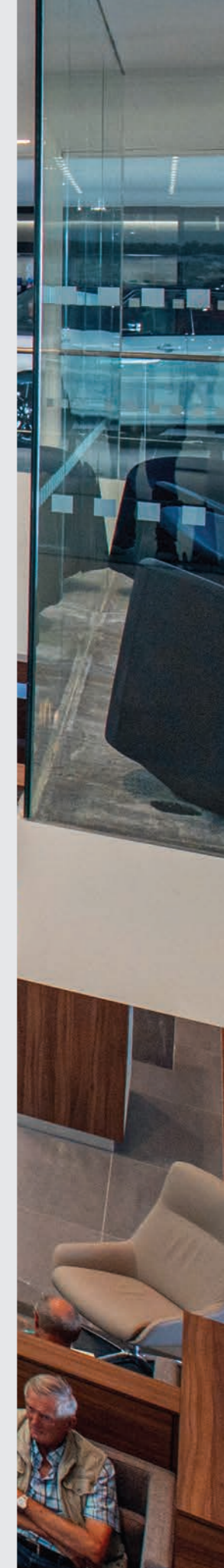




*Automotive*



**2023 CORPORATE  
RESPONSIBILITY  
REPORT**



# OVERVIEW

## About Penske Automotive Group And This Report

Penske Automotive Group, Inc. (referred to as “we,” “our,” and the “Company” | NYSE: PAG) is pleased to share our 2023 Corporate Responsibility Report. This report was developed to highlight our ongoing initiatives to support our people, the communities where we work and live, and environmental sustainability.

In this report, readers will learn more about how we develop our team members, promote diversity and inclusion, support our communities, operate sustainably, maintain high standards, act with integrity, and promote sound corporate governance.

This report was developed by our environmental, social, and governance (“ESG”) team in partnership with subject matter associates, advisors, executive management, and our Board of Directors. The disclosures contained within the report are responsive to the:

- » Sustainability Accounting Standards Board recommendations (“SASB”) and
- » Task Force on Climate-Related Financial Disclosures (“TCFD”) framework.

This report covers the period January 1, 2022 through December 31, 2022, and covers only our U.S. and U.K. operations for administrative ease, unless otherwise noted.

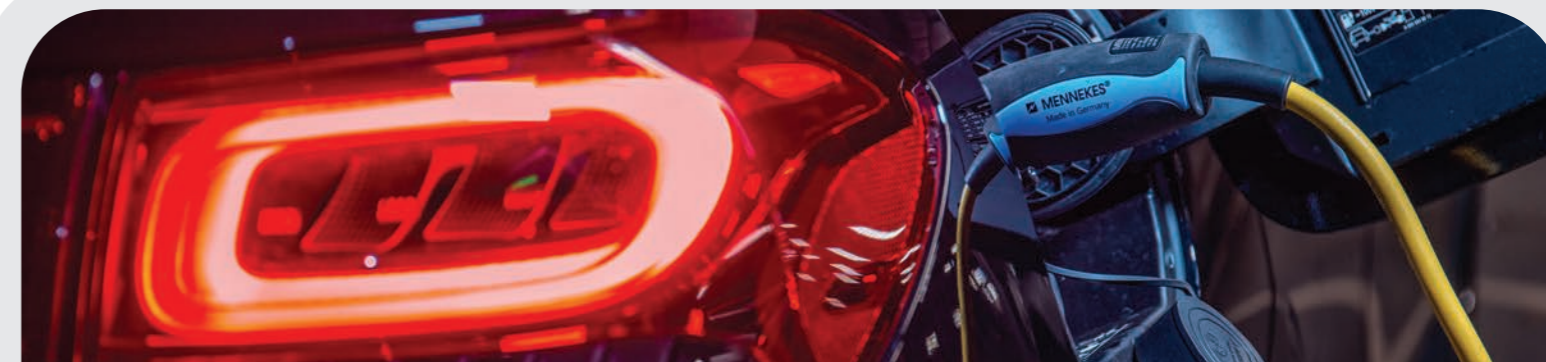
To learn more about Penske Automotive Group, visit our website at [www.penskeautomotive.com](http://www.penskeautomotive.com).

### OUR MISSION

*Deliver excellence to our customers, value to our stakeholders, and opportunity to our team members everywhere we operate.*

### OUR VISION

*Be the best growth-oriented, international, diversified transportation services company everywhere we operate.*



### EXCEED

Provide a superior customer experience that exceeds expectations and establishes trust and loyalty through honesty, transparency, and accountability.

### EXCEL

Deliver long-term value for our stakeholders through continuous improvement, organic growth, and strategic acquisitions.

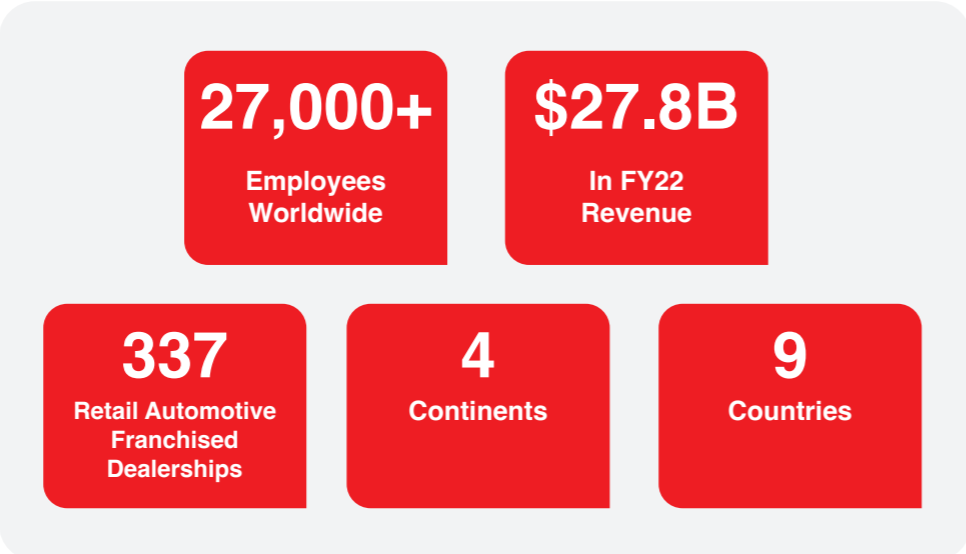
### ENCOURAGE

Provide opportunities for team members to succeed by cultivating talent, rewarding achievement, and maintaining the highest standards of respect for each other.

## OUR VALUES

# About Penske Automotive Group, Inc.

As of June 30, 2023:



We are a diversified international transportation services company and one of the world’s premier automotive and commercial truck retailers, representing more than 35 distinct brands. Our dealership operations are primarily based in the United States (“U.S.”), the United Kingdom (“U.K.”), Canada, Germany, Italy, and Japan, and as of June 30, 2023, we operated 337 retail automotive franchised dealerships and 44 retail commercial truck locations.

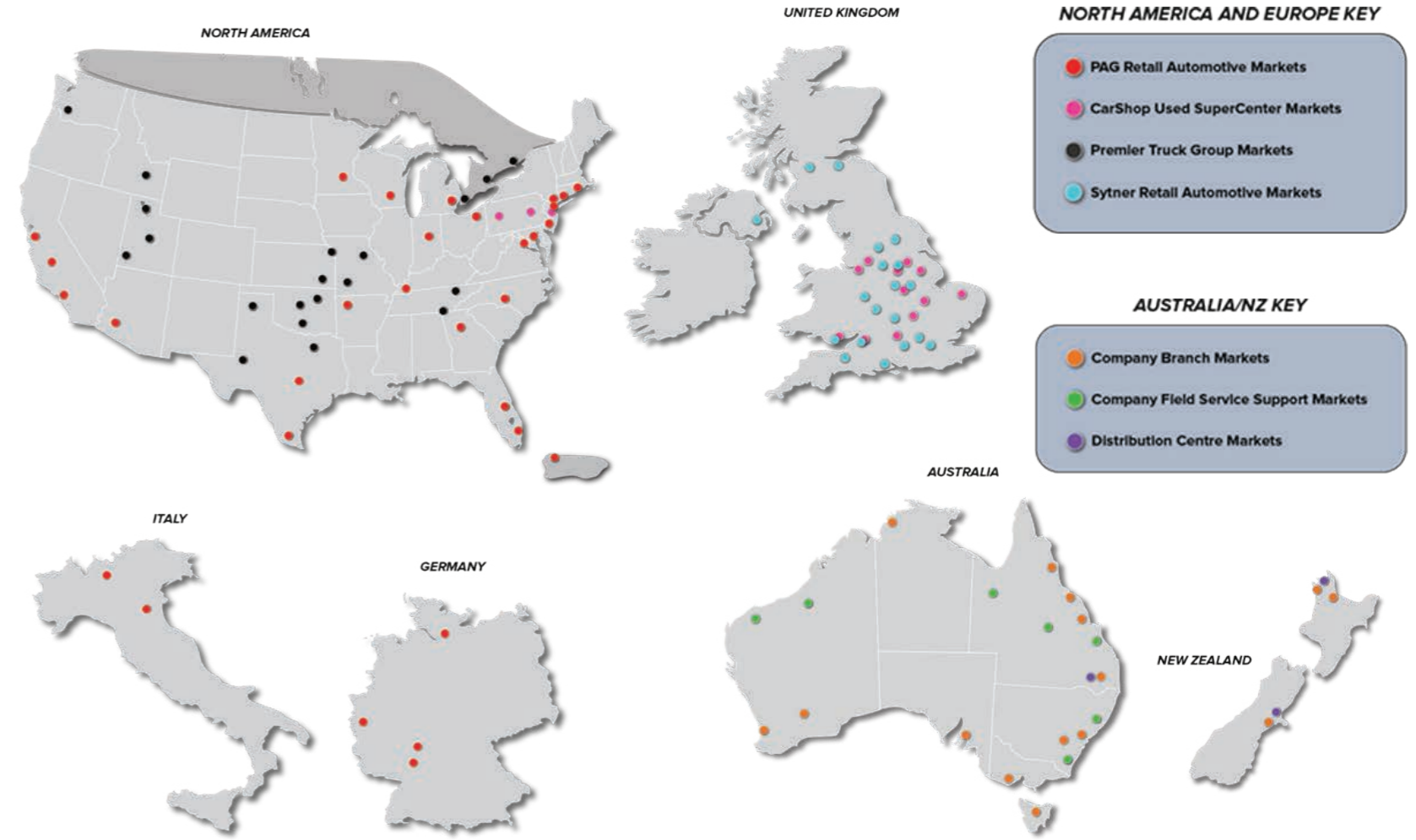
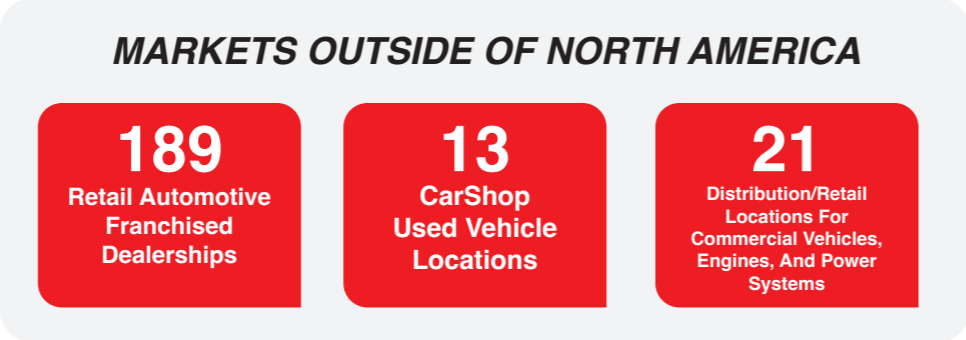
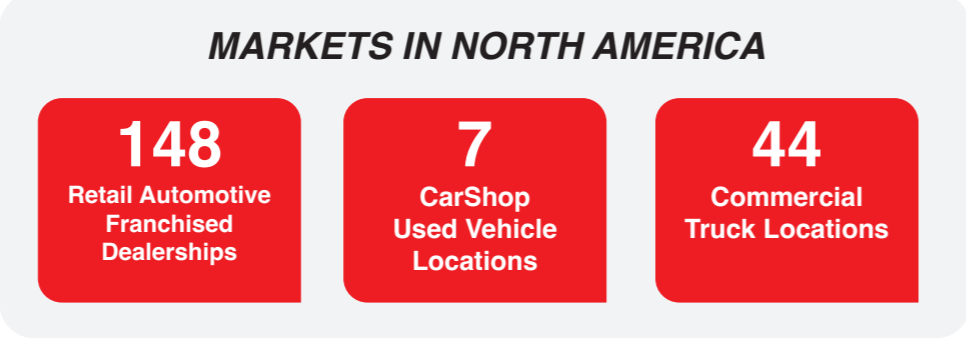
of commercial vehicles, diesel and gas engines, and power systems, as well as associated parts and services, with a focus on Australia and New Zealand.

Penske Automotive Group also holds a 28.9% stake in Penske Transportation Solutions (“PTS”), a company responsible for managing a fleet comprising more than 431,000 trucks, tractors, and trailers as of June 30, 2023. These operations deliver innovative transportation, supply chain, and technology solutions to fleets across North America. Penske Automotive Group is also a member of the S&P Mid Cap 400 Index, Fortune 500, Russell 1000, and Russell 3000 indexes.

We hold a prominent position as a major commercial truck retailer in North America for Freightliner. Additionally, we engage in the distribution and retail



A Diversified International Transportation Services Company Headquartered in Bloomfield Hills, Michigan, USA



## A Message From Our Chair and CEO

“

*...we believe it is our responsibility to contribute to a sustainable future by making a positive impact in the communities where we operate.”*

Our more than 26,500 team members produced a record year of results for Penske Automotive Group in 2022, reassuring our commitment to a culture that fosters honesty, integrity, collaboration, teamwork, and an entrepreneurial spirit. As such, the core values of our company include engaging with stakeholders, practicing good corporate citizenship, and fostering a culture of uncompromising ethics and unwavering commitment to serving our customers and employees.

Through these core values we foster long-term relationships, drive relentless customer satisfaction, seek to exceed expectations, and deliver long-term value to our stakeholders. Coupled with sound corporate governance, our Code of Business Conduct and Ethics serves as the guiding principle for our entire global workforce. Our Board of Directors provides strong oversight for risk management, including risks related to sustainability and climate change.

As a leading international transportation services company, we believe it is our responsibility to contribute to a sustainable future by making a positive impact in the communities where we operate and benefit from exchanging best practices throughout the organization.

Over the course of the past year, we continued to integrate environmental, social, and governance (“ESG”) initiatives into our culture. For the eighth consecutive year, we proudly supported Paralyzed Veterans of America (“PVA”) to help our nation’s veterans with spinal cord injuries. Over the last eight years, our company, including employees and customers, has contributed more than \$8 million to PVA. Further, our dedicated Sustainability Team will continuously evaluate our strengths and weaknesses to help us measure, monitor, and manage our overall carbon footprint. As part of this initiative, we have recently installed solar panels to power electric

vehicle chargers, transitioned to renewable energy usage in the U.K., and integrated energy management programs at many of our dealerships to help mitigate our environmental impacts. In addition, we continue to leverage our extensive dealership and service center network to invest in electric vehicle infrastructure and have installed more than 1,600 charging stations globally as of December 31, 2022.

