

# PG GROUP

## CODE OF CONDUCT

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## MISSION STATEMENT

### Introduction

At the PG Group (the “Group”),<sup>1</sup> we are committed to cultivating the highest possible standards of ethical business conduct.

Our Code of Conduct (the “Code”) applies to all of our employees and the directors of the various Group companies, whether said directors are employees or not (collectively, the “Subject Persons”), and is primarily intended to act as a benchmark of expected conduct on the part of Subject Persons.

#### Applicability of this Code of Conduct

A copy of this Code may be found on the PG Group website (<https://pggroup.com.mt/>) (the “Website”) and should be read, understood and accepted by all Subject Persons.

In order to indicate their acceptance of the provisions of this Code, Subject Persons are required to sign the acknowledgment in ‘Annex A – Acceptance of Code of Conduct’, as appended to this Code, delivering the same to the Group’s **Ethics & Compliance Committee** (or the “E&C Committee”).

#### **STOP AND THINK: What are the consequences of my actions?**

**Failure on the part of a Subject Person to follow the Code can result in disciplinary and, or legal action that is proportionate to the nature of the default, up to and including suspension or termination of the employment or contractual relationship in place between the Subject Person and the Group. Amongst other negative repercussions, violations of the law could result in civil liability and, or criminal prosecution.**

#### Ethics & Compliance Committee

The Group’s E&C Committee is composed of Mr Charles Borg (CEO), Mr Malcolm Camilleri (Deputy CEO) and Ms Marthese Gatt (HR Manager). The E&C Committee is responsible for administering, and enforcing the Code in an independent, objective and consistent manner, and may update it as and when required.

<sup>1</sup> In this Code of Conduct, “we”, “us” and “our” refer to the various PG Group companies as outlined on the PG Group website <[www.pggroup.com.mt](http://www.pggroup.com.mt)>.

The E&C Committee will not itself adjudicate on disciplinary matters relating to a person's employment with the Group. These matters shall instead be referred to the Group's Disciplinary Committee, the workings of which are governed by the Group's Disciplinary Policy, a copy of which may be requested from the Group's Human Resources Department.

Any waivers of the Code must be approved by the Board of Directors of PG plc (C-78333) (the "Board"), that is the Group's parent company, or the Board's appointee/s. On the rare occasion that a waiver is approved, we will disclose it if we are required to do so by law.

Please note that, for added transparency, the E&C Committee is overseen by the Board.

## Our Core Values

The PG Group was set up with a clear vision, that of placing its customers at the heart of all of its activities by:

- delivering a unique shopping experience;
- providing quality products at great value; and
- exceeding customer expectations in terms of service and quality.

The PG Group has, since its inception, promoted a strong set of core values which it strives to honour. It is these values that drive the Group forward in its conduct and character, consequently assisting it in its efforts to realise its vision:

### Honesty and Integrity

We are honest, fair, transparent and consistent in our actions, dealings and decisions. We cultivate an approach based on respect towards others. We follow the highest moral and ethical standards, and, accordingly, hold ourselves responsible and accountable for our actions. Our intention is to set an example in all that we do.

### Quality

We constantly strive for excellence in delivering our products and services to the community. We work in accordance with the highest professional standards and endeavour at all times to learn and improve. We are always up for new challenges and take them on with enthusiasm and dedication.

A member of PG Group

### Teamwork

We work as a team where every individual's input is sought and valued. We strive for diversity within our team, well-aware that this results in an enrichment of the Group's performance and operations. We foster a safe, family-like environment where all Subject Persons should feel included and appreciated. We are always receptive of our people's – as well as the wider community's – needs and wants.

### Sustainability

We acknowledge that sustainable development is a shared responsibility of the community at large. We strive to take a forward-looking approach to sustainability in all our activities along the value chain. The Group seeks to deliver excellent quality to its customers, while keeping negative environmental impacts to a minimum.

### Looking to the future

We take a long-term approach in our work as we strive for the Group to develop, improve and flourish. We are proud of our role in the industry we operate in and our contribution to the community of which we form part, and constantly seek to do more – and do better.

## Actioning our Core Values

This Code reflects who we are and what is important to us. It provides an overview of the laws, regulations and company policies that apply to us and the work we do, but is also intended to do more than that. It promotes the ongoing implementation of our shared values, as outlined above. That's why we count on our Subject Persons to follow the Code and make decisions that will preserve the trust that others have placed in us. We also expect nothing less from our business partners, including our consultants, distributors, and suppliers. We understand the responsibility we have to communicate with them about our high standards of integrity, and cannot, in any manner, ask them to violate the provisions of this Code.

