



**POLICIES and STANDARDS**

**WHISTLEBLOWING POLICY**

No. PS-LRA-01-2018

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Effective: 01 September 2018

Revision No.:  
Supersedes

Prepared by:  
  
**INTERNAL AUDIT**

Recommended by:  
  
**MARIA ROWENA T. CARITATIVO**  
Head, Internal Audit

Approved by:  
  
**RAMONCITO S. FERNANDEZ**  
President and CEO

**I. PURPOSE AND SCOPE**

This policy intends to increase the awareness of maintaining internal corporate justice and regard this as a kind of internal control mechanism. It provides Stakeholders, within and outside of the Company, with reporting channels and guidance on Whistleblowing.

This is also to encourage Stakeholders to raise concerns internally, rather than overlooking the problem or taking it up outside of the Company.

**II. DEFINITION OF TERMS**

- 1 **Company** - refers to Maynilad
- 2 **Stakeholders.** Employees, Consultants, Third Parties and other business partners of Maynilad.
- 3 **Employees.** Individuals hired by the Company under a contract of employment, whether for part-time or full-time, to provide personal services to the Company in exchange for compensation, and do not provide such services as part of an independent business. This includes executives, managers, supervisors, and rank-and-files.
- 4 **Consultants.** Individuals engaged by the Company as such and who are paid professional fees for the provision of professional/expert advice or services to the Company.
- 5 **Third Parties.** Individuals, entities, organizations, and/or their representatives that have existing and/or intended business dealings with the Company. This includes existing or prospective lenders, suppliers, contractors, sub-contractors, and customers.
- 6 **Whistleblowing.** Instance wherein an individual decides to report concerns about any suspected misconduct, malpractice or irregularity which he/she came to be aware of.
- 7 **Whistleblower.** Employee, Consultant or Third Party who, in good faith, makes a disclosure or files a complaint regarding illegal activities, unethical conduct or act of retaliation.



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**III. GENERAL POLICY STATEMENT**

Maynilad is committed to the attainment of the highest standards of openness and accountability. In consonance with its Core Values, employees are expected to conduct themselves with honesty, integrity and impartiality. It is every employee's responsibility to ensure that any inappropriate behavior that may compromise the interest of the shareholders, customers and the public does not occur in order to raise the standards of corporate governance.

**IV. DISTRIBUTION**

This policy applies to all Stakeholders of Maynilad.

**V. POLICIES AND STANDARDS**

**1. Coverage**

This policy intends to assist individuals to disclose information relevant to suspected misconduct, malpractice or irregularity within the Company through a confidential reporting channel. It is not intended to further any personal disputes, question financial or business decisions taken by the Company or to be used to reconsider any matters which have already been addressed under procedures already established.

The subject of Whistleblowing includes, but are not limited to the following:

- Malpractice, impropriety or fraud relating to internal controls, accounting, auditing and financial matters
- Improper conduct or unethical behavior likely to prejudice the standing of the Company
- Breach of legal or regulatory requirements
- Offenses against person and property
- Offenses against safety, security, public order and public morals
- Offenses against Company interests
- Criminal offenses, breach of civil law and miscarriage of justice
- Damage caused to the environment
- Deliberate concealment of any of the above.



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**2. Confidentiality and Protection**

It is the intention of this policy to treat all disclosures in a confidential manner by treating the identity of the Whistleblowers making genuine and appropriate allegations fairly. While the Company undertakes to protect the Whistleblower's identity, it cannot guarantee that this will be retained if external legal action follows from the disclosure.

Whistleblowers are also assured of protection against unfair dismissal, unwarranted disciplinary action, even when the concerns that were raised turn out to be unsubstantiated. The Company reserves the right to take appropriate actions against anyone who threatens or initiates retaliation against the Whistleblowers under this policy. Employees who initiate or threaten retaliation shall be subject to disciplinary actions, which could include summary dismissal.

The Company will support all Whistleblowers and encourage them to raise issues and concerns without fear of reprisal.

