously. Maynilad practices effective inventory management and maintains an online Stock Materials Catalogue. Both employees and contractors undergo materials training and the Company benchmarks its supply chain practices against industry standards.

[103-2]

Maynilad's Vendor Management Department has oversight of the contracting and procurement process and implements proactive measures to mitigate any vendor-related risks. This includes evaluation and inspections to ensure that suppliers are able to deliver the required quantities of products (including raw materials and chemicals) needed for our projects. Maynilad's Quality Control checks on product quality standards. A Materials Feedback Mechanism also gathers evaluation and feedback on the materials received and the performance of the vendor.

[103-2, 103-3]



NON-RENEWABLE MATERIALS USED [301-1]

206,039 pieces

Water meters and spare parts

709,653 pieces

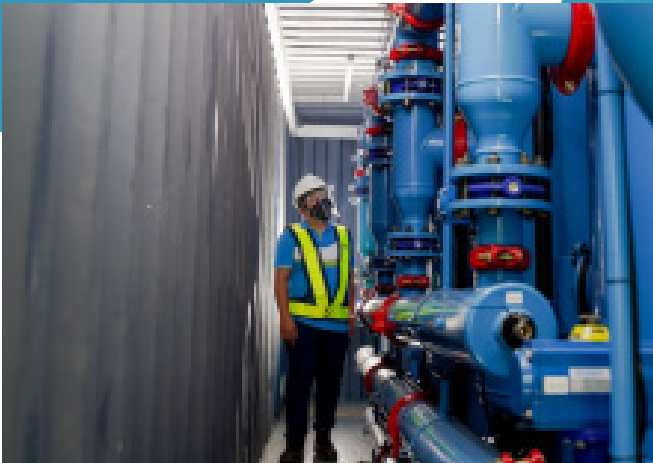
Pipes and fittings

6,881 pieces

Valves, hydrants, and accessories

NON-RENEWABLE CHEMICALS [301-1]	
AMOUNT USED FOR WATER PRODUCTION IN MEGATONNE (MT)	
Aluminum sulfate	9,362.94
Liquid chlorine	2,269
Non-ionic polymer	5.30
Cationic polymer	24.38
Polyaluminum chloride	5,322.71
Calcium hypochlorite	0.12
Aluminum chlorohydrate	2,211.98
Sodium hypochlorite	3,562.50
Sodium hydroxide, 25-30%	1,578.25
Sodium hydroxide, 50%	103.80
Citric acid	389.74
Sodium bisulfite	247.92
Anti-scalant	15.63
Potassium permanganate	183.89
Sludge polymer	134.32
Hydrochloric acid, 30%	32.97
Hydrochloric acid, 15%	7,689.12
Ferric Chloride	2,508.56
TOTAL	35,643.14
Intensity in tonne chemicals used per water produced (tonne/million liters)	0.04
AMOUNT USED FOR WASTEWATER TREATMENT IN MEGATONNE (MT)	
8% Sodium Hypochlorite	1,243
Polymer	153
9% Polyaluminum Chloride (PAC)	534,972
Enzyme	0.10
Powdered Activated Carbon (AC)	0.04
50% Sodium Hydroxide (NaOH)	245,200
TOTAL	781,568
Wastewater Treated, million liters	72,139
Intensity in tonne chemicals used per wastewater treated (tonne/million liters)	10.83

Delivering Value: Restoring Confidence in Times of Uncertainty



The collaborative nature of the departments within Maynilad, allowed us to work together to provide the best service and care for our customers. These initiatives include service adjustments, improvements on service levels and competencies, and utilization of new technologies for efficient transactions. Through these efforts, Maynilad aims to restore confidence among our customers as they brave the uncertainties and challenges of 2020.



RESOLUTION RATE

96.78 %

Maynilad Resolution Rate for
Water Availability

97.05%

Maynilad Resolution Rate for
Water Quality Concerns

95%

Target efficiency set by
Regulatory Office (RO)

NEW TECHNOLOGY FOR IMPROVED SERVICES

As 2020 was laden with difficulties for everyone, the Customer Experience and Retail Operations (CXRO) team remained true to the calling of providing our customers with efficient and effective solutions. Going beyond the standard processes, the CXRO team developed initiatives designed with the best interests of our customers in mind.

The CXRO division has been hard at work as well in developing new systems and processes to further enhance the customer experience. Part of these is the Automated Customer Communication (ACC) for automated updates to customers on service interruptions, Zone Account Management Systems (ZAMS) for fully automated on-site transactions, and the issuance of 2-in-1 laptop and tablet equipment for on-site personnel through the mobility project.

 Maynilad Water Services Inc. NORTH BUSINESS DISTRICT 1200 - North Caloocan ZAMS Post Analysis Report February 01, 2020 - February 29, 2020				
Days Delayed	Actual Reading Date	Date Extracted	Zone Name	Zone Specialist Name
0	02/05/2020	03/01/2020	CAN_Zone 4	RONALD PRUDENCIO
0	02/07/2020	03/01/2020	CAN_Zone 3	SER ANTHONY ACOSTA
0	02/07/2020	03/01/2020	CAN_Zone 4	JOSET LEANDADO
0	02/08/2020	03/01/2020	CAN_Zone 2	GLEEN DELACRUZ
0	02/08/2020	03/01/2020	CAN_Zone 2	JEFF DE LEON
0	02/08/2020	03/01/2020	CAN_Zone 2	JEFF DE LEON

Prompts

Available prompt variants

Prompt Summary

- Enter value(s) for Date Reading Schedule (Start) 2/1/2020
- Enter value(s) for Date Reading Schedule (End) 2/29/2020

Enter value(s) for Date Reading Schedule (Start)

MD/yyyy

Refresh Values

To see the content of the list, click the Refresh values button.

OK Cancel

The ACC is designed to empower customers, allowing them to plan for expected service interruptions. This process was initially done manually and due to the volume of customers, delays were observed. By automating the process, customers are able to receive the advisories almost close to real-time. ACC went live in November 2020; while the Workflow Management System (WMS) Phase 2 was operational as of April 2020. The Maynilad App originally planned for 2020 will be implemented in 2021 due to the national issues regarding the Concessionaire Agreement. **[103-2]**

For faster and more efficient customer transaction processes, the ZAMS equips Maynilad's around 300 personnel with an issued device for on-site automated transactions. Instead of acquiring customer applications and concerns on location and then heading back to the office, the mobility project streamlines this process. Field personnel are able to increase their productivity and maximize interactions with customers, as well as process the transactions on-site. This new system benefits both Maynilad and our customers.

pitneybowes

Alert Preview

Customer Contact

Customer Segment

Search Filters:

1/0/1 + 09001360.0102220.0100040

Total Records: 3 Rows 1 of 1

Alerts	Alert Name	Alert Description	Alert Type	Customer Contact	SMS Template
☒	LEAK REPAIR ACTIVITY_11142020PCO...	LEAK REPAIR ACTIVITY_11142020PCO...	Emergency	All Internal and External	leak repair acti...
☒	LEAK REPAIR ACTIVITY_11142020PCO...	LEAK REPAIR ACTIVITY_11142020PCO...	Emergency	All Internal and External	leak repair acti...
☒	LEAK REPAIR ACTIVITY_11142020PCO...	LEAK REPAIR ACTIVITY_11142020PCO...	Emergency	All Internal and External	leak repair acti...

OK Start

Knowing more about the customers and their behavior helps enhance every aspect of a business.

Regardless of the industry, knowing more about the customers and their behavior helps enhance every aspect of a business. In Maynilad, data collection and analysis—specifically on customers' consumption patterns and behavior—is important, especially as the company continuously works to improve service delivery. With more than 1.4 million water connections, Maynilad likely has one of the richest data banks in the country.

For the Integrated Meter Management (IMM) Department, this information bank is essential to further study customers' consumption behavior and come up with long-term solutions that will help improve billed volume and address commercial loss. In 2020, an increase in billed volume was observed along with the demand by residential customers, which was in contrast to the commercial and industrial customers. Revenue was impacted as well with a decrease of PhP1.5 billion due to the customer mix, with the tariff rates being higher for commercial and industrial customers.

The IMM is currently using the Automated Meter Infrastructure (AMI) to automatically extract data on consumption and pressure from the meter. Used for targeted meter maintenance, among others, the data collected through AMI is statistically analyzed.

To enhance its data analysis, IMM is proposing the use of two software tools.

First is the in-house Meter Analytics, which is currently being developed. The tool is intended to collect and organize data from the database for easier and faster analysis. The system also informs the IMM if water meters are due for replacement. Another software is the Meter Audit, focused on checking the meter, facility, and type of establishment to determine the classification of customer consumer behavior. Through targeted meter maintenance and customer data analysis, Maynilad will also be able to enhance its customer engagement.

To add to this, Maynilad also initiated a memorandum of understanding with the local government units (LGUs) within our concessionaire areas, to facilitate faster processing of permits. This in turn enables faster completion of water service connection applications, resulting in improved service for our customers.

ADJUSTMENT BILLING AND NEW PAYMENT OPTIONS FOR CUSTOMERS

During the lockdowns especially in the Enhanced Community Quarantine (ECQ) months, physical meter reading and on-site billing activities were suspended to prioritize the safety of the public as well as Maynilad's personnel. This is also in adherence to the government regulations in preventing the spread of the COVID-19 pandemic. With these activities suspended, however, it proved to be challenging for Maynilad as well as the customers. Not knowing the cost of their consumed water made our customers uneasy.

To address this, Maynilad, as guided by the approved directive from Metropolitan Waterworks and Sewerage System (MWSS) Regulatory Office (MWSS RO-OPP-052-03), computed the monthly water bills during the ECQ based on the past three months' average consumption of the customer. After the lockdown, Maynilad was able to deploy its personnel to conduct actual meter readings. Corrections on the readings and costs were applied to the subsequent bills.

In addition, Maynilad devised a system allowing customers to determine their water consumption through a Manual Billing Guideline. This helped the customers identify their consumption level for the month. Through the MyWaterBill Program, customers received regular billing updates and notifications after a one-time registration via the website, along with access to online billing history. Online payment options such as PayMaya, GCash, Online Banking, and Mobile Transfer were made

available and paperless billing opportunities were also explored. For some customers, on-site cheque collection by authorized Zone and Technical teams were allowed as well.

For customers with limited or no internet connectivity, the SMS Subscription enables monthly bill notification through text message.

CUSTOMER SATISFACTION

22,711

Received Service-related Complaints

100%

Complaint Resolution Rate both out and within Service Level Agreement (SLA)

3.60 out of 4

Final Customer Satisfaction Surveys (CSS) Rating

Part of Maynilad's core values are excellence and customer service. To ensure we are effectively staying true to this, Customer Satisfaction Surveys (CSS) are used to assess the quality of our services. The CSS are provided to customers after a service has been rendered, often by the Wastewater Management Division (WMD) personnel.

It doesn't stop with the CSS and the scores, however. With the feedback provided, we immediately take the time to discuss and evaluate the concerns mentioned, in preparation of the corresponding adjustments and improvements.

CUSTOMER SERVICE METRICS		
C1-C5	2020	2019
Service-related complaints	22,711	45,891
Billing-related complaints	35,098	44,459
Application requests	23,436	38,161
Installation Requests	15,032	25,064
Leakages	22,719	28,683
RESOLUTION RATE WITHIN 10 DAYS (%)		
Service-related complaints	96.08	99.94
Billing-related complaints	86.07	99.98
Application requests	85.35	99.51
Installation requests	78.89	95.01
Leakages	95%	94.00
CUSTOMER SATISFACTION (CSAT) SCORES OUT OF 4.00		
Service-related complaints	3.25	3.42
Billing-related complaints	3.54	3.51
Application requests	3.96	3.97
Installation requests	3.85	3.95
Leakages	3.84	3.85

The CSAT scores range from 1 to 4, with 4 being very satisfied and 1 needs improvement. The passing grade is 2. CSAT scores for 2020 are not for the whole year, therefore they aren't directly comparable to the scores in 2019. CSAT surveys were only conducted from January to March 2020. For CSAT on service-related concerns, this is conducted by our call center and surveyed 1,000 customers. Criteria surveyed include:

- With Contract Account Number (CAN) and Business Area (BA) identified
- With valid contact number
- Called 1626 with Service and Billing-related concerns
- Contact Name
- Customer with Newly Connected Service Connection

Adding to this, the Wastewater Management Division (WMD) of Maynilad implemented changes in its organizations to align functions and streamline the processes toward improved customer service. In 2020, the WMD reported a 3.71 customer satisfaction rating, from the highest score of 4.0, along with a 91% capture rate, exceeding the target. The score was calculated as the average of the scores given by 1,150 external and internal customers.

IMPROVED COMPETENCY FOR CXRO PERSONNEL [404-2]

Customer Experience and Retail Operations (CXRO) personnel were provided with training as well for improved competency, supporting their aspirations while also making them equipped with enhanced skills in managing the customers. Undoubtedly, this initiative is mutually beneficial both for the customers and the CXRO team.