Whoever you are, whatever you do, and in forming part of – or engaging with – our Group, always remember to action our core values by:

### 1. KNOWING YOUR RESPONSIBILITIES

Our good name is in your hands.

No matter what job you do or where you do it, you are a member of the PG Group. Think about that as you approach every business relationship, every transaction, every service and every product, and make sure your actions always reflect our core values. Protect and respect the Group's brand name, as this is vital for our continued success. Be proud of your involvement with the PG Group. Follow our Code and policies as well as the applicable laws and regulations in order to protect what we've built. And do complete your assigned training. It's the best way to stay up-to-date regarding that which is expected of you.

If you see or suspect anything illegal or unethical, it may seem easier to look the other way or let someone else take the lead; however, misconduct affects all of us, including you! No concern is too minor to report. Share your concerns promptly with us and cooperate fully and honestly in any internal investigation.

If you manage people within the Group, you have an even greater responsibility. Lead by example, making sure your team members know the Code is a resource for them and that there is no difference between what you do, and what you expect from others. Create the kind of workplace where employees feel comfortable coming forward with questions and concerns and support them when they raise issues.

## 2. SPEAKING UP WITHOUT FEAR

We want to create a culture of honest internal dialogue that takes into consideration our people's – as well as the wider community's – thoughts and opinions. So, if you have a question, concern, or simply wish to give us feedback, don't just stand there! You are encouraged to speak up by contacting the E&C Committee or a member of senior management forming part of the department(s) you work with, if possible adhering to the reporting lines outlined in 'Annex B – Reporting Lines'.

Furthermore, bear in mind that certain matters, such as suspected or actual breaches of law by members of our staff, should be reported through the official whistleblower reporting channels the Group has set up. These reporting channels are intended to ensure streamlined procedures by virtue of which you may report your concerns. In this regard, it is important that you familiarise yourself with the Group's Core Whistleblowing Policy, which provides a Group-wide whistleblowing reporting channel; and where applicable, the relevant Subsidiary Whistleblowing Policy, which provides additional whistleblowing reporting channels pertaining to the Group's larger subsidiary companies (collectively, the "**Whistleblowing Policies**").

**STOP AND THINK: What is a whistleblower?**

**If I report certain misconduct that I believe could be going on within the Group, then I could be deemed a ‘whistleblower’ and potentially benefit from certain protections granted to me in terms of the law. We are committed to ensuring that all whistleblowers falling under the remit of the Protection of the Whistleblower Act (Chapter 527 of the Laws of Malta) (the “Whistleblower Law”), including our Subject Persons, are protected in the manner required by the applicable law.**

It is important that any persons filing a report through our whistleblowing reporting channels are clear on their rights and obligations as deriving both from the Whistleblowing Policies and the Whistleblower Law.

Regardless of who you contact within the Group, you can be confident that your concern will be handled promptly and appropriately. We investigate reports of misconduct thoroughly, maintaining full confidentiality and disclosing information only to those who need it to resolve the issue, in all cases ensuring that we abide by the applicable law, including, where required, the Whistleblower Law.

**STOP AND THINK: What is retaliation?**

**We deem retaliation to constitute any action that would likely deter someone from reporting a concern or participating in an investigation.**

**We don’t tolerate retaliation. No one should be penalised for sharing or reporting good faith concerns, even if these involve the possible or actual misconduct or legal violations on the part of our staff members, or for assisting in a related investigation. Subject Persons should never retaliate against employees for sharing or reporting concerns in good faith and should always do their best to prevent retaliation by others. Remember that, aside from being unfair, retaliation is also very likely to be illegal.**

### 3. RESPECTING OTHERS

We’re successful today because of our remarkable people.

We’re one team, but we represent many ideas, experiences and backgrounds. We value each other’s contributions and believe that everyone should have an equal chance to succeed. Do your part to keep the Group diverse, inclusive and respectful workplace by driving a positive environment, and

recognising the many strengths and talents our colleagues and peers bring to the table. In respecting one another, we can move forward, develop and progress as a Group.

## Chapter 1 – Objective of the Code of Conduct

The objective of this Code consists of exacting high standards of ethical, and professional behaviour from the Group, its employees and directors, and such in the context of the work they do for us. The Code demonstrates, in essence, the corporate culture upon which the Group's foundations are based, and seeks to educate readers, including our business partners, about the Group's ethos. The Code thus:

- aims to increase awareness of, whilst enforcing, the PG Group's business culture, deeply rooted in respecting human and labour rights and the effective inclusion within the Group of its entire workforce;
- promotes the prevention, detection and removal of irregular conduct on the part of Subject Persons;
- caters for the standardisation of procedures so as to ensure that any conduct which is not in line with this Code can be brought to light with ease; and
- prevents and forbids the existence of behaviour which may damage the Group and in any manner tarnish its reputation.

