

# **SOLID GROUP INC.**

## **CONFLICT OF INTEREST POLICY**

### **SECTION 1. PURPOSE**

This Policy is drafted in accordance to Section IV (B) (C) (D) of the Solid Group Code of Business Conduct, which was approved by Board of Directors on April 2, 2014.

The Purpose of this Policy is to ensure that the name, reputation, and integrity of Solid Group Inc. are not compromised. The fundamental principle guiding its implementation is that no employee should have, or appear to have, any personal interests, relationships, or affiliations that conflict with the best interest of the Company.

This Policy also seeks to adopt measures to avoid any conflict of interest, identify the existence of any conflict of interest, and to disclose the existence of Conflict of Interest. Further, it seeks to set out the process and internal controls to facilitate compliance with the Policy as well as to highlight consequences of non-compliance with the Policy.

### **SECTION 2. SCOPE**

This Policy shall apply to and be implemented by all directors, officers, employees and consultants of Solid Group Inc., and its subsidiaries. Throughout this document, any reference to “SGI” shall mean Solid Group Inc. and its subsidiaries.

### **SECTION 3. DEFINITION OF TERMS**

- a. **Affiliates** – any person, entity, organization, business or venture with whom/which a Director, Officer, Employee or Consultant has an affiliation, personal relationship or financial involvement. These include, among others:
  - Relatives (*defined in “j”*);
  - Associates (*defined in “b”*);
  - Corporations or firms where a Director/Employee/Consultant and/or his relative holds a position as director, officer, or executive of such corporations or firms;
  - Corporations or firms where a Director/Employee/Consultant and/or his Relative, either singly or collectively, holds/own more than ten percent (10%) of the subscribed capital or equity of such corporations or firms;
  - Corporations or firms wholly or majority-owned or controlled by the corporation or firm where a Director/Employee/Consultant and/or his relative, either singly or collectively, holds/owns more than ten percent (10%) of the subscribed capital or equity of such corporations or firms;

- Partnership of which a Director/Employee/Consultant or his Relative is a general partner;
  - A co-ownership in which a Director/Employee/Consultant or his/her Affiliate is one of the co-owners of a property sold, assigned or leased to SGI, except where the sale, assignment and/or lease covers only the co-owner's (who is not the Director/Employee/Consultant or his Affiliate) undivided interests in the property.
- b. **Associates** – third parties with existing or previous close personal or business affiliation or relationship with a Director, Officer, Employee or Consultant in view of which a Director's, Officer's, Employee's or Consultant's decisions or actions in the best interest of SGI is unduly affected or compromised.
- c. **Board** – the Board of Directors of SGI.
- d. **Conflict of Interest** – means any situation in which private interest of a Director, Officer, Employee, Consultant and/or his/her Affiliates interferes or appears to interfere in any way with the interest of SGI. It can arise when a Director, Officer, Employee or Consultant has interests that may make it difficult to perform or influence his/her work objectively and effectively regardless of whether or not he or his Affiliates receives or will receive Personal Benefit.
- e. **Consultants** – included professional consultants, firms, partnerships, counsels or such other professional entities or individuals rendering professional or specialized expert services to SGI, as well as advisors who may be appointed by the Board or President/CEO.
- f. **Director** – a duly elected member of the Board.
- g. **Employee** – any individual hired by SGI for salaries and/or benefits provided in regular amounts at stated intervals in exchange for services rendered personally for the Company's business on a regular basis and who does not provide such services as part of an independent business. These include officers, managers, supervisors, and staff or non-supervisors.
- h. **Officer** – an individual elected or appointed by the Board to an officer position provided in the By-Laws of SGI or created by the Board from time to time.
- i. **Personal Benefit** – refers to gain or advantage, whether material or non-material, directly or indirectly provided or received by a Director, Officer, Employee, Consultant and/or his Affiliate, such as financial gain, professional advancement, travel, facilities and/or accommodations benefits, entertainment, preferential treatment in personal transactions, and other similar advantages.
- j. **Relatives** – relatives of up to the fourth degree by consanguinity, affinity or legal adoption, including spouse, parents, children (and their spouses), siblings (and their spouses), nieces and nephews (limited to children of brothers and sisters) (and their



spouses), grandparents, aunts and uncles (limited to sisters or brothers of parents) and first cousins; and a domestic partner and his relatives of up to fourth degree by consanguinity, affinity or legal adoption.

