

Key Relationships

The Ayala group continuously monitors and strengthens relationships with key stakeholders to ensure that their needs and expectations are met and addressed. It engages different stakeholder groups via various communication channels, consultations and collaborations, providing them avenues where they are heard and their inputs considered in decision-making processes. In this way, Ayala stays true to its purpose of creating meaningful and lasting impact on the economy and the society.



Investors and Shareholders

Modes of Engagement

Regular Activities and Channels of Engagement

- One-on-one meetings and video conferences
- Calendar of investor conferences
- Calendar of deal and non-deal roadshows
- Bespoke Ayala group corporate access days
- Email correspondences
- Quarterly results briefings
- PSE/PDEX disclosures
- Company website
- Integrated Report

Other Initiatives

- Utilized online platforms in the gradual shift to physical engagements to disseminate information and ensure the investor community's access to management through online conferences, non-deal roadshows and meetings
- Conducted annual stockholders' meeting in a virtual format and published the annual Integrated Report using a remote work approach to meet regulators deadlines

Key Concerns Raised & Strategic Response

Granularity on execution and impact of macroeconomic headwinds on successful accomplishment of strategic three point agenda

- Kept investors and analysts abreast of Ayala group's initiatives amid the changing business environment
- Ensured messaging was centered around how the group made strides towards executing its strategic three-point agenda, specifically citing the recovery of Ayala's core value drivers on the back of the economic rebound and the significant progress made by the emerging businesses

Steep conglomerate discount and lack of a next growth driver for Ayala

- Developed enhanced messaging on AC Health and AC Logistics
- Provided feedback to management, resulting in enhanced messaging around Ayala's efforts to identify its next growth driver(s)
- Shared more details on Ayala's initiatives for the consumer and electric vehicle (EV) spaces

Demand for more ESG disclosures

- Initiated more comprehensive ESG discussions covering areas such as climate ambition and TCFD

Government Agencies and Regulators

Modes of Engagement

Regular Activities and Channels of Engagement

- Public consultations on proposed measures
- Meetings with relevant government agencies
- Roundtable discussion with select local government leaders

Special Activities

- Public consultations and position papers to incorporate recommendations

Other Initiatives

- Monitored government policy and interventions related to the pandemic and economic and social recovery
- Laid the groundwork for The Liveable Cities Playbook Volume 6 on Health to enhance local government capacity to provide quality health services

Key Concerns Raised & Strategic Response

Contribution to policy directions on national issues and priorities of the new administration

- Participated in public-private sector dialogues and consultations including matters covered by the Private Sector Advisory Council
- Submitted evidence-informed policy alternatives on proposed government policies

Compliance with existing and emerging laws and regulations

- Conducted continuous dialogues with government and regulatory agencies
- Updated company policies and rules to align procedures and reporting
- Published updated policies and rules on the corporate website as needed

Policy reforms

- Participated in policy dialogues and consultations
- Submitted position papers on proposed measures

Privacy and protection of personal data

- Conducted capacity-building activities for employees in partnership with the National Privacy Commission and other training providers
- Reviewed data processing activities and security measures and updated privacy terms and conditions of Ayala's programs and initiatives

Implementation of the Mandanas ruling*

- Monitored government issuances on its implementation.
- Conducted internal and external stakeholder engagement activities to contribute to policy discussions

* The Supreme Court (SC) ruling on the Mandanas-Garcia Petition concerning the Internal Revenue Allotment (IRA) follows a long and persistent effort of local government units (LGUs) and stakeholders in demanding greater autonomy and resources from the national government (NG).

Employees

Modes of Engagement

Regular Activities and Channels of Engagement

- Announcements and HR-related information dissemination via emails and messaging apps
- Meetings, focused group discussions and town halls
- One-on-one discussions between the employees and the line managers
- Pulse checks, employee engagement, mental health and wellness surveys
- E-learning platforms and webinars
- Spiritual activities and other special celebrations and events

Other Initiatives

- Provided booster shots to employees and their dependents

Key Concerns Raised & Strategic Response

Improvement on compensation, benefits and rewards

- Expanded benefits that cover same-sex and domestic partnerships, interest-free education loans and paternity leave beyond the law-mandated period
- Enhanced medical coverage that includes provision for mental health, increased limits in OB fees and hospitalization limit, coverage for epidemic cases and voluntary enrolment for extended or overage dependents
- Adjustment on employee subsidies to soften the impact of higher inflation and cost of living