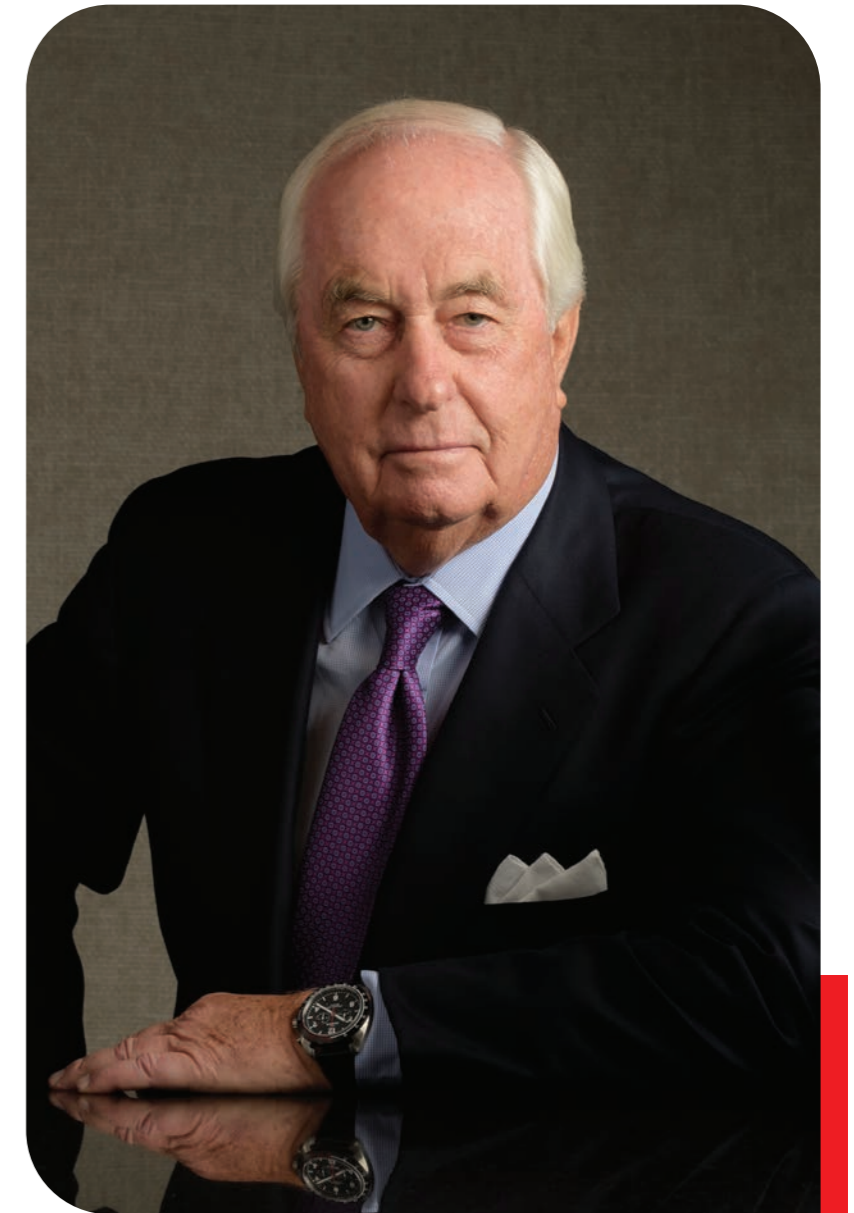
In 2022, we continued our values-based diversity and inclusion training program. Since inception, over 3,900 employees have participated in this program. To further our talent development and work culture initiatives, we appointed a new executive position for Talent and Development to our management team. Furthermore, our company has received annual accolades as a top workplace from well-known, independent organizations, including *Automotive News*, *Forbes*, and *Fortune*.

Thanks to the unwavering support of our team members, our dealerships regularly support local communities through charitable efforts, including employee volunteer opportunities, partnerships with local food banks, homeless shelters, hospitals, school districts, and other philanthropic organizations.

This report highlights many of our accomplishments and ongoing ESG programs. I am proud of our progress and am confident we are building a strong foundation to make even greater contributions toward a more equitable and sustainable future.

### Roger Penske

Chair of the Board and CEO



**Roger Penske**

Chair of the Board and CEO

## Our Commitment To Stakeholders

Our engagement with stakeholders is essential to our success, as understanding their interests and concerns allows us to address them and create long-term value. As such, we strive to exceed stakeholder expectations and aim to remain on the cutting edge of our industry's technological innovations by continually developing and testing platforms such as artificial intelligence for sales and service scheduling, the use of videos in automotive and commercial truck servicing and for end-to-end digital retailing, which comprises personalized monthly payments across inventories, accurate

trade-in capabilities, financing, digital contracts, and digital signatures.

Our goal is to create lasting relationships with our customers throughout their vehicle ownership journey. We gain insight into our business performance by monitoring customer satisfaction data and enhancing our business aspects that influence referrals and customer loyalty. High customer satisfaction is key to our business strategy, and we strive to deliver a positive, valuable experience. Our continual technological improvements are designed to improve our customer experience and ensure

we deliver the best service in the industry. Our marketing strategy incorporates social media, offering channels through which to engage with customers, increase awareness of our dealerships, positively influence customer satisfaction, and enhance repeat and referral business.

Everything we aspire to be as a company builds on our ability to come together as one team. We prioritize helping our team members thrive by providing a supportive and inclusive work environment that empowers our team to do meaningful work. Our employees are

an essential part of the Company's growth and value-creation strategy. By attracting, motivating, training, and retaining the best talent, we can deliver exceptional customer service consistently and foster long-term growth for the Company.

We aim to deliver long-term value to our stakeholders by continuously improving, promoting organic growth, managing strategic acquisitions, and returning value to shareholders through cash dividends and repurchasing securities.

## Our Approach To ESG

We integrate ESG into our business, culture, and individual dealership operations. Throughout 2022, we focused on supporting our communities, reducing our environmental impact, and protecting team members' and customers' health and safety, while also promoting a diverse, equitable, inclusive, and motivating workplace.

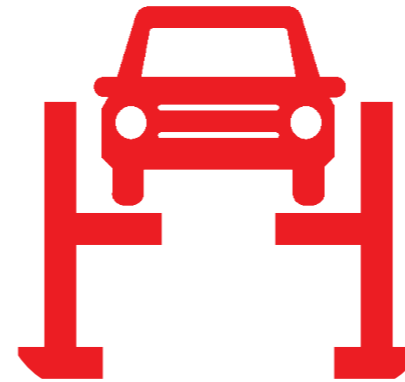
Part of ESG integration involves enabling cross-functional department collaboration. For instance, our dedicated Sustainability Team, including our Vice President of Sustainability, our Sustainability Program Leader, and the Sustainability Steering Committee, evaluate our strengths and weaknesses to improve sustainability throughout our broader organization. Their efforts require working cross-functionally to understand how resources are being managed, as well as streamlining and centralizing relevant data. The Company works with a technology partner to track key performance indicators related to energy usage. The dedicated Sustainability Team has also been essential to educate our broader team about the benefits and implications of incorporating ESG into our culture and work.

## 2022 HIGHLIGHTS



**1,600+**

electric vehicle charging stations installed globally



Automotive News  
**BEST DEALERSHIPS**  
TO WORK FOR™ 2022

In total, 46 dealerships were named to the Automotive News Best Dealerships to Work For.

### OPERATING SUSTAINABLY

- Over 1,600 electric vehicle charging points installed globally.
- Over 85% of U.K. tires recovered for recycling in 2022.
- Over 6,500 metric tons of carbon dioxide equivalents avoided in 2022 at our U.S. facilities through our closed-loop recycling program for used oils and solvents.
- Measured and evaluated our U.S. energy usage and associated greenhouse gas emissions.

### OUR TEAM

- In total 46 dealerships were named to the Automotive News Best Dealerships to Work For, which ranks the top 100 dealerships in the U.S.
- Seven of our dealerships were ranked in the top 10 nationally for their efforts to promote Diversity, Equity, and Inclusion.
- Ranked in the top ten by Forbes as one of “America’s Best Employers for Veterans,” which ranks the top companies in the U.S.
- Since 2015, over 800 veterans have been hired by Penske Automotive Group.

### SERVING OUR COMMUNITIES

- Our philanthropic community engagement strategy is three-fold: corporate sponsorship, local dealership initiatives, and partnerships with other Penske companies.
- Donated \$1.3 million to Paralyzed Veterans of America in 2022.
- \$4.1 million donated to charities and philanthropic initiatives in 2022.
- Penske Australia received the [Outback Futures Community Leadership Award](#) for its community initiatives.



# SUPPORTING TEAM MEMBERS



# SUPPORTING TEAM MEMBERS

## Investing In Our People

Our guiding principle to exceed expectations is foundational to our culture. We work as one team to create a supportive environment and celebrate our collective successes. Our vision for the future depends wholly on our team members, as our most important investment is our people.

We offer development programs to help team members excel. Diversity and inclusion are important, and discrimination is not tolerated. We cultivate talent, reward achievement, and empower team members to do meaningful work that fulfills their passions while balancing work and life. By investing in our people, we deliver long-term value to our stakeholders.

We employ a culture of continuous safety, backed by robust health and safety policies, procedures, and guidelines, to protect our team members. Our commitments are outlined in our [Health and Safety Policy](#), which we update periodically, communicating changes through safety advisories, help guides, and our PAG 360 app.





# Health, Safety, and Wellbeing

## PRIORITIZING HEALTH AND SAFETY

The overall health and safety of our workforce is everyone’s responsibility, and we instill this message at all Company levels. Individuals and teams are empowered to challenge unsafe practices if they see them, and we reward team members who are committed to improving safety and fostering a culture of compliance and communication.

## TRAINING OUR TEAM MEMBERS

Training and inspections contribute to the safety culture at Penske Automotive Group. We comply with all applicable federal regulations and local ordinances in each of our operating environments. We recognize that safeguarding our personnel requires more than adhering to recommended procedures and providing proper safety equipment - it requires regular training and audit compliance.

We instill a sense of ownership over health and safety in our team members and encourage looking out for colleagues. Our safety training contributes to our team members’ understanding of approved practices and expectations so that they may aim to reduce injuries and protect each other.

Training is critical for staying up to date on changing standards and supporting our collective success. Members of our dealership teams receive training in environmental protection, safety awareness, and emergency

response. The goal of training is to prevent injuries, relay hazard communication plans, improve hazardous waste management, and ensure the health and safety of our team members and customers. We monitor compliance with mandatory safety practices by regularly conducting on-site audits.

*Our U.S. operations decreased accident rates by more than 11% compared to 2021.*

Team members participate in various health and safety programs and are assigned a suite of health and safety training modules and sessions based on their job function and role. Online or on-site training sessions include health, safety, and environment (“HSE”) related subjects, including but not limited to, the proper use of personal protective equipment, emergency response, and hazard communication. Third-party health and safety experts also provide additional health and safety training across our facilities. For example, new hires in the U.S. receive HSE training from KPA, a leading company that specializes in HSE. More than 9,900 U.S. team members participated in on-site training during 2022, and more than 21,500 health and safety courses have been completed.

Meanwhile, U.K. team members completed more than 25,400 e-learning modules in 2022 on various topics. The team also continued to work with the Royal Society for the Prevention of Accidents, a charity that provides training on safety issues, including utilizing their innovative online tool to predict driver safety and risk. More than 9,100 team members completed the charity’s risk assessment in 2022, and the 103 team members identified as “high-risk” drivers were enrolled in mandatory defensive driving training.

**EMPLOYEE PROTECTION WORKSHOPS**

Protecting our people is a priority. As such, we strive to be proactive in understanding potential risks our team may face. For example, significant exposure to tool vibration can cause health issues such as carpal tunnel syndrome. Our U.K. operations proactively assess tool vibration to ensure service technicians are not exposed to undue risk. We found over 99% of our tool vibration assessments indicated a total daily vibration below the limits of harmful exposure.

## UNITED STATES OPERATIONS

**9,900**  
team members participated in on-site training



**21,500+**  
health and safety courses completed



## UNITED KINGDOM OPERATIONS

**25,400**  
e-learning modules completed

**37,200+**  
health and safety courses completed

Regulations

WORK SAFETY

Protection

Hazards

Risks

## Health, Safety, and Wellbeing

### HEALTH AND SAFETY AUDITS

Safety audits are an essential part of our commitment to our team members and help us understand the effectiveness of our health and safety programs. It allows us to address potential risks before they become a hazard.

KPA conducts quarterly third-party audit inspections for compliance at our U.S. operations, and they completed over 530 inspections in 2022. We also conduct internal audits to ensure our team members' and customers' wellbeing. Our U.K. operations also receive unannounced comprehensive annual third-party health and safety audits that assess compliance through on-site

observations. Additionally, our health and safety team completed more than 1,000 visits and inspections in 2022, the average results from each division indicating continuous year-on-year improvement since the current auditing process was introduced in 2019.

### HEALTH AND SAFETY MANAGEMENT

Health and safety is integrated into everyone's job at Penske Automotive Group. Our U.S. automotive retail operations utilize health and safety committees at our dealership locations to review our internal and external audit results and to formulate action plans. Each health and safety committee includes a representative from KPA, our third-party audit partner, and

select dealership leaders. The committees are responsible for implementing the Company's Injury Prevention Program at each dealership, as well as reviewing accident reports, proposing recommendations for remedial activities to prevent accidents, investigating potentially hazardous conditions, monitoring the correction of safety hazards, reviewing inspections, and reviewing any additional health and safety-related policy or program changes.

Our operations follow standards set by the Institute of Occupational Safety and Health ("IOSH") in the U.K. and by the Occupational Safety and Health Administration ("OSHA") in the U.S. Their recommended programs provide team members in line management

with the confidence to apply health and safety knowledge at work. In the U.K., the program's accredited qualification is mandatory for group heads of business, departmental managers, workshop controllers, body shop supervisors, and health and safety coordinators at dealerships, with about 170 team members having completed the qualification in 2022.

Educating our managers about safety empowers them to lead with confidence and positively influences safe practices in the workplace.

