MAYNILAD WATER SERVICES, INC.

AUDIT, RISK OVERSIGHT, AND RELATED PARTY TRANSACTIONS COMMITTEE CHARTER

Section 1. Functions

The Audit, Risk Oversight, and Related Party Transactions Committee (the "Committee"), shall assist and advise the Board of Directors (the "Board") with respect to the following, among others:

(a) Oversight responsibilities over the Company's financial statements and reporting system, compliance with legal and regulatory requirements, internal and external audit processes, external auditor's qualification, independence and performance, and the performance of the Company's internal audit function and internal auditors;

(b) Monitoring and evaluation of the effectiveness of the Company's internal control framework and enterprise risk management system, including the execution of risk management strategies and practices; and

(c) Review of all material related party transactions ("RPT") of the Company to ensure that they are conducted in fair and at arm's length terms and in the best interest of the Company and the shareholders.

Section 2. Key Responsibilities

To perform the foregoing functions, the Committee's specific responsibilities are as follows:

A. AUDIT

1. *On Financial Reporting Process and Disclosure*

    (a) Review and discuss with the Management and external auditor the Company's quarterly, half-year, and annual financial statements before submission to the Board, focusing particularly on the following:

        (i) Critical accounting policies and practices to be used;
        (ii) Major financial reporting issues and judgements made;
        (iii) Significant adjustments resulting from the audit;
        (iv) Unusual or complex transactions;
        (v) Going concern assumptions;
        (vi) Compliance with accounting standards; and
        (vii) Compliance with tax, legal and stock exchange requirements.

(b) Review interim and annual financial reports with the Management and the external auditors, before filing with the regulators and consider whether these are complete and consistent with the information known to the Committee; and

(c) Review and approve management representation letter before submission to the external auditor, including disposition of the auditor's recommendations by the Management thereafter.

2. *On Internal Audit Function*

(a) Through the Internal Audit Department, monitor and evaluate the adequacy and effectiveness of the Company's internal control system, integrity of financial reporting, and security of physical and information assets.

(b) Oversee the Internal Audit Department, and ensure there are no unjustified restrictions or limitations, and review and concur in the qualification criteria, including the appointment, replacement, or dismissal of the Head of the Enterprise Risk Management and Internal Audit ("ERMIA");

(c) Establish direct functional reporting of the ERMIA Head to the Committee to allow him/her to effectively fulfill his/her responsibilities, and on a regular basis, meet separately with the ERMIA Head to discuss any matters that the Committee or Internal Audit believes should be discussed privately;

(d) Review the significant issues that may be raised in the internal audit reports and regulatory agencies, where applicable, and ensure that the Management is taking appropriate and corrective actions in a timely manner, including addressing internal control and compliance issues;

(e) Review the effectiveness of the internal audit function, its budget and staffing and compliance with the International Standards for the Professional Practice of Internal Auditing; and

(f) Review and approve any outsourcing of the internal audit function.

3. *On External Auditors*

(a) Review and evaluate the qualifications, performance and independence of the external auditors and the lead partner by obtaining statements from the auditors on relationships between the auditors and the Company, including non-audit services, and discussing the relationships with the auditors;

(b) Select and appoint the external auditors and remove or replace the external auditors as it may deem necessary;

(c) Review the external auditors' proposed fees, audit scope and approach including coordination of audit effort with Internal Audit, and their compliance with auditing standards;

(d) Review and approve, in consultation with the Chief Finance Officer and the ERMIA Head, all audit and non-audit work services, if any, to be performed by the external auditor and the related fees to be paid for such services in relation to the total fees paid to the auditor and to the Company's overall consultancy expenses. Any non-audit work of the external auditor that is allowed should be disclosed in the Company's Annual Report and Annual Corporate Governance Report;

(e) Ensure that the external auditors have unrestricted access to all records, properties and personnel to enable them to perform their audit function effectively; and

(f) Ensure that the external auditors or the lead audit partner of the external auditing firm assigned to the Company are changed or rotated once every five (5) years or such other period as may be provided under applicable laws, rules and regulations.