The competency training was provided to all accounts including zone management, commercial, administration, customer service, and accounts relations. This includes relationship management competency wherein the CXRO personnel were equipped with skills to be more strategic in dealing with customers and in handling their needs and concerns.

Some of the training are:

- Implementing Rules and Regulations (IRR) Refresher Course
- Site Validation Considerations and Unit Cost Estimate (UCE) Process
- Echo session on Managing Stakeholders Effectively
- Basic All Works Contractor Management
- Non-Revenue Water (NRW) Services
- Inspectors' Training
- Delivering Brain-friendly and Engaging Webinars
- Connectivity Technical Training
- NRW Pipe Rehabilitation Process
- Customer Experience (CX) Metrics
- Medium Voltage Drives
- Cross Functional Training (Basic Metrology and QA Tools and Equipment)
- Cross Functional Training (Product Inspection and Assessment – Material Inspection and Acceptance)
- Cross Functional Training (Project Inspection and Assessment – Materials Storage and Handling)
- Sharepoint End-User Training
- Project Stream orientation

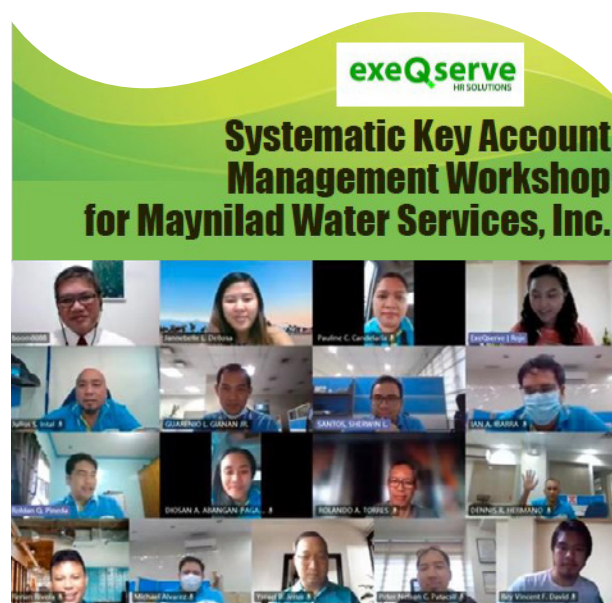
CHALLENGES OF 2020

[103-1, 103-2, 103-3, 307-1, 416-2, 417-1, 417-2, 417-3, 419-1]

Maynilad strictly adheres to relevant rules and regulations. This is part of our commitment to remain a responsible corporate citizen. Maynilad's Board of Directors is ultimately responsible for evaluating the effectiveness of Maynilad's socioeconomic compliance practices.

In regard to incidents of non-compliance concerning the health and safety impacts of products and service, Maynilad received two separate notices of warning from the Regulatory Office (RO). This was in relation to non-adherence to schedule of water service interruptions. With respect to marketing and labelling, as well as communications, Maynilad remains fully compliant and regularly provides customer advisories through various channels to keep customers informed about water supply and possible interruptions.

There were no significant non-compliance that resulted in monetary fines, however, there were 18 incidents of non-compliance with water and wastewater quality standards for 2020, 11 for water quality standards and seven for wastewater quality standards. None of these cases brought dispute resolution mechanisms.



As for context on the incidents, these were incurred after a random sampling at designated regulatory sampling points (RSP), conducted by the RO. The RO issues a Notice of Non-Conformance with Water and/or Wastewater standards, as may be applicable, whenever there is a breach in the parameters (i) set by the DENR or (ii) under the Philippine National Standards for Drinking Water (PNSDW). To address this, Maynilad was given 15 days to respond to the RO stating the actions taken to rectify the non-conformance and to reassess the condition and location of the RSP.

For the non-monetary sanctions, these are non-conformances in the network captured by RO during random sampling. For the water, this is already after the meter, hence, Maynilad takes on the tasks of reminding our customers on sanitation and hygiene practices. In addition, flushing of low residual disinfectant in the pipelines was done as well. For wastewater non-compliance, these are operational issues encountered due to influent quality that the plant specifications are currently unable to handle.

Maynilad also received customer complaints regarding water quality during the year. Typhoon Ulysses caused high turbidity issues, resulting in a longer period of time necessary to treat the water, leading to service interruptions. The RO gives 10 days to rectify such customer issues. Maynilad provides customers with advisories on water interruption and what steps to take should these interruptions affect their water quality. Maynilad advises customers to turn on their taps and allow the water to run.

NON-COMPLIANCE WITH ENVIRONMENTAL LAWS AND REGULATIONS [103-3, 307-1]

In the case, Maynilad Water Services, Inc. vs. Secretary of the Department of Environment and Natural Resources, et al., the Supreme Court found the Concessionaires jointly and solidarily liable with the Metropolitan Waterworks and Sewerage System (MWSS), for violation of Section 8 of the Philippine Clean Water Act of 2004, and ordered Maynilad to pay the amount of PhP921,464,184 covering the period May 7, 2009 to the date of promulgation of the decision on August 6, 2020 to be paid within 15 days from the finality of the decision. Section 8 of the law mandates the MWSS and/or the Concessionaires in Metro Manila to connect all existing sewage lines to the available sewerage system within five years from the law's effectivity or from May 6, 2004. On October 2, 2019, Maynilad filed a Motion for Reconsideration (MFR) asking the Supreme Court to revoke its ruling and the Company's share of the penalty. The MFR remains pending before the Supreme Court.

Sharing Value: Empowering Filipinos, Strengthening Communities

[413-1]



Maynilad's core business of water and wastewater services have both direct and indirect economic benefits on Maynilad's stakeholders. Clean water and sanitation promote health, hygiene, and overall well-being, enabling people to engage in work or practice small-scale livelihoods. **[103-1]**

COMMUNITY EMPOWERMENT

Maynilad's Advocacy Group collaborates with other business units to develop and implement corporate social responsibility (CSR) programs to address the needs of local communities and other stakeholders. Partnerships with government, private sector, civil society, and community stakeholders themselves

are instrumental in identifying appropriate and sustainable interventions. Maynilad continues to implement a range of programs to address poverty, promote sustainable water management, enhance community development, and boost awareness and care for the environment. **[103-2]**

Due to the limitations on mobility and face-to-face interactions, Maynilad had to adjust how it delivered its community engagement programs. This entailed shifting some of our activities to online platforms, which also had its share of challenges. Additionally, we needed to rethink our programs so that these were more relevant and responsive to stakeholder needs during the pandemic. **[103-3]**

In this way, Maynilad is able to share value down to the grassroots, contribute to nation-building, pursue the universal objectives of the UN SDGs, and maintain our social license to operate.

For Maynilad outreach and cause sponsorships, the Advocacy and Marketing (ADMARK) division was able to reach more than 8,400 individuals through its 12 outreach and cause-oriented activities. This is in addition to the existing advocacy campaigns that Maynilad has been consistently doing for years.

Even before the pandemic, Maynilad has been teaching life-skills like handwashing to the youth before such positive habits became survival skills. This time however, Maynilad had to overcome pandemic limitations such as the prohibition on mass gatherings in order to implement our programs while sustaining the WASH education needs of target sectors. To address this, the

programs were shifted to a virtual platform. The same strategy was employed for Ginhawa Gardening online and Talakay Tubig online.

LIFELINE CUSTOMERS

Maynilad recognizes its vital role in contributing to nation building and as part of its measures in making water more affordable, it has been providing assistance to its lifeline customers for a decade now. Lifeline customers are those whose consumption does not exceed 10 cubic meters per month and are provided with a 41% discount from Maynilad. Roughly 20% of Maynilad's residential accounts are lifeline customers. Senior citizens are provided with an additional 5% discount on top of the lifeline discount. To date, Maynilad continues to provide low-income communities with access to water services.

LIFELINE DISCOUNTS [203-2, 413-1]

No. of lifeline customers/ accounts (December 2020)	370,501
Estimated lifeline discount value	41% tariff reduction for lifeline customers/ residential accounts consuming ≤ 10 cu. M; Approximately PhP32 million per month or a total of PhP384 million for 2020
No. of accounts with senior citizen discount	1,352
Total volume provided free of charge to public accounts/institutions	202,246 cubic meters
Monetary value of free services provided to public accounts/institutions	PhP18,033,165.02 (VAT exclusive)

Adding to this, government-owned or non-profit senior citizen centers and homes can also get a 50% markdown on their Maynilad bill. Lifeline customers also enjoy a negative 0.35% Foreign Currency Differential Adjustment (FCDA) that was implemented from Q1 of 2020.

Small enterprises and semi-business customers such as sari-sari stores and repair shops are provided with preferential prices as well. These enterprises pay residential charges for the first 10 cu.m. of water that they consume, which is lower than the semi-business rate. Furthermore, public preparatory, elementary, secondary and tertiary schools managed and operated by local government units (LGUs), public hospitals managed and operated by LGUs, and jails (excluding detention centers within police stations and military camps) enjoy rate reclassification from Commercial to Semi-Business. These allowances highlight Maynilad's commitment of supporting institutions dedicated to serving the public.

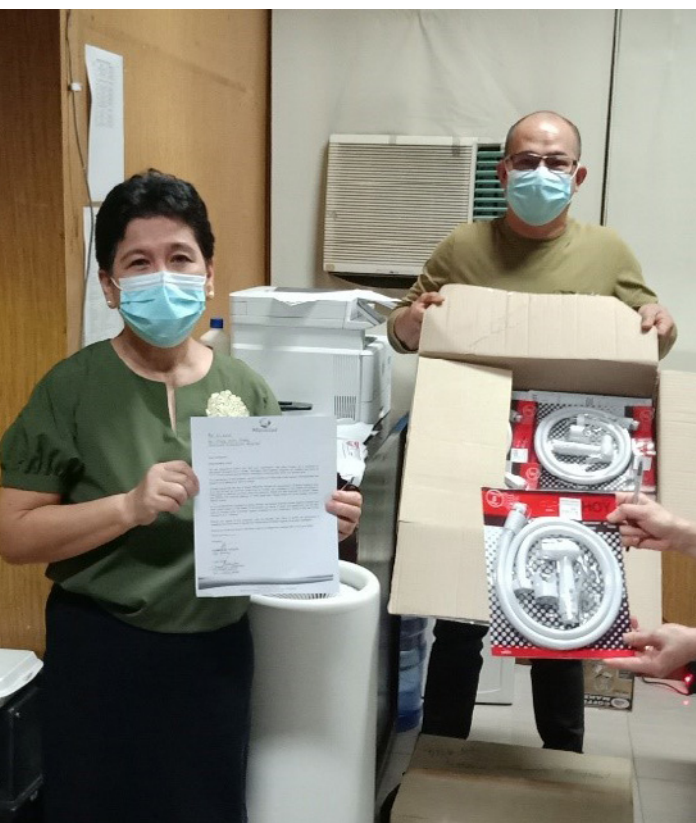
W.A.S.H. PROGRAM [203-1, 413-1]

There was also the reconfigured W.A.S.H. Program, which engaged the teachers and the educators. Initially the program was focused on youth efforts through campus tours or school tours. With the classes suspended, Maynilad had to reconfigure its WASH programs. The program was designed as training for the educators that included topics about water sanitations, training the teachers, and distance learning.

The Maynilad Water Academy (MWA) together with the National Historical Commission of the Philippines-Museo El Deposito, and the Department of Education (DepEd), hosted a webinar-workshop series for public school teachers, promoting the importance of water and sanitation education. There were 20 public school teachers from Manila and San Juan cities that participated. The virtual event highlighted the use of Maynilad's water and sanitation modules as tools for online learning.

The event complements the directive of the DepEd to prioritize the WASH Program in the upcoming curriculum. At the time of the pandemic, discussing water, sanitation, and hygiene has never been more important. Since it was established in 2011, the MWA has created a learning environment in the country, with a focus on promoting best practices in water, sanitation, and hygiene. It was recently recognized by the Civil Service Commission (CSC) as a credible private institution for highly technical and specialized training courses on water and wastewater management.

A TV-Print-Social Media Campaign was held as well where Corporate Communications promoted W.A.S.H. and Social Entrepreneurship (SE) initiatives as a response to the pandemic.





BRIGADA ESKWELA

Maynilad continues to participate in the Department of Education's (DepEd) annual *Brigada Eskwela* campaign. With the pandemic, DepEd modified the program to help students continue learning from home and that campuses are maintained, following the health and safety protocols set by the government. Some of the support Maynilad provided to DepEd include the Water, Sanitation, and Hygiene (W.A.S.H.) products.

To strengthen relationships with our other stakeholders, we tapped out Green Badge and *Kapwa* social enterprises to produce the needed items, along with Personal Protective Equipment (PPEs) gear. With the assistance of Maynilad's IT Department, a number of tablets, computers, and sanitation supplies were donated as well to the Caloocan School District Office.