#### **SECTION 4. AREAS IN WHICH CONFLICT OF INTERESTS MAY ARISE**

The following transactions may be considered as areas of “transactions that may cause conflict of interests”. However, as these areas are only criteria to determine whether there is any “transactions that may cause any conflict of interests”, please note that the satisfaction of any such criteria does not necessarily mean the occurrence of a “transactions that may cause a conflict of interests”.

**a. Dealings with and as a Supplier, Contractor, Business Partner, Consultant, and Third Party**

Directors, Officers, Employees and Consultants are enjoined from giving undue preferential treatment to any individual or entity with/whom SGI does business. Further, Directors, Officers, Employees and Consultants shall avoid circumstances that could, or could be reasonably expected to, impair their objectivity in the performance of their duties and obligations to SGI. In this regard, Directors, Officers, Employees and Consultants are prohibited from participating in any part of the transactions, dealings or decision-making process with respect to any existing or potential supplier, contractor, business partner, or consultant of SGI in which they or their Affiliate and relatives have an interest, including any acts that may be deemed as seeking to influence any action or inaction with respect to such parties.

**b. Dealings with Directors, Officers, Employees, Consultants and Prospective Employees or Consultants**

Conflict of interest can arise in human resources matters, such as recruitment and selection, promotion, disciplinary procedures, staff development, performance review, benefits, and remuneration. In this area, Directors, Officers, Employees and Consultants shall ensure that they treat each other, as well as prospective employees/consultants, with respect, fairness, impartiality, and equal opportunity, including respect for varying views and individual ideas regardless of rank, seniority or relationship. Directors, Officers, Employees and Consultants shall avoid any action or inaction that give undue preferential treatment or discriminate against any Directors, Officers, Employees, Consultants or Prospective employee/consultant. In this regards, Directors, Officers, Employees and Consultants are prohibited from taking part in any decision making process on human resource matters with respect to their Affiliates, including any action that may be deemed as seeking to influence any official action with respect to such Affiliates.

**c. Directorships, Executive Positions and Employment in Other Companies or Organizations.**

Directors, Officers, Employees and Consultants shall avoid accepting positions or employment, or carrying out work outside SGI where a conflict of interest or loyalty may arise and which may significantly affect the Directors', Officers', Employees' and Consultants' efficiency in the performance of their duties and obligations to SGI or otherwise adversely affect their work.

**d. Use of Property, Services and Other Resources**

Directors, Officers, Employees and Consultants are expected to use the properties, services or other resources of SGI responsibly, efficiently, with care and only for purposes authorized or allowed under the policies of SGI. Accordingly, Directors, Officers, Employees and Consultants shall avoid use of the properties, services or other resources of SGI for their personal benefits or in a manner not solely for the benefit of SGI, unless the applicable policy expressly allow personal use of such properties, services or other resources.

**e. Dealings with Dealers and Distributors of SGI's Products**

Conflict of interest may arise in situations where Directors, Officers, Employees, Consultants and/or their Affiliates are or become dealers and/or distributors of the products and/or services of SGI. Directors, Officers, Employees and Consultants shall avoid any action or inaction that gives undue preferential treatment or discriminates against any dealer, distributor, or potential dealer/distributor. In this regard, Directors, Officers, Employees and Consultants are prohibited from participating in any part of the transactions, dealings or decision making process with respect to any dealers or distributors in which they and/or their Affiliate have an interest, including any acts that may be deemed as seeking to influence any such action or inaction with respect to such dealers or distributors.

**f. Dealings with Customers or Clients**

Directors, Officers, Employees and Consultants shall ensure that they treat all customers and clients of SGI with respect, fairness, impartially, and equal opportunity. Directors, Officers, Employees and Consultants shall avoid granting to their Affiliates preferential terms including discounts not ordinarily available to other customers/clients, from which personal benefit will be derived by such Affiliates.

**g. Prohibited Conflict of Interest Situations**

No Director or Officer shall, in breach of his fiduciary duty to the Company, acquire or attempt to acquire, directly or indirectly through an Affiliate, any business opportunity in the line of SGI's business, in which SGI has an interest or a reasonable expectancy



and which SGI is financially able to undertake, where the personal interest of the Director or Officer will be in conflict with the interest of SGI.

SGI shall not, directly or indirectly, grant any credit in the form of personal loans to any Director or Officer, unless allowed by applicable laws and regulations.

#### **h. Other specific areas**

Conflict of interest may also cover the following:

- Abuse of authority for personal advantage.
- Personal or business involvement with SGI or its competitors/customers/suppliers.
- Vested interest with SGI's competitors/customers/suppliers.
- Business transactions with relatives or personal friends.
- Disclosure of business activities to personal associates.
- Unauthorized disbursement of funds.
- Use of Company resources, information, and data for personal gain.
- Giving out confidential information for personal gain.
- Acceptance of gifts and bribes.