Physical and mental wellbeing

- Launched Wellness Program 2.0 to promote work-life balance and encourage a lifestyle that will result in healthy physical, mental, spiritual and emotional wellbeing
- Continuous mental health support through Ayala's resident psychologists and MindYou platform and expanded coverage of sick leave to include mental wellness
- Continued hybrid-flexible work hours considering employees' workload and unique personal circumstances
- Webinars on work-life balance and wellbeing with experts in various fields from inside and outside the Ayala group
- Hybrid town halls and kapihan sessions, special events and get-together activities

Access to professional development and growth opportunities

- Defined career paths and developmental plans for both high potential and top talents
- Targeted mobility within the Ayala group
- Varied learning modalities that range from in-person and hybrid programs to online courses for upskilling and reskilling

Health and safety at the workplace

- Provision of vaccines to employees and qualified dependents
- WeAreAyala Mobile app and its Ayala Sign-in System for Immediate Support and Tracking (ASSIST) feature
- Defined crisis management response and protocol

Bank Counterparties and Creditors

Modes of Engagement

Regular Activities and Channels of Engagement

- Meetings and video conferences
- Formal and email correspondences
- Economic briefings and finance summits
- Roadshow presentations
- Quarterly analyst briefings

Special Activities

- Banker's Briefing in lieu of the usual quarterly analyst briefings to focus more on Ayala's balance sheet and credit profile

Other Initiatives

- Use of the PDS Group's E-Securities Issue Portal (e-SIP) to support digitalization of the Philippine capital markets
- Adopted DocuSign as an alternative to wet-ink signatures for quicker turnaround in the approval process

Key Concerns Raised & Strategic Response

Financing plans

- Communicated financing plans and outlook moving forward to address uncertainty, allow creditors to plan out their credit approvals and extend credit lines to Ayala
- Negotiated a mutually beneficial arrangement to address rising interest rates

Timely submission of documents

- Submitted electronic versions of documents followed by the physical copies within specified timelines



Department of Finance Undersecretary Zeno Ronald R. Abenoja and Ayala's Strategy and Analytics Head Pauline Clarisse Feria-Darre at Ayala's Economic & Treasury Summit: Transforming Headwinds into Growth Opportunities

Insurers

Modes of Engagement

Regular Activities and Channels of Engagement

- Regular cadence meetings (in-person or virtual)
- Formal and email correspondences
- In-person renewal roadshows
- Underwriting calls and meetings
- Insurer-sponsored events
- Stewardship meetings

Special Activities

- Organized a Claims Roadshow to assess the impact of Typhoon Rai (local name Odette) and highlight the business units' responses and Ayala's risk management activities

Key Concerns Raised & Strategic Response

Impact of Typhoon Rai (local name Odette)

- Provided information on actions and strategies to mitigate impacts of typhoon and flooding through the Claims Roadshow
- Formed a dedicated claims team to properly manage claims by business units

Increased interest in ESG

- Highlighted the progress of Ayala's ESG initiatives particularly on commitment to achieve net-zero GHG emissions by 2050

Underwriting information

- Provided results of risk studies specific to business units, including risk engineering surveys, business interruption studies and natural catastrophe modeling, among others
- Organized workshops with risk advisors to understand the requirements of our insurers

Premium Payments

- Established SLAs with risk advisors and fronting insurer for invoice issuance and with our business units for payment processing



Ayala Insurance Roadshow in Singapore held in May 2022

Business Partners and Affiliates

Modes of Engagement

Regular Activities and Channels of Engagement

- Board and Executive Committee dialogues and meetings
- Roundtable discussions and advisory engagements
- Partnerships for projects

Special Activities

- Held roundtable discussions about local-level public-private collaboration in partnership with Ateneo School of Government
- Participation in the Private Sector Advisory Council

Key Concerns Raised & Strategic Response

Management and governance

- Focused on transparency and timeliness of disclosures and reporting
- Upheld strong governance processes within the holding company

Financial performance

- Continued to work with various teams within the Ayala group to deliver strong financial performance

Outlook, risks and performance

- Regularly engaged partners and experts to shape outlook and develop informed views and targets for the company and the Ayala group

Addressing key macroeconomic issues through partnerships and collaboration

- Participated in multi-stakeholder alliances to contribute to the country's sustainable growth through policy, strategic initiatives and philanthropic efforts

Suppliers

Modes of Engagement

Regular Activities and Channels of Engagement

- Weekly meetings and emails
- Communication via messaging apps

Key Concerns Raised & Strategic Response

Delayed fulfillment of deliveries and other logistical challenges

- Adjusted the timeline of Ayala Triangle Gardens Tower 2 construction and focused on aspects that can be done despite delays



Ayala Corporation's headquarters is now located in Ayala Triangle Gardens Tower Two.