W.A.S.H INITIATIVES

- *ginhaW.A.S.H.* Drinking Fountain
 - Installed 10 drinking fountains in Manila City Jail, 5 Light Rail Transit (LRT) stations and 4 medical facilities
- *ginhaW.A.S.H.* Bidet
 - 400 bidets turned over to 10 key account-medical facilities handling COVID-19 patients
- *Brigada Eskwela*
 - Donated *Kapwa* hygiene/cleaning supplies and Green Badge face masks to more than 100 public schools (through 14 School Division Offices)
 - Turned over 10 desktop computers to Ramon Magsaysay High School-Quezon City (QC) and 15 tablets to Caloocan Local Government Unit (LGU)
 - Participated in at least 10 DepEd Partners Convergence to promote W.A.S.H. accomplishments

W.A.S.H INITIATIVES + SOCIAL ENTREPRENEURSHIP

- Quezon City Global Handwashing Day (GHD) Partnership
 - Distributed 200 handwashing posters in public schools
 - Partnered with QC Health Department and QC-Schools Division Office for an online GHD photo competition
 - GHD facts featured in Water Warrior PH

W.A.S.H. SUPPORT FOR CAUSE-ORIENTED ACTIVITIES

- Some 8,400 individuals reached through outreaches and cause sponsorships like blood donation drives



KAPWA-GREEN BADGE COVID-19 MISSION AND SINING IPO PIVOT [203-2, 413-1]

Despite the constraints of the pandemic, Maynilad did what it could and shifted from its on field operations to virtual events and campaigns. Part of these initiatives is the *Kapwa* Program in *Samahang Tubig Maynilad* (STM) Tondo community, that provided livelihood training to the informal settlers and daily wage earners of Metro Manila.

The campaign enabled them to produce quality-accredited pandemic essentials such as face masks, alcohols, sanitizers, and bleach thereby generating income. Pandemic essentials were purchased by Maynilad and other patrons, generating a total gross profit of PhP3,544,180 for both social entrepreneur programs, translating to PhP800 to PhP2,500 additional income per member. Moving forward, Maynilad intends to sustain and upgrade its product lines.

On the other hand, Green Badge, repurposed old Maynilad uniforms into items such as drawstring-bags, while the STM-Riverview community was trained to produce face masks. The STM campaign is a pro-poor service delivery scheme initiated by Maynilad to empower informal settler household groups through cooperative-based water associations. One of the important parts of the association is training the members to effectively manage small-scale water service systems in their



local communities. There is also *Sining Ipo*, composed of Dumagat artisans, who help take care of our Ipo Watershed. They were trained to produce gadget stands out of driftwood for additional livelihood opportunity and income. For the 2020 Product Line (Training & Prototyping), these include the *Sining Ipo* Laptop Holder, the *Kapwa* Green Badge 250ml set, and the *Kapwa* Green Badge 50ml set.

REVENUE FROM LIVELIHOOD PROGRAMS

PhP2,061,830.00

Kapwa

PhP1,167,350.00

Green Badge

PhP315,000.00

Sining Ipo

PhP3,544,180.00

TOTAL

This augmented the income of 44 indigent families in the West Zone and 30 Dumagat families in Ipo Watershed.



EAU ET VIE (WATER AND LIFE) AND THE TUBIG PAG-ASA (TPA) WATER RELIEF FUND [203-2, 413-1]

Working together, Kapwa-Green Badge together with Maynilad Customer Experience and Retail Operations (CXRO) provided hygiene supplies and facial masks to select *Samahang Tubig Maynilad* (STM) and *Pag-asa sa Patubig* (P3) project sites, as well as in Payatas. Additional beneficiaries were identified by each business area. Along with economic relief to the social enterprise communities and recipient communities that we support, the program also serves as a platform for Maynilad to practice its corporate citizenship.

Furthermore, Maynilad's Advocacy and Marketing (ADMARK) department partnered with Key Accounts and the Business Areas to enable the programs to donate alcohol, disinfectant, handwash, and facemasks to more than 200 frontline organizations. Alcohol was donated as well to identified secondary hospitals within the Maynilad concession areas, with a focus on smaller hospitals that may not have been able to receive donations from other benefactors. A total of 390 gallons of alcohol, produced through Maynilad's Kapwa program, were donated. It also served as a gesture of goodwill to individuals and key accounts that prioritized settlement of their Maynilad bill during community quarantine.

Water & Life Philippines, and its NGO arm, *Tubig Pag-asa* (TPA), under their mother organization *Eau et Vie* (Water & Life) collaborated with Maynilad for the *Pag-asa sa Patubig* Partnership (P3). In 2020, the P3 Program facilitated the connection of informal settler communities of the Aplaya-San Rafael-Noveleta and Upper Silangan-BARS Expansion Site-Bacoar. This benefited a total of 343 families. Through the P3 Program, the communities retained their access to clean and safe water, along with value-added capacity-building programs such as a firefighting seminar and a hygiene-sanitation education campaign.

During the lockdown period, low-income water clients including Maynilad's customers from Cavite, Las Pinas, and Muntinlupa, along with community partners and collectors, were greatly impacted economically by the work and business suspension. The lack of a steady income added to the challenge of paying utilities including water bills, as well as limitations on legal, financial and technical reasons.

In response, the P3 program partners set up the Water Relief Fund, to provide subsidy to P3 beneficiaries. Maynilad donated PhP50,000 to Water & Life Philippines for their water relief fund. This ensured that each household continued to have water security at home and boost their personal hygiene, handwashing and sanitation practices which are proven effective in preventing the spread of the virus. Maynilad also pitched in *Kapwa* and Green Badge items as additional aid.

The campaign covered the Sphere minimum standards on the Water Survival Threshold to secure the daily minimum water requirements of 15 liter, per family member. This ensured that human dignity and the human right of access to clean water during emergency and crisis situations was observed.

In addition, all of the TPA operations were put on hold during the lockdown period. This includes creation of new connections, maintenance of infrastructure, quality control, meter reading, and payment collection. To address the needs of customers, an emergency hotline was set up, along with an identified emergency team of plumbers to respond to urgent concerns such as an important leak or network breakage.

MAYNILAD SOCIAL ENTREPRENEURSHIP

■ *Pag-asa sa Patubig* Partnership (P3)

- Established P3 in Aplaya: San Rafael, Noveleta; and Upper Silangan-BARS Expansion Site in Bacoor
- 343 indigent families connected initially; may benefit up to 500 families in 2021

■ *Tubig Pag-asa* Water Relief Fund

- Contributed PhP50,000 to TPA's Water Relief Fund, which provided PhP380 monthly water subsidy (equal to 350 pieces jerry cans, 20 liters each) to each P3 account, from April to June 2020, generating savings up to PhP1,140 per household
- Aid for P3 Communities
- Facilitated the use of P3 Community Development Fund to provide food packs to 2,288 indigent families in Payatas, Quezon City (QC); Sitio Bakal, QC; and P3 areas in Cavite, Las Pinas and Muntinlupa
- Maynilad also pitched in *Kapwa* and Green Badge items



MAYNILAD ADVOCACY EDUCATION [413-1, 203-2]



TALAKAY TUBIG ONLINE – MUNTINLUPA CITY WEBINAR

The *Talakay Tubig* Online webinar was organized by the Muntinlupa City Lake Management Office with the help of Maynilad to promote education and awareness within its local communities. One of the objectives include raising the public's understanding and appreciation on responsible water consumption and environmental sustainability initiatives.



DALOY DUNONG

For the *Daloy Dunong* program, these are capacity building training for teachers through creative lessons. These include K-12 compatible modules covering arts, music, storytelling, as well as water and water conservation, the importance of wastewater treatment, and the connection of sustainable water supply during the pandemic. The training lasted for a total of eight hours and the speakers tried to encompass as many topics as possible including the *Water: Nature's Precious Gift* modules and Maynilad's education-focused development programs. Feedback from the teachers have been very encouraging and several DepEd District Offices requested to be included in the next cycle. More than 800 teachers benefited from the first batch of the training.

Feedback from the teachers have been very encouraging and several DepEd District Offices requested to be included in the next cycle. Evaluation of Daloy Dunong Online was conducted with 646 participants, some of the questions include: **[103-3]**

99.70%

said yes when asked if the program met their expectations

47.83%

had very good personal knowledge on topics before the program

72.30%

had very good personal knowledge on topics after the program

“The magic of Functional Skills to sustain enjoyable learning moments for the young learners as well as the integration of the learning skills to various areas of curriculum suited to all ages.”

“One of the SDGs is #6 which is clean water and sanitation. Daloy Dunong converts children into water warriors. I will impart the knowledge that I have learned in this webinar to my students.”

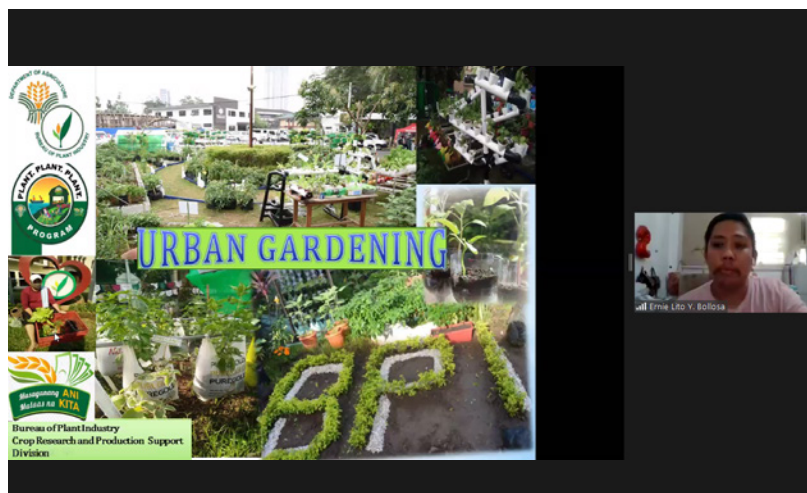
860

Total educators and health officers trained by *Daloy Dunong*

310

Total heads of households, educators, and student leaders participated in urban gardening webinar

For the urban gardening webinar, a total of 310 heads of households, educators, and student leaders participated. The webinar covered urban gardening skills including watering methods, hydroponics, enriched potting preparation and setting up a drip irrigation system. The discussions were led by experts from the Department of Agriculture, Department of Science and Technology, and Maynilad. With regards to water, wastewater, and watershed management in line with the “green lifestyle” – these were further discussed by Maynilad personnel.



MAYNILAD ADVOCACY EDUCATION

- Be Carbon Conscious Campaign
 - Collaborated with Environmental Management Department (EMD) to develop 25 internal Information, Education, and Communication (IEC) campaign materials to promote carbon footprint reduction anchored on Maynilad operations
 - Culminated in 2 contests facilitated by EMD with 585 entries
- Water Warrior PH Webinar Series
 - Engaged 1,260 water and environment champions in 6 pandemic-linked capacity development webinars covering W.A.S.H. education to urban gardening to watershed management
- *Daloy Dunong* Online: Creative Techniques to Teach W.A.S.H.
 - Trained 860 educators and community health officers from 4 batches on creative strategies to teach water, sanitation and hygiene
 - Promoted *Water: Nature's Precious Gift* modules and Maynilad's education-focused development programs
- *Ginhawa* Gardening Online
 - Shared advanced urban gardening techniques and water sustainability facts to 310 educators, heads of households, and youth leaders
 - Collaborated with DepEd, DOST and Department of Agriculture



- *Talakay Tubig* Online
 - Engaged 85 Muntinlupa LGU officials and community leaders about water and environment issues centered on Laguna Lake
 - Partnered with Muntinlupa City Lake Management Office, Laguna Lake Development Authority (LLDA), and Metropolitan Waterworks and Sewerage System (MWSS)
- Water Warrior PH Facebook Page
 - Developed IEC materials that allowed page to gain 2,319 new followers from mid-October to December 31, 2020
 - Served as host page for 2DO, 2GO and 2TO, platform for W.A.S.H. education initiatives, and online arm for advocacy campaigns

ADDITIONAL WATER SUPPLY
INFRASTRUCTURES [413-1]

For the Maynilad Water Supply Operations (WSO) division, one of its key projects is the Marawi Master Plan funded by the Asian Development Bank (ADB). It also established a small-scale Water Treatment Plant (WTP) for Barangay Masadya, Conception, Romblon, along with a Rainwater Harvesting facility with treatment in Banton, Romblon.

COLLABORATIONS WITH LGUS AND
COMMUNITY INFLUENCERS [413-1]

Discussions with the Local Government Units (LGUs) and community influencers were conducted as well, in particular officials and agencies involved in the rehabilitation of the Laguna Lake, the water situation in Muntinlupa City, along with updates done by Maynilad to improve the water situation. These upgrades include improving the water sanitation facility and upgrading the Putatan plant. Moving forward, future plans for the area include improvement on water access as well as better sanitation, and overall improvement of the water quality in Laguna lake.

