

	CORPORATE POLICY ON SUCCESSION PLANNING	
	Policy No.: PS-HR-003-2022	Effective Date: April 1, 2022 Revision No.: 0

I. PURPOSE AND SCOPE

This policy aims to provide guidelines in the implementation of Succession Planning Program to ensure the employees' readiness to handle key positions.

II. DEFINITION OF TERMS

- A. **Company or Maynilad** refers to Maynilad Water Services, Inc.
- B. **Management Team** composed of department heads from which a successor for higher-level management positions may be selected.
- C. **Senior Management** refers to the members of the Top Management Team composed of the CEO and President, COO and all Division Heads of Maynilad.

III. GENERAL POLICY STATEMENT

Maynilad acknowledges that changes in management, which could be brought about by vacancies resulting from retirement, resignation, death, promotion, or new business opportunities, are inevitable. To address this, the Company has adopted a succession plan to identify and prepare candidates for higher-level management positions that become vacant for any of the aforementioned reasons

IV. DISTRIBUTION

This policy shall apply to the members of the Management Team of the company.

V. POLICIES AND STANDARDS

1. Succession planning shall be anchored on the Company's short- and long-term corporate goals and objectives, vis-à-vis the areas of competencies for key leadership positions, to ensure the continuity of an effective organizational performance and attainment of business objectives and targets.
2. The Company's Board of Directors, together with Senior Management, shall prepare the Company's Succession Plan. The President and CEO, with the assistance of the Head, Human Resources Division, shall be primarily responsible for the implementation of the Company's succession plan.
3. The Human Resources Division shall adopt programs to carry out the Company's succession plan. These programs shall include, but shall not be limited to, the following:
 - a) Identification of employees with potential to occupy leadership positions in the future.
 - b) Undertaking training and mentoring programs either in-house or through other institutions to develop current leaders and potential successors.
 - c) Implementing a performance appraisal system that measures performance, identify areas for improvement and provide feedback, geared towards developing necessary competencies and qualities necessary for candidates to undertake greater responsibilities within the Company.

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VI. AMENDMENT OR ALTERATION

This Policy shall not be amended, altered, or varied unless such amendment, alteration or variation has been approved by the Board of Directors through the appropriate resolutions.