## Chapter 2 – Scope of Application

As explained earlier, this Code is mainly intended for use by:

- Our employees: to understand what is expected of them and the responsibility resting on each of them to apply the PG Group's core values in the context of the work they do for the Group, whether such employees are full-time or part-time at every level of the Group, up to the executive suite; and
- Our directors, leadership and management teams: to help them ensure that the decisions they make, the role models they portray themselves to be- and the expectations they have of their colleagues take into account their responsibilities as well the PG Group's core values.

Refer to the section entitled, "*Applicability of this Code of Conduct*" forming part of the Mission Statement of this Code, further above, for additional information on the scope of applicability of this Code.

## Chapter 3 – General Principles

The Group requests that all Subject Persons bear in mind the following general principles, which are in turn reflective of our core values:

- **COMPLIANCE:** Compliance with all applicable laws and regulations, whether local or international (for instance, in the case that an employee is abroad) and company policies – including this Code – is paramount.

However, it must be borne in mind that abidance by this Code of Conduct may not always constitute a defence. This Code of Conduct should never be viewed as a substitute for the applicable laws and regulations.

- **FAIR TREATMENT OF PEERS:** All persons, whether natural or legal, who maintain, directly or indirectly, any kind of professional, economic, social or industrial relationship with the Group, shall be treated in a fair and honourable manner.
- **EQUAL RIGHTS FOR ALL:** The treatment of our peers should not differ depending on matters such as their gender, age, country of origin, nationality, religion, health, political or trade union affiliation or sexual preferences. We do not tolerate any form of discrimination: whoever you are, whatever your role.
- **GIFTS AND BENEFITS:** When acting on behalf of the Group, we do not expect, demand nor accept any gifts, benefits or compensation, aside from those gifts, benefits or compensation already approved in advance by senior management and, or the Board, or those limited gifts, benefits or compensation that may be permitted in accordance with the provisions of this Code.
- **CONFLICTS OF INTEREST:** Conflicts of interest should always be avoided. Except as a result of exceptional circumstances that have been brought to the attention of and approved by senior management, and, or the Board, we should not enter into a business relationship with, nor award a contract to any company or private individual with whom we have a personal, family or business relationship.
- **PERSONAL GAIN:** As a Subject Person, you owe fiduciary obligations to the Group. Business opportunities discovered through your work here belong first to the Group, except as otherwise approved by senior management and, or the Board. You should never utilise the Group's resources, contacts and confidential information for personal gain.

- **CUSTOMER SATISFACTION:** Our customers are the cornerstone of our business. We must always take special care to satisfy customer needs. We offer a broader range of products than our competitors at a competitive price-to-value and believe that this is a trait of the PG Group that we should strive to maintain.
- **PRIVATE RELATIONSHIPS:** We recognise and respect our employees' rights to develop private relationships and a professional network within the Group and outside of it. At the same time, everybody shall act responsibly and make sure that such relationships have no adverse impact on their performance and the workplace.

The workplace behaviour of employees with other employees who are their friends, relatives and partners cannot not violate social standards. Employees in a private relationship with each other should behave towards others in a tactful, considerate, and, above all, respectful manner. Indecent behaviour will not be tolerated.

- **HEALTH AND SAFETY:** The Group considers it especially important to protect human life and health. Therefore, it shall create a safe working environment and shopping venue where the health and personal safety of its employees, customers and visitors generally can be preserved. Subject Persons shall protect the life and health of the PG Group's customers, including through the performance of any necessary tasks related to the sale of safe food and non-food products.
- **BETTERMENT:** We should all try to better ourselves. Bettering ourselves, our attitudes and our work will help better the Group of which we form part or work with. Subject Persons should keep enhancing the Group's operations with a firm focus on the fulfilment of customer needs, service quality, technical solutions and organisational arrangements.

What follows, in Chapter 4 - Conduct and Responsible Practices, is comprehensive guidance intended to provide more concrete examples of the expected benchmarks of conduct for Subject Persons, which are in turn founded on the Group's core values.

**STOP AND THINK: I've read this Code. Is that enough?**

**No. Subject Persons are to bear in mind that this Code cannot anticipate all possible scenarios and circumstances. It is therefore necessary that a degree of judgment is continuously exercised by the Subject Person so as to ensure alignment with the provisions of this Code, both in letter and in spirit.**

## Chapter 4 – Conduct and Responsible Practices

### 4.1 General Overview: Employee Conduct

All PG Group employees should ensure that, in exercising their roles and functions, they adhere to the Group's core values as well as the abovementioned principles.

It is however inevitable that, from time to time, the conduct of our employees will fall short of the standard required, and, consequently, disciplinary issues will occur at the workplace. Managers have the right to discipline employees for inappropriate behaviour or conduct.