Treating water is costly. Community influencers can work together with internal speakers and in-house experts from Maynilad from various divisions such as Water Supply Operations (WSO), Wastewater Management Division (WMD), Quality, Environment, Safety and Health (QESH), and the Water Academy in helping promote awareness for proper water consumption.

TIMBAYAN [413-1]

For the TimBayan initiative, this was done in partnership with the WSO, La Mesa and Putatan plant. It was originally a small effort that has consistently been implemented in the last three to four years. In 2020, the program was officially institutionalized, wherein Maynilad donated buckets and containers to schools, markets, water-for-the-poor beneficiaries, fisherfolk organizations, and small health centers.

2,050
TIMBAYAN BUCKETS DONATED
TO P3 COMMUNITIES

Cavite	700
Litex Market	300
Lagro Market	300
Riverview	180
Ipo Ipo and Isla Puting Bato-Manila	370
Muntinlupa Public Schools	200

The aim of the campaign is to repurpose and/or upcycle the containers of the non-hazardous chemicals used by Maynilad daily for water treatment. The Water Supply Operations – Putatan Water Treatment Plant (WSO-PWTP) team and Advocacy division established protocols to ensure the proper cleaning, storage, branding, and distribution of Timbayan buckets. These containers are made of high-quality plastics and can serve as heavy-duty pails or trash bins. These initiatives are also effective ways of promoting the circular economy and recycling plastic, enhancing the consciousness within the Maynilad network as well as the communities it serves.



TAAL ERUPTION [413-1]

Early in 2020, Taal Volcano erupted, causing critical damage to its surrounding communities. For our part, we provided four static water tankers in coordination with the Philippine Disaster Resilience Foundation (PDRF), Alagang Kapatid Foundation, Office of Civil Defense, Department of Social Welfare and Development, and the local government in the evacuation center in Batangas. Maynilad also donated 276 bags of assorted items, along with 350ml and 6 liters of water containers, amounting to a total value of PhP944,026.



CUSTOMER SERVICE BEYOND WATER

Regarding customer service, Maynilad reaches out to its customers especially those that are part of the marginalized communities in the West Zone. Maynilad stays true to its commitment of going beyond the water meter, inquiring its customers on what is needed for sustainable access to water and sanitation. Maynilad has been consistent as well in working together with other teams, both internally and externally, along with Non-Government Organizations (NGOs), barangays, and various other groups that we can rally to orchestrate and magnify the impact.





INFRASTRUCTURE INVESTMENTS AND PUBLIC HEALTH AND SANITATION [203-1]

CONSTRUCTION OF MODULAR TREATMENT PLANTS (MODTPS)

Extent of development of infrastructure investment and services supported.

Main goal of the construction of the Modular Treatment Plants (ModTP) is to augment the existing water supply of Maynilad by extracting raw water from identified four dams of National Irrigation Agency (NIA) located in Imus and Bacoor, Cavite. This is a medium-term solution to address water supply shortage during the summer season and occurrence of El Niño phenomena, with a total plant capacity of 46.7 million liters per day (MLD) to be supplied in the Cavite area. The first 16MLD is expected to be supplied by the end of 2021 while it is projected to complete all ModTPs installation/construction by 2024.

The identified dams include the Julian Dam, Anabu Dam, Ligas Dam, and the Molino Dam, with a total of 52MLD raw water allocation.

Expected impacts on communities and economies.

Will provide 24/7 water availability of estimated 250,000 customers in the Cavite area even when there's water supply shortage coming from Angat.



Along with the upgrade of the existing facilities, Maynilad's roadmap toward addressing water security challenges in its concession areas, include construction of new treatment facilities, reservoirs, and pumping stations. The consistent detection, inspection, repair, and replacement of pipe leaks, along with other sustained network enhancement initiatives and development of smaller alternative raw water sources, are part of Maynilad's efforts together with its partners, to better serve its customers and the growing population.



LA MESA TREATMENT PLANT UPGRADES

Maynilad has been consistently developing and rehabilitating treatment plants. The La Mesa Treatment Plant (LMTP) 1 and 2 have undergone several upgrades to improve its overall service and efficiency. These recent infrastructure improvements were envisioned to increase the capacity of the plants to address high water turbidity without affecting the production of treated water.

In 2020, a budget of PhP7.9 billion was allocated for the rehabilitation of the La Mesa facility, including constructions of new facilities such as pumping stations, a sludge treatment facility, and a solar power system. Moreover, new equipment such as sludge scrapers, settlers, control units, and safety and security systems were installed as well.

As part of the multi-billion project, the sedimentation and filtration basins of the La Mesa facility will be rehabilitated as well. For the high turbidity rate of raw water, a new system capable of handling the requirements will be installed. For the LMTP 1, it was imperative to treat water with 2000 nephelometric turbidity units (NTU) quality, without reducing the 1,500 million liters per day (MLD) production. Process improvement is on-going as well, with nine out of the 12 basins already modified. For the filters, 18 out of the existing 24 were already modified as well, with two currently ongoing as of writing. In total, 75% of the basins and filters in the LMTP 1 have already completed modification and are fully operational. The facility was also retrofitted to withstand earthquakes up to 7.2 magnitude, along with other natural calamities.

These upgrades will reduce Maynilad's operational expenses through innovations such as replacing motorized mixing into hydraulic mixing, the utilization of solar power, and enhancing design to optimize use of chemicals.

KUBETA KO PROJECT

Maynilad joined the Department of Environment and Natural Resources (DENR), the Manila City government, and the Metropolitan Waterworks and Sewerage System (MWSS) for the implementation of DENR's "Project Kubeta Ko" movement last December 2020 to prevent open defecation in Metro Manila Waterways. This involves the provision of portable toilets to informal settler families at Parola Compound in Tondo, Manila. Under this project, Maynilad's role is to treat the sewage collected from the donated toilets, in compliance with applicable laws on wastewater and solid waste management. The project supports the continuing Supreme Court Mandamus to clean up, rehabilitate, and preserve the Manila Bay.



CONTACTLESS HAND WASH STATIONS

Along with ensuring consistent water supply, Maynilad puts value in infrastructure investments to aid public health and sanitation. One of the initiatives toward public health and to help mitigate the spread of the pandemic is the installation of 27 contactless hand wash stations in key business areas and public spaces such as markets and barangay halls. With handwashing as one of the highly recommended ways to stop the spread of the COVID-19 virus, hand wash stations have never been more important.



Poblacion WTP, also known as Laguna Lake Water Treatment Plant, during site inspection with MWSS

POBLACION WATER TREATMENT PLANT & CONVEYANCE SYSTEM

Ensuring long-term water supply reliability, Maynilad is focused as well on constructing a third water treatment plant that taps into Laguna Lake as a raw water source. Putatan Treatment Plants 1 and 2 are already fully operational, with a combined output of 300 million liters per day (MLD). The new treatment plant will be built in Poblacion, Muntinlupa, and will add 150MLD of potable water to address the needs of the growing population in the area.

The new Poblacion 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).

With a target completion by 2023, the facility is estimated to supply around 150,000 households, increasing Maynilad's total yield from Laguna Lake to 450MLD. The Poblacion Water Treatment Plant will also provide Maynilad with a total of five water treatment plants with a combined capacity of about 2,850MLD.

INFRASTRUCTURE INVESTMENTS AND SUSTAINABLE LIFESTYLES [203-1]

GINHAW.A.S.H.

[203-1, 203-2, 413-1]

As part of Maynilad's W.A.S.H. campaign, along with infrastructure investments, 400 bidets and 10 drinking fountains were set up in selected government establishments such as hospitals, Manila City Jail, and Light Rail Transit (LRT) stations. Health and sanitation tips and signages were also made available to reinforce healthy behaviors. A total of 241 key accounts in public service have benefitted from the ginhaW.A.S.H. initiative since 2015. The campaign is also an effective way for Maynilad to enhance and strengthen our relationships with our partners as well as the government.

VERTICAL GARDENS UNDER THE GINHAWA GARDENING PROGRAM

Extent of development of infrastructure investment and services supported.

For 2020, the urban gardening campaign of Maynilad was done together with the Advocacy and Marketing division, in partnership with Key Accounts Management (KAM) and the Business Areas (BAs). There were eight public schools that benefitted the Ginhawa Gardening campaign—four schools in Las Pinas (South) and four schools in Caloocan (North). Along with the vertical gardens, the schools were also equipped with other gardening facilities such as drip irrigation systems.

The Ginhawa Gardening project started in 2015 to support the home food security program of Paranaque City local government. To date, Maynilad was already able to help establish 52 vegetable gardens in the community.

Expected impacts on communities and economies.

With a health and economic crisis going on, growing one's own food has become a pandemic essential skill. Not only does this effort equip the communities with skills to be more sustainable, it also provides them with food that they no longer need to buy, thereby reducing their daily expenses.



MULTI-STAKEHOLDER PARTNERSHIPS: MANILA BAY REHABILITATION

Another major project of Maynilad for 2020 is the Manila Bay Rehabilitation project. Spearheaded by the Department of Environment and Natural Resources (DENR), it involves 13 Mandamus agencies including Maynilad, the Local Government Unit (LGUs), and the private sector.

The Manila Bay area plays a critical role in the Philippines' major economic activities, including shipping, logistics, industrial and tourism activities, as well as commercial fishing and aquaculture. It is also an important landmark for the country historically, culturally, and geographically. The Manila Bay is connected to 17 principal river systems, has a drainage area of 199,400 hectares, and a coastline that spans up to 190 kilometers.



CENTRAL MANILA SEWERAGE SYSTEM (CMSS) REHABILITATION PROJECT [203-1]

As part of the Manila Bay rehabilitation campaign, Maynilad, in particular the Wastewater Management Division (WMD), in partnership with the city of Manila, launched the Central Manila Sewerage System (CMSS) Rehabilitation Project. Unveiled in October 2020 at the Arroceros, Manila, the local government of Manila together with the DENR, expressed its full support for the project. The concerns regarding the possible impact of the construction on the traffic conditions were addressed as well, calling for temporary adjustments in exchange for long-term convenience in the future.

The project is expected to be completed by June 2021, which is envisioned to help sustain the sewerage coverage expansion in the West Zone, while also helping alleviate the pollution load in Manila Bay.

ADOPT AN ESTERO PROGRAM [203-1]

Along with the Central Manila Sewerage System (CMSS) Rehabilitation Project, the Adopt an Estero (estuary) program is also part of Maynilad's initiatives in the rehabilitation of Manila Bay. In 2020, Maynilad allocated a budget of PhP1.1 billion over a period of three years, for the rehabilitation of five estuaries in Manila, namely the Estero dela Reina, Estero de Sunog Apog, Estero de Magdalena, Estero de Concordia, and Estero de San Antonio Abad. Part of the initiative is to complete 10 kilometers of sewer lines from customers who are unable to connect to the Maynilad network. The project is expected to benefit a total of 62,000 residents once completed.

Maynilad also asked for the support of the local government units to ensure that solid waste from the households along the creeks are no longer polluting the estuaries. Even as the sewer lines are installed, other activities such as direct dumping of the waste to the *esteros* can still cause pollution.

The Adopt an Estero program was launched last 2018 and to date, successfully installed a total of 745 meters of interceptor pipes in the communities near Estero dela Reina and Estero San Antonio Abad, with a population of 19,400.

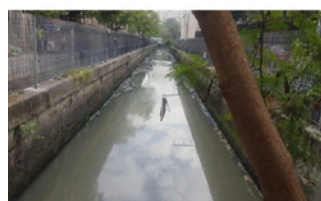
ADOPT-AN-ESTERO PROGRAM BY MAYNILAD



ESTERO DE LA REINA, BINONDO



ESTERO DE SUNOG APOG, TONDO



ESTERO DE SAN ANTONIO, MALATE



ESTERO DE MAGDALENA, BINONDO



Facing the Future, Working towards Sustainability

[103-1, 103-2, 103-3]



Maynilad acknowledges that we share the environment with the rest of society. Our business depends on the health and stability of natural resources; therefore, it is our responsibility to manage these well. We are committed to caring for the environment to keep our water sources healthy in the long-term.

REDUCE ENVIRONMENTAL FOOTPRINT

Maynilad has an established Quality, Environment, Energy, Safety, and Health (QESH) Policy to guide our environmental performance and we have a team that is responsible for implementing and managing our systems. We constantly evaluate ourselves and benchmark against industry best practices. Our



systems are aligned with international standards and we ensure that we keep our Environmental Management System (EMS) up to date with International Organization for Standardization (ISO) certifications.

We have a practice of conducting regular audits, both internal and external, to help us ensure that our operations comply with standards. We know that our activities affect the environment as well as the communities where we work.