# Benefits

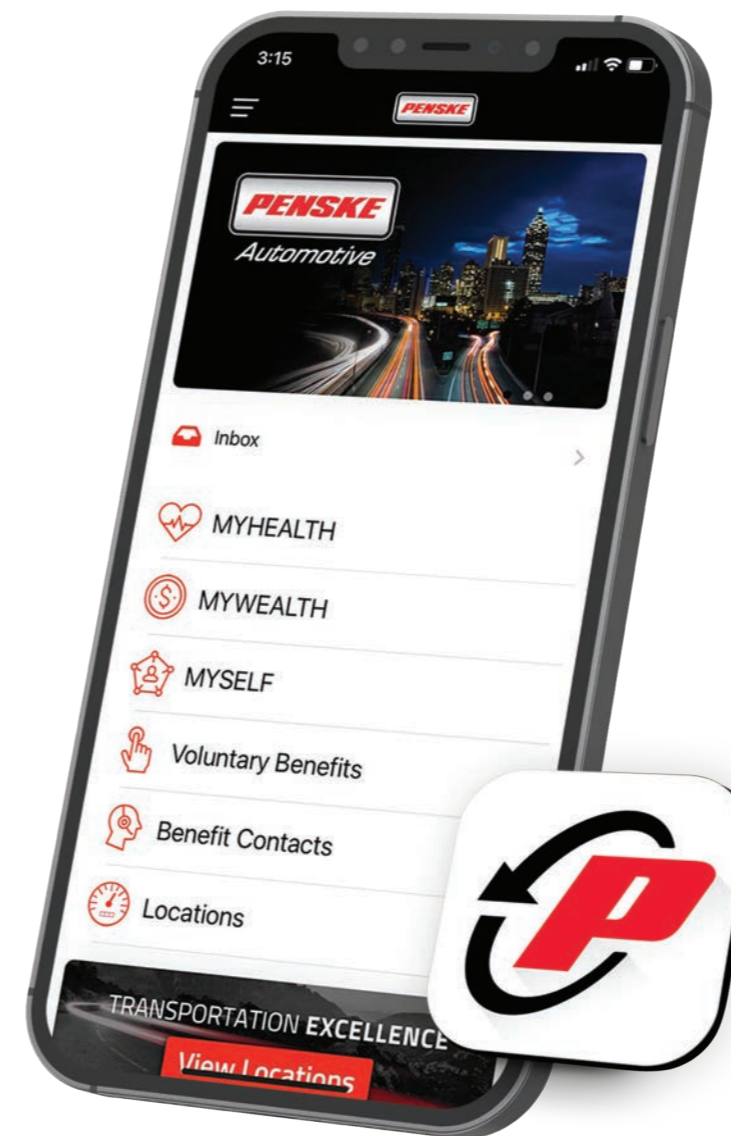
The physical, emotional, and financial health and wellness of our team members are among our top concerns. It is vital for our team members to feel secure in their medical coverage and retirement plans. A healthy, appreciated workforce can reach the highest standards, so we strive to provide team members with the coverage they need.

We proudly offer varied [benefits](#) to support team members professionally and personally, including:

- » Company-paid life insurance
- » Employee discounts and incentives on vehicle purchases
- » Employee job-specific health checks
- » Health and wellness programs
- » Access to free, confidential helpline as well as virtual support programs, life coaching, and other support services

Since launching the PAG 360 app in 2021, it has become a one-stop source for benefit and company-related information pertaining to U.S. employees. The portal is available 24/7 with access to personal medical, dental, vision, 401(k), and other data, and it can send push notifications on a range of topics, from reminders for annual physicals to holiday announcements and company-wide news. The app also contributes to our internal culture-building efforts by relaying information about team members' victories and service milestones. In 2022 alone, team members interacted with the app over 1.8 million times.

- » Competitive U.S. 401(k) with employer match
- » Competitive medical, dental, and vision plans
- » Company contribution to U.S. health savings plan
- » Health Savings Accounts and Flexible Spending Accounts
- » Free telemedicine, annual physicals, and smoking cessation programs
- » Paid time off and sick leave





## Workplace Culture

Penske Automotive Group is grounded in a “one team” mentality: when one of us succeeds, we all stand in the winner’s circle together. We ensure team members have the tools, training, and opportunities to develop their skills and further their careers. We strive to be the employer that team members want to stay with for the long haul, which has contributed to our below-industry-average employee turnover rate.

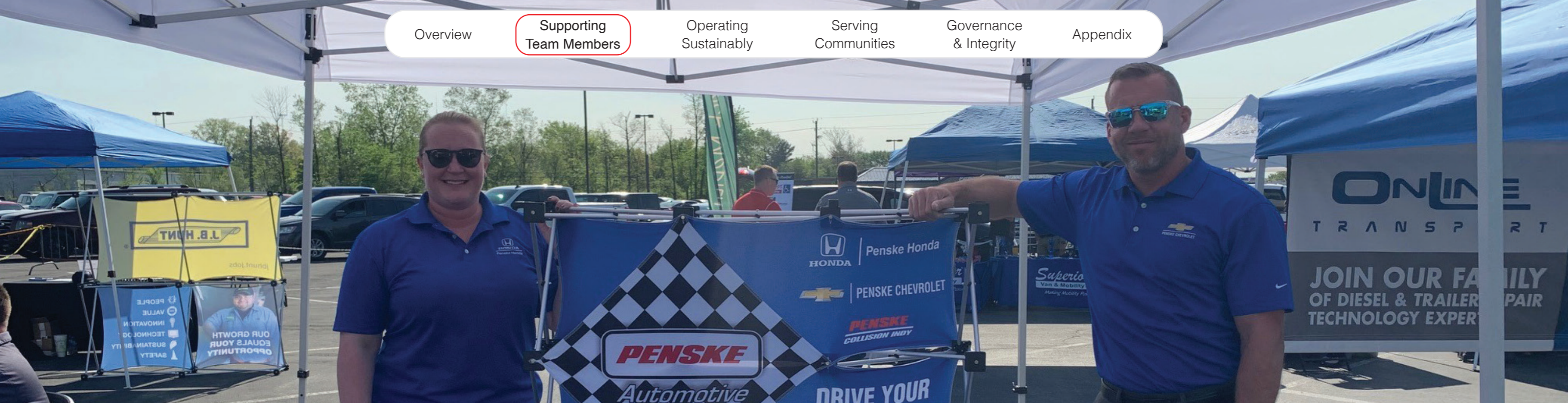
We continuously seek ways to support our team members. Supported by our policies and

guided by our values, our career development trainings, health and safety trainings, benefits programs, social and community initiatives, and daily interactions foster a work environment of belonging.

We can only deliver exceptional service by attracting, motivating, training, and retaining the best team members. We take pride in building a supportive workplace culture that fosters diversity and inclusion. We have zero-tolerance policies around harassment, intimidation, workplace violence, and similar concerns.

*Penske Automotive Group is grounded in a “one team” mentality: when one of us succeeds, we all stand in the winner’s circle together.*





## Inclusive Recruitment

Penske Automotive Group cultivates a high-performance, entrepreneurial workplace environment. We strive to build a team of the best – and that starts with recruiting. Over time, we have enhanced our recruiting efforts to onboard talent who will continue to support our business success, and as of December 31, 2022, we employed over 26,500 people.

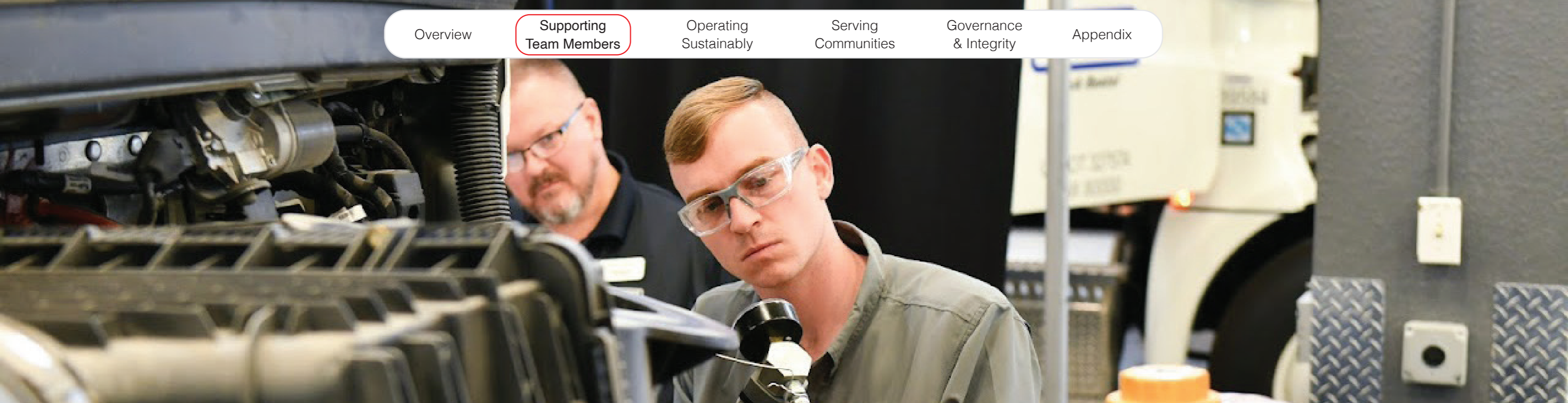
We emphasize inclusivity in our recruitment efforts. For instance, in the U.S. we have a

formal strategy for inclusive recruiting and retaining a diverse recruitment office. By incorporating a range of perspectives in recruiting, we can more closely connect with top candidates for future employment. In the U.K., our guidance indicates that thorough interviews should assess a candidate’s skills for the job, not put them at a disadvantage because of their specific needs or condition. If an interview can be adjusted to accommodate a candidate’s needs, we ensure that change is made.

### INCLUSIVE RECRUITING

Penske Automotive Group is proud of our U.S. PowerUp program for the cultural integration of new team members, which is achieved by connecting a team member with the Company’s worldwide culture. The PowerUp program provides a consistent onboarding process to new team members within the first two months of employment, linking team members with their human resources managers virtually or in person. The new members also learn about diversity and inclusion via videos about representation and conversations about opportunities and inclusivity.





## Development

As the transportation industry evolves, we recognize the need to stay ahead of new challenges by attracting, nurturing, and retaining top talent with tailored expertise. We foster a growth mindset among team members by providing specialized learning and development programs virtually and in person.

Several career development practices are integral to our culture as a company: providing our team members with resources to

accomplish their goals, helping them undertake different responsibilities, teaching them new skills, assisting their progress into a leadership role, and supporting them as they reinvent their careers.

Training is offered to team members through multiple departments on a range of issues. We believe this is critical to becoming a well-rounded member of the Penske Automotive Group team.

## TRAINING PROGRAMS



COMPLIANCE TRAINING



DIVERSITY & INCLUSION TRAINING



TRAINING FOR STORE POSITIONS



TECHNICIAN APPRENTICESHIP PROGRAMS



TRAINING FOR SERVICE POSITIONS



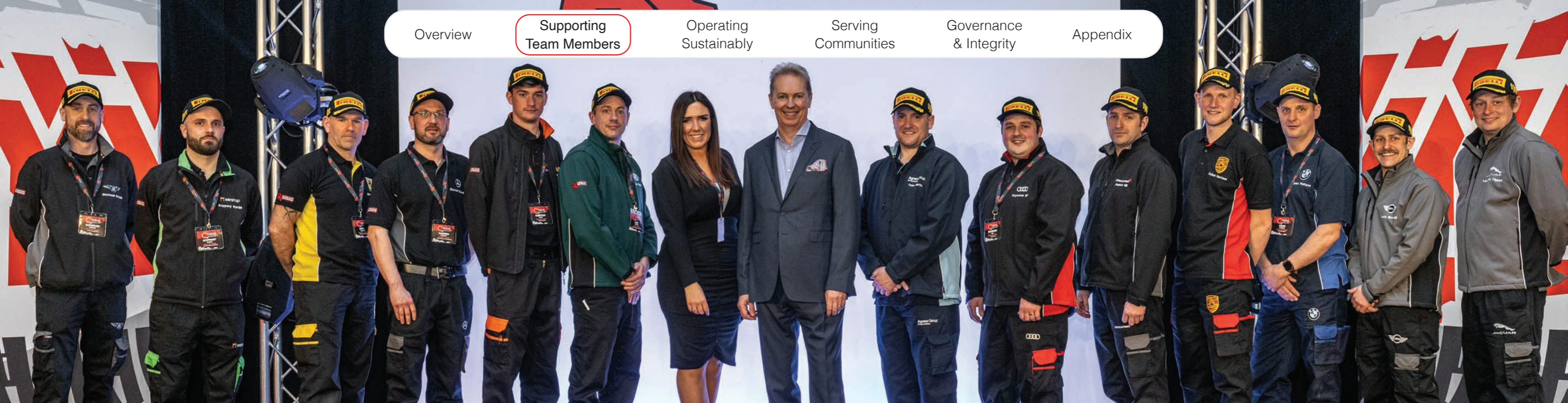
CAREER ADVANCEMENT SUPPORT & COACHING



HEALTH & SAFETY TRAINING



LEADERSHIP TRAINING



## Development

### Leadership Programs

Our U.S. leadership training program, offered through the National Automobile Dealers Association, has graduated more than 300 individuals, many of whom hold management positions within the Company, and 26 people enrolled in the program in 2022. The program covers a variety of topics that help individuals discover and cultivate their leadership and management style.

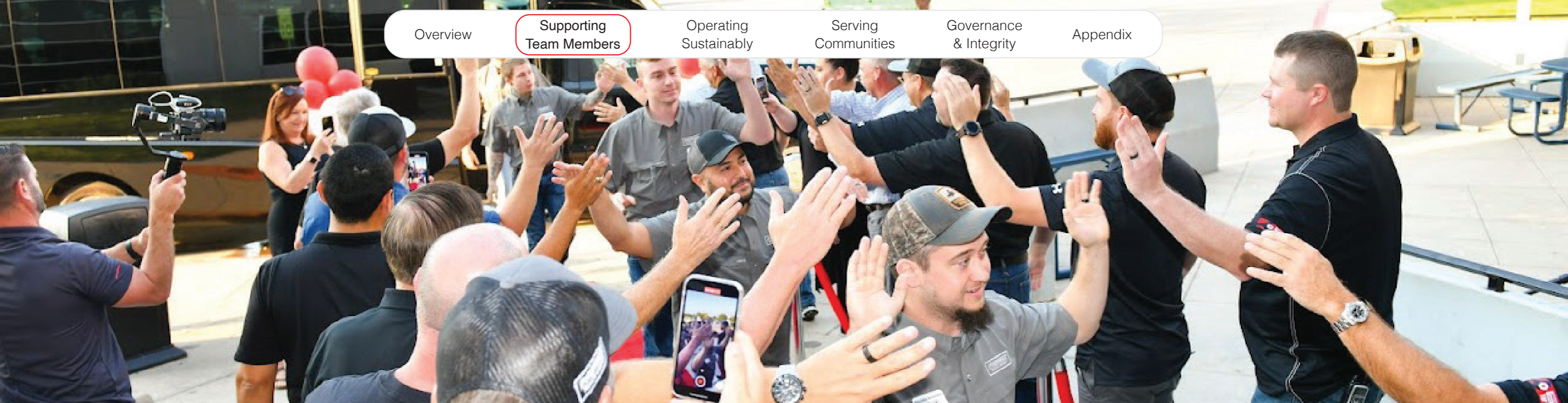
Meanwhile, our Elite Management program prepares future general managers in the U.K. through virtual courses and development opportunities.

### Elite Technician Program

Our Penske Automotive Elite Technician program spans the U.S. and U.K. In the U.S., each dealership can nominate one team member to be an elite technician based on their exceptional production, proficiency, and technical training or certification relevant to their responsibilities and their brand. Top-scoring technicians from each brand are invited to attend a national racing event where they compete for the title of Penske Automotive Group Elite Technician of the Year. In 2022, 133 technicians qualified for the program, and 14 technicians were selected to participate in the finals to become the Elite Technician of the Year.