For your ease of reference, we are setting out below a non-exhaustive list of **examples** of employee conduct that contravenes the standards imposed by this Code, and which may lead to disciplinary action being taken against the employee in accordance with the provisions of the Group's Disciplinary Policy:

- Refusal to carry out reasonable instructions;
- Fighting, threatening, assault, abusive behaviour or attempting to injure another member of staff or a member of the public;
- Being under the influence of alcohol, drugs or other substances whilst on duty or on the Group's premises;
- Fraud or bribery, theft or unauthorised removal of property without permission from the Group;
- Wilful or negligent violations of hygiene and, or health and safety rules or procedures likely to endanger any person;
- Sleeping whilst at work;
- Gross negligence whilst on the job;
- Falsifying company documents or accounting procedures, such as timesheets;
- Deliberate provision of false or misleading information to superiors or third parties;
- Wilful alteration, destruction or disclosure of data held in the Group's computer systems or other serious breach of the Group's security policies, including misuse of email or internet facilities;
- Sabotage of, or deliberate or reckless damage to, property belonging to the Group, its customers, agents or members of the public;
- Supply, sale or possession of illegal substances and drugs whilst on the job;

- Gambling on the Group's premises, or organising lotteries and collections without the prior approval of senior management and, or the Board;
- Conduct seriously prejudicial to the good reputation of the Group, whether on or off the Group's premises, and whether during or outside of normal working hours; and
- Any other serious breach of trust and confidence, such as a conviction of a criminal offence that makes the employee unsuitable to carry out his job.

If you are an employee, you are requested to be familiar with the Group's Disciplinary Policy.

## 4.2 General Overview: Leadership Conduct

If you are a director, leader or a manager within the PG Group, aside from ensuring that, as applicable, your conduct is in line with the other provisions of this Code, you will also be expected to:

- Lead by example: showing through your actions what it means to have integrity and to act in accordance with our core values and with the principles of this Code;
- Support your team: ensuring that those you lead know and understand this Code and have access to the resources they need to adhere to our core values;
- Develop your team: setting clear, measurable and challenging goals that promote ethical behaviour and the highest standards of customer service;
- Uphold exemplary standards: enforcing our core values and standards consistently and fairly and promoting compliance with this Code among those you lead; and
- Exercise accountability: you should be prepared to be held personally accountable for any shortcomings in your own behaviour as well as those of the people you lead.

## 4.3 Compliance with applicable laws and regulations

All Subject Persons are expected to act in full compliance with the applicable laws and regulations. Our people must acquire appropriate knowledge of the legal requirements relating to their contracted duties sufficient to enable them to recognise potential problems and to know when to seek advice from their superiors.

Whilst it is impossible to provide a full overview of all applicable laws and regulations in this Code, we thought it might be worth mentioning a few examples of laws and regulations that may be easier to contravene, unintentionally, than others:

- **COMPETITION LAWS:** many countries, including Malta, have laws designed to promote fair competition. These laws prohibit arrangements with competitors that restrain trade in some way, as well as the use of market dominance to unfairly disadvantage competitors. Please be wary that certain conduct is prohibited under these laws, such as: (i) agreeing with competitors about prices; and (ii) agreeing with competitors to boycott suppliers or customers;
- **ANTI-MARKET ABUSE LAWS:** using confidential information about the Group's operations or performance to buy or sell PG plc shares could constitute insider trading. Insider trading violates ant-market abuse and insider dealing laws. Directors and employees discharging managerial responsibility should be especially wary of these laws and regulations, and should ensure that they are familiar with the provisions of PG plc's Code of Dealing;
- **DATA PROTECTION LAWS:** be very careful about how you handle "Personal Data" as defined under the General Data Protection Regulation [EU] 2016/679 (the "GDPR"). This is data that can in some way identify an individual, including the most basic data – such as an employee's name and surname; to less obvious data – such as CCTV footage of a customer's car. Always ensure that you abide by the Group's data protection policies and that you are informed about the Group's latest information security practices; and
- **ANTI-BRIBERY LAWS:** the Group never engages in bribery or corrupt practices and expressly forbids Subject Persons from engaging in any such practices. Engagement in such practices is liable to constitute a criminal offence.

Any questions as to the applicability of any law or regulation may be directed to the E&C Committee. However, it is possible that the E&C Committee may not be able to assist, in which case you may be referred to a lawyer. Violations of the applicable laws and regulations may trigger serious repercussions for the violator, such as disciplinary consequences, civil and, or criminal liability, so do ensure that you are properly informed at all times.

Subject Persons are reminded that ignorance of any applicable laws, regulations, as well as the Group's guidelines and policies, is not an excuse.

