

I PAG Management & Leadership Principles

A Message from the CEO

Over its 50 year development, PAG has demonstrated an exceptional capability to adapt to an ever-changing external environment. The core values and principles that have guided this journey and are fundamental to our Company's success are articulated in the PAG Management and Leadership Principles. They describe the culture, values and principles we expect our employees to uphold; as well as the attributes needed to be successful in a management and leadership position at our Company. This document emphasises the importance of behaviours supporting continuous improvement in building a Company focused on performance.

At PAG, we believe that a comprehensive leadership style – leading to win, managing for results, growing talent and teams, and proactively competing and connecting with the external environment – provides the competitive edge to succeed in a competitive marketplace.

All PAG people should carefully read this document and share it with their colleagues. They should take pride in adhering to the Company's values and implement them with conviction and enthusiasm – regardless of their formal position in the organisation. In addition, our managers and leaders have the responsibility to practice the leadership attributes described in this document.

I invite you all to live by the values and principles described in this document, and support our Company's firm commitment to them. Through a clear long-term vision and the achievement of day-to-day goals, the application of these principles everywhere, and at all times, becomes a living expression of our culture and a key component of our future success.

Alan Lavender
Chief Executive Officer

Putting People First

At PAG, we put people at the centre of everything we do. We support our customers in their professional careers and we show particular concern for the well-being of our employees.

The Company is committed to the following values:

- Focusing on long-term business development without losing sight of the necessity to continuously deliver sound results for our customers.
- Committing to environmentally sustainable business practices to protect future generations.
- Making a difference in everything we do by having the passion to win and creating opportunity through discipline and good execution.
- Understanding what constitutes value for our customers and a clear focus on delivering this in everything we do.
- Serving our customers by constantly challenging ourselves to achieve the highest levels of quality for our products and never compromising on their safety standards.
- Continuous improvement towards excellence as a way of working and avoiding abrupt, one-time changes.
- A contextual approach to business rather than a dogmatic one. This implies that decisions are pragmatic and based on facts.
- Personal relations based on trust and mutual respect. This implies a commitment to align actions with words, to listen to different opinions, and to communicate openly and frankly.
- Commitment to a strong work ethic, integrity and honesty, as well as compliance with applicable laws and principles, policies and standards.

Advice for PAG Leaders

PAG managers at all levels are more concerned with leading to add value to the Company rather than with exercising formal authority. This calls for a high personal commitment of each employee and a common mindset geared towards results.

In an increasingly dynamic world, leaders face significant challenges and opportunities. These stem from shifts to new social patterns and unprecedented worldwide competition. Achieving ongoing success requires that each PAG leader understands the context and capitalises on it, as described in the following principles:

Lead to win

- Building credibility as a result of coherent action, leadership and achievement.
- Thinking from different perspectives and creating a climate of innovation. This implies openness to risk and the possibility of making mistakes, but also the willingness to correct and learn from them.
- Believing in the importance of alignment and management of expectations.
- Having broad interests, a good general education, responsible behaviour as well as a balanced lifestyle.

Manage for results

- Embracing personal commitment and courage in execution. This includes the capacity and the willingness to take initiatives and risks while maintaining composure under pressure.
- Valuing proactive cooperation.
- Embracing change, implementing it and managing its consequences.
- Believing in achieving business objectives rooted in compliance and sustainable practices.

Grow talent and teams

- Having a passion for building and sustaining an environment where people have a sense of personal commitment to their work and give their best to promote our Company's success.
- Caring for and developing the leaders of tomorrow through addressing all areas that allow them to progress in their work and to expand their capabilities.
- Understanding the importance of continuous learning and improvement, as well as sharing knowledge and ideas freely with others.
- Committing to giving and receiving honest, accurate and timely feedback, including performance evaluation, in a climate of mutual respect.
- Believing in the importance of building diverse teams, and promote the advantages of gender balance.

Compete and connect externally

- Constantly looking for ways to satisfy our existing customers while attracting new ones in unique and compelling ways.
- Displaying curiosity and open-mindedness as well as a high level of interest in other cultures and lifestyles.
- Believing in openness and dialogue with stakeholders about future trends in society, technology, consumer habits, and business opportunities.
- Understanding the external impact of our operations and, as a result, proactively seeks to engage and partner with the community, authorities, shareholders and other stakeholders.
- Being credible as a result of coherent action, leadership and achievement.

Our Commitment

Living up to the PAG Management and Leadership Principles is a commitment and a responsibility for everyone in our Company. To be effective, engaging and inspiring, all PAG people must “walk the talk” and lead by example in their daily work; in this context, actions speak louder than words. Therefore, in addition to professional skills – and regardless of origin, nationality, religion, race, gender, sexual orientation and age – the capacity and willingness to live up to these principles are the key criteria for progressing within the organisation.

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Executive Board of PAG Ltd.

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