In the U.K., the Elite Technician Challenge recognizes and rewards technical talent within the Company with a rigorous competition involving several challenges, including an online theory assessment, a practical final exam, and hands-on tests. Finalists were given 90 minutes to diagnose various exterior, interior, and engine faults in a vehicle. Out of the 500 U.K. technicians who entered the competition, 13 were named elite in their category. The winners received an all-expenses-paid trip to the Detroit Grand Prix at Belle Isle.





## Engagement

Penske Automotive Group engages with its team members to identify opportunities to bolster our success. Our annual survey, for example, asks team members to help us identify what works, what does not, and where we can improve. We greatly value our workforce's feedback.

Approximately 86% of our U.S. and U.K. retail automotive franchised dealership team members responded to our annual Employee Opinion Survey in 2022, with a higher average Net Promoter Score than in 2021.

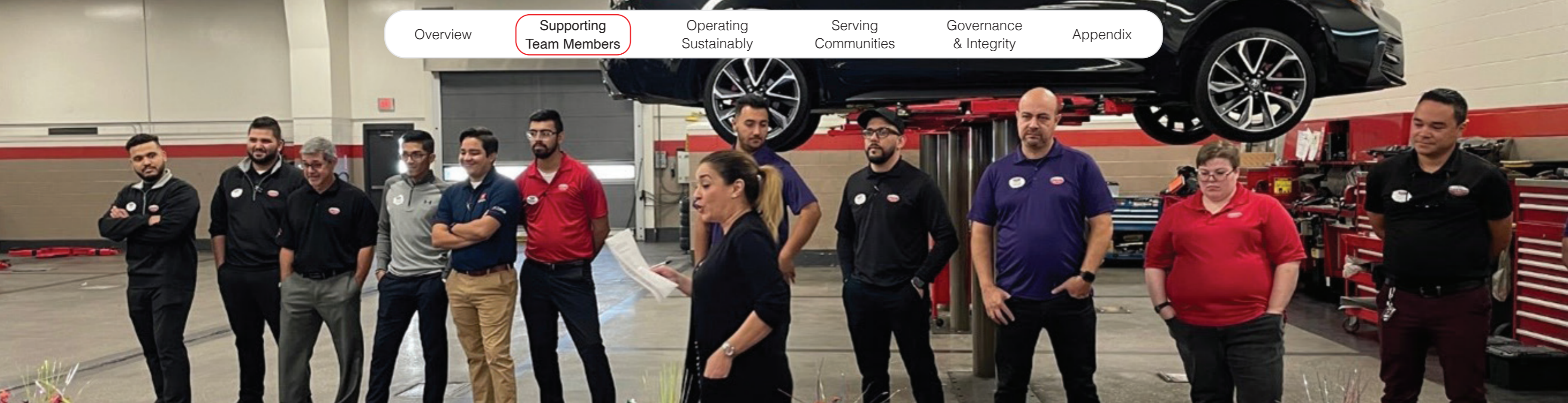
We communicate the results of our surveys with local, area, regional, and executive management teams. 58% of the locations surveyed had perfect Manager Net Promoter Scores.

When reviewing survey results from U.S. team members, we assessed individual question scores and identified below-target values. For stores with below-average scores, our human resources department led town hall meetings to discuss the circumstances, where relevant managers clarified top issues and planned

to correct and improve them. After the initial survey and the implementation of plans to improve the below-target issues, pulse surveys are given to affected stores to gauge improvements over time. At Penske Automotive Group, we strive to exceed expectations – including our own.

*Approximately 86% of our U.S. and U.K. retail automotive franchised dealership team members responded to our annual Employee Opinion Survey in 2022, with a higher average Net Promoter Score than in 2021.*





## Promoting Diversity, Equity, And Inclusion

As a company, we focus on fostering a sense of belonging in our workplace. We seek innovation, which requires bringing together diverse perspectives. Our focus on diversity, equity, and inclusion has three tiers: team members, customers, and the communities in which we operate. Knowing that our customers and community members come to our dealerships from various backgrounds, experiences, and perspectives, we hope to connect with them and aim to have our dealerships represent their respective communities.

### DEI TRAINING

Diversity is not limited to nationality or country of origin. We consider multiple factors when defining talent: background, age, experience, education, abilities, and life perspectives. We

strive to position Penske Automotive Group as an attractive and diverse company to work for while promoting inclusivity and equity internally. Cultivating a diverse workforce requires respect, understanding, and embracing differences. We invest in proven values-based diversity training methods and survey participants on the program’s effectiveness. In effect, we empower and encourage our team to succeed and maintain respect for each other.

### DIVERSITY AND EQUITY IN THE WORKPLACE

Our diversity, equity, and inclusion programs are embedded in Penske Automotive Group’s culture. We aim to bring together individuals from varied backgrounds and experiences to be part of our team.

Part of our philosophy of equity originates in racing, in that integrity and performance are the primary success measures at our company, and every team member is given the tools and training they need to succeed. Individuals at Penske Automotive Group are empowered to deliver and manage the trajectory of their careers, no matter their background.

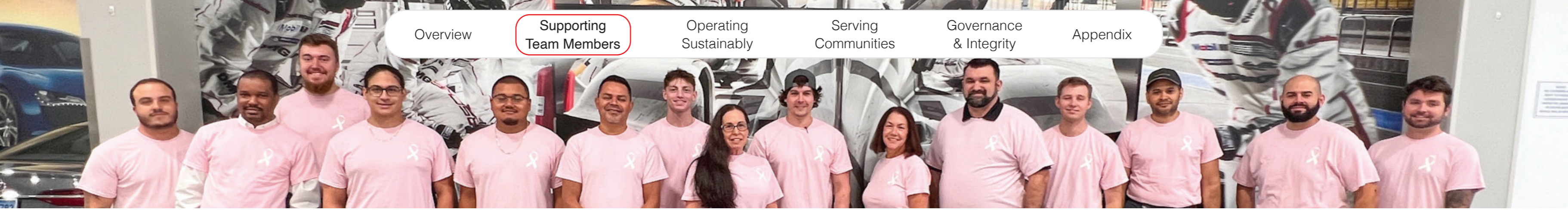
We are committed to providing a work environment that promotes equity and is free from any form of prohibited discrimination. Our open door policy and confidential hotline give all Associates the ability to insist on equitable treatment. Our philanthropic contributions noted elsewhere in this report also are designed to promote equity in the communities we serve.

### COLLEAGUE NETWORK GROUPS

In the U.K., our colleague network groups help our team members support each other based on commonalities. The groups are centered on racial equity and diversity, gender equality, allyship, and support for disabilities.

Learn more about our U.K. diversity and inclusion efforts through our video mini-series [here](#).

*We aim to bring together individuals with varied backgrounds and experiences to be part of our team.*



# Promoting Diversity, Equity, And Inclusion

## Women’s Initiatives

As part of our internal career development efforts, we are proud to take concrete steps to support women. Our annual Women’s Wellness Week program promotes women’s initiatives in the workplace. Our internal program, “[Women in the Driver’s Seat](#),” highlights our female leaders, how they became interested in the industry, and their proudest moments. Through this program, our team leaders learn how these influential women got their start, gained valuable mentors, and helped change the face of the retail automotive industry.

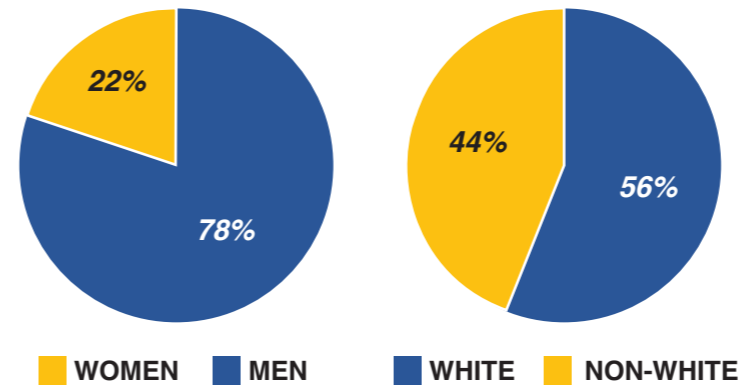
In our 2022 documentary, “[Women at the Wheel](#),” we feature over 15 prominent women from Penske Automotive Group locations around the world. Promoted on our social media platforms, the documentary highlights our female team members, their journey and experiences working for the Company, and how they sought out opportunities for professional growth.

## Hiring Our Heroes

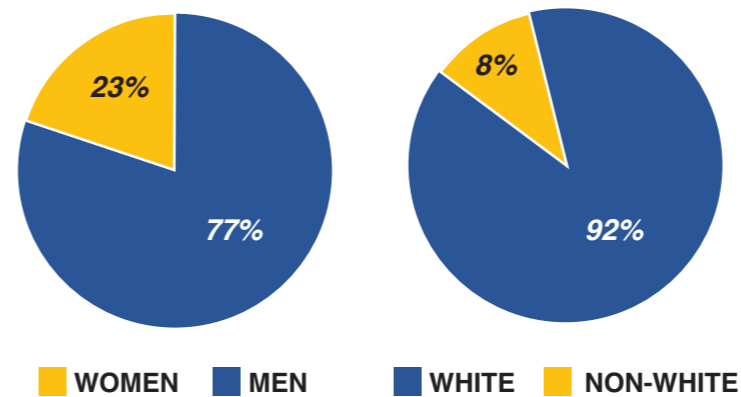
Penske Automotive Group deeply respects veterans and their service, and we are committed to hiring them to join our team. We believe they have the aptitude to be outstanding team members, including a goal-oriented work ethic, an inclination toward teamwork, and, in many cases, experience with the sophisticated equipment necessary to offer our customers world-class service.

In 2022, we surpassed our goal of hiring 100 veterans, onboarding 130 to our team, totaling over 800 veteran employees since 2015.

## NORTH AMERICAN TEAM MEMBERS



## OUR BOARD OF DIRECTORS



Ethnicity data reflects our North American team members.



Overview

Supporting  
Team Members

Operating  
Sustainably

Serving  
Communities

Governance  
& Integrity

Appendix

# ***OPERATING SUSTAINABLY***



# OPERATING SUSTAINABLY

## Our Approach And Philosophy – Operating Efficiently, Influencing Change

We can positively impact environmental sustainability both within our operations and beyond, as it is crucial to our culture and a shared value across the Company. Thus, we regularly seek opportunities to operate more efficiently and use resources more responsibly.

In 2022, we focused our efforts on centralizing key sustainability information by implementing technology-driven initiatives to collect, review, and analyze sustainability-related data from various company sources. In effect, centralizing and analyzing this data enables strategic decision-making to reduce our environmental impact.

Moreover, we focus our environmental influence beyond our operations. By marketing retailing and servicing electric vehicles (“EV”), we contribute to the wider adoption of alternative energy consumption. We go beyond simply providing access to EVs – we also provide educational tools to help our customers better understand the ins and outs of owning an EV.

We share more information on our commitment to sustainability and our Environmental Policy on our [website](#).



# Measuring And Managing Our Emissions

We are committed to monitoring and managing our company’s environmental impact. We continue to identify potential climate-based risks and opportunities by following a framework set out by the Task Force on Climate-Related Financial Disclosures, found in this report’s [Appendix](#).

We recognize greenhouse gas emissions (“GHG”) contribute to climate change, and we have implemented strategies to reduce our carbon footprint. In the U.S., we are building a foundation to track and monitor energy consumption and associated GHG emissions across our operations. This data will enable us to identify areas where we can improve and implement targeted measures.

## ENERGY EFFICIENCY AND GHG EMISSION REDUCTIONS

Energy efficiency and renewable energy projects have an important place in our company’s approach to sustainability. At our facilities, we have deployed multiple strategies to reduce our energy use, including installing LED lighting, occupancy sensors, energy-efficient glass, and high-efficiency heating, ventilation, and air conditioning (“HVAC”) systems.

## OPERATING EFFICIENTLY

We continually review our operations to identify opportunities to reduce greenhouse gas emissions and manage energy more efficiently.

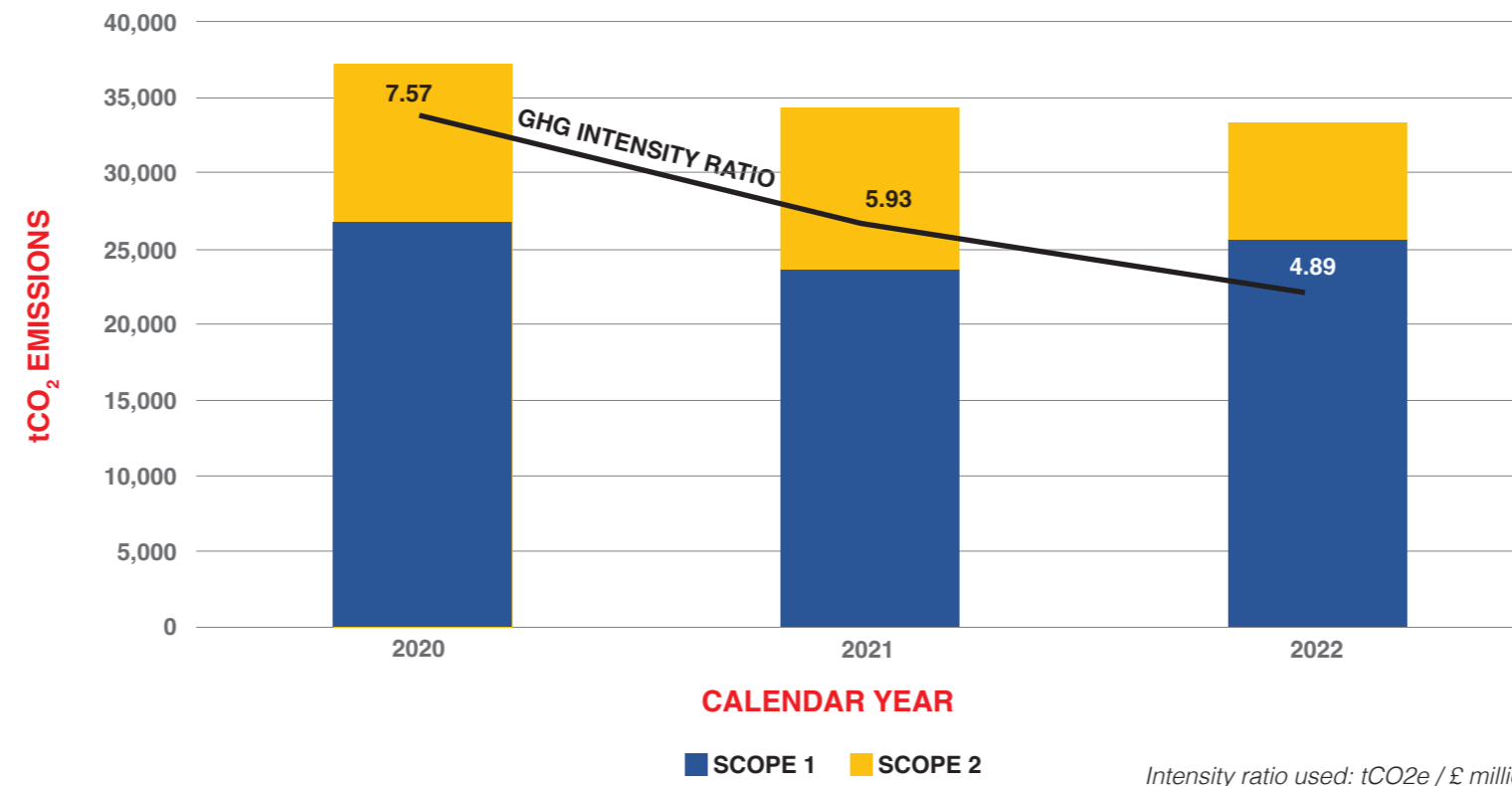
In the U.S., we continue to pilot energy management systems and submetering initiatives to drive energy use reductions, having transformed our Turnersville, New Jersey, location into a test bed for a range of energy efficiency improvements, such as interior and exterior LED lighting upgrades

and updated HVAC systems. Efforts at our Turnersville dealerships resulted in over 25% energy saved in 2022 and further related improvements are underway at dealerships across the U.S., including in Cleveland, Ohio, California, and Connecticut.

