

AZALEA LEISURE AND RESIDENCES CORPORATION DISCLOSURE POLICY AND PROCEDURE

1. Purpose

The purpose of this policy is to define the standards, procedures, and responsibilities for disclosing material information to shareholders, members, regulatory authorities, and other stakeholders of **AZALEA LEISURE AND RESIDENCES CORPORATION doing business under the name and style of Azalea Vacation Club** (“the Club”). The Club is committed to transparency, accuracy, and timeliness in all disclosures, to promote trust, accountability, and good governance.

2. Scope

This policy applies to:

- The Board of Directors and Officers;
- Club Management and Department Heads;
- Staff involved in the preparation or review of reports and communications; and,
- Any other person or group authorized to make public disclosures on behalf of the Club.

3. Guiding Principles

All disclosures must adhere to the following principles:

- **Transparency:** Information should be disclosed in an accurate, clear, and understandable manner.
- **Timeliness:** Disclosures must be made promptly, especially when material information becomes available.
- **Fairness:** All members/shareholders must have equal access to material information.
- **Compliance:** Disclosures must comply with the Revised Corporation Code of the Philippines, the Data Privacy Act, and other applicable laws and regulations.

4. Disclosure Responsibilities

The Corporate Secretary and Club General Manager, under the supervision of the Board of Directors, are responsible for implementing this policy and ensuring compliance.

Specific responsibilities include:

- Preparing and distributing periodic reports;
- Coordinating with relevant departments to gather required data;
- Filing reports with government agencies (if applicable); and,
- Publishing required information for member/shareholder access.

5. Material Information and Reportable Disclosures

A. Material information includes, but is not limited to:

- Financial performance and audited financial statements;
- Reportorial requirements applicable to companies with secondary licenses;
- Changes in the Board of Directors or key officers;
- Annual meeting results and election outcomes;
- Amendments to Articles of Incorporation or By-laws;
- Major club policies affecting member rights or obligations;
- Expansion, divestment, or major facility development plans;
- Any legal proceedings, penalties, or regulatory sanctions; and,
- Related party transactions and conflict-of-interest arrangements.

B. All directors and officers of the Club shall disclose/report to the company any dealings in the Club's shares within five (5) business days.

6. Periodic Reports Distributed or Made Available

A. Annual Reports

- Audited Financial Statements (AFS);
- President's Report / Chairman's Report;
- Corporate Governance Disclosures;
- Summary of Club Achievements and Strategic Plans; and,
- Distributed during the Annual Stockholders' Meeting (ASM) and made available at the Club Office or official website.

B. Quarterly Financial Summaries

- Unaudited summaries of revenue, expenses, and net income; and,
- Posted on bulletin boards and/or emailed to members.

C. Meeting Notices and Resolutions

- Notice of ASM, sent to members at least 14-21 days before the ASM, as stated in the by-laws;
- Agenda and Proxy Forms; and,
- Minutes and resolutions ASM and Special Meetings.

D. Governance Disclosures

- Board attendance and committee performance;
- Director and officer compensation (summary form); and,

- Code of Conduct and updates to Club policies.

E. Operational and Facility Updates

- Resort renovations or closures;
- Member program enhancements; and,
- Changes in service providers or vendors.

7. Methods of Disclosure

Information may be disclosed using any of the following channels:

- Email (to registered member/shareholder email addresses);
- Printed Notices (displayed at Club premises);
- Club Website (secured member portal);
- Social Media Pages (for non-sensitive, general announcements);
- Official Club Meetings (AGMM, special meetings, committee briefings); and,
- Mailing of Physical Copies, upon request.

8. Member Access to Information

Members and shareholders shall have the right to request access to Club records as allowed under the Revised Corporation Code, including:

- Minutes of meetings
- Financial statements
- Membership registry
- Board resolutions

Requests must be in writing and submitted to the Corporate Secretary, stating the purpose. Access may be granted during business hours with reasonable supervision.

9. Confidentiality and Insider Information

Material non-public information must be kept confidential until publicly disclosed. Any unauthorized disclosure or misuse of such information by insiders (e.g., directors, officers, employees) is strictly prohibited and may result in disciplinary or legal action.

10. Review and Compliance

This policy shall be reviewed annually by the Board of Directors, and any amendments shall be approved and circulated to all stakeholders.

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