B. RISK OVERSIGHT

1. Review with the Management and the auditors their findings on the adequacy and effectiveness of internal controls and their recommendations for improving the internal control environment, including financial, operational, compliance, information technology, security and controls and suggested audit steps adopted considering the material control deficiencies noted;

2. For any awareness or knowledge of any suspected fraud or irregularity, or suspected infringement of any laws or regulations of any regulatory authority, which has or is likely to have a material impact on the Company's operating results or financial position, discuss such matter with the external auditor, and, at an appropriate time, report the matter to the Board;

3. Inquire on major risk exposures and the steps that Management has taken to monitor and control such exposures;

4. Review periodically the Company's risk management structures, metrics, limits, and issues in order to meet and comply with regulatory and international standards on risk measurement and management;

5. Evaluate the risk management plan to ensure its continued relevance, comprehensiveness and effectiveness, and revisit defined risk management strategies, look for emerging or changing material exposures, and stay abreast of significant developments that seriously impact the likelihood of harm or loss;

6. Assess the likelihood of occurrence of each identified risk and estimate its possible significant financial impact. Priority areas of concern are those risks that are the most likely to occur and to impact the performance and stability of the Company and its stakeholders; and

7. Provide oversight over Management's activities in managing credit, market, liquidity, operational, legal and other risk exposures of the Company. This function includes regularly receiving information on risk exposures and risk management activities from the Management.

C. RPT

1. Evaluate, on an ongoing basis, existing relations between and among businesses and counterparties to ensure that all related parties are continuously identified, RPTs are monitored, and subsequent changes in relationships with counterparties (from non-related to related, and vice versa) are captured. Related parties, RPTs and changes in relationships should be reflected in the relevant reports to the Board and regulators, as applicable;

2. Evaluate all material RPTs to ensure that these are not undertaken on more favorable economic terms (e.g., price, commissions, interest rates, fees, tenor, collateral requirement) to such related parties than similar transactions with non-related parties under similar circumstances, and that no corporate or business resources of the Company are misappropriated or misapplied, and determine any potential reputational risk issues that may arise as a result of or in connection with the transactions. In evaluating RPTs, the Committee will take into account, among others, the following:

    (a) The related party's relationship to the Company and interest in the transaction;
    (b) The material facts of the proposed RPT, including the proposed aggregate value of such transaction;
    (c) The benefits to the Company of the proposed RPT;
    (d) The availability of other sources of comparable products or services; and
    (e) An assessment of whether the proposed RPT is on terms and conditions that are comparable to the terms generally available to an unrelated party under similar circumstances. The Company should have an effective price discovery system in place and exercise due diligence in determining a fair price for RPTs;

3. Ensure that appropriate disclosure is made, and/or information is provided to the regulators relating to the Company's RPT exposures, and policies on conflicts of interest or potential conflicts of interest. The disclosure should include information on the approach to managing material conflicts of interest that are inconsistent with such policies, and conflicts that could arise as a result of the Company's affiliation or transactions with other related parties;

4. Report to the Board periodically the status and aggregate exposures to each related party, as well as the total amount of exposures to all related parties;

5. Ensure that transactions with related parties, including write-off of exposures are subject to a periodic independent review or audit process; and

6. Oversee the implementation of the system for identifying, monitoring, measuring, controlling, and reporting RPTs, including a periodic review of RPT policies and procedures.

Section 3. Composition

(a) The Committee shall be composed of five (5) members (the "Members"), majority of whom shall be independent directors, including the Chairperson.

(b) In addition to the qualifications required for election as director of the Company provided under the Company's By-Laws and Manual on Corporate Governance, the Members must have relevant background, knowledge, skills, and/or experience in the areas of accounting, auditing and finance. The Chairperson of the Committee should not be the Chairperson of the Board or of any other committees.

(c) The Board may appoint one or more persons to serve as advisor(s) to the Committee (the "Advisor"). The Advisor shall have the right to attend and speak at any meeting of the Committee, but shall have no right to vote in respect of any action by the Committee.