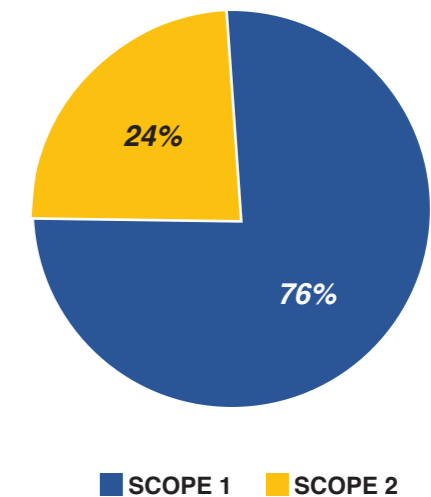
In the U.K., we continued to proactively review and carry out energy audits for our buildings, updating Energy Performance Certificates, and inspecting air conditioning systems efficiencies.

During 2022, 166 properties in the U.K. received an Energy Performance Certificate, and over 80% of those were given ratings of A through C. Buildings with the lowest energy performance scores are targeted for improvement or deemed surplus and vacated. New properties that we acquire must have a B rating or above, as determined by the certificate program’s rating system.

### U.K. GREENHOUSE GAS EMISSIONS



### 2022 U.K. SCOPE 1 & SCOPE 2 EMISSIONS





## Measuring And Managing Our Emissions

### RENEWABLE ENERGY

Going beyond energy reduction initiatives, Penske Automotive Group has looked at the source of energy used. Given EV's use of the electrical grid, we understand the importance of alternative energy sources when providing electricity.

**U.S.** At BMW of Escondido in California, a solar panel canopy was installed over the car inventory parking lot with a 47.5-kilowatt system to power EV chargers.

### INFLUENCING CHANGE

New sales opportunities and new potential customers are cropping up as a result of a meaningful increase in consumer interest toward EVs. Penske Automotive Group looks beyond our operations to influence changes that benefit the environment and help reduce climate change effects.

We help break down barriers that keep customers from adopting EVs by highlighting the benefits and simplifying the EV purchasing process. One way we make pure electric or hybrid electric vehicles more accessible is

through our EV and hybrid vehicle [webpage](#), which combines resources to help potential customers make informed decisions. About 22.8% of the new vehicles we sold in the U.S. and 24.6% in the U.K. in 2022 were pure electric or hybrid EVs.

Over 1,600 EV charging points have been installed globally as of December 31, 2022, and we expect to install more as our manufacturer partners introduce more EVs into the marketplace. Our U.K. chargers work with the renewable energy tariff in England, Scotland,

and Wales, ensuring EVs can be recharged without contributing to additional greenhouse gas emissions.

We ensure our technicians are prepared to service EVs to deliver a world-class experience for customers. Our teams prepare for EV-specific issues, like managing batteries and other waste, by participating in training courses sponsored by vehicle manufacturers regarding work safety precautions as well as proper electrical components and battery disposal.



## Penske Transportation Solutions

Our diversification strategy includes a 28.9% ownership interest in Penske Transportation Solutions (“PTS”), which provides innovative transportation, supply chain, and technology solutions to North American fleets.

PTS has made strides in decarbonizing its fleet, starting in 2018, when the team worked with Daimler Truck North America (“DTNA”). This unique collaboration provided PTS access to DTNA’s first battery electric-powered tractors and trucks available in the North American market. Since then, PTS has positioned itself at the forefront of learning and advancement toward the deployment of EVs.

In 2022, there were over 40 PTS locations with over 100 active charging ports that support the supply of energy to PTS’ electric trucks.

In addition to focusing efforts on enhancing the charging network, PTS has also focused its resources and efforts on purchasing, leasing, renting, maintaining, and testing electric trucks from a variety of manufacturers, including Ford, International, Freightliner, Volvo, and other emerging EV makers across the light-, medium-, and heavy-duty vehicle classes. While the PTS EV fleet currently remains less than 1.0% of its total fleet, PTS anticipates the category to continue expanding as commercial

EVs and related charging infrastructure become more widely available and its customers become more acclimated with the technology.

In 2022, PTS continued to introduce EVs with its customer base and educate the marketplace about electric commercial vehicles to stay on the cutting edge of innovative trucks and tractors in the automotive industry, by co-producing the [fourth annual State of Sustainable Fleets Market Brief](#) in collaboration with Shell, Daimler Truck North America, and industry consulting firm Gladstein, Neandross & Associates.



## Resource Management

Penske Automotive Group is dedicated to efficiently using resources and reducing the environmental impact of our facilities' waste. By maximizing resource efficiency and use, we inherently reduce excess waste. Several strategies are in place to ensure efficient resource use and that regular and hazardous waste are responsibly disposed of, and third parties are used to manage, collect, and process recycled materials for our service departments.

### POLLUTION AND WASTE

In addition to efficient resource management, we can reduce waste by continuing to promote efficient and environmentally conscious resource consumption as we further lessen our environmental impact.

We conduct waste audits in the U.S. and U.K. that provide valuable data to help us understand our waste streams and disposal options. We are also collaborating with third-party waste collectors that provide recycling and resource recovery solutions. By standardizing data collection and tracking, we can minimize waste sent to landfills.

### WASTE MANAGEMENT

We take hazardous and non-hazardous waste management seriously. If not handled properly, hazardous waste could have a direct impact on the environment and the health and safety of our people. Hence, our safety team's top priority is properly containing and handling hazardous materials.

Our service centers manage liquid hazardous waste, taking precautions against spills by ensuring our waste storage tanks are double-walled, which offers a layer of secondary containment. The tanks are inspected regularly and undergo maintenance as needed.

### RECYCLING OF WASTE

Over the years, we have taken steps to enhance recycling programs, including recycling tires, oil, oil filters, batteries, plastics, vehicle fluids, and more. Penske Automotive Group partners with a third-party to manage, collect, and process recycling for many of the hazardous and non-hazardous materials that pass through our service departments.

We use certified third-party waste management companies to help collect, manage, recycle,

and properly dispose of our hazardous and non-hazardous waste in our service departments, such as mercury bulbs, oil filters, antifreeze solution, lead acid batteries, used oil, and waste from brakes and other parts. In the U.K., all hazardous waste is collected and processed by an ISO-accredited waste management company, and all general waste is transported to a materials recycling facility for processing. At this facility, all recyclable materials are sorted, and the remainder of the waste is recovered and processed into refuse-derived fuel or solid recovered fuel. This means that our U.K. facilities achieved zero waste to landfill in 2022. In the U.S., our closed-loop recycling program for used oil and solvents eliminates potentially unnecessary waste products while avoiding additional greenhouse gas emissions, resulting in over 6,500 metric tons of carbon dioxide equivalents avoided in 2022.

Both our U.S. and U.K. operations recover tires for recycling. In 2022, our U.K. operations recovered over 85% of tires for recycling in partnership with National Tyre Recovery. Our U.S. operations in 2022 recycled more than 102,000 tires. These recycled tires

may become material for athletic tracks, playgrounds, horse riding arenas, artificial turf, or other applications.

### WATER MANAGEMENT

We recognize that water scarcity is becoming an increasingly important issue, and depending on the location, water may be scarcer at some of our dealerships than at others. Since water is a limited and shared resource, management of it is important, and we are setting a foundation to better understand our water consumption and usage.

Water quality protection programs restrict certain discharges from some of our operations, and requirements can vary depending on the locale. At some of our U.S. dealerships, we have installed water reclamation systems in our car washes to recycle a percentage of the used water.





# SERVING COMMUNITIES



# SERVING COMMUNITIES

## Serving Communities

Community support is an important part of our effort to build relationships with stakeholders and promote equity beyond our business. We engage with communities philanthropically in three ways: through corporate sponsorship, locally through our dealerships, and via partnerships with other Penske companies.

Our business is inherently local, and earning the trust of local communities is central to our business success. Our dealerships provide job opportunities, support local supply chains, conduct fundraisers, donate, and spend hours volunteering in their communities. We encourage our team members to find fulfillment in their careers as well as their personal lives. Their passion and dedication makes a difference for local hospitals, schools, animal rescue organizations, homeless shelters, food banks, and other institutions that rely on volunteer help.

## Corporate Sponsorship

Veterans are an important part of the Penske Automotive Group team. We proudly support veterans and current members of our armed forces, and we employ many individuals as they transition from active duty to civilian life. As a Company, we contribute to organizations that benefit veterans and active-duty members of the military, including Paralyzed Veterans of America (“PVA”).

Our dealerships have supported PVA since 2015 as it works to ensure paralyzed and disabled veterans get the care, benefits, and job opportunities they need to thrive. In 2022, we donated \$1.3 million to PVA, among other initiatives.



### CORPORATE SPONSORSHIP

While our business is inherently local, we also aim to positively impact the larger community. As such, we proudly support veterans and current members of our armed forces and employ many individuals as they transition from active duty to civilian life.



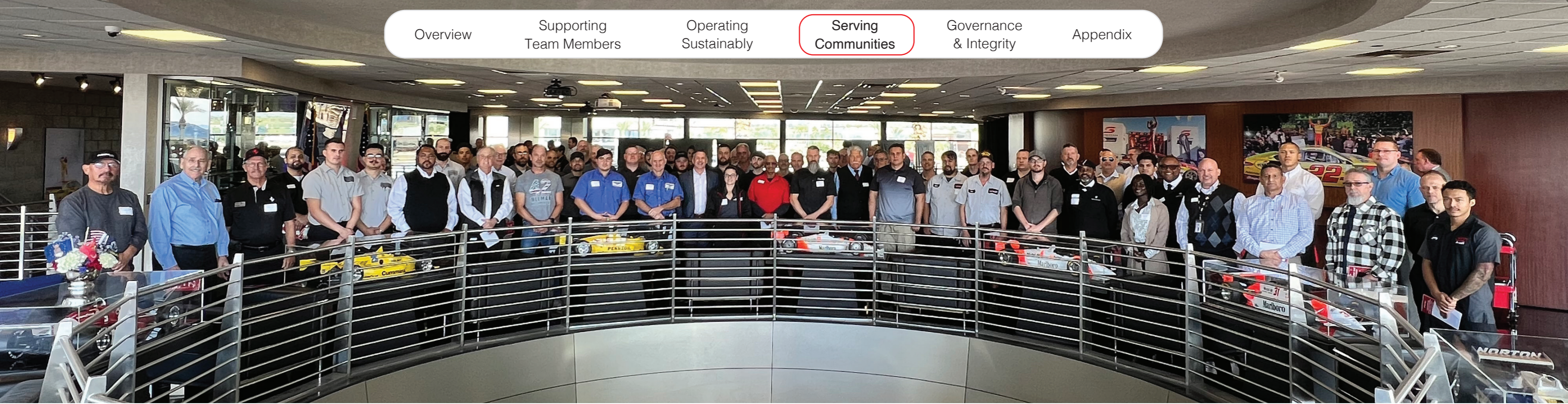
### LOCAL IMPACT

We encourage our dealerships to play an essential role in supporting their local communities and philanthropic organizations.



### PARTNERING FOR POSITIVE IMPACT

Penske Automotive Group has a long history of collaborating with various partners to support initiatives geared towards positive community impact.



## Local Impact

Our business is inherently local. Being a leader within our communities is a fundamental pillar of our culture and business philosophy. We encourage our dealerships to support their local communities and philanthropic organizations.

Throughout 2022, our dealerships undertook numerous community initiatives, some of which are outlined below:

**Responding to Our Community.** In response to community needs, our dealerships in Florida accepted donations from employees and customers to aid those affected by Hurricane Ian in the fall of 2022.

**Health and Safety – Beyond Our Four Walls.** In October 2022, dealerships in our Eastern U.S. region partook in fundraising for the Gloria

Gemma Breast Cancer Resource Foundation.

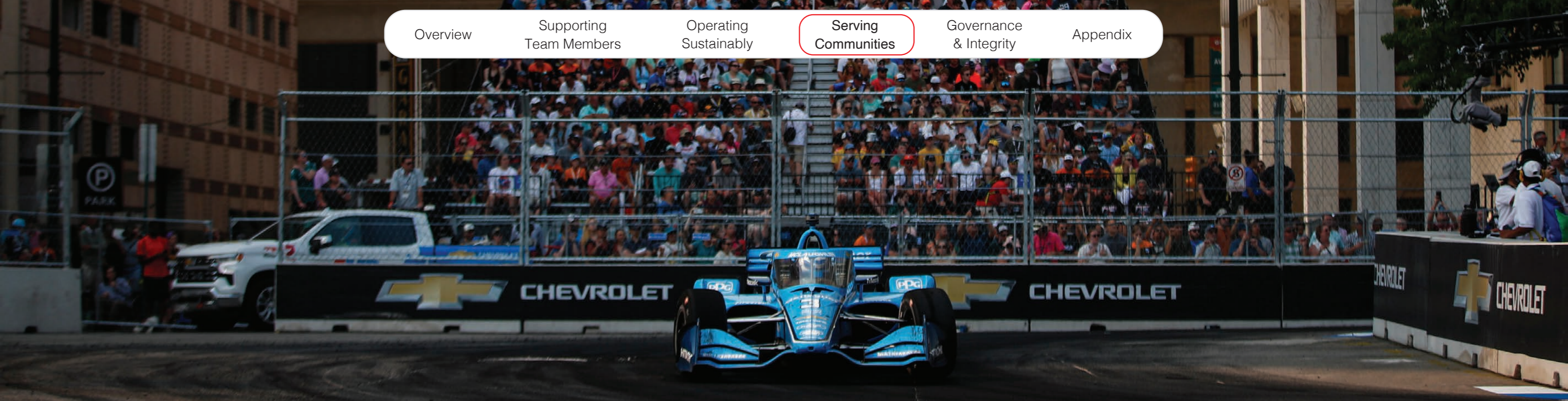
**Serving Food to Those in Need.** Penske Automotive Group dealerships across the U.S. raised money for local food banks and food pantries. For example, some of our California dealerships raised money for the Central California Food Bank.

**Supporting Children’s Activities.** Penske Automotive Group dealers across the U.S. supported families and children in extracurricular activities. For example, a dealership funded instrument rentals for children in 2022, a second dealership sponsored a little league team’s uniform, and a third dealership sponsored girls’ and boys’ basketball team games at its local high school.

