

## STAKEHOLDERS POLICY

The Bank believes that its long-term success rests on the support and contribution of different stakeholders, including the customers, employees, suppliers, shareholders, investors, creditors, community where the Bank operates, society, government regulators, business partners, and media.

Stakeholders	Policy	Activities
Customers' welfare	<p>AUB's commitment in providing excellent customer service and attaining total customer satisfaction are key factors in the carefully designed Complaints Handling Policy of the bank. Complaints shall be managed and addressed efficiently, and shall be used as basis and gauge for continuous improvement of AUB's operations and services.</p> <p>During its meeting on February 27, 2015, the Board approved AUB's updated Complaints Handling Policy.</p> <p>This update was disclosed to the Philippine Stock Exchange and the Securities and Exchange Commission then the purpose, five-step process and procedures of the policy were summarized and posted in the company's website.</p> <p>Please refer the Bank's Complaints Handling Policy, for more details:</p> <p><a href="https://www.aub.com.ph/resources/investorRelations/publicDisclosures/corporateGovernanceReports/AUB%20Complaints%20Handling%20Policy.pdf">https://www.aub.com.ph/resources/investorRelations/publicDisclosures/corporateGovernanceReports/AUB%20Complaints%20Handling%20Policy.pdf</a>)</p>	<p>All complaints and inquiries are handled by the AUB Customer Care under the Client Relations Management Unit. The team aims to effectively and efficiently address all complaints with urgency and importance at all times through the following five-step procedure:</p> <ul style="list-style-type: none"> <li>• Receipt of complaints and inquiries</li> <li>• Forwarding to branch or unit concerned</li> <li>• Facilitation and Resolution</li> <li>• Communication of Resolution to Customer</li> <li>• Closure</li> </ul>

Supplier/contractor selection practice	<p>The main objective of the Supply and Services Management Division (SSMD) is to search for reliable vendors who can support the bank in streamlining costs and optimizing existing resources.</p> <p>SSMD shall only source and procure products and services that will provide the bank with the best value for every centavo. Best value is defined as the best possible product or service at the least possible cost.</p>	<p><u>Accreditation</u></p> <ul style="list-style-type: none"> <li>• Require the vendor to submit the accreditation requirements.</li> <li>• Evaluate and process the application for accreditation.</li> <li>• Require renewal of the accreditation on an annual basis.</li> </ul> <p><u>Selection</u></p> <ul style="list-style-type: none"> <li>• Source, compare, and select from at least two alternative suppliers and subject to the ten-point value purchase criteria.</li> </ul>
Environmentally friendly value-chain	<p>AUB's technologically-advanced systems and processes allow the bank to deliver not only efficient results but also environment-friendly procedures.</p>	<ul style="list-style-type: none"> <li>• Virtual Teller Kiosks (VTKs)</li> </ul> <p>As early as 2009, AUB began using Virtual Teller Kiosks (VTKs) to reduce over-the-counter queues and speed up straight-forward self-service tasks. Moreover, this automated process lessened the probability of human error in processing transactions and eliminated the need to do account reconciliation at the end of every banking day as all transactions have already been encoded in a database. Besides achieving efficiency, using the VTK also enabled AUB to lessen paper consumption as its clients no longer needed to use deposit slips their cash and check deposits.</p>

Community interaction (2016)	<p>AUB's Revised Corporate Governance Manual mandates that the Board shall identify the Bank's stakeholders which includes the community in which the corporation operates or are directly affected by its operations, and formulate a clear policy of accurate, timely and effective communication with them.</p> <p>Hence, AUB believes in making positive contributions to the communities where our branches are located and to the less fortunate members of the society in general.</p>	<p>Included among AUB's community interaction activities in 2016 are the following:</p> <ul style="list-style-type: none"> <li>• A Summer Apprenticeship Program for university students from various schools from April to May, and June to July</li> <li>• The renewal of its partnership with Operation Smile Philippines last June 2016</li> <li>• Participation in various university/college Job Fairs</li> <li>• Conducted a social gathering with placement officers of various colleges and universities</li> </ul>
Community interaction (2015)	<p>AUB's Revised Corporate Governance Manual mandates that the Board shall identify the Bank's stakeholders which includes the community in which the corporation operates or are directly affected by its operations, and formulate a clear policy of accurate, timely and effective communication with them.</p> <p>Hence, AUB believes in making positive contributions to the communities where our branches are located and to the less fortunate members of the society in general.</p>	<p>Included among AUB's community interaction activities in 2014 2015 are the following:</p> <ul style="list-style-type: none"> <li>• A Summer Apprenticeship Program for university students from various schools from April to May 2014, June 2015,</li> <li>• Participation in a six-day Faculty Immersion Program from May 19-24, 2014 which is a collaboration between the Bankers' Association of the Philippines and the Philippine Association of Collegiate Schools of Business (PACSB), and</li> <li>• The renewal of its partnership with Operation Smile Philippines last October 2014 June, 2015</li> <li>• Participation in various university/college Job Fairs.</li> <li>• Conducted a social gathering with placement officers of various colleges and universities.</li> </ul>

Community interaction (2014)	<p>AUB's Revised Corporate Governance Manual mandates that the Board shall identify the Bank's stakeholders which includes the community in which the corporation operates or are directly affected by its operations, and formulate a clear policy of accurate, timely and effective communication with them.</p> <p>Hence, AUB believes in making positive contributions to the communities where our branches are located and to the less fortunate members of the society in general.</p>	<p>Included among AUB's community interaction activities in 2014 are the following:</p> <ul style="list-style-type: none"> <li>• A Summer Apprenticeship Program for university students from various schools from April to May 2014,</li> <li>• Participation in a six-day Faculty Immersion Program from May 19-24, 2014 which is a collaboration between the Bankers' Association of the Philippines and the Philippine Association of Collegiate Schools of Business (PACSB), and</li> <li>• The renewal of its partnership with Operation Smile Philippines last October 2014</li> </ul> <p>For more details on the above-mentioned initiatives, kindly refer to the Corporate Social Responsibility section on the Bank's website.</p>
Anti-corruption programmes and procedures	On December 19, 2014, the Board approved AUB's Personal Investment Policy as recommended by its Performance Evaluation, Compensation and Remuneration Committee.	<p>The policy provides minimum standards and specifies investment practices which are either prohibited or subject to special constraints.</p> <p>The policy also applies to all employees of subsidiaries of Asia United Bank.</p>
Safeguarding creditors' rights	The Bank, thru its Remedial Management Unit, complies with BSP Circular No. 454, which provides guidelines on unfair collection practices. The RMU personnel, its collection agencies, lawyers, and other agents ensure that in all its collection efforts, they observe good faith and reasonable conduct and refrain from engaging in unscrupulous or untoward acts.	