(d) The Chairperson or any Member or Advisor may be removed from office only by the Board.

Section 4. Committee Procedures

A. Meetings

(1) The Committee shall hold meetings at such times and places as it considers appropriate.

(2) Meetings shall be convened by the Chairperson as and when he/she considers appropriate, and the Chairperson shall convene a meeting upon the request of a majority of the Members.

(3) A Committee meeting shall be convened by giving not less than one (1) week's notice by email to the Members, specifying the place, date and time for the meeting and the general nature of the businesses to be transacted at the meeting. The Secretariat of the Committee shall ensure that pertinent materials for the meeting are properly and timely distributed to all Members.

(4) Notwithstanding that a meeting is called by shorter notice, it shall be deemed to have been duly convened if it is so agreed by the Members present in the meeting at which there is a quorum.

(5) A majority of all the Members shall constitute a quorum.

(6) Members may participate in a meeting of the Committee through remote communication, such as teleconference or video conference conducted in accordance with the provisions of SEC Memorandum Circular No. 6, Series of 2020 and by means of which all persons participating can hear each other.

(7) Resolutions at a meeting of the Committee at which there is a quorum shall be passed by a simple majority of votes of the Members present at such meeting, Each Member, including the Chairperson, shall have one (1) vote. Whenever a Member has a conflict of interest in a matter to be considered by the Committee which the Committee considers to be material, such interested Member shall abstain from voting on any Committee resolution in which they or any of their associates have a material interest. The Committee shall decide on the matter without taking into consideration the position of the Member who has a material conflict of interest. In case of an equality of votes, the Chairperson shall not have a second or casting vote.

B. Minutes and Records

(1) The Committee may appoint a Secretariat who shall issue notices and agenda for the meetings; disseminate meeting materials, if necessary, prepare minutes of meetings of the Committee and keep books and records of the Committee.

(2) The Committee shall cause records to be kept for the following: (i) appointments and resignations of Members; (ii) agenda and other documents sent to the Members; and (iii) minutes of proceedings and meetings of the Committee.

(3) Any such books and records shall be open for inspection by any Member upon reasonable prior notice during usual office hours of the Company.

(4) The minutes of the Committee meeting, when signed by the Committee Chairperson, shall be conclusive evidence of the proceedings and resolutions of such meeting.

(5) The Secretariat shall ensure that the draft and final versions of the minutes of Committee meetings shall be sent to all Members for their comment and records, within one (1) month after the meeting.

Section 5. Remuneration of Members or Advisors

No fees or other remuneration shall be payable to the Members or Advisors in respect of their services provided in connection with the Committee or in respect of their attendance

at meetings of the Committee, *except* the per diem or remuneration authorized and approved by the Board or any fees or remuneration to such Member or Advisor that would otherwise be entitled to in his capacity as consultant, advisor or employee of the Company.

Section 6. Resources and Authorities

(a) The Committee shall have the resources and authorities appropriate to discharge its functions, duties and responsibilities, including the authority to obtain advice from external consultants and functional specialists within the Company.

(b) The Committee shall report directly to the Board on its decision or recommendation, unless there are legal or regulatory restrictions on its ability to do so (such as a restriction on disclosure due to regulatory requirements).

(c) The Committee shall have the right to require the Management to furnish all information that may be requested by the Committee for purposes of performing its duties.

Section 7. Committee Reports and Performance Evaluation

(a) The Committee shall report its activities to the Board on a regular basis and make such recommendations with respect thereto and other matters as the Committee may deem necessary or appropriate.

(b) The Committee shall prepare and review with the Board an annual performance evaluation of the Committee, which evaluation must compare the performance of the Committee with the requirements of its Charter, set forth the goals and objectives of the Committee for the ensuing year and include any recommendation to the Board on any improvement to the Charter as the Committee may deem necessary or desirable.

Section 8. Amendment of this Charter

This Charter shall not be amended unless such amendment shall have been approved by resolution of the Board.