**Supporting People in Our Industry.** Since March 2020, our U.K. team has donated money to its biggest charity partner, Ben – the automotive charity that supports those working, or who have previously worked, in the automotive industry.

*\$4.1 million donated to charities and philanthropic initiatives in 2022.*





## Partnering For Positive Impact

The Penske Family of Companies has a long history of collaborating with a variety of partners to support a number of initiatives geared towards positive community impact. In 2023, one single event demonstrates the type of partnerships and positive impact the Penske Family of Companies strive to support.

**2023 Detroit Grand Prix.** The Detroit Grand Prix started in 1982 as a Formula One race. In 1989, the event welcomed Championship Auto Racing Teams as its primary series, and hosted the first INDYCAR races. The Detroit Grand Prix moved to Belle Isle Park in 1992 and returned to downtown Detroit in 2023. The race was designed so more than 50% of the racetrack was open to the public, free of charge. This

intentional design allowed the people of Detroit to come together to experience the race while also bringing people to the area where small businesses had set up for the race weekend.

As part of the event's return, a new multi-year community partnership and engagement program brought corporate partners together to highlight local artists, create opportunities for small businesses, and build a presence in Detroit's neighborhoods leading up to race weekend.

Students from the Boys and Girls Club of Southeastern Michigan highlighted key elements of the Grand Prix in eight digitally designed murals that pay tribute to local communities and the race itself. The murals,

measuring 24 feet long and three feet high, were placed in front of viewing platforms and were made accessible to fans free of charge during the event.

Another important component of the event's Community Partnership program was the first-ever Small Business Straightaway, formed by 29 companies to highlight the legacy of businesses owned or operated by People of Color, including Black and Indigenous people, in Detroit. The Straightaway provided local companies the opportunity to market their businesses, products, and services.

The event also included sustainability considerations, including industry-leading initiatives designed to reduce the overall carbon footprint across the sport. The 2023 Grand Prix became the first motorsports event in history to offset race attendees' travel-generated emissions by investing in nature-based forest preservation projects held by private U.S. landowners.

Overview

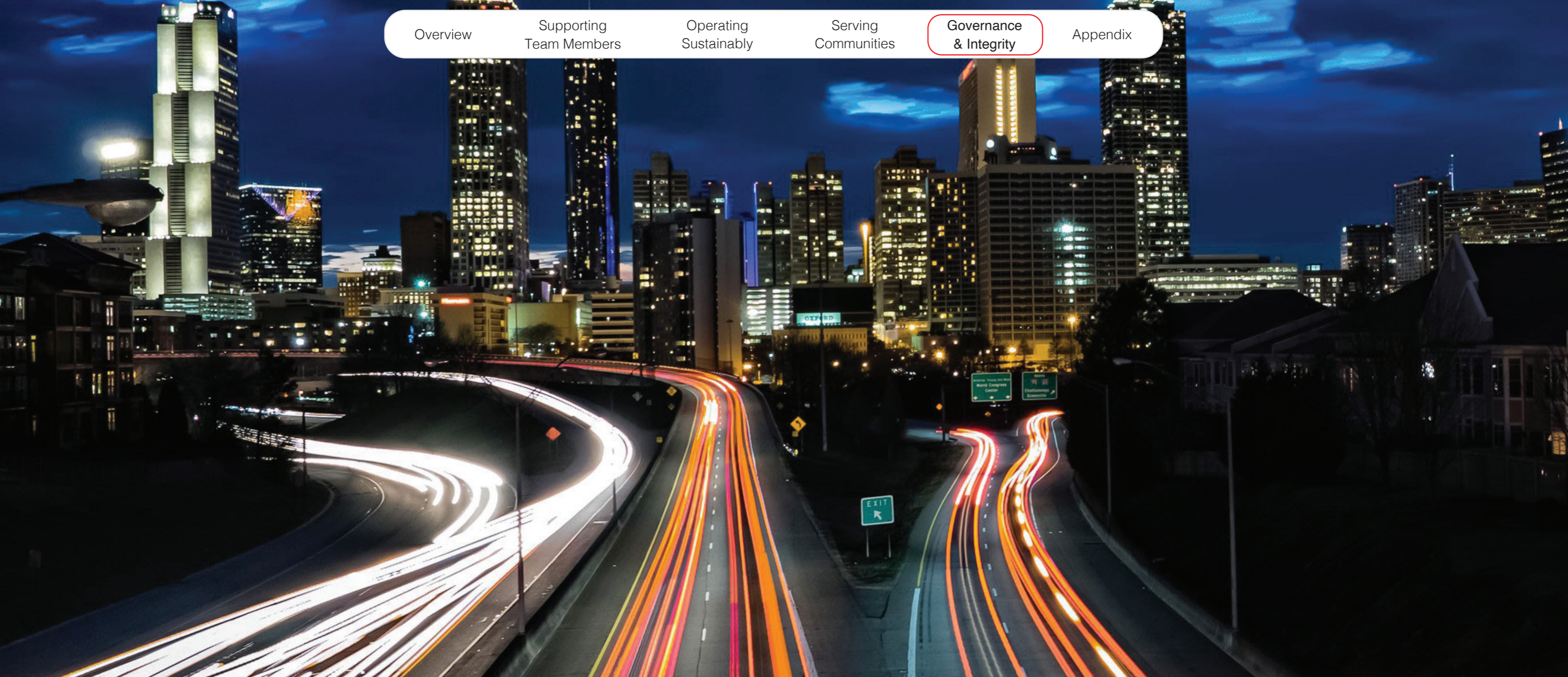
Supporting  
Team Members

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Governance  
& Integrity

Appendix



# GOVERNANCE & INTEGRITY



# GOVERNANCE & INTEGRITY

## Corporate Governance And Acting With Integrity

It is our policy to be a good corporate citizen. Wherever we do business, our associates are required to comply with all applicable laws, rules, and regulations. We are dedicated to maintaining the highest standards of business integrity and ethical conduct. Adherence to sound principles of corporate governance is vital to protecting our reputation, investor confidence, and customer loyalty. Corporate governance is an integral part of the foundation that guides our corporate culture, business objectives, and helps accommodate stakeholder interests. We promote a culture of uncompromising ethics and integrity in all that we do, including corporate governance, oversight, accountability, and transparency. Simply complying with the law is not enough. Leading responsibly means that each member of our team is personally responsible for making sure that business decisions and actions comply with our company policies. [Learn more.](#)



## Our Board Of Directors

Our business is managed under the direction of our [Board of Directors \(“the Board”\)](#), elected by the shareholders, including a majority of independent members. The role of the Board is to guide the Company’s long-term strategy, and it represents the highest level of oversight at the Company. Our Board remains committed to promoting a culture of uncompromising ethics and integrity in all that we do and views the identification and effective management of ESG-related priorities, risks, and opportunities as a critical component of the Board’s overall risk management and oversight responsibilities. The Board also helps to ensure our policies and processes support the Company’s business objectives and contribute to sustainable value creation for the Company’s stakeholders.

### BOARD COMMITTEES

The Board maintains four standing committees: Audit, Compensation and Management Development, Nominating and Corporate Governance, and Executive. Other than the Executive Committee, each committee is chaired by an independent director and governed by its own charter. These standing committees each have a written charter setting forth their respective responsibilities and authorities and enhancing the Board’s oversight over the Company. In 2022, our board members attended 97% of the Board and committee meetings.

**Audit Committee.** The Audit Committee is responsible for upholding the integrity of the Company’s financial statements and monitoring the qualifications, independence, and performance of our independent and internal audit functions, as well as reviewing the Company’s key risk areas. The TCFD Appendix to this report includes additional information

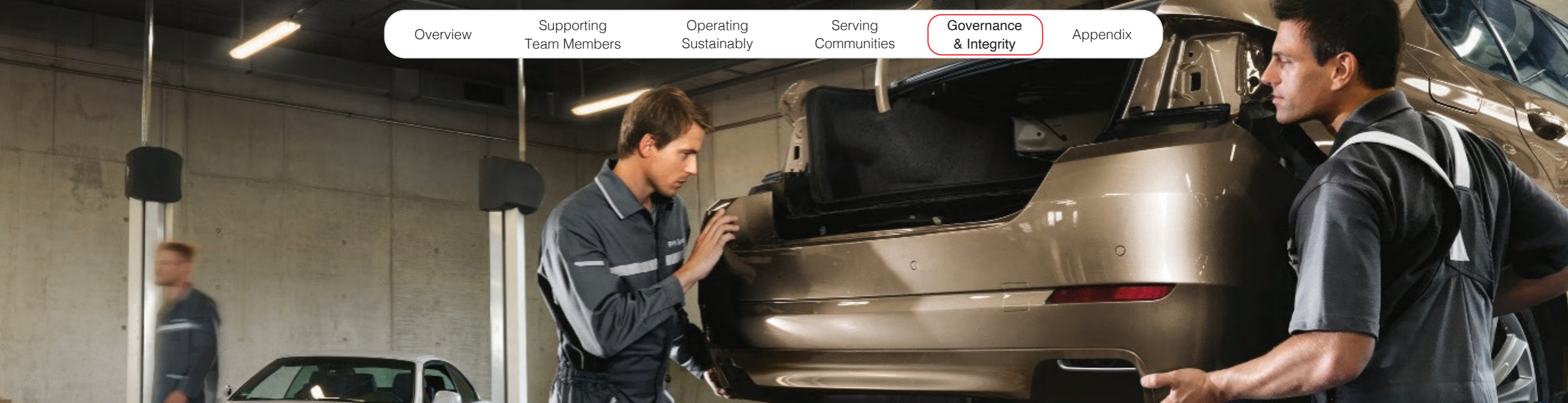
about the role of the Audit Committee with respect to the Company’s risk oversight.

**Compensation and Management Development Committee (“Compensation Committee”).** The Compensation Committee reviews and approves the compensation of each of the Company’s executive officers. Additionally, the committee approves compensation-related corporate goals and objectives.

**Nominating and Corporate Governance Committee (“NCG Committee”).** The NCG Committee reviews the size, responsibilities, and composition of the Board and evaluates new Board candidates as needed. Additionally, the NCG Committee is responsible for the development and implementation of the corporate governance guidelines and our Code of Business Conduct and Ethics. The NCG Committee has been delegated oversight over ESG matters and is tasked with (i)

recommending to the Board our overall strategy with respect to ESG matters, (ii) overseeing our policies, practices, and performance with respect to ESG matters, and (iii) overseeing our reporting formats and standards with respect to ESG matters. The NCG Committee also reviews our ESG disclosures, certain ESG third-party evaluations, and scoring metrics, and discusses our ongoing ESG initiatives with management at least annually.

**Executive Committee.** The Executive Committee’s purpose is to be available to act upon matters when the Board is not in session.



## Maintaining High Standards

Our commitment to conducting business with honesty and integrity is captured in our [Code of Business Conduct and Ethics](#). The Code, which includes procedures for reporting ethical concerns, serves as a source of guiding principles and applies to our global workforce, modified to fit local country circumstances. We are committed to dealing fairly and honestly with our customers, manufacturers, suppliers, competitors, lenders, and associates. Our goal is to satisfy our customers' expectations 100% of the time. Associates, officers, and directors should gain the respect and loyalty of our customers with honesty, fairness, and with friendly, courteous, and forthright service. Each of us must deal with our customers, lenders, manufacturers, and other suppliers with honesty and integrity.

### DISCRIMINATION OR HARASSMENT

We are committed to providing a work environment free from any discrimination on the basis of race, color, creed, religion, sex, pregnancy, sexual orientation, gender identity and expression, marital status, national origin, ancestry, citizenship status, uniform service member and veteran status, age, genetic information, protected medical condition, disability, or any other protected status in accordance with all applicable federal, state, and local laws. It is our policy to provide equal opportunity to all associates regarding hiring, pay rates, training and development, promotions, and other terms of employment. We will not tolerate harassment, including sexual harassment, in any form. This includes verbal or

physical conduct that demeans or threatens any employee, officer, or director, creates a hostile work environment, unreasonably interferes with an individual's work performance, or otherwise adversely affects an individual's employment.

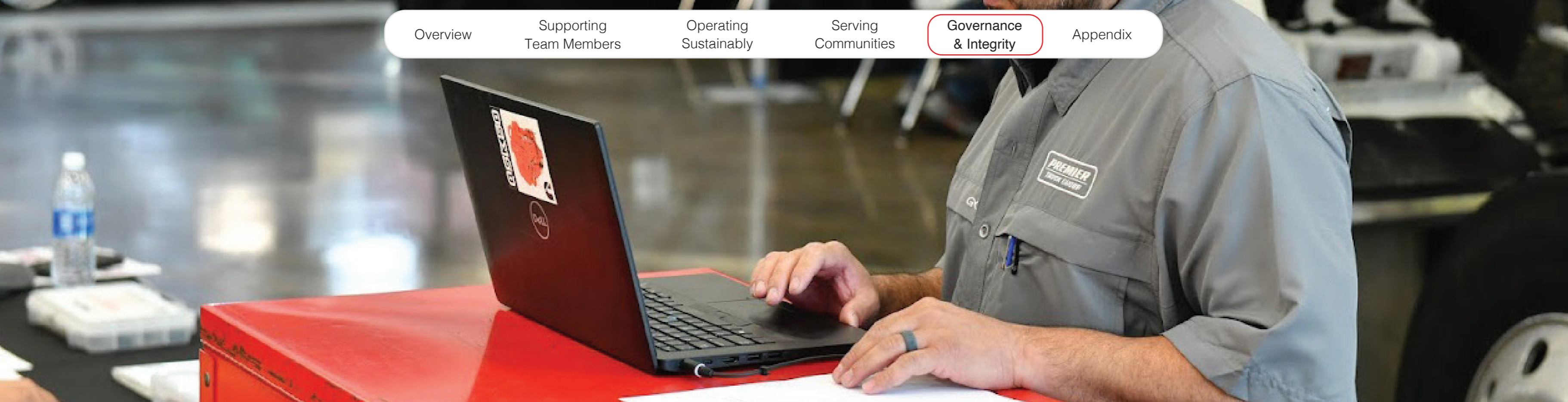
### HUMAN TRAFFICKING/CHILD LABOR

Our businesses have a zero-tolerance approach with respect to slavery and human trafficking in our operations. We support the California Transparency in Supply Chains Act of 2010 and the United Kingdom's Modern Slavery Act of 2015 and their intent to prevent and eliminate slavery and human trafficking from global supply chains by increasing transparency. We also ensure our operations do not involve the use of child labor and forced labor. [Learn more.](#)

### REPORTING MISBEHAVIOR

Transparency and accountability are the foundation of a workplace where all team members feel safe and comfortable. We have an open-door policy that encourages team members to raise any concerns with any manager, human resources representatives, or our internal team, or report anonymously using the Associate hotline.





## Maintaining Data Security

### DATA PRIVACY

In our increasingly information-based society, individual consumer information must be adequately protected. Respecting stakeholder privacy is a priority in all business areas. Our team members are required to protect sensitive personal information from inappropriate or unauthorized use or disclosure. We have also implemented fair and responsible privacy and information protection procedures and data breach response plans that comply with applicable laws. Further, we are committed to enabling our team members and customers to exercise full rights to their data. In the U.K., we fully comply with the General Data Protection Regime (“GDPR”), offering team members and customers the right to see, and in some cases

delete, their data. We also fully comply with the California Consumer Privacy Act (“CCPA”) which details similar rights for our California customers.