Beyond our own operations, we share the environmental, safety, and health responsibility with our vendors. Therefore, we subject our vendors to performance evaluation and monitor their compliance to standards.

BIODIVERSITY, WATERSHED, AND NATURAL RESOURCES MANAGEMENT [103-1, 103-2, 103-3, 304-1, 304-2]

Water, by itself, is a renewable resource. However, the pace in which water is consumed compared to how it is replenished by nature, is gravely unbalanced. With this, Maynilad continuously seeks innovations and system upgrades that can help us manage our resources better. We recognize our responsibility to care for the watershed areas that support our water sources and to actively participate in the government's efforts to address water pollution.

Maynilad actively supports the government's cleanup programs, including the Department of Environment and Natural Resources' Environment Management Bureau–National Capital Region's (DENR EMB–NCR) Adopt-an-Estero/Water Body Program.

The La Mesa Treatment Plants 1 and 2, as well as the Maynilad Safety Center are located within the La Mesa Compound, which is part of the La Mesa Watershed Reservation, declared through Presidential Proclamation 1336 in 2007. Maynilad also operates the Sacred Heart Pump Station and the Central Depot, which are both located in areas under protected status.



For the La Mesa Plant, additional facilities include:

- Water Network Maintenance Shop
- WATERLab
- Common Purpose Facility (CPF)

For Ipo Watershed, it is part of the CPF co-managed by Maynilad and Manila Water, facilities include:

- Ipo Dam Office: Office for CPF employees
- Ipo Dam Housing: Housing for CPF employees assigned at Ipo
- Ipo Multi-Purpose Building: Used for events and seminars venue
- Ipo Dam Control Room: room for Ipo operators and controls for Ipo Dam equipment
- Ipo Dam Conference Room: room for employee meetings
- Manila Water Watershed Office: Manila Water office for watershed personnel.
- Ipo Dam Security Barracks: Barracks for CPF service providers and security personnel.
- Ipo Dam Security Office: Office for security personnel
- Ipo Dam Military Barracks: Barrack for military personnel

Maynilad mitigates any negative effects on the environment and neighboring communities resulting from our activities. To manage the impact of our operations, we maintain ISO certifications for Quality Management, Environmental Management, and Energy Management Systems. To reduce dependence on the energy grid, Maynilad installed solar panels in the Maynilad Safety Center.

WASTE MANAGEMENT

[103-1, 103-2, 103-3, 306-1, 306-2]

Maynilad has an established waste management system with standard procedures on waste management and disposal of non-hazardous and hazardous waste, in compliance with national and local regulations. For non-hazardous waste, these are disposed through services provided by the local government, while hazardous waste is collected by Department of Environment and Natural Resources (DENR)-accredited third-party service providers. These providers are obliged to provide Maynilad a copy of a Certificate of Treatment as proof that the hauled wastes have been properly disposed of.

There are also limits set regarding the quantity of the waste hauled per facility, through the Permit to Transport granted by DENR to third-party service providers. Scheduling conflicts, as well as the capacity of the vehicle used by the hauler, add to the conflicts encountered by Maynilad in waste disposal. These lead to temporary storage of some generated waste. To address these, each Maynilad facility has a storage area allotted specifically for hazardous waste, with a maximum storage limit of one year. All of these waste storage facilities comply with the standards set by the DENR Administrative Order 2013-22.

For consistent collection and monitoring of waste-related data, there is a log sheet of the total weight of the waste collected. These are then reported in the Self-Monitoring Report (SMR) of each facility. For solid waste, daily data collection and reporting are implemented.

Along with the environmental initiatives, Maynilad is conscious of its waste management, including all forms of waste and where they end up. Initiatives to decrease Maynilad's waste include the recycling of uniform shirts that are repurposed in the Green Badge program as drawstring bags to generate additional income for our social enterprise communities. Paper and office supplies were also re-used and opportunities to employ digital and paperless transactions and processes were explored.

For waste generation and significant waste-related impacts, the operations of Maynilad have no significant actual waste-related impact. Potential waste-related impact can include chemical leaks/spillage and toxic odor from hazardous waste. Decomposition of solid waste may also result in foul order. Improper usage of materials due to non-adherence to instructions and safety measures, as well as improper handling of wastes for disposal and improper loading of wastes to disposal trucks, can lead to health risks. These potential impacts relate to waste generated by the organization through its activities.



2020 WASTE GENERATED IN METRIC TONS* [306-3]	
HAZARDOUS WASTE	144.04
Acid Wastes	0.36
Wastes with Organic Chemicals	21.46
Inks/Dyes/Pigments/Paint/Resins/Latex/ Adhesives/Organic Sludge	2.77
Waste Organic Solvents	0.33
Oil	72.37
Containers	29.93
Organic Chemicals	0.93
Miscellaneous Wastes	15.89
NON-HAZARDOUS WASTE	50.68
Recyclables	14.16
Residuals	14.10
Biodegradables	22.42

**Increase in 2020 waste generation data is due to inclusion of stored hazardous wastes not previously accounted. Data provided in the past years was waste disposed. Maynilad did not report wastes stored on-site as a disposal type. Therefore, 2020 data cannot be compared to the 2018 and 2019 data. For this report, Maynilad has also adopted the GRI Standard Waste 2020. [102-49]*

WASTE DIRECTED TO DISPOSAL IN METRIC TONS [306-5]

22.99

Total hazardous waste
to other offsite disposal operations

50.67

Total non-hazardous waste
to offsite landfilling

In relation to Records Management, documents were sold for disposal and paid in cash by the vendor at the Treasury Department. The last disposal was in July 2020 with representatives from Procurement and Internal Audit present up to the weighing for final payment of the vendor.

DOCUMENT/PAPER DISPOSAL 2020

WEIGHT

2,410
per kilogram

PRICE

PhP6.50
per kilogram

TOTAL AMOUNT

PhP15,665.00

ENERGY CONSUMPTION [103-1, 103-2]

Maynilad requires energy to produce and distribute the required volume of water and also to collect and treat wastewater for our concession areas. Managing our consumption of electricity and fuel will not only have a positive impact on our emissions, it is also part of our action on climate change. Therefore, our goal is to achieve optimal levels of energy use that will enable us to run our business efficiently so as to meet the needs of our customers and communities. At the same time, Maynilad also seeks to manage its performance to ensure minimal damage to the environment.

We have processes and systems to monitor and track our energy consumption. Maynilad is also exploring renewable energy options to reduce our use of fossil fuels and support our climate efforts.



MAYNILAD AND LA MESA SOLAR POWER FARM

One of the projects envisioned to reduce Maynilad's energy consumption is the Maynilad Solar Power Farm. It has a project value of PhP100,895,679 and includes the supply and installation of a solar power plant with a minimum of 1 MegaWattPeak (DC) capacity. The Maynilad Solar Power Farm was constructed on top of the AWSOP* Reservoir and Pump Stations (ARPS) with approximately 8,250 square meters. It will augment the power supply for the La Mesa Pumping Station North C.

Once fully operational, the Maynilad Solar Power Farm will reduce the overall non-renewable power consumption of La Mesa Pumping Station North C by approximately 10% annually. It will also be able to retain the 90% of the committed initial 1,011kWp (1.01MWp) for the first 10 years and 80% from the 10th year to the 20th year.

The solar power plant has an expected useful project life of over 40 years and operates on direct input to an electrical system also known as a Photovoltaic (PV) Solar Power Grid Tied System. Full energization was scheduled for the third or fourth quarter this year.

The second solar power project is the La Mesa Treatment Plant (LMTP) 1 – 1 MW Solar Panel, connected to the Motor 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 only, as well as other areas that have been energized by the new MCC including the West and East buildings.

Partial energization was scheduled for June 01 – 30, 2021.

**Angat Water Supply Optimization Project*

FUEL CONSUMPTION WITHIN THE ORGANIZATION FOR STATIONARY ENGINES & VEHICLE GASOLINE AND DIESEL IN LITERS [302-1]

Stationary Fuel*	1,437,763.78
Vehicle Fuel**	1,323,200.74
TOTAL FUEL CONSUMPTION	2,760,964.52

*Stationary fuel refers to fuel consumed by generator sets in all Maynilad facilities.

**Refers to fuel (both diesel and gasoline) used for all of Maynilad's fleet of 728 service vehicles. These are mostly leased vehicles, with refuelling done by Maynilad. The process of calculating the total fuel consumption is based on the monthly transaction details billed by the service provider (Chevron) using the StarCard/fleet card. Values further discussed in the annex.

Non-renewable (Fuel)	100,293 Gj*
Electricity purchased for consumption	564,940 Gj

*Gj: gigajoule; The conversion factor to gigajoules is based on the conversion factors used by the Metro Pacific Investments Corporation (MPIC).

ENERGY INTENSITY [302-3]

Energy intensity ratio	158.57 Kilowatt-hour (KWH) per million liters (ML)
CALCULATION OF ENERGY INTENSITY	
Kilowatt-hour (KWH)	156,927,660.88
Water Prod (ML)	917,520
Wastewater (ML)	72,139
KWH / ML	158.57

GHG EMISSIONS [103-3]

As part of our Greenhouse Gas (GHG) accounting and reporting practice, we conduct internal audits and have submitted the results for verification by an international certification body. GHG audit verification is done every three years for three reporting years.

DIRECT (SCOPE 1) GHG EMISSIONS [305-1]	
EMISSION SOURCE	AMOUNTS IN TONS CO2 EQUIVALENT
Vehicles	3,549.99
Engines/Generators	3,828.69
Others	2,496.20
TOTAL	9,874.88

The increase in stationary emissions from 2019 is attributed to the operation of generator sets (genset) powering some treatment plants and facilities for 24 hours. An example is the Putatan facility which ran on a generator set for two days due to a power outage. The plant ran on genset power for days.

Another example is the incident with the LMTP 1 wherein the recovery pumps used genset fuel for the first few months of 2020, before it was tapped to the MCC Meralco line. For LMTP 2, the increase in 2020 fuel consumption is due to frequent power interruption (such as emergency repairs and thunder storm), shifting of overhead power line to underground power line and energization of Ring Main Unit (RMU).

For 2020, the operations of the Pasay and Paranaque Water Reclamation Facilities (WRF) were included in the accounting of GHG emissions, since these facilities were finally turned over to Maynilad in January 2020. The inclusion of these facilities caused an increase in the amount of emissions this year. The Pasay and Paranaque WRFs are two of the largest wastewater treatment facilities of Maynilad to date. [102-49]

The Pasay WRF employs the conventional activated sludge technology, while the Paranaque WRF utilizes the same technology with an additional process to comply with the nutrient removal requirement. Specifically, Paranaque WRF uses an anoxic process (the absence of molecular oxygen) for denitrification to comply with the DENR's Administrative Order (DAO) 2016-08 General Effluent Standard. Certain microorganisms can metabolize organic material in the absence of oxygen. The anoxic process optimizes the growth of methanogenic bacteria. It either converts it to CO₂ or CH₄ or incorporates it into new biomass.

Moving forward, Maynilad will ensure that all its wastewater treatment facilities will fulfill the requirements of the DENR DAO 2016-08 standards.