## 4.4 Confidentiality and Data Protection

Subject Persons undertake to keep confidential any data (including Personal Data) obtained in the performance of their activities in relation to the Group and the work they do for the Group, and to make use of and disclose such data strictly in the manner outlined in this Code.

**STOP AND THINK: How do I know if something is confidential?**

**As a rule of thumb, and unless otherwise stated, any information available to Subject Persons in the course of their duties shall be deemed confidential and shall be used exclusively for the purposes for which it was obtained. When in doubt, speak to senior management.**

Indeed, contractual confidentiality obligations are always extended to the Group's employees and directors, and, where applicable or necessary, to third parties. The duty of confidentiality shall remain applicable even after termination of a Subject Person's employment or contractual relationship with the PG Group and it shall include the obligation to return or destroy, at the behest of the PG Group, any data connected with the Group that the said individual has in hand upon the termination of their relationship with the Group.

The Group collects, stores, uses, transmits, and disposes of Personal Data in a way that is transparent and promotes trust. Moreover, the Group gathers, uses, and keeps Personal Data only if it is able to base that processing on one of the legal grounds permitted by the GDPR.

The PG Group strives to ensure the protection of Personal Data and, generally, all data which the Group deems to constitute confidential information.

Access to this information is provided only as is strictly necessary and always in line with the applicable laws and regulations.

Subject Persons shall protect the information and know-how generated within the organisation, which information is the property of the PG Group or under its custody. Subject Persons shall abstain from using for their own benefit any data, information or document obtained in the course of their activities in relation to the Group and the work they do for the Group.

Subject Persons shall not disclose any confidential information to any third parties, except where this is required by any applicable laws or regulations, required or permitted through the internal policies of the Group, or where they are expressly authorised to do so by senior management, and, or the

Board. Additionally, Subject Persons shall not use any confidential information originating in any third party without its express authorisation in writing.

Subject Persons shall not store any such data, information or documents in any IT systems other than those belonging to the Group, except where expressly required or authorised to do otherwise, and such in accordance with the provisions of the Group's information security practices.

Indeed, and in ensuring that the Group's data is kept safe, Subject Persons shall at all times abide by the relevant data protection rules and regulations, with a particular emphasis on the GDPR.

Employees shall immediately report any incidents they might detect concerning the confidentiality of information or Personal Data protection, and such through the applicable reporting channels as outlined in the Group's Whistleblowing Policies.

#### **A Note on CCTV footage**

As outlined in its Privacy Policies, the Group utilises CCTV footage for strict security purposes. Only the following persons shall have the authority to request the Group's CCTV footage:

**Cash Office Footage:** *Chief Financial Officer, Deputy Chief Executive Officer, Chief Executive Officer, Chief Operations Officer*

**Other Footage:** *Chief Financial Officer, Deputy Chief Executive Officer, Chief Executive Officer, Chief Operations Officer, General Managers*

Any shop floor staff members may make a request for any footage, which request must be approved by the respective General Manager in advance.

## **4.5 Diversity and Human Rights**

PG Group respects human dignity and strives to foster an environment that encourages employees to realise their full potential.

We are committed to developing human resources with outstanding qualities, creativity and a challenging spirit, as well as to developing our own abilities through employee education and training. We respect everyone's personality and individuality, while at the same time working to maintain and improve a system that makes the best of the diverse qualities of our people. Subject Persons should always strive to act as respectable members of society, utilising common sense and respect for others.

Our directors, leaders and managers will fulfil their tasks based on the recognition that their own development and the development of their peers within the Group is one of their most important responsibilities.

The Group will respect all international recognised human right standards, which shall, as a minimum, include abidance by the European Convention on Human Rights, the International Bill of Human Rights, as well as the human rights principles established in the International Labour Organisation's Declaration on Fundamental Principles and Rights at Work. We are committed to ensuring equal employment opportunities in accordance with, amongst other considerations, the Employment and Industrial Relations Act (Chapter 452 of the Laws of Malta).

We adopt the principle of equal rights for all. Discrimination, sexual harassment and bullying will not be tolerated, and the Group encourages staff members to come forward immediately in the case of any such incidents.

The Group will not employ people against their will and will not in any manner nor for any purpose exploit minors for labour. Whilst the Group may employ persons under the age of 18, particularly for the purposes of apprenticeships and work experience engagements, any such employment will only take place under strict parameters that will ensure that no harm is done to the minor employees' health and safety.

Based on the full recognition that individuals are different and have different values, we will respect the privacy of each Subject Person. We will strive to create a safe and pleasant workplace by avoiding speech or conduct that violates human rights, such as defamation, insults, sexual harassment or violent acts.