### DATA SECURITY AND TRAINING

We are committed to maintaining data security awareness for all team members in light of increasing third-party cyberattacks and ransomware threats. Starting with onboarding, we introduce information security awareness to every employee and reinforce this through training on topics such as phishing, physical security, and protecting sensitive information. This initial training is reinforced with periodic communications and follow-up training.

Further, we:

- » Maintain a crisis communication playbook to address specific situational considerations, including a data breach, ransomware, distributed denial-of-service attacks, and phishing.
- » Audit our data security through simulated attacks on our digital infrastructure.
- » Review incidents with senior management and our Board of Directors annually at a minimum.
- » Ensure our infrastructure is up to date with the newest data protection technologies.

### LOOKING AHEAD

We are pleased to share how we have advanced our ESG initiatives in this year’s report. We are confident that by continuing to be faithful to the principles supplied in this report, we are well-positioned to create sustainable value for our team members, customers, communities, and shareholders well into the future.

[Overview](#)

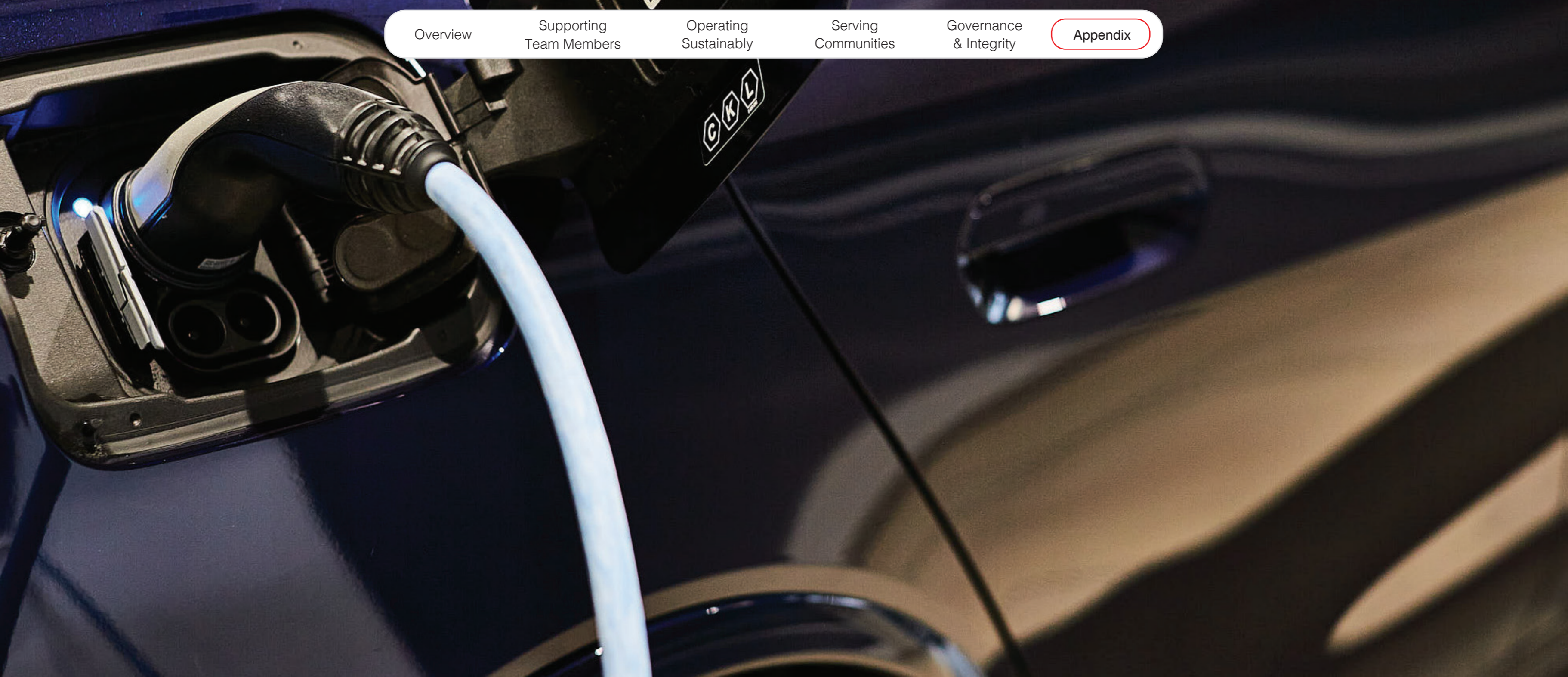
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# APPENDIX



## 2022 Performance Data **Workforce**

### RACIAL/ETHNIC COMPOSITION OF NORTH AMERICAN WORKFORCE AND BOARD OF DIRECTORS

	American Indian/ Alaska Native			Asian			Black/African American			Hispanic/Latino		
	2022	2021	2020	2022	2021	2020	2022	2021	2020	2022	2021	2020
<b>Total</b>	0.5%	0.5%	0.5%	6.4%	6.3%	6.2%	6.2%	5.9%	6.2%	28.2%	26.6%	26.7%
<b>Board of Directors</b>	0.0%	0.0%	0.0%	7.7%	7.7%	7.7%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Management</b>	0.3%	0.3%	0.2%	5.2%	4.6%	4.8%	3.7%	3.8%	3.6%	15.0%	15.4%	14.7%
<b>All other employees</b>	0.5%	0.5%	0.6%	6.6%	6.5%	6.4%	6.5%	6.3%	6.6%	30.1%	28.3%	28.3%

### RACIAL/ETHNIC COMPOSITION OF NORTH AMERICAN WORKFORCE AND BOARD OF DIRECTORS (CON'T)

	Native Hawaiian/ Other Pacific Islander			Two or More Races			White			Not Specified		
	2022	2021	2020	2022	2021	2020	2022	2021	2020	2022	2021	2020
<b>Total</b>	0.4%	0.4%	0.4%	1.6%	1.5%	1.2%	56.0%	58.3%	58.6%	0.7%	0.5%	0.3%
<b>Board of Directors</b>	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	92.3%	92.3%	92.3%	0.0%	0.0%	0.0%
<b>Management</b>	0.3%	0.2%	0.3%	1.2%	1.2%	0.9%	73.9%	74.1%	75.5%	0.4%	0.4%	0.1%
<b>All other employees</b>	0.4%	0.4%	0.4%	1.7%	1.6%	1.2%	53.3%	55.9%	56.3%	0.8%	0.5%	0.4%

## 2022 Performance Data **Workforce**

GENDER COMPOSITION OF NORTH AMERICAN AND UNITED KINGDOM WORKFORCE AND BOARD OF DIRECTORS						
	Women			Men		
	2022	2021	2020	2022	2021	2020
<b>Total</b>	22.0%	22.0%	23.0%	78.0%	78.0%	77.0%
<b>Employee Category</b>						
<b>Board of Directors</b>	23.1%	23.0%	23.0%	76.9%	77.0%	77.0%
<b>Management</b>	19.1%	18.4%	17.0%	80.9%	81.6%	83.0%
<b>All other employees</b>	22.4%	22.5%	24.0%	77.6%	77.5%	76.0%
<b>Region</b>						
<b>North America</b>	19.6%	20.0%	20.0%	80.4%	80.0%	80.0%
<b>United Kingdom</b>	25.2%	26.0%	27.0%	74.8%	74.0%	73.0%

EMPLOYEE TURNOVER OF NORTH AMERICAN AND UNITED KINGDOM WORKFORCE			
	Employee Turnover Rate (Percentage)		
	2022	2021	2020
<b>Total</b>	19.7%	20.2%	19.1%
<b>Voluntary</b>	17.1%	18.0%	15.0%
<b>Involuntary</b>	2.6%	2.2%	4.1%

## 2022 Performance Data **Environmental**

<b>NORTH AMERICAN ENERGY CONSUMPTION AND GREENHOUSE GAS EMISSIONS</b>			
	<b>2022</b>	<b>2021</b>	<b>2020</b>
Total grid electricity (GJ)	488,187	Unavailable	Unavailable
<b>Scope 2 Emissions (MTCO<sub>2</sub>e)</b>	47,047	Unavailable	Unavailable
<b>U.K. ENERGY CONSUMPTION AND GREENHOUSE GAS EMISSIONS*</b>			
<b>Total energy consumption (GJ)</b>	625,823	582,102	604,845
Total grid electricity (%)	31.3	31.5	26.8
Total renewable energy (%)	26.9	Unavailable	Unavailable
<b>Scope 1 Emissions (MTCO<sub>2</sub>e)</b>	25,477	23,544	26,761
<b>Scope 2 Emissions (MTCO<sub>2</sub>e)</b>	7,936	10,826	10,449

\*The above information is aligned with the GHG Protocol methodology and reflects data from the U.K. group's (Sytner Group Ltd.) operations. Estimation techniques have been employed to facilitate data collection and where there are gaps within invoiced supplier data. Estimations within this report are within the reasonable limits outlined within the applicable U.K. legislation.

# 2022 SASB Index **SASB Sector Standards 2018\***

\*Penske Automotive Group's 2023 Corporate Responsibility Report applies the 2018 version of the Multiline and Specialty Retailers & Distributors Sustainability Accounting Standards; "2018" refers to the Standards issue date, not the date of information presented in this report.

2022 SASB INDEX		
MULTILINE AND SPECIALTY RETAILERS & DISTRIBUTORS SUSTAINABILITY ACCOUNTING STANDARDS		
SASB Code	Accounting Metric	2022 Answer, Cross-Reference, Omissions, and Explanations
<b>ENERGY MANAGEMENT IN RETAIL &amp; DISTRIBUTION</b>		
CG-MR-130a.1	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable energy	2022 Performance Data, p. 37
<b>DATA SECURITY</b>		
G-MR-230a.1	Description of approach to identifying and addressing data security risks	<p>We are aware of the increased incidence of internet-based attacks and their potential impact on cybersecurity and data protection. Our control processes constantly evaluate service attacks for origination. To secure our systems that store or transmit electronic information, we have implemented multi-layered preventive controls, such as web and cloud application firewalls, which use aggregated intelligence to proactively detect and block a majority of attacks. We have implemented policies and procedures to promote cybersecurity risk management and strategy and enhance mitigation efforts against cyber-attacks and similar threats. Among other things, we have a designated Chief Information Officer, reporting to our President, who is charged with implementing and overseeing a comprehensive written Information Security Program. In connection with the Information Security Program, the Company at least annually performs cybersecurity risk assessments to analyze the materiality of identified risks, the likelihood of such risks materializing, and the scope and intensity of adverse impacts if such risks result in the compromise of our information systems or sensitive information stored by us or on our behalf.</p> <p>Our Information Security Program includes proactive measures to manage cybersecurity risks and threats, including mandatory annual security awareness training for all personnel with enhanced training for designated information security personnel; enterprise-wide phishing simulations and security assessments; a written incident response plan in the event of qualifying cyber incidents; a business continuity and recovery plan in the event of a cybersecurity incident; and the implementation of targeted access controls, including multi-factor authentication, with respect to sensitive information and various other measures. We identify vulnerabilities in our information systems through proactive scanning of system assets for known vulnerabilities.</p> <p>Our outsourced managed security source operates 24/7, identifying threats and vulnerabilities. We proactively manage vulnerabilities from major software publishers through a global patching program. We continue to monitor and enhance our internal processes and conduct an annual security assessment performed by a third-party. To prevent unauthorized access to our information systems, we have a system of controls in place to manage user access under auditing from a third-party and as part of management's Sarbanes-Oxley ("SOX") controls. Our employees acknowledge an acceptable use policy and are trained in how to identify information security risks in the workplace and in their personal lives. Our information security policy addresses procedures, processes, training and awareness, and critical technology controls.</p> <p><a href="#">Penske Automotive Group 2022 10-K (p. 13-14, 28)</a></p>

## 2022 SASB Index **SASB Sector Standards 2018\***

\*Penske Automotive Group's 2023 Corporate Responsibility Report applies the 2018 version of the Multiline and Specialty Retailers & Distributors Sustainability Accounting Standards; "2018" refers to the Standards issue date, not the date of information presented in this report.

### 2022 SASB INDEX

#### MULTILINE AND SPECIALTY RETAILERS & DISTRIBUTORS SUSTAINABILITY ACCOUNTING STANDARDS

SASB Code	Accounting Metric	2022 Answer, Cross-Reference, Omissions, and Explanations
CG-MR-230a.2	(1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of customers affected	We did not experience any material data breaches in 2022.
<b>LABOR PRACTICES</b>		
CG-MR-310a.1	(1) Average hourly wage and (2) percentage of in-store employees earning minimum wage by region	(1) Average hourly wage <sup>1</sup> (a) North America: \$43.54 (b) United Kingdom: \$22.56 <sup>2</sup> (£18.24)  (2) Percentage of in-store employees earning minimum wage (a) United States: 0.2% (b) United Kingdom: 0.0%
CG-MR-310a.2	(1) Voluntary and (2) involuntary turnover rate for in-store employees	2022 Performance Data, p. 36
CG-MR-310a.3	Total amount of monetary losses as a result of legal proceedings associated with labor law violations	We did not sustain any material monetary losses as a result of legal proceedings associated with labor law violations in 2022.
<b>WORKFORCE DIVERSITY &amp; INCLUSION</b>		
CG-MR-330a.1	Percentage of gender and racial/ethnic group representation for (1) management and (2) all other employees	2022 Performance Data, p. 35-36
CG-MR-330a.2	Total amount of monetary losses as a result of legal proceedings associated with employment discrimination	We did not sustain any material monetary losses as a result of legal proceedings associated with employment discrimination in 2022.

<sup>1</sup>Reflects total full-time employee compensation divided by full-time regular hours.

<sup>2</sup>Based on 2022 average exchange rate of GBP to USD.

## 2022 SASB Index **SASB Sector Standards 2018\***

\*Penske Automotive Group's 2023 Corporate Responsibility Report applies the 2018 version of the Multiline and Specialty Retailers & Distributors Sustainability Accounting Standards; "2018" refers to the Standards issue date, not the date of information presented in this report.

### 2022 SASB INDEX

#### MULTILINE AND SPECIALTY RETAILERS & DISTRIBUTORS SUSTAINABILITY ACCOUNTING STANDARDS

SASB Code	Accounting Metric	2022 Answer, Cross-Reference, Omissions, and Explanations
<b>PRODUCT SOURCING, PACKAGING &amp; MARKETING</b>		
CG-MR-410a.1	Revenue from products third-party certified to environmental and/or social sustainability standards	We do not sell third-party products certified by environmental and/or social sustainability standards. We do, however, sell electric vehicles at our automotive retail locations.
CG-MR-410a.2	Discussion of processes to assess and manage risks and/or hazards associated with chemicals in products	<p>Operating Sustainably, p. 19 Health, Safety, and Wellbeing, p. 9-10</p> <p>At Penske Automotive Group, we take managing hazardous and non-hazardous waste seriously. Hazardous waste, if not handled properly, not only has a direct impact on the environment but also the health of our people.</p> <p>Additionally, our collision and repair centers use water-based paints and solvents that pose significantly less risk to environmental and human health than traditional paints, which can contain hazardous substances.</p>
CG-MR-410a.3	Discussion of strategies to reduce the environmental impact of packaging	This disclosure is not applicable.
CG-MR-000.A	Number of (1) retail locations and (2) distribution centers	As of December 31, 2022: (1) retail locations: 338 retail automotive franchises, 21 used vehicle dealerships, and 39 commercial truck facilities; (2) distribution centers: 1. As of December 31, 2022, we also operated 33 collision centers.
CG-MR-000.B	Total area of (1) retail space and (2) distribution centers	This information is not available.