Media

Modes of Engagement

Regular Activities and Channels of Engagement

- Partnerships and sponsorships with digital and print media outlets
- Press briefings and conferences
- Media and company events, social gatherings and meetings
- Company updates through corporate website, emails, phone calls and social media

Special Activities

- Sponsored virtual gathering with reporters and editors covering business stories
- Meetings between corporate communication heads across the Ayala group with editors and key reporters of the country's top broadsheets

Other Initiatives

- Worked with media to amplify stories from Project Ugnayan and #BrigadangAyala

Key Concerns Raised & Strategic Response

Access to Ayala business units

- Facilitated briefings and established linkages between media and the business units' corporate communications teams
- Pitched exclusive interview requests with relevant executives and CEOs
- Boosted stories across Ayala's external and internal communication platforms

Request for official statement

- Worked with top-level executives to draft a statement aligned with the company's direction and cleared statement with principal
- Monitored news to ensure consistency of published report with the official statement

Communities

Modes of Engagement

Regular Activities and Channels of Engagement

- Online and on-site coordination, monitoring, meetings and data collection
- Hybrid programs including museum tours, library visits, workshops, lectures and teacher training
- Face-to-face engagements

Special Activities

- Free access days at the museum and library
- Financial Education for Planting for Productivity in select areas in partnership with BPI Foundation
- Sports and arts-based Psychosocial Intervention Program to promote positivity and build resilience
- Maging Magiting AFI DRRM Rescue Boat donation program in partnership with AFI and the Municipality of San Dioniso in Iloilo
- Wheels for Work in partnership with AFI and the Makati Business Club to provide bikes to workers
- Joint interventions on common advocacies such as the partnership among PSFI, AFI, MAO/LGU and AMMMENI in El Nido to address food security and stabilize food prices
- Active membership in local special bodies such as the Municipal Development Council, Municipal Tourism Council, Municipal Nutrition Council, Municipal Disaster Response and Risk Management Council in El Nido

Key Concerns Raised & Strategic Response

Access to art and culture

- Provided on-site and online opportunities and content to increase appreciation and knowledge of Filipino culture and arts

Access to nutritious food

- Conducted Planting for Productivity Project in communities

Delivery of health kits

- Maintained constant communication with the supplier and procurement to monitor deliveries of health kits and address logistical challenges

Selling spaces at Centrio Mall

- Committed to providing free selling spaces at Centrio Mall

Other Initiatives

- Implemented health and safety protocols for guests and staff of Ayala Museum
- Maximized social media engagement with regular posts by the ProFuturo coaches
- Supported the Department of Education's Brigada Eskwela program with 10,000 #BrigadangAyala Balik Eskwela Health Kits for public school teachers and students
- Included Magiting face masks in food packs, health kits and emergency go-bags given to communities during disaster response activities
- DRRM Program provided 1,000 emergency go-bags to public school teachers for disaster preparedness and resilience
- Supported LGUs in providing ayuda to communities, particularly with Project BuyAni to mobilize local sources for food packs

Transportation assistance during monitoring rounds

- Requested Planting for Productivity (P4P) budget for CSWD and City Agri Teams for monthly monitoring rounds

Request for project resources

- Evaluated projects to determine the appropriate mode of intervention

Connectivity in online trainings

- Provided copies of training handouts and activities to all partner schools

Schedule of on-site and hybrid activities

- Practiced flexibility in scheduling to accommodate partner schools' requests

Industry Associations

Modes of Engagement

Regular Activities and Channels of Engagement

- Membership
- Regular meetings
- Knowledge sharing and exchange of ideas
- Webinars

Special Activities

- Podcasts
- Roundtable discussions
- Research papers
- Economic and finance forums

Key Concerns Raised & Strategic Response

Partnerships and collaborations

- Participated in policy and roundtable discussions, conferences, podcasts and webinars
- Co-organized summits advocating for the development of financial management and public health in the country



Ayala’s Group Risk Management and Sustainability Head Ma. Victoria Tan joined the panel discussions at the WBCSD Council Meeting held in Tokyo, Japan in October 2022.