Displays of physical manifestations of anger, sarcasm, ridicule or belittlement, whether in private or in front of a group, are unacceptable.

The Company will at all times comply with the employment laws and regulations of the countries and regions in which it conducts business.

## 4.6 Health and Safety

The Group is committed to safeguarding the physical, mental and social well-being of its Subject Persons and customers and maintains a suitable workplace and adequate shopping venues and premises that meet all necessary health and safety standards in accordance with all applicable laws and regulations.

The Group takes care to minimise the exposure of its people to any health risks by combatting such risks at the source, while carefully evaluating those risks which cannot be eliminated.

Furthermore, the Group strives to adapt the work given to its employees in accordance with their specific physical and mental needs, particularly as regards the organisation and design of the workplace, the choice of equipment, methods of work and production.

Without prejudice to the Group's health and safety obligations in its capacity as an employer, all Subject Persons shall be responsible for strictly meeting any health and safety at work standards and for ensuring their own security and that of the individuals affected by their activities.

The use of any substance which may have a negative effect on the due performance of a Subject Person's professional or contractual obligations is expressly forbidden unless expressly authorised by the Group for medical reasons.

## 4.7 Relationship with customers

The PG Group's livelihood and future depend on its customers and their satisfaction with our products and services. Therefore, we aim to develop a distinctive relationship with our customers. Our thinking is centred around our customers. We should listen to them and ask for their feedback and opinion, analyse their needs, and strive to adopt to their expectations.

All employees shall be bound to act, in their relationship with customers, pursuant to the criteria of respect, dignity and justice, without allowing any manner of discrimination between customers on account of, for instance, political beliefs, race, religion, age, nationality, gender or any other personal or social condition.

In the course of their business activities, PG Group employees shall promote the Group's products and services on the basis of objective standards, without distorting their description or features. The Group shall carry out advertising and promotional activities in an honest and transparent manner so as not to provide false or deceptive information which may mislead its customers. The Group shall communicate transparently and effectively with its customers, providing them with accurate, complete and timely information as may be necessary or desirable.

Group employees are to be wary of the requirements imposed by consumer laws and regulations. Standardised procedures have been adopted by the Group in this regard in respect of the filing of customer complaints and customer relations generally.

## 4.8 Relationship with Business Partners, including Suppliers

As part of its ethical conduct, the PG Group respects its business partners and expects its employees to treat them in a professional, ethical and respectful way.

The choice of business partners shall be governed by principles of objectivity and transparency, combining the interest of the Group in achieving the best results, with that of maintaining stable relations with ethical and responsible business partners.

Any and all of our business partners, including our suppliers, shall undertake to observe human and labour rights of all employees recruited, strict compliance with health and safety requirements, and the provision of an appropriate working environment for their people. We expect our business partners to share our ethos.

Should employees be invited to any event or meeting by any PG Group business partner, including any supplier, they shall always seek approval from senior management and, or the Board to attend such event or meeting. As a rule, employees shall not attend private events organised by PG Group suppliers that are not open for the general public.

Subject Persons may not offer, grant, apply or accept, whether directly or indirectly, any gifts, handouts or compensation, whether in cash or in kind, regardless of the nature thereof, that may have an impact on any decision-making process pertaining to their office or interfere in any manner in the honest performance of their duties.

In this regard, and as a minimum requirement in respect of gifts or favours that may be quantifiable in value, no Subject Person may offer, grant, apply or accept any gifts, handouts or compensation from individuals or body corporates with whom the Group has any form of relationship of an amount, whether in isolation (i.e. one-time gift), or added up in aggregate (i.e. multiple gifts) within one year, which exceed one hundred Euro (€100). Any gifts, handouts or compensation having a value lower than €100 may be offered, granted or accepted only if the Subject Person notifies the E&C Committee of the same. Any gifts, handouts or compensation having a value higher than €100 may only be

offered, granted, applied or accepted with the prior written approval of senior management and, or the Board.

If you are not clear on the quantifiable value of the gift or favour, please raise the matter with the E&C Committee.

The Group reserves the right to investigate any gift, handout or compensation at any time, whatever the nature or value, if it has any doubts as to the veracity, genuineness and correctness of the transaction.

Notwithstanding the above, cash gifts are expressly forbidden, whatever their value.

Any gifts, handouts or compensation received in breach of the provisions of this Code shall be forthwith returned and this fact must be reported immediately to the PG Group senior management. These gifts shall be donated to charity.

## 4.9 Relationship with Public Authorities

PG Group employees shall maintain lawful, ethical and respectful relationship with local and foreign authorities and public institutions. Such employees involved in any relationship with representatives of public authorities shall have the prior express authorisation of the company for such relationship.

