

AZALEA LEISURE AND RESIDENCES CORPORATION

CODE OF BUSINESS CONDUCT AND ETHICS

1. Introduction

This Code of Business Conduct and Ethics (“Code”) sets out the ethical principles and standards of behavior expected of all directors, officers, employees, and representatives of **AZALEA LEISURE AND RESIDENCES CORPORATION** doing business under the name and style of **Azalea Vacation Club** (“the Club”). The Code is intended to promote honest and ethical conduct, accountability, and transparency in all aspects of the Club’s operations and interactions.

We are committed to fostering a culture of integrity and respect in line with the Club’s mission to provide our members with exceptional vacation experiences while upholding our obligations under Philippine law.

2. Scope and Application

This Code applies to:

- Board Members and Officers;
- Employees and Staff; and,
- Consultants, Suppliers, Contractors, and other representatives acting on behalf of the Club.

All stakeholders are expected to read, understand, and adhere to this Code. Violations may result in disciplinary action, including termination of service or contract and legal action if warranted.

3. Core Values and Ethical Principles

We uphold the following principles:

- Integrity: Be honest and transparent in all dealings.
- Accountability: Take responsibility for actions and decisions.
- Fairness: Treat all members, guests, and colleagues with equality and respect.
- Excellence: Commit to high standards in service and operations.
- Respect for Law: Comply with all applicable laws, rules, and regulations in the Philippines.

4. Compliance with Laws and Regulations

All individuals covered by this Code shall:

- Comply with the Revised Corporation Code, labor laws, environmental laws, data privacy regulations, and other applicable Philippine laws; and,
- Avoid activities that could bring legal or reputational risk to the Club.

5. Conflict of Interest

A conflict of interest arises when personal interests interfere with duties to the Club.

Examples include:

- Holding a financial interest in a competitor or supplier;
- Using Club resources for personal gain; and,
- Hiring or contracting family members without disclosure.
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Required Action:

Conflicts must be disclosed immediately in writing to the Club's General Manager or the Board through the Corporate Secretary. Affected persons must recuse themselves from related decisions.

6. Protection and Proper Use of Club Assets

All individuals covered by this Code shall:

- Use Club property, funds, equipment, and facilities only for legitimate business purposes.
- Prevent theft, waste, misuse, or unauthorized use; and,
- Intellectual property, including logos, brochures, and digital materials, must be used responsibly.

7. Confidentiality and Data Privacy

All individuals covered by this Code shall:

- Safeguard confidential and proprietary information of the Club and its members;
- Respect the Data Privacy Act of 2012: personal data of members, guests, and employees must not be disclosed without proper authorization; and,
- Do not use confidential information for personal benefit or to the detriment of the Club.

8. Fair Dealing and Anti-Corruption

All individuals covered by this Code shall:

- Deal fairly with members, suppliers, partners, and competitors;
- Bribes, kickbacks, or other forms of corrupt practices are strictly prohibited, whether direct or indirect; and,
- Gifts and entertainment must be reasonable, infrequent, and in line with customary business practices. Any gift over PHP 2,000 must be reported.

9. Health, Safety, and Environment

All individuals covered by this Code shall:

- Ensure a safe, secure, and hygienic environment for members, guests, and staff;
- Comply with all occupational health and safety regulations; and,
- Promote sustainability and responsible use of natural resources in Club operations.

10. Equal Opportunity and Respect in the Workplace

- Discrimination or harassment based on race, gender, religion, age, disability, or other protected characteristics is strictly prohibited.
- Foster a work culture based on mutual respect, courtesy, and collaboration.

11. Social Media and Public Communications

- Employees and representatives must not make unauthorized public statements on behalf of the Club.
- When using personal social media, do not post defamatory, confidential, or misleading information about the Club, its members, or staff.

12. Reporting Violations

Employees and members are encouraged to report violations of this Code, anonymously if desired. Reports may be made to:

- The Compliance Officer or Club Manager;
- The Audit Committee (for financial or governance-related violations); or,
- A secure email or hotline, if available.

Retaliation against anyone who reports a concern in good faith is strictly prohibited.

13. Administration and Enforcement

The Board of Directors has ultimate responsibility for implementing and enforcing this Code. The General Manager and Compliance Officer (if applicable) shall support education, monitoring, and investigations related to Code compliance.

14. Waivers and Amendments

Any waiver of this Code for directors or executive officers must be approved by the Board of Directors. This Code may be amended only by the Board, and members shall be duly notified.

15. Acknowledgment and Certification

All covered persons must sign an acknowledgment form confirming that they have read, understood, and agreed to comply with this Code.

Approved by:

Chairman, Board of Directors: Lony R. Capellan

Date: 30 July 2024

President: Lony R. Capellan
Date: 30 July 2024

Corporate Secretary: Atty. Hazel L. Helmuth
Date: 30 July 2024