Customers

Ayala Land

Key Concerns Raised & Strategic Response

Delays in turnover

- Provided payment restructuring options for projects determined to be significantly delayed
- Sent progress photos to affected accounts until the final turnover
- Released advisory letters to condo buyers for EOTD (Extension of Time to Develop) once applied to Department of Human Settlements and Urban Development (DHSUD)

Property and ownership documentations

- Established the Customer Service and Accounts Management (CSAM) team to closely monitor inquiries, requests and complaints
- Facilitated IRU (inform, remind and update) process on status of accounts and documentations to apprise buyers regularly and manage expectations on delivery
- Development of the Buyers’ Portal to allow clients access to a digital portfolio for their purchases and updates on the progress of the documentation, for rollout in 2023
- Management regularly monitored red flag accounts

Cash flow concerns

- Provided stretched pay terms
- Accommodated requests for payment restructuring and extensions

Site visits and project status

- Conducted series of online selling events and webinars
- Partnered with various thought leaders for a series of online talks on investing during the pandemic
- Provided project updates

BPI

Key Concerns Raised & Strategic Response

Interbank transfer issues

- Diagnosed and treated customer pain points to improve client experience
- Advised clients of system issues in a timely manner

Phishing and vishing

- Raised customer awareness of anti-fraud practices through internal and external communications
- Expedited client concerns to pertinent units for investigation and resolution
- Offered assistance to clients who want to file cases against the perpetrators



BPI implements the Customer Assistance Program, which ensures that client feedback from various touchpoints and channels are handled appropriately.

Globe

Key Concerns Raised & Strategic Response

Rising demand for connectivity and increased mobility of customers

- Kept customers connected to what is important to them by upgrading their broadband connection to fiber and rightsizing their plan
- To meet the connectivity needs, continued to scale up cell site builds and upgrade outdated facilities, and restored sites that were affected by calamities
- For B2B customers, improved service reliability and availability by modernizing access sites and circuits

Multiple apps to serve the different needs of customers

- Streamlined the digital experience of customers by developing and enhancing a single app — the GlobeOne app — to cater to Globe Postpaid and Prepaid, Globe At Home, Home Prepaid WiFi, TM and Globe Rewards customers

Faster resolution of concerns raised on social media

- Monitor concerns of customers on social media to enable the detection of customer issues earlier, provide care proactively and resolve issues in a timely manner
- Provided customers with a more personalized experience on Facebook Messenger
- Built more self-service capabilities and dedicated flows for different concerns to address customer concerns faster

Heightened cybersecurity and fraud threats

- Safeguarded customers from fraud and scam through education and information campaigns
- Raised awareness of emerging and persistent fraudulent activities
- Enhanced Stop Spam page at <https://www.globe.com.ph/stop-spam.html> where incidents can be raised in three easy steps

ACEN

Key Concerns Raised & Strategic Response

Reasonability of renewable energy offering and reliability of electricity supply

- Conducted customer education webinars on product offers and Philippine energy market to reassure current and potential partners
- Launched ACEN RES RECHARGE: Sessions on Energy and Business on Energy and Business
- To ensure supply reliability, guaranteed customers would incur no additional charges due to market volatility

AC Health

Key Concerns Raised & Strategic Response

Low doctor’s attendance in Healthway clinics

- Hosted the first annual Doctor’s Symposium featuring local and international experts in the healthcare field who discussed current trends including value-based healthcare delivery and integrated Practice Units
- Hosted various roadshows and town hall events to re-engage doctors

Long queuing

- Integrated Healthway and QualiMed initiatives
- Opened three new clinics in the Greater Manila Area for a total of 10 clinics in the network
- Transitioned COVIDShield to clinics

Unserved and unavailable items

- Added 18 new molecules to the IEM/EMI cabinet
- Stocked Generika stores with IEM/MEI molecules
- Increased Generika store count by 29, ending 2022 with 758 drugstores

Demand for digitalization

- Consolidated KonsultaMD, HealthNow and AIDE
- Sourced 20% of healthcare providers from AC Health
- Generated 2.3 million cumulative downloads and 89% growth in average revenue per user

AC Logistics

Entrego

Key Concerns Raised & Strategic Response

Delayed and failed deliveries

- Kept customers updated on status of delivery through email or chat
- Used mobile hubs in selected provincial areas to dispatch and deliver packages within the lead time
- Provided option to use air transfers or Block Space in airlines to decrease the transit time for premium service accounts
- Implemented a new process that reduced unloading lead time

