

SOLID GROUP CODE OF BUSINESS CONDUCT

The way we do business is vital to the success of our organization. We adopt the following set of principles to guide our decisions and actions. "We" refers to the board of directors, executives, managers, supervisors, officers and all employees of Solid Group and its member-companies.

I. On Customer Care and Customer Communication

- A. We prioritize our customers, attending to their needs honestly, promptly and cheerfully.
- B. We do not engage in advertising that is false, misleading or offensive.

II. On Work Environment, Employees Compensation, Dignity & Rights

- A. We are committed to fair treatment and just compensation of employees.
- B. We do not discriminate against anyone due to gender, race, religion, affiliation.
- C. We respect one another and do not engage in hurtful, immoral or abusive behavior.
- D. We abide by government regulations on wages and compensation; health and safety.
- E. We apply standards in hiring and promoting employees; provide training, reward good performance as well as implement disciplinary action including dismissal if warranted.
- F. We recognize the employee's right to seek redress for grievances and respect privacy on personal matters.

III. On Relationship with Business Partners and Others

- A. We deal fairly and honestly with business partners such as dealers and suppliers, as well as corporate clients from the private and public sector.
- B. We prohibit bribery, kickbacks and extortion. We expect our business partners to abide by standards consistent with this principle.
- C. We shall not solicit or accept gifts or benefits from trade partners that could be construed to influence decision making. All offers whether accepted or not should be disclosed to higher management.

- D. If given, third party incentives (such as commissions to real estate brokers, collection agents, legal and technical consultants) should be reasonable, proportionate to work done, based on industry standards and must secure higher management approval.
- E. Representation and entertainment with clients and/or suppliers should be reasonable, appropriate and in the spirit of goodwill not concrete exchange. Proper decorum is expected during social events.

IV. On Related Party Transactions and Conflicts of Interest

- A. Officers and directors are expected to render sound and impartial judgment on recommending and implementing actions or approving contracts. Transactions among member companies of Solid Group or affiliates should be done in a legal, fair and transparent manner.
- B. Management officers and board directors should refrain from making decisions on major issues or transactions with companies or individuals with whom they personally hold interest or relationship. In any case, independent judgment, proper disclosure and approval by higher authority should be obtained to avoid prejudice or perception of bias.
- C. In purchasing or awarding contracts, conflicts of interest should be avoided. We should institute proper canvassing, establish clear criteria and fair bidding procedures to evaluate suppliers and buyers objectively; and award contracts in the best interest of the company.
- D. To avoid conflict of interest, managers who design or implement incentive programs for subordinates or trade partners should not be entitled to any such incentives themselves. Incentive programs are management prerogative that may be revised or revoked based on exigencies with prior notification to those concerned.

V. On Confidentiality/ Non-Disclosure/ Non-Compete

- A. We keep confidential sensitive information or trade secrets we have access to -including HR files, client or dealer records, supplier costs and contracts, legal cases, technical designs, strategic plans, financial budgets. This confidentiality to third party shall be upheld even after cessation of employment or as stipulated in non-disclosure agreements.
- B. An employee shall not compete directly with his company's business; or use knowledge gained from his employment to assist competitors. Direct sideline or leaking of crucial information to competitors is a grave offense against company interest.
- C. For executives, senior managers and key officers, the non-compete clause shall be in effect for a year after departure from the company, or as stipulated in a management contract executed between the Company and employee.

VI. On Internal Control, Grave Offenses and Non-Compliance Reporting

- A. The company's leadership is tasked to institute internal control measures to prevent losses due to fraud or negligence and to exert utmost efforts to recover such losses and/or prevent future re-occurrence. All employees are expected to cooperate with internal audit on investigations on fraud or other violations of company policy.
- B. After fair investigation, any employee found to have committed fraud, theft, sabotage or other such grave offenses shall be subject to dismissal from the company and other sanctions including legal action.
- C. Non-Compliance Reporting by a concerned employee or third party is an effective means to address possible dishonest, harmful or inappropriate acts such as fraud, theft, health risks, drugs, vices, sexual harassment, bullying and other threats or wrongdoings.

VII. On Profitability, Use of Company Property and Representation Expenses

- A. Profitability is essential to enable us to grow the organization, improve employee benefits, compete effectively, and provide positive returns to investors. To face business challenges management may implement productivity programs or organizational restructuring.
- B. We take care of company property and resources including transportation and communication facilities and do not use them for personal gain unless authorized.
- C. Representation expenses should be job-related, reasonable, properly documented and liquidated in a timely manner. Misrepresentation of expenses is considered a grave offense.

VIII. On Management's Responsibility

- A. As officers, managers and directors, we are expected to lead by example, manage risks responsibly and exercise management prerogative judiciously.
- B. We are committed to provide accurate, adequate and timely financial reports to stockholders and government agencies.
- C. We comply with applicable laws on the payment of legal fees, duties and taxes.
- D. We do not allow use of illegal pirated software in the company in accordance with laws on intellectual property rights.
- E. We prohibit illegal corporate acts such as money laundering and insider trading.

IX. On Corporate Social Responsibility (CSR)

- A. We support energy conservation, recycling, and environmental protection.
- B. We advocate responsible citizenship and love of country but not partisan politics.
- C. We practice CSR by contributing to humanitarian, social and educational causes through donations in cash or kind for the benefit of our countrymen in need.

X. Compliance, Effectivity and Amendment

- A. This Code of Business Conduct is endorsed by the Solid Group Board of Directors and applies to all its member-companies and employees. Senior management is responsible to ensure dissemination and compliance including aligning with existing employee manuals.
- B. This Code takes effect upon signing and amends/supersedes previously issued memoranda and/or policies on the same subject matter.
- C. Any amendment or modification of this Code must be made in writing and signed by a majority of the incumbent members of the Solid Group Board of Directors

Signed this 2nd day of April 2014 at Makati City, Philippines.