DIRECT (SCOPE 1) GHG EMISSIONS [103-1, 103-2, 305-1]

Gross direct (Scope 1) GHG emissions	9,874.88 Metric tons in CO2 equivalent
Identify the gases included in the calculation (CO2, CH4, N2O, HFCs, PFCs, SF6, NF3 or all)	In the current GHG calculation tool the gases considered are CO2, CH4, N2O, PM, NOx, SOx, CO and VOC

ENERGY INDIRECT (SCOPE 2) GHG EMISSIONS [103-1, 103-2, 305-2]

Gross location-based energy indirect (Scope 2) GHG emissions	94,735.07 Metric tons in CO2 equivalent
Identify the gases included in the calculation (CO2, CH4, N2O, HFCs, PFCs, SF6, NF3 or all)	In the current GHG calculation tool the gases considered are CO2, CH4, N2O, PM, NOx, SOx, CO and VOC

Maynilad calculates for the GHG and air pollutant emissions using the emissions factor approach. A Microsoft Excel-based calculation tool was used, and the calculation methodologies and emission factors were derived from various notable sources such as Greenhouse Gas Protocol, World Business Council for Sustainable Development, World Resources Institutes, Anthesis, Clean Air Initiative for Asian Cities, Intergovernmental Panel for Climate Change (IPCC), U.S. Environmental Protection Agency (EPA), UK Department for Environment, Food and Rural Affairs (DEFRA), United Nations Environment Programme (UNEP), and Department of Energy (DOE). **[103-2, 102-49]**

GHG EMISSIONS INTENSITY [305-4]

GHG emissions intensity ratio for the organization	0.0866 tCO2e*/million liters for 2019 0.1057 tCO2e*/million liters for 2020
Organization-specific metric (the denominator) chosen to calculate the ratio	Volume of water produced and treated wastewater in million liters
Types of GHG emissions in the intensity ratio	Direct (Scope 1) and Energy Indirect (Scope 2)
Identify the gases included in the calculation (CO2, CH4, N2O, HFCs, PFCs, SF6, NF3 or all)	In the current GHG calculation tool the gases considered are CO2, CH4, N2O, PM, Nox, Sox, CO and VOC

*tCO2e stands for tonnes (t) of carbon dioxide (CO2) equivalent (e)

NITROGEN OXIDES (NOX), SULFUR OXIDES (SOX), AND OTHER SIGNIFICANT AIR EMISSIONS IN TONS [305-7]	
NOx	344.98 tons
SOx	2,209.34 tons
Persistent organic pollutants (POP)	Not available
Volatile organic compounds (VOC)	10.77 tons
Hazardous air pollutants (HAP)	Not available
Particulate matter (PM)	4.85 tons
Carbon Monoxide (CO)	46.66 tons
SOURCE OF THE EMISSIONS	POWER USAGE, FUEL, WASTEWATER

To determine its Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions, Maynilad uses a calculation tool that automatically computes air pollutant and GHG emissions using inputted power and fuel consumption values. The data from this emissions factor approach is not comparable to data based on actual air sample analysis based on DENR standards, with the latter reporting only for emissions from generator sets. Emissions data presented in this section includes overall emissions from power usage, which are calculated using the Department of Energy (DOE) emission factors; while other GHG emission factors used, such as in fuel and wastewater, are based on accepted international standards. Emissions data for vehicle use are captured from the billing of fuel service providers, while the data for generators are based on the monitoring of fuel consumed. **[103-2]**

Maynilad's base year for GHG calculation started in 2009–2010. As the number of customers grow exponentially, the number of service connections increase per year, along with the infrastructure necessary to provide water and waste water services. More information about Maynilad's GHG Emissions can be accessed in its latest GHG Report that can be viewed at <https://www.mayniladwater.com.ph/disclosures-and-transparency>. Maynilad's GHG report follows ISO 14064-1:2018.

Maynilad is required to undergo air emissions sampling and testing annually. For 2020, Maynilad has no violations with respect to air emission standards. The sampling results can be found in the Annex.

WATER DISCHARGE [303-1, 303-2]

Part of Maynilad's priorities is to ensure the sustainability of its raw water sources and its surrounding environment. We comply with the regulations set by the Department of Environment and Natural Resources (DENR) along with the prescribed limits set by the Metropolitan Waterworks and Sewerage System (MWSS) regarding water withdrawal. Within the organization, the Water Supply Operations (WSO) manages the water distribution of Maynilad, while the Wastewater Management Division (WMD) handles the sewer network and sanitation services part of the business. Part of the WMD role is to ensure that the water discharge remains compliant with the wastewater effluent quality standards as prescribed by the DENR.

Maynilad's performance, service standards, and rates are monitored under the concession agreement with MWSS as well, subject to regular audits. For the water management activities, the National Water Resources Board (NWRD) monitors and regulates our activities in the Angat-Ipo-La Mesa Watershed while the Laguna Lake Development Authority (LLDA) monitors our Laguna Lake activities.

At present, discharge from the organization's activities are sent to 12 locations, all within the perimeters set by the DENR Administrative Order (DAO) 2016-08, Water Quality Guidelines and General Effluent Standards. This covers both the quality of the water discharge, as well as the profile and classification of the receiving water body.

TOTAL WATER DISCHARGE TO ALL AREAS BY DESTINATION IN MILLION LITERS [303-4]	
Surface water	34,573
Groundwater	0
Seawater	39,940
Produced water	0
Third-party water	0
TOTAL WATER DISCHARGE TO ALL AREAS BY CATEGORY IN MILLION LITERS [303-4]	
Freshwater (<1000 mg/L Total Dissolved Solids)	34,573
Other water (>1,000 mg/L Total Dissolved Solids)	39,940

2020 DISCHARGE TO SURFACE WATER* [102-49, 306-1]				
Item / Facility	In Cubic Meters	In Million Liters (ML)	Discharge Location	Average Biological Oxygen Demand (BOD), in milligrams per liter (mg/L)
Paco Water Reclamation Facility (WRF)	94,782	94.78	Estero De Santibañez	2.25
Alabang WRF	2,502,930	2,502.93	Pasong Diablo River	2
Dagat-dagatan WRF	129,402	129.4	Maypajo Creek	No sampling
Congressional WRF	168,714	168.71	Culiat Creek	2
Baesa WRF	69,402	69.4	Dario Creek	2.25
Legal WRF	187,921	187.92	Dario Creek	2.17
Grant WRF	225,839	225.84	Dario Creek	2
Tandang Sora WRF	216,758	216.76	Dario Creek	2
Bahay Toro WRF	1,368,429	1,368.43	Dario Creek	3.08
Bagbag WRF	3,542,306	3,542.31	Dario Creek	2.08
San Antonio WRF	771,469	771.47	San Francisco River	2.08
Del Monte WRF	745,821	745.82	San Francisco River	2
Paltok WRF	1,314,048	1,314.05	Maribolo Creek	3.42
Samson WRF	355,098	355.1	San Francisco River	2
Kapiligan WRF	562,275	562.27	San Juan River	2
Talayan WRF	2,013,161	2,013.16	Talayan Creek	2
Tatalon WRF	2,180,737	2,180.74	San Juan River	2.58
Veterans WRF	451,840	451.84	Culiat Creek	2.75
Pasay WRF	8,652,252	8,652.25	Delain Creek	2.17
Paranaque WRF	6,646,319	6,646.32	Malabon Creek	2
Putatan WTP 1 and 2	2,373,008	2,373.01	Laguna Lake	1.92
2020 DISCHARGE TO SEAWATER*				
Tondo Sewage Pumping Station	39,939,540	39,939.54	Manila Bay	24.36

*Please see Annex for the full table

RISK MANAGEMENT

To ensure that Maynilad effectively and immediately addresses risks and opportunities, the Enterprise Risk Management and Internal Audit (ERMIA) Division regularly conducts reviews. For 2020, in support of the Governance initiatives of Maynilad, ERMIA spearheaded the development of the Maynilad Anti-Fraud Policy which took effect on 01 July 2020. The policy aims to express the company's commitment in promoting and maintaining an anti-fraud culture. And to further promote good corporate governance, ERMIA also facilitated several virtual trainings and had developed e-learning courses on Anti-Fraud, Whistleblowing Policy and Basic Internal Controls.

ERMIA upholds the values of Honesty and Integrity, which characterize the Internal Auditor or Risk Manager's strong moral principle. These values keep the team in check with its mission as a reputable professional partner delivering valuable risk management, control assurance and consulting services that enable Maynilad and its stakeholders to achieve business objectives and good corporate governance.

Meanwhile, our Quality, Environmental and Safety & Health (QESH) division implements initiatives designed to mitigate the risks of climate change. These include reducing carbon footprints, monitoring of Greenhouse Gas (GHG) emissions, energy management, watershed protection and business continuity management. Division heads also monitor and report the impact of climate change, such as extreme or unusual weather patterns on Maynilad's operations.

Furthermore, the Maynilad Enterprise Risk Management team, together with the Risk Management Core Team which is composed of representatives from various divisions of Maynilad, conducted risk assessment and identified potential risks of the Company. The top ten risks identified were as follows:

IDENTIFIED RISKS [102-15]	MITIGATION MEASURES [102-11]
Political and Regulatory Risk ■ Uncertainties arising from the government-proposed amendments to the Concession Agreement (CA) ■ Passage of a bill transferring the regulation of water service providers to a national body; implementation of regulations imposing penalties for certain obligations in the concession agreement (CA)	■ Maintaining open communication lines with the Concession Agreement (CA) Review Committee to ensure that the amendments to the CA are fair and reasonable ■ Participating in the hearings of the Committee on Government Reorganization to ensure that the inputs of the Metro Manila water concessionaires will be taken into consideration in the final version of the bill. ■ Adopting efforts to improve efficiency in the performance of Service Obligations under the CA ■ Coordination with the Regulatory Office and providing them with our own inputs, clarifications and suggested changes.

IDENTIFIED RISKS [102-15]	MITIGATION MEASURES [102-11]
Revenue Risk ■ Deterioration of volume mix and skew towards domestic consumption with lower tariff rates due to limited business activities.	■ Influence volume mix to 82-18% from earlier targeted 84-16%
Water Supply Risk ■ Poor quality of Laguna lake and Angat dam water ■ Increased turbidity level of raw water flowing from Angat to Ipo due to typhoon Ulysses	■ Reduction of production to sustain the quality that complies with the Philippine National Standards for Drinking Water (PNSDW). ■ Cleaning of basins was done to bring back the normal capacity of the Treatment Plants.
Liquidity Risk ■ Collection challenges	■ Intensify collections by attaining 100% collection efficiency for 2021 and ensuring the collection of any outstanding balances ■ Comprehensive communication campaign for existing online services such as: □ Customer Communication Portal (CCP), where customers are registered to the Portal and can view their 12 months bills, receive SMS and emails for billing notifications and reminders, payment redirection to our bank partners among others. □ Auto Debit Arrangement (ADA) □ Digital wallets i.e. PayMaya, Smart Money and GCash, and new online wallets LazPay and GrabPay □ On-site collection for check payments ■ Accelerated implementation of “Pay Your Way” payment channels diversification campaign □ Tapped social media “momfluencers”, particularly those living in gated communities, to encourage use of digital channels to pay bills, and to settle bills amid quarantine restrictions to prevent bill shock □ Cross-posting of payment channel-related social media posts to the digital assets of payment partners □ Screensaver ad on kiosk-type payment channels, primarily Pay & Go

IDENTIFIED RISKS [102-15]	MITIGATION MEASURES [102-11]
Liquidity Risk ■ Concession agreement (CA) issue ■ Unavailability of long-term borrowing	■ Creation of business case for promos/incentive programs to convince customers to switch to digital modes of payment, particularly PayMaya, and to pay their bills on time and in full (still part of the Pay Your Way campaign) ■ Managed 2021 Capital expenditures (CAPEX) and Operating expenses (OPEX) Budget to ensure existing cash and revenue collections remain sufficient to cover trade payables and debt service obligations for next year without having to incur new debt
Health and Safety Risk ■ Biological hazard – COVID-19 Pandemic	■ Creation of COVID-19 (pre and post Enhanced Community Quarantine) Technical Working Group (TWG); Responsible for the preparation and implementation of COVID-19 health and safety protocols: □ Antibody-rapid testing □ Flexible/skeletal work arrangement □ Transportation plans □ Health and safety advisory □ Health and safety tele-consultation □ Provision of workplace safeguards (Scanning station, sanitation station, plastic barriers, etc.) □ Health declaration forms □ Regular facility and vehicle disinfection
Project Delivery Risk ■ Effects of COVID-19 Pandemic □ Longer processing of project permits due to Local Government Unit (LGU) □ Limited working hours as imposed by the LGU □ Work schedule is affected due to limited goods/supplies, manpower, etc.	■ Prioritization and continuity of project paper works and documentations □ Online review of design documents □ Online processing, review and approval of contractor submittals □ Online processing of CPP/ Front End Engineering Design (FEED) for new Capex project □ On-line processing of Capex projects billing request for payment □ Online submission of project information data/report

IDENTIFIED RISKS [102-15]	MITIGATION MEASURES [102-11]
Project Delivery Risk	■ Revised operational procedures to adapt to the current situation ■ Continuous monitoring & supervision of projects ■ Constant coordination with the concerned LGU related to Maynilad Contractor's work schedule ■ Strict implementation and monitoring of Contractor's safety and health protocol
Asset and Equipment Risk ■ Unplanned equipment/asset downtime ■ Low pressure to no water supply to customers	■ Predictive/Condition Based & Predictive Maintenance activities coming from the Integrated Asset Management (IAM) Asset Criticality and Performance Study ■ Continuing improvement (Periodic Review) and upgrade of Asset Registry, Asset Hierarchy, Asset Information, and Asset (Integrity & Reliability) Criticality ■ Optimization of Life Cycle Management ■ Root Cause Failure Analysis on significant equipment failure/downtime. ■ Strict implementation of RCFA (Root Cause Failure Analysis) recommendations. ■ Strict implementation of scheduled Preventive Maintenance or 52 week plan. ■ Periodic review and updating of preventive/predictive/Condition-based Maintenance (CBM) maintenance program effectiveness. ■ Regular review and updating of spare parts inventory ■ Acquisition of redundant high critical equipment ■ Endorsement to Project all plant processes including equipment due for rehabilitation/upgrading ■ Establishment of Contract Service Agreement (CSA) for all critical equipment and specialized services ■ Prioritization of Central Non-Revenue Water (CNRW) pipe replacement projects and other programs (meter management and leakage control) for 2021

IDENTIFIED RISKS [102-15]	MITIGATION MEASURES [102-11]
Cyber Security, Information Security, Data Privacy Risk ■ External and internal threats to intrusion ■ Increased cybersecurity issues during the pandemic (Phishing and spams) ■ System vulnerabilities and DPA non-conformities/issues	■ See IT Services Information and Cyber Security Policies and Initiatives on Page 64.
Third Party Risk and Procurement and Inventory Risk* ■ Inability of third party to cope with the COVID19 risk factors ■ Limited manpower ■ Liquidity/financial challenges ■ Limited accomplishment/job orders ■ Additional expenses for complying to new normal guidelines ■ Delayed deliveries	■ Online processing, review and approval of vendor submittals ■ Provide financial assistance to identified Third-party Service Providers (TPSPs) ■ Continuous monitor the status of vendors operating during the implementation of Enhanced Community Quarantine and Modified Enhanced Community Quarantine (ECQ/MECQ) ■ Monitor the supply of materials/critical supplies and their stock levels ■ Inventory for chemicals are up to 1.3 months stored in Maynilad facilities ■ Identification of alternative suppliers and weekly monitoring with international and local suppliers

* Third Party Risk and Procurement and Inventory Risks are two separate risk categories, both sharing the 9th and 10th place. Issues of both risks are combined in the above table and are under the Supply Chain Management.