Coverage area

- Sourced business partners who are capable of quickly establishing operations where needed

Documentation completion and information accuracy

- Implemented a two-way ticketing system to provide information on operational concerns and track customer inquiries
- Corrected the system price pushed by the customer to remedy incorrect pricing on waybills and reprinted new waybills for affected parcels
- Initiated review of proof of delivery process and identified interventions
- Created a new team to review and improve billing process

Embedding sustainability into business operations

- Started process for ISO certifications in various sites
- Addressed supplier audits and sustainability requirements of clients by providing requested documents and organizing in-person meetings
- Established Sustainability Council to advance sustainability within the company’s operations
- Published an Impact Report that highlights sustainability governance and strategy
- Rolled out the Truck Safety Checklist and Rider’s Program to address customer requirements on road and vehicle safety

AC Industrials

IMI

Key Concerns Raised & Strategic Response

Project delivery

- IMI Global Procurement Office implemented strategies and initiatives to alleviate supply chain challenges
- Maintained constant communication and coordination with customers and suppliers to mitigate shortages

AC Motors

Key Concerns Raised & Strategic Response

Unavailability or limited supply of new vehicles

- Updated customers on unit availability, timeliness of unit releases, completeness of document processing and cause of delay if the promised schedule was not met
- Coordinated with distributors and OEM partners to expose limitations and develop a shared understanding of local demand for certain models

Delayed delivery of new units

- Completed documents prior to customer arrival to avoid long waiting time during release
- Encouraged customers to settle payments through online banking for their convenience

Delayed parts availability and service unit delivery

- Adjusted delivery schedules as needed and managed customer expectations through clear communications of new timelines
- Facilitated earlier shipments of OEM supply to minimize lead time to dealer and customer delivery

Turnaround time of Extended Letter of Authority (LOA) from insurance companies

- Communicated with insurance companies and monitored their progress to expedite customer service and decrease turnaround time

AC Ventures

Zalora

Key Concerns Raised & Strategic Response

Returns and refunds

- Taught customers to maximize online self-help tools
- Replied to customer inquiries with specific status information

Delivery follow-ups

- Used tracking details to provide accurate status updates
- Provided customers self-service information access to maintain clear delivery expectations



AC Motors is Ayala’s automobile business group that manages the distribution of Volkswagen, Kia and Maxus and dealerships of Isuzu and Honda.

iPeople

Key Concerns Raised & Strategic Response

Mental health concerns of students and employees

- Increased accessibility to online and face-to-face counseling
- Increased availability of academic coaches and advisers to students

Health and safety concerns due to conflicting government regulations on health protocols

- Engaged in regular conversations with employees, students and government authorities such as LGUs



iPeople aims to transform lives and society using innovations in Philippine education and research.

Manila Water

Key Concerns Raised & Strategic Response

Clean and potable water

- Conducted monthly water sampling at designated distribution points to monitor water quality and uphold standards for safe drinking water

Continuous water supply

- Provided regular updates, announcements and bulletins through social media

Billing and service concerns

- Addressed concerns and resolved complaints within internal service-level targets

Desludging Schedule

- Published desludging schedules and other advisories in print and on social media and distributed flyers to barangays and community partners

Environmental initiatives

- Aligned information, education and communication campaigns, programs and activities with relevant environmental initiatives



Manila Water is committed to providing excellent service fueled by its pioneering spirit and desire to use its strengths towards its vision of better lives and resilient economies through critical infrastructure.

More than half of the world's total gross domestic product depends on nature

According to the World Economic Forum (WEF)

As part of the global movement to protect and restore nature, and a supporter of the WBCSD's Global Goal for Nature, Ayala includes natural capital assets and ecosystems in its processes and decisions at every level. The group strives for responsible, sustainable operations by understanding its businesses' reliance on nature and integrating it as a critical stakeholder in Ayala's risk management approach.

In the coming years, the Ayala group will enhance collaboration with experts, policymakers, investors, innovators and consumers to propel its sustainability goals far beyond minimizing negative impact toward action-oriented plans. Ayala is working to conserve and enhance natural ecosystems and biodiversity through **Project Kasibulan's Mindoro Forest and Biodiversity Conservation Program**.

Project Kasibulan's Mindoro Forest and Biodiversity Conservation Program