No Subject Person may offer, grant, demand or accept, whether directly or indirectly, any gifts or donations, favours or compensation, regardless of their nature, to or from any public authorities or public servants.

Subject Persons shall strictly refrain from making, facilitating or expediting payments, consisting of giving out money or any valuables, regardless of their amount, with a view to speeding up or sidestepping any governmental bureaucratic processes, regardless of their nature.

## 4.10 Anti-Corruption and Anti-Bribery

PG Group has a zero-tolerance approach to corruption and bribery: we never engage in bribery or corrupt practices, and we expressly forbid our Subject Persons from engaging in any such practices.

Business decisions of the Group will never be influenced by corruption and any unethical business practices.

Subject Persons should bear in mind that they should never seek to directly or indirectly unduly influence others by, for example, paying kickbacks or bribes, or partaking in any unethical and, or illegal activity that will work to tarnish the Group's good repute.

Any suspicions of bribery or corruption will be taken extremely seriously, and shall be escalated accordingly.

## 4.11 Conflicts of Interest

Subject Persons shall avoid any situation which might entail any conflict between their personal interest and the interests of the Group. They shall also refrain from representing the Group and from taking part or having a say in any decision making wherein they may have, either directly or indirectly, either themselves or through any related party thereto, any personal interest. They may not avail themselves of their position in the Group to obtain any economic or personal benefit, nor any personal business opportunity.

PG Group respects the private life of its Subject Persons and, therefore, the private sphere of their decisions. Against the backdrop of this policy of respect, Subject Persons are required to report to the E&C Committee any suspected or actual personal conflicts of interest or any conflicts of interest involving their relatives that might jeopardise the necessary objective of professionalism of their duties within PG Group. The E&C Committee will consider the facts and circumstances of the situation to decide whether and what corrective or mitigating action would be appropriate.

### **STOP AND THINK: How can I prevent conflicts of interest?**

**The fact that you are thinking about this is a step in the right direction. Pose the question. Challenge your judgment.**

**Could my personal relationships and, or interests (or those of my family and friends) influence the decision that lies before me? If the answer is "yes", it is probably a conflict. In the case of doubt, please seek guidance from the E&C Committee.**

No Subject Person may render services as consultant, director, officer, employee or advisor to any of PG Group's competitors, except for such services when the rendering of such services is permitted by law. In the case of Subject Persons who are employees, and such services are to be authorised by the E&C Committee.

## 4.12 Use of the Group's Resources

The Group shall ensure that its Subject Persons are equipped with all the relevant resources so that their work is performed in as productive and effective a manner as possible, and such as the Group may deem necessary or desirable in the circumstances.

Our assets and resources may be divided into three categories:

- **Electronic:** every employee is entrusted to appropriately utilise the Group's electronic assets (including computers, hardware, software, mobile devices and other technology and media). Be aware that any information you create, share or download onto the Group's systems as part of your job belongs to the Company. We count on our Subject Persons to safely and responsibly use the Group's technology and communications infrastructure. No unlicensed, illegal or fraudulent content may be downloaded, installed, uploaded or channelled through our systems;
- **Physical:** physical property and resources are made available to each of us to enable us to carry out our jobs. Never lend or give away these items unless you are authorised to do so by the Group's senior management and, or the Board; and
- **Intellectual Property:** as mentioned earlier, the Group has worked tirelessly to protect and grow its brand. Copyrights, trademarks and trade secrets constitute the Group's intellectual property at law. Protect the Group's intellectual property as though it were your own. And remember that the Company owns any work product (such as ideas and inventions) that you develop or design in your work and capacity as employee up to the extent permitted by law.

Subject Persons shall make efficient use of the resources of the Group solely for strict business purposes and shall not use any such resources for their own personal gain.

The Group has put in place a number of preventive and recovery measures to be undertaken in the event that any Group resource be misplaced, suffer a malfunction or be in any manner negatively impacted.

## 4.13 Our Commitment to the Environment

PG Group acknowledges that it is an integral part of the Maltese society and hence has a footprint in our community. Therefore, we are committed to ensuring respect for the environment, minimising the environmental impact of all of our activities and encouraging among Subject Persons the culture of respect for the environment as a principle of conduct in their behaviour.

The Company is committed to offering its employees a safe and healthy working environment, and employees must commit to developing their activities in a manner that complies with environmental regulations and best practices.

## 4.14 Use of Social Media

“Social media” includes any digital communication channels that allow individuals to create and share content and post comments. Subject Persons must comply with all applicable Group policies in their use of online media. Our policies apply to communications related to job responsibilities and to personal communications that may impact the Group. In personal activities on social media, Subject Persons should be polite, respectful, and bear in mind that one’s conduct may impact the way others view who we are and what we stand for as a Group. Always protect the Group’s confidential information. Subject Persons should be mindful of the content they create, share and post, remembering that the Internet is a public place. Please ensure that you use good judgment when engaging in social media.