External Assurance

[102-56]

For 2020, changes in the standard of external assurance were implemented with the new version of AccountAbility released. The objective of external assurance is to review and assure the stakeholders that the disclosure made in the reports are practiced by Maynilad.

Standards used are the AccountAbility AA 1000, International Standard on Assurance Engagements (ISAE) 3000, and the Global Reporting Index (GRI), along with AccountAbility Principles AA1000, Assurance Standard V.3, and the Stakeholder Engagement Standard V.3. These standards ensure that the report credibly communicates to stakeholders, enables report users to make decisions, and improves overall performance of the reporting company.



INDEPENDENT ASSURANCE STATEMENT

TOGETHER, STRONGER 2020 Sustainability Report

Maynilad Water Services ("Maynilad") has engaged GCSS Inc. to undertake independent assurance of sustainability / non-financial disclosures in 2020 Sustainability Report – Together, Stronger (the "Report") for the year ended 31st December 2020. 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: Core Option.

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, and 'Stakeholder Engagement and Materiality' 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 2020 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 2020 Sustainability Report.
- Management's forward-looking statements.
- Any disclosure made by the subsidiaries not covered within the report boundaries.
- Remote verification of data sources due to COVID19 travel restrictions.



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 "Core" Option.

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.

Recommendations

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

1. Develop and report long term vision of Maynilad for the primary United Nations Sustainable Development Goals (UN SDGs) it contributes to through its value chain.
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.

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). Similarly, it also manages its impact it created on the environment by ensuring to reduce non-revenue water (NRW) year on year.



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.

A handwritten signature in black ink, appearing to read "Arpit", with a horizontal line drawn underneath it.

Arpit Shrivastava
Lead Assurer
GCSS Inc.

Date: September 20, 2021

Place: Quezon City, Philippines



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GRI Content Index

[102-55]

GRI Standard	Disclosure	Page/Direct Answer/Statement of Omission
GRI 101: GENERAL FOUNDATION 2016		
GRI 102: GENERAL DISCLOSURES 2016		
Organizational profile	102-1	4, 7
	102-2	5
	102-3	7
	102-4	5
	102-5	4
	102-6	5, 6
	102-7	4, 9
	102-8	5
	102-9	22
	102-10	There were no significant changes.
	102-11	120-124
	102-12	19
	102-13	19
Strategy	102-14	10
	102-15	120-124
Ethics and integrity	102-16	16
Governance	102-18	Our organizational structure may be found in our latest Annual Report, which may be downloaded from our website: https://www.mayniladwater.com.ph/investor-relations/
	102-23	17
Stakeholder engagement	102-40	25-30
	102-41	67
	102-42	25-30
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	102-44	25-30
Reporting practice	102-45	7
	102-46	7
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GRI Standard	Disclosure	Page/Direct Answer/Statement of Omission
Reporting practice	102-48	In the 2019 Sustainability Report, Randolph T. Estrellado was incorrectly identified as a Board Vice Chairman; he is a Director. In the 2019 Sustainability Report, the Maynilad Board was described as a mix of executives, non-executives, and independents. However, in the 2019 and 2020 Maynilad General Information Sheet, there is none identified as an independent director. The board are identified only as chairman and members. For surface water discharge previous reports only included WRFs, for the 2020 report Putatan 1 and 2 are now included.
	102-49	In the Waste Generated table in the Waste Management section, the value for the waste generated specifically for containers in 2020 is not comparable to the waste disposal in 2019.
	102-50	112, 115, 116
	102-51	7
	102-52	7
	102-53	7
	102-54	7
	102-55	126
	102-56	The external assurance was conducted by GCSS Inc. based on the AccountAbility AA1000 Assurance Standard.
GRI 200: ECONOMIC STANDARDS SERIES 2016		
GRI 103: Management Approach 2016	103-1	56, 58
	103-2	57, 58
	103-3	58
GRI 201: Economic Performance 2016	201-1	57
GRI 103: Management Approach 2016	103-1	58, 92
	103-2	58, 92
	103-3	92; Maynilad also partnered with universities such as De La Salle University, University of the Philippines and other universities to conduct Research and Development (R&D) in the field of wastewater. Presently, there is an ongoing development of wastewater surveillance of COVID-19 in collaboration with various government agencies and academic institutions
GRI 203: Indirect Economic Impacts	203-1	49, 94, 104, 107, 108
	203-2	64, 68, 93, 96, 97, 99, 107

GRI Standard	Disclosure	Page/Direct Answer/Statement of Omission
GRI 103: Management Approach 2016	103-1	81
	103-2	81
	103-3	83
GRI 204: Procurement Practices	204-1	81; Maynilad sources its materials both here and abroad. By local suppliers, we refer to Philippine-based companies.
GRI 300: ENVIRONMENTAL STANDARDS SERIES 2016		
GRI 103: Management Approach 2016	103-1	82-83
	103-2	82-83
	103-3	82-83
GRI 301: Materials 2016	301-1	83-84; No renewable materials were used.
GRI 103: Management Approach 2016	103-1	113
	103-2	113
	103-3	115
GRI 302: Energy 2016	302-1	114
	302-3	114
GRI 103: Management Approach 2016	103-1	50
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GRI 303: Water and Effluents 2018	303-1	51, 118
	303-2	51, 118
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	303-4	118
GRI 103: Management Approach 2016	103-1	110
	103-2	110
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GRI 304: Biodiversity 2016	304-1	110
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GRI 103: Management Approach 2016	103-1	110
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GRI 305: Emissions 2016	305-1	115, 116
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	305-7	117
GRI 103: Management Approach 2016	103-1	111
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	103-3	111

GRI Standard	Disclosure	Page/Direct Answer/Statement of Omission
GRI 306: Waste 2020	306-1	119
	306-2	111
	306-3	112
	306-4	Maynilad did not divert any hazardous or non-hazardous waste away from disposal.
	306-5	112
GRI 103: Management Approach 2016	103-1	90, 109
	103-2	90-91, 109
	103-3	90, 109
GRI 307: Environmental Compliance 2016	307-1	91
GRI 103: Management Approach 2016	103-1	81, 83
	103-2	81-83
	103-3	82
GRI 308: Supplier Environmental Assessment 2018	308-2	82; In 2020, there were no reported incidents of negative environmental impact.
GRI 400: SOCIAL STANDARDS SERIES 2016		
GRI 103: Management Approach 2016	103-1	65
	103-2	65, 66
	103-3	66
GRI 401: Employment 2016	401-1	66
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	401-3	70
GRI 103: Management Approach 2016	103-1	65
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GRI 402: Labor/ Management Relations 2016	402-1	70
GRI 103: Management Approach 2016	103-1	65
	103-2	71
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GRI 404: Training and Education 2016	404-1	71
	404-2	72, 90
	404-3	68
GRI 103: Management Approach 2016	103-1	65
	103-2	65, 66
	103-3	66
GRI 405: Diversity and Equal Opportunity 2016	405-1	65

GRI Standard	Disclosure	Page/Direct Answer/Statement of Omission
GRI 103: Management Approach 2016	103-1	65
	103-2	65, 66
	103-3	66
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1	67
GRI 103: Management Approach 2016	103-1	92
	103-2	92
	103-3	92, 100
GRI 413: Local Communities 2016	413-1	34, 39, 52, 92, 93, 94, 96, 97, 99, 102, 103, 107
GRI 103: Management Approach 2016	103-1	56
	103-2	86
	103-3	90, 91
GRI 416: Customer Health and Safety 2016	416-2	90; There were no such incidents.
GRI 103: Management Approach 2016	103-1	19
	103-2	19
	103-3	19
GRI 419: Socioeconomic Compliance 2016	419-1	90; Maynilad is compliant with laws and regulations related to social and economic policies within the Company's area of operations
GRI 400: SOCIAL STANDARDS SERIES 2018		
GRI 103: Management Approach 2016	103-1	73
	103-2	73
	103-3	73
GRI 403: Occupational Health and Safety 2018	403-1	40, 43, 73, 76
	403-2	78
	403-3	77
	403-4	73, 77
	403-5	72
	403-6	77, 78
	403-7	78; The Company assesses its operations for risks and hazards that may occur in the production and delivery of its services, even for those operations of its suppliers and contractors. Workers in project sites managed by Maynilad are obliged to comply with the Company's safety policies and measures. The accreditation process for contractors and suppliers covers these concerns, and they are reinforced in the workers' orientation. Alignment and compliance to the occupational health and safety management system is monitored throughout the life of the project.

Annex

I. FUEL CONSUMPTION VALUES

- Conversion Factors to Gijajoule (Gj)
- 1,185 conversion factor (Diesel)
- 1,350 conversion factor (Gasoline)
- 0.0036 conversion factor (KWh)
- 43.38 heating value (Diesel)
- 44.75 heating value (Gasoline)

II. GHG EMISSIONS

SUMMARY OF AMBIENT AIR SAMPLING 2020 RESULTS

Facility		Alabang WRF	Dagat-dagatan SSPT	La Mesa PS North A Annex
Station		1	1	1
Location		Near Generator Set Room	Acceptance Area	North A Annex PS near solar panel
Parameters	DENR NAAQSSAP*			
TSP (µg/Nm3)	230	69	182	43
PM10 (µg/Nm3)	150	44	75	33
Date of Test		September 17, 2020	September 17, 2020	October 22 – 23, 2020

*DENR National Ambient Air Quality Standards for Source Specific Air Pollutants

SUMMARY OF AMBIENT AIR SAMPLING 2020 RESULTS

Facility		Magdiwang PS	Noveleta PS	Parañaque WRF
Station		1	1	1
Location		Front of Pump Station Building	Parking Area	Main Gate
Parameters	DENR NAAQSSAP*			
TSP (µg/Nm3)	230	62	29	87
PM10 (µg/Nm3)	150	48	39	55
Date of Test		September 23, 2020	October 14 – 15, 2020	September 14–15, 2020

*DENR National Ambient Air Quality Standards for Source Specific Air Pollutants

SUMMARY OF AMBIENT AIR SAMPLING 2020 RESULTS				
Facility		Pasay WRF	South Septage	Talayan WRF
Station		1	1	1
Location		Main Gate	Parking Area near Guard House	Near Laboratory Room
Parameters	DENR NAAQSSAP*			
TSP (µg/Nm ³)	230	74	64	46
PM10 (µg/Nm ³)	150	43	41	25
Date of Test		September 3-4, 2020	October 5-6, 2020	August 27, 2020

**DENR National Ambient Air Quality Standards for Source Specific Air Pollutants*

SUMMARY OF AMBIENT AIR SAMPLING 2020 RESULTS				
Facility		Tondo SPP		
Station		1		
Location		Parking Area		
Parameters	DENR NAAQSSAP*			
TSP (µg/Nm ³)	230	70		
PM10 (µg/Nm ³)	150	57		
Date of Test		October 7-8, 2020		

**DENR National Ambient Air Quality Standards for Source Specific Air Pollutants*

SUMMARY OF SOURCE EMISSION TEST 2020 RESULTS				
Facility		Aguinaldo	Alazap PS	Arroceros Office
Parameter	CAA* Limit mg/Ncm	Average		
Nitrogen Oxides Emission (as NO ₂)	2,000	454	607	372
Carbon Monoxide Emissions	500	181	130	222
Process Rate Information				
Rated Capacity (kW)		1250	1070	600
Capacity during testing (kW)		60	161	157
% capacity during testing		5%	15%	26%
Date of Test		October 29, 2020	July 29, 2020	October 20, 2020