### **SECTION 5. DISCLOSURE AND PROCEDURE**

Transactions with parties with whom a conflicting interest exists may be undertaken only if all of the following procedures are observed:

1. The conflicting interest is fully disclosed;
2. The Director, Officer, Employee and Consultant with the conflict of interest is excluded from the discussion and approval of such transactions;
3. A competitive bid or comparable valuation exists; and
4. The Board or SGI's Management has determined that the transaction is in the best interest of the organization.

Directors, Officers, Employees and Consultants must disclose in writing any actual or potential instance and/or situation where they may have a conflict of interest or the appearance of conflict of interest to the relevant authorities specified herein, as soon as they become aware of such actual or potential instance and/or situation.

- **For Directors and The President & CEO**

To: The Board of Directors through its Chairperson

Cc: The Executive Management

- **For President, Vice President, General Managers or equivalent**

To: The Executive Management

- **For Officers and Consultants**

To: The President & CEO, President, General Managers or equivalent

Cc: The Executive Management

- **For Managers, Supervisory and Staff**

To: The Head of the Department

Cc: The President, Vice President, General Managers or equivalent

## **SECTION 6. ACCOUNTABILITIES AND RESPONSIBILITIES**

It is the responsibility of all Directors, Officers, Employees and Consultants to maintain the good name and standing of the Company by conducting themselves professionally and in accordance with SGI Code of Business Conduct and Ethics, Policies and other relevant guidelines.

Compliance with this Policy is the individual responsibility of each Director, Officer, Employee and Consultant. Likewise, each must accept personal responsibility for behaving correctly, and is obliged to stop or prevent any actions that are contrary to the content of this Policy and which could cause any harm to SGI.

*SGI President, General Manager, or equivalent Head*

Accountable for the implementation of and compliance with this Policy.

*SGI Compliance Officer*

Accountable for the monitoring of compliance with this Policy and for reporting to the Executive Management

*Group Internal Audit Department*

Accountable for giving reasonable assurance to the Board of Directors on the adequacy and effectiveness of SGI's internal and compliance controls relating to conflict of interests.

## **SECTION 7. CONSEQUENCE OF NON-COMPLIANCE**

Any Director, Officer, Employee and Consultant of SGI who fails to comply with this Policy shall be liable to the extent of the damage/loss suffered by SGI, and may be subject to penalties and sanctions as may be determined by the appropriate SGI authorities, whether or not damage/loss is actually suffered by SGI.



## SECTION 8. REVISIONS

The Board reserves the right to determine how this Policy applies to any particular situation and to amend or modify this Policy as it deems appropriate. This the Board can do without giving prior notice to or having been in consultation or reaching agreement with any affected parties. All amendments that the Board may make to this Policy shall be communicated to SGI Directors, Officers, Employees and Consultants.

## SECTION 9. REPEALING CLAUSE

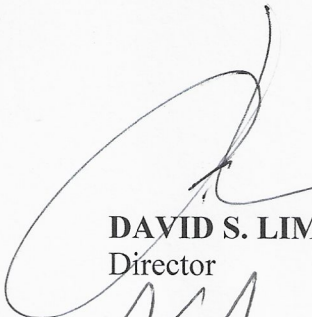
All existing policies, guidelines, regulations, systems practices and related implementing guidelines concerning the same matters covered herein are deemed superseded by this Policy.

## SECTION 10. EFFECTIVITY


This Amended Policy approved by the Board of Directors on 20 MAY 2025 shall take effect immediately.



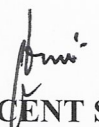
**JASON S. LIM**  
Director



**DAVID S. LIM**  
Director




**SUSAN L. TAN**  
Director



**VINCENT S. LIM**  
Director



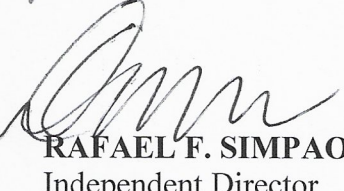
**KEVIN MICHAEL L. TAN**  
Director



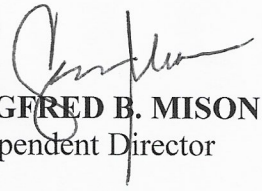
**BEDA T. MAÑALAC**  
Director



**JONATHAN JOSEPH C.C. LIM**  
Director



**RAFAEL F. SIMPAO JR.**  
Independent Director



**SIEGFRED B. MISON**  
Independent Director