

MAYNILAD WATER SERVICES, INC.

FINANCE COMMITTEE CHARTER

Section 1. Function

The Finance Committee (the “Committee”) of Maynilad Water Services, Inc. (the “Company”) shall safeguard the Company’s financial stability and integrity by providing oversight to and strategic guidance on the Company’s financial policies and strategies, including capital structure, dividend policy, acquisitions and divestments, treasury management, tax strategy and compliance, and financing proposals, among others.

Section 2. Key Responsibilities

In furtherance of the foregoing functions, the Committee’s specific responsibilities are as follows:

- (a) Recommend financial policies to the Board, including any changes thereto, to ensure effective governance and financial management;
- (b) Review and approve the Company’s business plan, including its major capital expenditure commitments and projects;
- (c) Review, advise and recommend approval, decision or action on various financial matters involving the management and operation of the Company, including:
 - (i) all major financing transactions;
 - (ii) major procurement and supply contracts and variations worth Php 50 million and above;
 - (iii) investments worth Php 50 million and above;
 - (iv) any actual, potential, major exception or occurrence which has, or may have, a major financial impact on the Company; and
 - (v) annual and quarterly financial review.
- (d) Review the Company’s investment strategies, including capital allocation strategies;
- (e) Monitor the Company’s investment performance, including setting investment policies;
- (f) Review and advise the Board on the Company’s (and its subsidiaries’, joint ventures’ and associates’) (the “Group”) capital allocation, mergers and acquisitions, and disposal proposals;
- (g) Review capital raising plans, including the issuance of shares and/or debt securities;

- (h) Review liquidity, loan covenant compliance and liability management program of the Group;
- (i) Review and approve the Company's tax strategies and compliance;
- (j) Review and approve the Company's dividend, investment, and treasury policies and stock repurchase programs;
- (k) Evaluate the Company's financial performance against the budget and strategic plan, and recommend improvements or adjustments, as needed;
- (l) Ensure that the Company complies with all financial regulations and reporting requirements;
- (m) Address and deal with such other matters as may be delegated by the Board to the Committee; and
- (n) Identify any related matters for referral to the Board, for review and further consideration.

Section 3. Composition

- (a) The Committee shall be composed of five (5) directors (the "Members"), with at least one independent director.
- (b) The President and CEO, Chief Operations Officer and Chief Finance Officer shall be the Company's non-voting representatives to the Committee.
- (c) The Committee Chairperson shall be appointed by the Board. The Chairperson shall preside over meetings of the Committee. In the absence of the Chairperson, the Members present shall select among themselves a chairman of the meeting.
- (d) The Chairperson or any Member may be removed from office at any time, with or without cause, only by the Board.
- (e) The Board may invite observers from shareholders who shall have the right to speak, but not vote, during meetings of the Committee.

Section 4. Committee Procedures

A. Meetings

- (1) The Committee shall hold meetings as often as needed, but not less than six times a year, at such times and places as it considers appropriate.

- (2) Meetings shall be convened by the Chairperson as and when he/she considers appropriate or upon the request of a majority of the Members.
- (3) Notice of Committee meeting shall be provided to the Members at least five (5) working days in advance, 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 by teleconference or video conference conducted in accordance with the provisions of SEC Memorandum Circular No. 6, Series of 2020.
- (7) Only Members may vote during Committee meetings.
- (8) Resolutions at a meeting of the Committee at which there is a quorum shall be passed by a simple majority of vote of the Members present at such meeting. Each Member, including the Chairperson, shall have one (1) vote.
- (9) Whenever a Member has a conflict of interest on a matter to be considered by the Committee which the Committee considers to be material, such interested Member shall abstain from voting on any resolution relating thereto and the Committee shall decide on the matter without taking into consideration the position of the Member who has a material conflict of interest.

B. Minutes and Records

- (1) The Committee may appoint a Secretariat who shall issue notices and agenda for Committee meetings, disseminate meeting materials, 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 Committee meetings, when signed by the Committee Chairperson, shall be conclusive evidence of the proceedings and resolutions passed in such meeting.
- (5) The Secretariat shall ensure that the draft and final 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 in respect of 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 which such Member would otherwise be entitled in his/her 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. It may employ, appoint or retain adviser(s) who could join in Committee meetings, and may obtain advice from external parties with relevant experience and expertise where it considers necessary. The Committee shall have the sole authority to approve the terms of engagement of and reasonable fees to be paid to such external parties.
- (b) The Committee shall have the right to require the Company's Management to furnish 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 assess the performance of the Committee against the requirements of this 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 this 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.

Date of Approval: _____

Manuel V. Pangilinan
Chairman of the Board

Ramoncito S. Fernandez
President & CEO