	ANTI-BRIBERY AND ANTI- CORRUPTION (ABAC) POLICY	
	Policy No.: PS-LRA-006-2022	Effective Date: April 11, 2022 Revision No.: 0

I. PURPOSE AND SCOPE


Maynilad is committed to continually improve its governance practices and for this purpose, hereby adopts this Anti-Bribery and Anti-Corruption Policy (the "Policy"). This Policy shall be read in conjunction with the Company's Code of Business Conduct and Ethics, Conflict of Interest Policy, Policy on Gifts, Entertainment and Sponsored Travel, Whistleblowing Policy, Anti-Fraud Policy, and other related policies.

II. LINKAGE TO MAYNILAD'S CORE VALUES

Honesty and Integrity. We deal with our stakeholders with honesty and integrity. We will always do what is right and fair for the sake of the Company, our employees, our stakeholders especially our customers, investors and regulators, and the environment. Consistent with these core values, Maynilad shall adhere to the principles of fairness, equal opportunity, transparency and accountability, and comply with its standards regarding conflict of interest, in all its business transactions.

III. DEFINITION OF TERMS

1. **Bribery** - refers to the offering, giving, soliciting, or receiving of any item of value as a means of influencing the actions of an individual holding a public or legal duty for the purpose of obtaining a business outcome improperly, inducing or rewarding improper conduct, or gaining any commercial, contractual, regulatory or personal advantage. It can be directly or indirectly. This type of action results in matters that should be handled objectively in a manner best suiting the private interests of the decision-maker. Bribery constitutes a crime, and both the offeror and the recipient can be criminally charged.
2. **Company or Maynilad**– refers to Maynilad Water Services, Inc.
3. **Consultants** - refers to professional consultants, firms, partnerships, counsels, or such other professional entities or individuals rendering professional or specialized expert services to Maynilad and/or any company in the Group, as well as advisors of the Company who may be appointed by the Board of Directors or the President and Chief Executive Officer, or who shall act as representatives of the Company's investors, shareholders, affiliates or partners.
4. **Corruption** – is the misuse of public or professional power for personal gain. It refers to the wrongful use of influence to procure a benefit for the initiator or for another person, contrary to duty or the rights of others. It can take on many forms, including bribery, kickbacks, illegal gratuities, economic extortion and collusion.
5. **Directors** - refers to members of the Board of Directors duly elected in accordance with law, any shareholders' agreement and the By-laws of the Corporation.
6. **Employees** - refers to the officers, executives and employee(s) of 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-file.
7. **Facilitation Payments** – is akin to a bribe. It is a payment made to a public or government official or counterparty, outside of the legal process, for the purpose of incentivizing such party to complete some action or process expeditiously, to the benefit of the party making the payment. Facilitation payments are typically demanded by low level and low-income public or government officials in exchange for providing services to which one is actually legally entitled without such payments. Facilitation Payments do not include payments made to expedite an action which is part of the legal

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process, and which is an option given to the person making the payment in order to avail of the shorter processing of transactions. Examples of this type of payment include those made to the Department of Foreign Affairs to expedite the processing of a passport application.


8. **Gifts, Invitations & Hospitality** - refers to invitations given or received to social functions, sporting events, meals and entertainment, gifts or customary tokens of appreciation.
9. **Group** - refers to Metro Pacific Investments Corporation (MPIC) Group of Companies.
10. **Illegal Gratuity** - refers to the giving of something of value to a public or private official because the latter does or fails to do some act. An Illegal Gratuity is given after the official performed the act, or failed to perform the act, and creates a climate where the official takes into consideration the possibility of, and actually expects, receiving something of value based on his act, or his failure to act.
11. **Kickback** – refers to a bribe given to obtain an undue advantage, where a portion of the undue advantage is 'kicked backed' to the person who gave, or is supposed to give, the undue advantage.
12. **Public Official** - refers to officials or employees of any government or other public body, agency or legal entity, at any level, including officers or employees of state-owned enterprises and officers or employees of enterprises which are mandated by a public body or a state-owned enterprise to administer public functions.
13. **Sponsorship** - refers to partnering with external organizations to deliver mutual benefits through an exchange of monies, products, services, content or other intellectual property.
14. **Third Party** - refers to any individual or organization that the Company, its directors, employees and consultants interact with in the course of working for Maynilad. This includes actual and potential customers, suppliers, business contacts, intermediaries, government and public bodies or organizations.

IV. GENERAL POLICY STATEMENT

The Company aspires to create a corporate culture that promotes ethical business practices. The Company has a zero-tolerance approach to bribery and corruption, which may include but is not limited to extortion, fraud, money laundering, illegal gratuities, kickbacks and facilitation payments. All forms of bribery and corruption are unacceptable and will not be tolerated. The Company and the Company's Directors, Employees and Consultants should never be directly or indirectly involved in any bribery and corrupt practice or activity. The Company commits to conduct its business transactions and to develop and maintain business relationships professionally, strictly observing the principles of honesty, integrity and fairness. The Company shall uphold all anti-bribery and anti-corruption laws, rules and regulations in all the jurisdictions in which it operates.


V. DISTRIBUTION

This Policy applies to all Directors, Employees and Consultants. In the case of Consultants, the Policy applies to them to such extent that their involvement with bribery and corrupt practices were related to their affiliation with the Company.