**3. Procedure**

a. Reporting Channel

Individuals who have legitimate concerns under the policy can raise the matters directly to the Corporate Governance Officer (CGO) of the Company, who is also the Chief Legal Officer, who will determine how the investigations should proceed and she may nominate an appropriate investigating officer or set up a special committee to investigate the matter independently.

b. Reporting Format and Supporting Documents

Disclosures can be made in writing or by using the Whistleblower Report Form attached to this policy. Even without absolute proof or evidence of the irregularity being reported, the report should at least show reasons for the concern and full disclosure of relevant details and supporting documents.

To ensure confidentiality, this should be sent to the Corporate Governance Officer at the Legal and Regulatory Affairs Office, 2<sup>nd</sup> Floor, Engineering Building, MWSS Compound, Katipunan Road, Balara, Quezon City, clearly marked "**Strictly Private and Confidential – to be opened by Addressee Only**" or through email to [corporategovernance@mayniladwater.com.ph](mailto:corporategovernance@mayniladwater.com.ph). The whistleblower should ensure that all attachments to emails are zipped and password protected to ensure confidentiality, password of which should be sent/conveyed to CGO via another media (e.g. SMS, telephone call).

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The Company will consider it a serious offense for any person who prevents or attempts to prevent a communication of malpractice from reaching the Corporate Governance Officer or impede any investigation which she or anyone in her behalf may make.

c. Investigation Procedure

The format and duration of an investigation will depend upon the nature and circumstances of the complaint made. It may:

- i. be investigated internally;
- ii. be referred to the External Auditor; and/or
- iii. form the subject of an independent inquiry.

Within ten (10) working days upon receipt of a concern, the Corporate Governance Officer or the designated person to investigate will write to the Whistleblower whenever reasonably practicable:

- i. to acknowledge receipt of complaint;
- ii. advising whether or not the matter will be investigated further and the nature of the investigation;
- iii. giving an estimate of how long the investigation might take to provide a final response, informing the Whistleblower if initial inquiries have been made, and whether further investigation will take place, and if not, the reason therefore.

**4. False Report**

If a false report is made maliciously, with an ulterior motive, or for personal gain, the Company reserves the right to take appropriate actions to recover any loss or damage resulting from such false report. If Whistleblower is an Employee, he/she may face disciplinary action, including dismissal if warranted.

**5. Anonymous Reports**

While the Company encourages Whistleblowers to identify themselves, anonymous reports will nevertheless be considered at the discretion of the Corporate Governance Officer. The following are to be considered in exercising such discretion:

- Seriousness of the concern raised
- Credibility of the concern
- The likelihood of confirming the allegations from reliable sources.

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**6. Record Retention**

Records of all reported misconducts, malpractices, and irregularities, including investigations and details of corrective actions taken shall be retained by the Corporate Governance Officer for a period not exceeding six (6) years or whatever period that maybe specified by relevant legislation.

**VI. ATTACHMENT**

1. Whistleblower Report Form

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## WHISTLEBLOWER REPORT FORM

Please provide the following details for any suspected misconduct or any breach or suspected breach of law or regulation that may adversely impact the Company and submit this form to the the Corporate Governance Officer at the Legal and Regulatory Affairs Office, 2<sup>nd</sup> Floor, Engineering Building, MWSS Compound, Katipunan Road, Balara, Quezon City, clearly marked **“Strictly Private and Confidential – to be opened by Addressee Only”** or email to [corporategovernance@mayniladwater.com.ph](mailto:corporategovernance@mayniladwater.com.ph).

We encourage you to provide your name with this report. Concerns expressed anonymously are much less powerful but will be considered as far as practicable.

REPORTER'S CONTACT INFORMATION	
Name:	
Address:	
Telephone No.:	
Email:	
Date:	
Names of those involved (if known):	
COMPLAINTS/CONCERNS <i>(Please provide full details of concerns including names, dates, places and reasons for concerns together with any supporting evidence/documents, if any)</i>	

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