**Clean Air Act (CAA)*

SUMMARY OF SOURCE EMISSION TEST 2020 RESULTS				
Facility		Ayala Alabang R1 PS	Bahay Toro WRF	Bahay Toro WRF
Parameter	CAA* Limit mg/Ncm	Average		
Nitrogen Oxides Emission (as NO ₂)	2,000	369	491	230
Carbon Monoxide Emissions	500	87	227	227
Process Rate Information				
Rated Capacity (kW)		800	308	308
Capacity during testing (kW)		224	124	112
% capacity during testing		28%	40%	37%
Date of Test		December 17, 2020	June 9, 2020	October 28, 2020

SUMMARY OF SOURCE EMISSION TEST 2020 RESULTS				
Facility		Caloocan PS	D. Tuazon PS	Ermita PS
Parameter	CAA* Limit mg/Ncm	Average		
Nitrogen Oxides Emission (as NO ₂)	2,000	321	547	1491
Carbon Monoxide Emissions	500	317	66	63
Process Rate Information				
Rated Capacity (kW)		480	506	600
Capacity during testing (kW)		158	172	182
% capacity during testing		33%	34%	30%
Date of Test		June 29, 2020	September 17, 2020	June 30, 2020

SUMMARY OF SOURCE EMISSION TEST 2020 RESULTS				
Facility		La Mesa PS North A Annex	La Mesa North C Annex PS	La Mesa TP 1
Parameter	CAA* Limit mg/Ncm	Average		
Nitrogen Oxides Emission (as NO ₂)	2,000	225; 219	953; 1144	900; 1929
Carbon Monoxide Emissions	500	88; 115	75; 62	84; 189
Process Rate Information				
Rated Capacity (kW)		1700; 1700	1260; 1260	400; 400
Capacity during testing (kW)		697; 918	706; 706	130; 190
% capacity during testing		41%, 54%	56%; 56%	33%; 48%
Date of Test		February 27–28, 2020	October 12, 2020	October 22, 2020

*Clean Air Act (CAA)

SUMMARY OF SOURCE EMISSION TEST 2020 RESULTS				
Facility		Main Office	Pagcor PS	Paltok WRF
Parameter	CAA* Limit mg/Ncm	Average		
Nitrogen Oxides Emission (as NO ₂)	2,000	629	1991; 2244	828
Carbon Monoxide Emissions	500	85	129, 110	133
Process Rate Information				
Rated Capacity (kW)		800	1750; 1750	350
Capacity during testing (kW)		240	750; 750	60
% capacity during testing		30%	43%; 43%	17%
Date of Test		June 24, 2020	October 20, 2020	January 28, 2020

SUMMARY OF SOURCE EMISSION TEST 2020 RESULTS				
Facility		Parañaque WRF	Pasay PS	Patindig Araw PS
Parameter	CAA* Limit mg/Ncm	Average		
Nitrogen Oxides Emission (as NO ₂)	2,000	267	1198	329
Carbon Monoxide Emissions	500	58	32	102
Process Rate Information				
Rated Capacity (kW)		895	1250	475
Capacity during testing (kW)		328	1250	80
% capacity during testing		37%	±99%	17%
Date of Test		October 22, 2020	October 21, 2020	January 30, 2020

SUMMARY OF SOURCE EMISSION TEST 2020 RESULTS				
Facility		Project 7 SSpTP (Veterans Village WRF)	Putatan WTP 1	Putatan WTP 2
Parameter	CAA* Limit mg/Ncm	Average		
Nitrogen Oxides Emission (as NO ₂)	2,000	757	1133; 998; 929	679; 468; 1133; 1064
Carbon Monoxide Emissions	500	95	79; 110; 85	81; 74; 73; 90
Process Rate Information				
Rated Capacity (kW)		400	2000; 2000; 2000	2080; 2080; ;
Capacity during testing (kW)		65	600; 600; 600	811; 811; ;
% capacity during testing		16%	30%; 30%; 30%	39%; 39%; ;
Date of Test		January 28, 2020	October 15, 2020	December 22, 2020

SUMMARY OF SOURCE EMISSION TEST 2020 RESULTS				
Facility		Sacred Heart PS	Tondo SPP	Victoria Home PS
Parameter	CAA* Limit mg/Ncm	Average		
Nitrogen Oxides Emission (as NO ₂)	2,000	952	1,078	593
Carbon Monoxide Emissions	500	68	7	80
Process Rate Information				
Rated Capacity (kW)		500	1020	450
Capacity during testing (kW)		150	306	51
% capacity during testing		30%	30%	11%
Date of Test		September 17, 2020	June 19, 2020	June 26, 2020

SUMMARY OF SOURCE EMISSION TEST 2020 RESULTS		
Facility		Villamor PS
Parameter	CAA* Limit mg/Ncm	Average
Nitrogen Oxides Emission (as NO ₂)	2,000	1,803; 1,348
Carbon Monoxide Emissions	500	148; 93
Process Rate Information		
Rated Capacity (kW)		2,000; 2,000
Capacity during testing (kW)		1000; 1000
% capacity during testing		50%; 50%
Date of Test		December 28, 2020

III. DISCHARGE TO SURFACE WATER WITH BIOLOGICAL OXYGEN DEMAND (BOD) STANDARD

DISCHARGE TO SURFACE WATER		2020		BOD		
Item / Facility	In Cubic Meters	In Million Liters(ML)	Discharge Location	JAN	FEB	MAR
Paco WRF	94,782	94.78	Estero De Santibañez	2	2	3
Alabang WRF	2,502,930	2502.93	Pasong Diablo River	2	2	2
Dagat-dagatan WRF	129,402	129.4	Maypajo Creek	No Sampling (N.S.)		
Congressional WRF	168,714	168.71	Culiat Creek	2	2	2
Baesa WRF	69,402	69.4	Dario Creek	2	2	5
Legal WRF	187,921	187.92	Dario Creek	2	2	2
Grant WRF	225,839	225.84	Dario Creek	2	2	2
Tandang Sora WRF	216,758	216.76	Dario Creek	2	2	2
Bahay Toro WRF	1,368,429	1368.43	Dario Creek	5	3	2
Bagbag WRF	3,542,306	3542.31	Dario Creek	3	2	2
San Antonio WRF	771,469	771.47	San Francisco River	3	2	2
Del Monte WRF	745,821	745.82	San Francisco River	2	2	2
Paltok WRF	1,314,048	1314.05	Maribolo Creek	2	4	2
Samson WRF	355,098	355.1	San Francisco River	2	2	2
Kapiligan WRF	562,275	562.27	San Juan River	2	2	2
Talayan WRF	2,013,161	2013.16	Talayan Creek	2	No Sampling	
Tatalon WRF	2,180,737	2180.74	San Juan River	2	2	2
Veterans WRF	451,840	451.84	Culiat Creek	5	3	2
Pasay WRF	8,652,252	8652.25	Delain Creek	2	3	2
Paranaque WRF	6,646,319	6646.32	Malabon Creek	2	2	2
Putatan WTP 1 and 2	2373008	2373.01	Laguna Lake	1	2	N.S.
Tondo Sewage Pumping Station	39939540	39939.54	Manila Bay	83	15	3

BOD									
APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	AVE
4	2	2	2	2	2	2	2	2	2.25
2	2	2	2	2	2	2	2	2	2
No Sampling									
2	2	2	2	2	2	2	2	2	2
2	2	2	2	2	2	2	2	2	2.25
2	2	2	3	2	2	2	2	3	2.17
2	2	2	2	2	2	2	2	2	2
2	2	2	2	2	2	2	2	2	2
2	4	4	2	2	2	3	3	5	3.08
2	2	2	2	2	2	2	2	2	2.08
2	2	2	2	2	2	2	2	2	2.08
2	2	2	2	2	2	2	2	2	2
2	2	2	6	2	2	10	3	4	3.42
2	2	2	2	2	2	2	2	2	2
2	2	2	2	2	2	2	2	2	2
No Sampling			2	2	2	2	2	2	2
3	2	2	7	2	2	3	2	2	2.58
2	2	2	5	2	2	4	2	2	2.75
2	2	2	2	2	2	2	2	3	2.17
2	2	2	2	2	2	2	2	2	2
No Sampling					1	1	1	5.5	1.92
6*	4*	25*	39*	36*	35*	N.S.	9	13	24.36

*Sampling at Tondo SPP site

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QUALITY, ENVIRONMENT, SAFETY AND HEALTH

Roel S. Espiritu
John Emmanuel B. Martinez
Rose Ann A. Eugenio
Chester Del Rosario
Sarah Lynn S. Duroy
Apple Joy Albero
Angelo Z. Navera
Ma. Loraine C. Villafuerte
Jimer R. Felices
Emmanuel D. Reyes
Rowell Perdon
Alexis Madison Y. Datong
Rogelio Mendoza Jr.
Christine T. Bagsik
Gian Carlo P. Reyes
Juni Jane I. Elan
Enrique De Guzman
Anna Liza P. Porciuncula
Francis B. Casinas
Bernadette Joy R. Cometa
Merliza P. Masiglat

COMMERCIAL AND MARKETING

Jennifer Rufo
Marie Antonette De Ocampo
Rosmon M. Tuazon
Jan Kristine R. Venegas
Mayna Lyka Salindong
Arrianne M. Gamotin
Zyrille April M. Cartel
Jecelyn V. Macahindog-Leobrera
Lalaine Dixie L. Tiangco
Maria Magdalene P. Guevarra
April L. Engalla
Richelda S. Miranda

HUMAN RESOURCES

Sharmaine Jimenez
Beverly C. Villar
Adora B. Martinez
Anne Margaret A. Jordan
Alissa Daniella Nepomuceno
Feliza May C. Garin
Marlyn F. Aldaba
Myka Marie S. Marcelo
Jaleena Daphne D. Aquino
Russel Cristi
Christian Reginald Indon
Sonia Briones
Ricardo Jose Miranda

WASTEWATER MANAGEMENT

Ann Margaret M. Caranto
Benerly D. Ampo
Kharren Mae C. Rosario
Jamilie Kriza V. Miranda

WATER SUPPLY OPERATIONS

Shiela Marie F. Afuang
Ramoncito N. Soriano
Rex Rondeau P. Calderon
Rodelio C. Serrano
Edmundo B. Llagas
London Philip L. Israel
Beverly F. Gabayno
Marvin M. Villanueva
Angelo Pablo J. Santos
Mia Krizzel D. Bautista
Leona Jeanne B. Castro
Vonn Carlo Torregozo
Zherilyn R. Alon Alon
Romer S. Jumawan
Ma. Cristina A. Tajon

Enrique M. Eguia
Gilbert Alvin Andres
Francis Angelo S. Roa
Pearl C. Madueno
Oliver H. Ocampo

PROGRAM MANAGEMENT

Sheila P. Pajanustan
Sheila Albos
Crisanto Golocinda
Theresa B. Deyto
Ronald Allan V. Polloso
Robinson A. Salenga
Joel C. Dela Cruz
Bernard Mel Martinez

CENTRAL NON-REVENUE WATER

Ronald Jeremy B. Salamat
Benson Jhon A. Martin

CUSTOMER EXPERIENCE AND RETAIL OPERATIONS

Jenneyfer A. Rueda
Norma G. Galang
Jerome C. Gayapa
Jeric Daniel M. Axalan
Kristan T. Lerios
Guillermo Gabatino
Rodolfo Baylas Jr.
Rose Lontajo
Carmel Lou G. Capacite
Blesilda B. Tolentino
Josefina D. Molina
Mada C. Apostol
Princess Mae B. Garduque
Nenida B. Dela Cruz
Katherine M. Cepillo
Normen P. Kahulugan
Rommel Joseph A. Villanueva

TECHNICAL SERVICES

Gilda Kliene C. Reyes
Myra P. Tacderan
Bon Jestel Completado

LEGAL AND REGULATORY AFFAIRS

Nikki P. Capinpin
Marianina Claudette Guilbert
Cheryll Ann R. Trinidad-Pinili
Laarni C. Malubay

ENTERPRISE RISK MANAGEMENT AND INTERNAL AUDIT

Jose Rizal O. Batiles
Girle C. Torrazo
Mark Paul S. Capati
Judith Dangue

Supply Chain Management
Maria Teresa M. Artiaga
Nilda A. Lopez
Henry Z. Espedillon
Ericson S. Garcia
Deobie M. Esguerra
Mayflor S. Tomarong
Janhet R. Suba
Glenneth S. Magtalas
Gerald T. Saludez
Grace A. Laguardia

INTEGRATED ASSET MANAGEMENT

Vanessa R. Ilagan
Alvin Ryan C. Ong
Mark Stanley V. Cleto

INFORMATION TECHNOLOGY SERVICES

Francis Noel A. Hernandez
Ronald L. Abas
Korina M. Monoso
Ma. Loricar Arboleda

FINANCE

Jerome Paolo R. Cruz
Cybele Martha L. Regalado

EXTERNAL ASSURANCE

GCSS, Inc.

WRITING & DESIGN

Drink Sustainability
Communications

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