

**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, Officer, Employee 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 Consultants 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 received 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, or who act as representative of SGI's investors, shareholders, affiliates or partners.
  - 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 the independent business. These include officers, managers, supervisors, staff or non-supervisors and, contractors.
  - 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.