## Conclusion

This Code of Conduct is one of the manners in which we put our core values into practice. It is built on the sentiment that everything that we do in connection with our work – from the smallest day-to-day tasks to the larger transactions – should be measured against the highest possible standards of ethical business conduct. Please respect the Code at all times and remember that we each have a personal responsibility to embody the Group’s ethos into everything we do.

And, as this Code has already explained, if you have any questions or concerns, please do not hesitate to speak up.

### Annex A – Acceptance of Code of Conduct

I hereby declare that I have received, read and understood the PG Group Code of Conduct.

I further declare that I:

- am responsible for reading and familiarising myself with the Code in its entirety;
- understand that the Code is available on the Website and from the Human Resources department;
- must comply with the Code, as the same may change from time to time, and hereby agree to do so;
- if I am not an employee, understand that the violation of the Code may result in the termination of my contract of service with the Group, as well as legal action;
- if I am an employee, understand that the violation of the Code may result in disciplinary action that will vary depending on the circumstances and may include, alone or in combination, a warning, suspension or even termination of employment and legal action; and
- if I am an employee, acknowledge that abiding by the Code, as the same may change from time to time, is a condition of my employment.

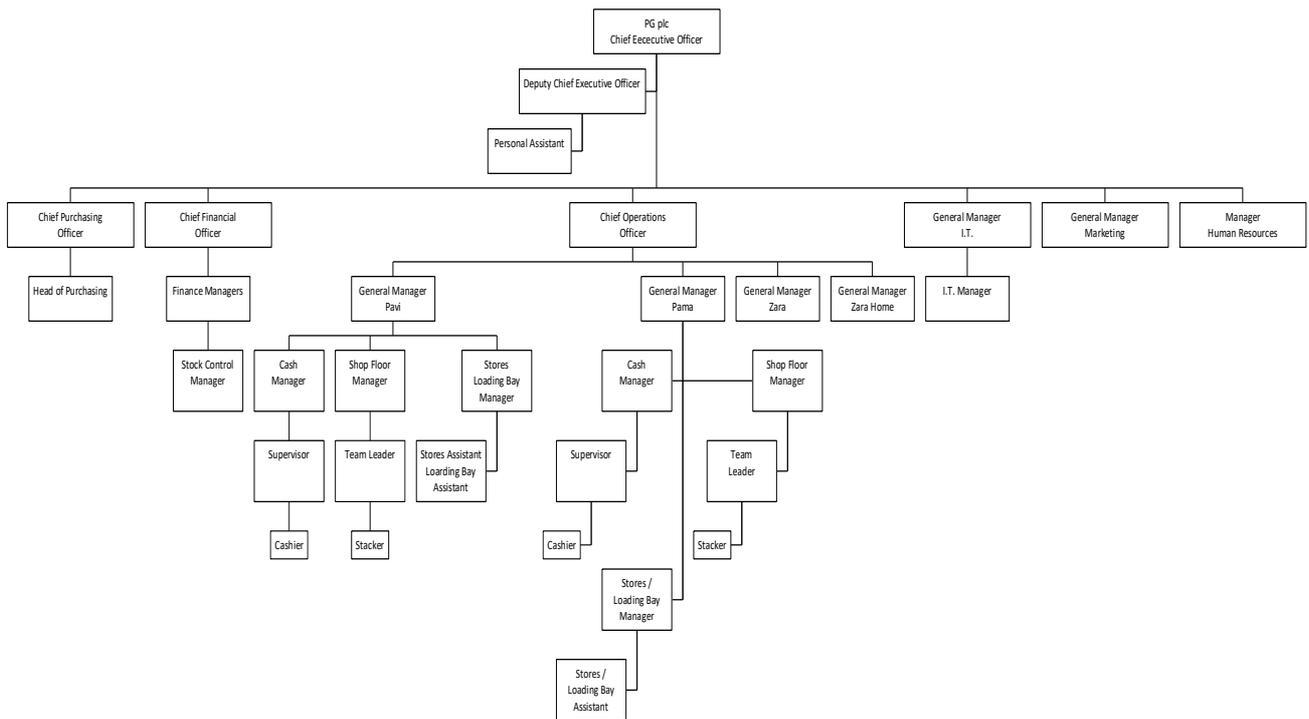
\_\_\_\_\_  
SIGNATORY'S NAME AND ROLE

\_\_\_\_\_  
SIGNATURE

Date: \_\_\_\_\_

## Annex B – Reporting Lines

PG plc Organisation Chart



ZARA

ZARA HOME