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VI. POLICIES AND STANDARDS

1. The following shall be considered acts of Bribery and Corruption:
 - a. Directly or indirectly offering, giving, requesting or receiving money (cash or cash equivalent), Gift, Invitations & Hospitality, Sponsorship or anything of value for the purpose of influencing a Third-Party to:
 - i. obtain or retain a business;
 - ii. gain a business advantage in a Company transaction;
 - iii. 'facilitate' a routine procedure; or
 - iv. reward the provision or retention of a business or a business advantage.
 - b. Giving and receiving Gift, Invitation & Hospitality, Sponsorship, secretly or at an inappropriate time (e.g. during a tender process);
 - c. Facilitation Payment to obtain or retain a business or any other undue advantage;
 - d. Giving a Kickback to obtain an undue advantage;
 - e. Payment of Illegal Gratuities to maintain an undue advantage;
 - f. Performing or neglecting to perform any official function for personal gain or in exchange for receiving a favor or benefits in the course of a business; and
 - g. Any action similar or analogous to the foregoing.
2. The prevention, detection and reporting of any form of Bribery and Corruption is everybody's concern. It is the responsibility of every Director, Employee and Consultant to:
 - a. read, understand and comply with this Policy. Directors, Employees and Consultants should, at all times, avoid any activity that might lead to, or suggest, a violation of this Policy;
 - b. ensure that all accounts, invoices, memoranda and other documents and records relating to dealings with Third-Parties, such as clients, suppliers and business contacts, are prepared and maintained with strict accuracy and completeness. No accounts must be kept 'off-books';
 - c. declare and keep a written record of all Gifts, Invitations & Hospitality and Sponsorship in accordance with company policies;
 - d. notify the Corporate Governance Head, through the Whistleblower Reporting (i) if a bribe is offered; (ii) if he/she is asked to give a bribe; (iii) if he/she suspects that this may happen in the future; or (iv) if he/she believes that a Director, Employee or Consultant is involved in any bribery or corruption activity.
3. Neither the Company nor its Directors, Employees and Consultants may give or receive, whether directly or indirectly, Bribe or other improper advantages such as Facilitation Payments for business or personal gain. This includes improper payments to or from any individual person, any government official or any organization, corporate or otherwise. Neither the Company nor its


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Directors, Employees and Consultants may participate in any form of corruption, including but not exclusive to extortion, fraud, insider dealing, money laundering, Illegal Gratuities, Kickbacks and Facilitation Payments.

4. The Company's Directors, Employees and Consultants shall not directly or indirectly, offer or give, or request or receive any gift or payment which is, or may be construed as being, an attempt to influence decisions related to the Company business. Any demand for or offer of a Bribe must be rejected immediately and reported to the Corporate Governance Head.
5. Where the Company engages Third Parties such as agents, distributors or joint venture partners, the Company shall conduct sufficient due diligence when entering into agreements to ensure that these Third Parties are not acting corruptly, and to periodically monitor their performance to ensure continuing compliance.
6. Gifts, Invitations & Hospitality may be offered and received only in the normal course of business and should not be seen to generate any actual or perceived conflicts of interest. Any Gifts, Invitations & Hospitality should not be excessive or irregular, and must be in accordance with the Company's Policy on Gifts, Entertainments and Sponsored Travels.
7. In cases where Facilitation Payment is being extorted from the Director, Employee or Consultant and there is a threat to the safety of the Director, Employee or Consultant, and/or his/her family, the concerned Director, Employee or Consultant should immediately report the incident to the Corporate Governance Head.
8. Directors, Employees and Consultants who refuse to take part in the Bribery or Corruption, or who report, in good faith, any suspicion that an actual or potential Bribery or other Corruption activity has taken place or may take place in the future, shall be protected from any retaliation.
9. Retaliation or discrimination, whether direct or indirect and in any form, against any Director, Employee or Consultant who reports, honestly and in good faith, any violation or perceived violation of this Policy shall not be tolerated, and shall be considered as a violation of this Policy.
10. The Company, through the office of the Corporate Governance Head, the Human Resources Division ("HR Division") and Enterprise Risk Management and Internal Audit Division ("ERMIA"), shall conduct regular trainings and orientations for Directors, Employees and Consultants to ensure full understanding of, and compliance with, this Policy.

VII. GOVERNANCE

1. The Top Management Team has the overall responsibility for ensuring compliance with the Anti-Bribery and Anti-Corruption Policy.
2. The Corporate Governance Head, with the help and assistance of ERMIA and the HR Division, is responsible for implementing this Policy, and for monitoring the compliance with, and effectiveness of, this Policy. The Corporate Governance Head, ERMIA and HR Division shall prepare information educational materials on this Policy and circulate these to the Director, Employees, Consultants and Third Parties.
3. The line managers are responsible for ensuring that those reporting to them fully understand this Policy, and the materials circulated regarding the same.

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VIII. VIOLATIONS OF THIS POLICY

Any violation of this Policy will merit the imposition of the appropriate disciplinary action and legal action, as may be necessary.

In the event that an Employee commits a violation of this Policy, appropriate disciplinary sanctions, in accordance with the Maynilad Employee Handbook and Standards of Discipline, which may include termination of employment and forfeiture of all benefits, shall be imposed on the Employee.

Everyone is encouraged to report incidents of violation of this Policy to the ERMIA, to the HR Division, and to the office of the Corporate Governance Head.

IX. MONITORING AND REVIEW

1. The Company shall establish and put in place appropriate performance measures and reporting systems to monitor performance against metrics and compliance with the relevant policies, procedures and controls.
2. The Corporate Governance Head shall periodically review the compliance with and/or monitor the effectiveness of this Policy, and recommend the necessary or appropriate changes thereto.
3. The Internal Audit Department of ERMIA shall assist the Corporate Governance Head in the periodic review and revision of the Policy.

X. REFERENCES

1. Maynilad Core Values;
2. Maynilad Code of Business Conduct and Ethics;
3. Policy on Conflict of Interest;
4. Policy on Gifts, Entertainment and Sponsored Travels; and
5. Whistleblower Policy.