## Task Force on Climate-Related Financial Disclosures Index

Penske Automotive Group, Inc. (“we,” “our,” and the “Company”) remains committed to transparency with respect to our sustainability initiatives and climate-based risk management. In addition to our 2023 Corporate Responsibility Report being responsive to the Sustainability Accounting Standards Board (SASB) Multiline & Specialty Distributors sector reporting standard, this Appendix includes additional information responsive to the recommended disclosure framework established by the Task Force on Climate-Related Financial Disclosures (TCFD).

### GOVERNANCE

#### (a) Describe the board’s oversight of climate-related risks and opportunities.

Our Board of Directors (“the Board”) remains committed to promoting a culture of uncompromising ethics and integrity in all that we do and views the identification and effective management of environmental, social, and governance (“ESG”)-related priorities, risks, and opportunities as a critical component of the Board’s overall risk management and oversight responsibilities.

The Board maintains robust corporate governance policies designed to promote our culture of uncompromised integrity that have been implemented in a manner that facilitates active oversight and engagement regarding various ESG matters, including those with respect to climate-related risks and opportunities.

Consistent with these policies, the Board receives frequent updates regarding climate-related risks and opportunities in connection with its regularly scheduled meetings and, as part of ongoing strategy and risk-management sessions, engages in discussions regarding ESG initiatives and climate change-associated risks to our operations. In addition to this direct oversight, the Board has delegated oversight responsibilities with respect to climate-related risks to the following standing committees of the Board, each of which maintains ESG, sustainability, or climate-related responsibilities:

- » **Nominating and Corporate Governance Committee (“NCG Committee”).** The NCG Committee has been broadly delegated oversight

over ESG matters and is tasked with (i) recommending to the Board our ESG-related overall strategy, (ii) overseeing our ESG-related policies, practices, and performance, and (iii) overseeing our ESG-related reporting formats and standards. The NCG Committee reviews our ESG disclosures and certain ESG third-party evaluations and scoring and discusses our ongoing ESG initiatives with management at least annually.

- » **Compensation and Management Development Committee.** To align ESG initiatives across the broader organization, the Compensation and Management Development Committee has set specific targets and objectives concerning our ESG initiatives in developing and awarding compensation for our named executive officers.
- » **Audit Committee.** In addition to the Audit Committee’s oversight of the quality and integrity of the Company’s financial statements and internal audit functions, the Audit Committee is responsible for reviewing the Company’s key risk areas, including climate-related risks. Considering these responsibilities, the Audit Committee regularly reviews and evaluates climate-related risks and opportunities, including those identified by management, as further discussed in this Appendix.

#### (b) Describe management’s role in assessing and managing climate-related risks and opportunities.

We maintain management processes, reporting systems, and management-led committees to facilitate our ESG efforts and otherwise assess and manage climate-related risks and opportunities.

- » **Risk Report.** At least quarterly, our senior leadership team, including our Chief Financial Officer, General Counsel, and Executive Vice President, Financial Services and Global Risk Management, prepare a comprehensive summary of certain key risks facing the Company (the Risk Report). The Risk Report includes feedback from multiple constituencies within the Company, incorporating and evaluating heightened risk areas identified by senior management, the Company’s Compliance and Risk Review Boards (discussed below), functional area teams within the organization (i.e., audit, information technology, sustainability), and management at the regional and local dealership levels. In addition to various enterprise-wide risks identified throughout this management-led process, the Risk Report highlights environmental and climate-based risks and opportunities. Identified risks are each assigned to members of senior management or designated committees who are tasked with monitoring such risks and, where appropriate, implementing risk mitigation efforts. The Risk Report also clarifies Board oversight of each risk. The Risk Report is shared and discussed at least quarterly with the Audit Committee and periodically with the full Board, with certain specified risks and mitigation efforts reported to the Board or designated standing committees on a more frequent basis, as appropriate.
- » **Sustainability Steering Committee.** Management is represented on a cross-disciplinary Sustainability Steering Committee (the Sustainability Committee), which includes members of the Company’s senior management and representatives from the Company’s affiliates, Penske Corporation (including Penske

Corporation’s racing subsidiaries) and Penske Transportation Solutions. The Sustainability Committee facilitates collaboration across Penske companies concerning sustainability best practices and is guided by functional personnel with relevant experience in climate-based disclosure matters, environmental initiatives, and climate-related risk management. The Sustainability Committee coordinates the development of strategic initiatives and policies to assist our efforts in the areas of energy consumption, climate change management, greenhouse gas emissions, water use and waste disposal, and other sustainability and climate-related risks and opportunities.

- » **Designated Sustainability and Risk Management Personnel.** We have appointed a Vice President of Sustainability and a Sustainability Program Leader whose roles are to direct our sustainability efforts from a management perspective. Our Executive Vice President, Financial Services and Global Risk Management, and Treasurer is responsible for guiding and overseeing various aspects of the Company’s risk management. Among other things, this position leads management to identify and mitigate enterprise-wide risks, including through the maintenance of adequate insurance programs.
- » **Dealership Risk Management.** At the dealership level, regional executive managers and local general managers are responsible for tracking energy consumption and identifying and implementing dealership-level sustainability initiatives to minimize environmental impacts, including purchasing renewable or alternative energy sources, managing and recycling hazardous waste, and adopting paper elimination initiatives, among others.

## Task Force on Climate-Related Financial Disclosures Index

### STRATEGY

**(a) Describe the climate-related risks and opportunities the organization has identified over the short-, medium- and long-term.**

**(b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.**

The processes identified above have been instrumental in helping to evaluate climate-related risks and opportunities with the potential to impact our operations. Climate-related risks are separated into two categories:

- » Transition Risks that arise from actions associated with the transition to a low-carbon economy, including the introduction of new climate policies or low-carbon technologies, and
- » Physical Risks that arise from the physical impacts of climate change. Where applicable, this process describes corresponding climate-related opportunities.

See following pages for discussion of identified climate-related risks and opportunities.

**(c) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.**

Set forth below are the key risks and opportunities for our business regarding climate change. We are fortunate that most of our locations are not in areas more prone to adverse impacts of flooding, and we are diversified in our revenue streams, our suppliers, and our geographic operations, so we expect to be less affected by isolated adverse climate effects. We believe the principal effect on our operations of different climate scenarios such as those generating higher global temperatures will be to increase the rate of adoption of EVs and, potentially, other alternate, and more environmentally friendly, vehicle propulsion systems, in accordance with the discussion below. We offer over 35 vehicle brands for sale at our franchised automotive dealerships, and we expect to continue to offer the full range of vehicles provided to us by these manufacturers. Most of our principal vehicle suppliers have announced plans to increase the electrification of their vehicle fleets, and we expect our manufacturer partners over time to adapt to consumer sentiment toward electrification, which we believe will alleviate some of the risks posed by different climate scenarios.

## Task Force on Climate-Related Financial Disclosures Index

### CLIMATE-RELATED RISKS AND OPPORTUNITIES

TRANSITION RISKS	Description and Impacts
<p><b>Vehicle Emission Regulations</b></p>	<p>Federal and state governments and regulators have increasingly placed restrictions and limitations on vehicles sold in the market to combat perceived negative environmental effects. For example, in the U.S., automotive manufacturers are subject to federally mandated corporate average fuel economy standards, which will increase substantially through 2026. Moreover, the U.S. Environmental Protection Agency (“EPA”) recently proposed new requirements for model year 2027 and later vehicles, which are significantly more restrictive than existing requirements which are designed to incent an increased adoption of electric vehicles. Representatives of the U.K. government have proposed a ban on the sale of gasoline engines in new cars and new vans that would take effect in 2035. The European Parliament approved a law requiring most automakers to reduce the emissions of new cars sold by 55% in 2030 and achieve a zero carbon-emission standard by 2035, effectively banning the sale of new gasoline and diesel cars and vans by 2035. Similar legislation has been announced in several states, which would ban the sale of new vehicles with gasoline-only engines in cars in 2035. The California legislation requires 35% of all new vehicles sold to meet a zero emissions standard by 2026 (with certain allowances for hybrid gas/electric vehicles), and that which percentage requirement increases until 2035, after which 100% of new vehicles sold must comply. Significant increases in fuel economy requirements and new restrictions on emissions from vehicles and fuels could adversely affect prices of and demand for the vehicles that we sell, which could materially adversely affect us.</p>
<p><b>Vehicle Electrification Impacting Parts and Service Revenue</b></p>	<p>Most major vehicle manufacturers have announced plans to electrify some or all their new vehicle fleets in response to concerns about the environment and due to regulatory requirements to limit vehicle emissions as noted above. While increasing consumer adoption of electric vehicles may present new service opportunities, including with respect to range maintenance and optimization, cooling protection, torque protection, battery replacement, and warranty on newly released models, our service revenues may decline over time, as these electric vehicles may require less physical maintenance than gas and hybrid vehicles due to the absence of certain parts systems.</p>
<p><b>Electric Vehicle Sales Outside the Franchise System</b></p>	<p>In recent years, new electric vehicle manufacturers have been able to conduct new vehicle sales outside of the franchised automotive system as new entrants. While the sales levels of these new entrants were approximately 3.7% of new vehicles sold in the U.S. in 2022 and approximately 3.4% of new vehicles sold in the U.K. in 2022, continued market share gains by manufacturers operating outside the franchise system may materially and adversely affect us.</p>
<p><b>Environmental and Climate Change Regulations</b></p>	<p>Scientific evidence suggests that the globe is warming, potentially resulting in an environment more prone to natural disasters such as flooding. To date, we have seen increases in our cost to insure against such risks. These costs could increase should this trend continue. We are subject to a wide range of environmental laws and regulations, including those governing discharges into the air and water, the operation and removal of storage tanks, and the use, storage, and disposal of hazardous substances. In the normal course of our operations we use, generate, and dispose of materials covered by these laws and regulations. In the face of climate change, these laws could become more stringent. We face potentially significant costs relating to claims, penalties, and remediation efforts in the event of non-compliance with existing and future laws and regulations. Furthermore, should climate change continue, we expect further regulation of internal combustion engines and vehicle emissions, which may affect the types of vehicles we sell and service. We cannot predict the future costs to our businesses for these developments. Significant adverse weather-related events, supply chain issues, or other events that interrupt vehicle or parts supply to our dealerships would likely have a significant and adverse impact on the industry, including us, particularly if the events impact any of the manufacturers whose franchises generate a significant percentage of our revenue.</p>
<p><b>Emissions Regulation for Commercial Trucks</b></p>	<p>We operate Premier Truck Group (“PTG”), a heavy- and medium-duty truck dealership group offering primarily Freightliner and Western Star trucks (both Daimler brands). We also own a 28.9% ownership interest in Penske Transportation Solutions (“PTS”) and record our share of PTS’s earnings on our statements of income as an equity method investment. With a broad product offering that includes full-service truck leasing, contract maintenance, and truck rental, along with logistics services, such as dedicated contract carriage, distribution center management, freight management, and dry van truckload carrier services, PTS is one of North America’s largest purchasers of commercial trucks, which are subject to similar regulatory risks as noted above regarding emissions or other regulatory requirements, as manufacturers may be required to install additional components or make modifications to comply with regulations. The EPA has proposed to revise existing standards to reduce greenhouse gas emissions from heavy-duty vehicles in model year 2027 and set new, more stringent standards for model years 2028 through 2032. Moreover, the Advanced Clean Trucks and Advanced Clean Fleet rules, as adopted by the California Air Resources Board (“CARB”) and several other states, will require certain truck manufacturers to sell zero-emission trucks as an increasing percentage of their annual sales beginning in 2024, and PTS and other large fleets purchase a certain percentage of these vehicles (whether such vehicles are available). Should these or future regulations or consumer sentiment hinder our or PTS’s ability to maintain, acquire, sell, or operate trucks, we could be adversely affected.</p>

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### CLIMATE-RELATED RISKS AND OPPORTUNITIES

PHYSICAL RISKS	Description and Impacts
<b>Extreme Weather – Supply Chain</b>	Increased intensity, frequency, or duration of storms, droughts, flooding, or other significant adverse weather-related events that may result from climate change could disrupt the production, cost, procurement, or supply of products from our manufacturers or suppliers, which, in turn, may impact the delivery of vehicle or parts supply to our dealerships and our commercial vehicle distribution business. As a result, the impacts from extreme weather described above on supply chain and manufacturer production may negatively affect our operations to the extent that they cause supply issues for our businesses or those of our partners.
<b>Extreme Weather – Heat</b>	In summer 2023, the world experienced unusually high heat levels, including in one of our largest U.S. markets, Scottsdale, AZ, which may have resulted from climate change. Increased heat could result in lower customer demand as well as additional facility expense and employee protection requirements which may negatively affect our operations.
<b>Extreme Weather – Property Loss and Business Interruption</b>	Our business is subject to substantial risk of loss due to the significant concentration of property values, including vehicle and parts inventories, at our operating locations. Significant adverse weather-related events at or near our operating locations may cause exacerbated damage due to such property and inventory concentration. While we have insurance for many of these risks, we retain risk relating to certain of these perils which may not be covered by our insurance. Certain insurers have limited available property coverage in response to the natural catastrophes experienced in recent years. If we experience significant losses that are not covered by our insurance, whether due to adverse weather conditions or otherwise, or if we are required to retain a significant portion of a loss, it could have a significant and adverse effect on our business or results of operations.

## Task Force on Climate-Related Financial Disclosures Index

### CLIMATE-RELATED RISKS AND OPPORTUNITIES

OPPORTUNITIES	Description and Impacts
<p><b>Vehicle Electrification</b></p>	<p>A shift in consumer preferences toward electric vehicles, including battery electric and hybrid electric, may create new sales and customer opportunities, including new parts and service opportunities, particularly as consumer adoption of electrical vehicles becomes more widespread. To the extent vehicles responsive to these consumer preferences are produced by our manufacturer partners, we could benefit from increased sales. Although the absence of certain parts systems may cause our service revenues to decline, as discussed above, electric vehicles will present new service opportunities, including with respect to range maintenance and optimization, cooling protection, torque protection, battery replacement, and warranty protection. We continue to leverage our extensive dealership and service center network to invest in electrification infrastructure, including the installation of over 1,600 charging stations globally through December 31, 2022, to facilitate a reliable infrastructure for electric vehicle use and to enhance brand awareness as existing and potential customers use and consume our electric vehicle services.</p>
<p><b>Resource Efficiency and Energy Sources</b></p>	<p>As of December 31, 2022, we operated 338 retail automotive franchised dealerships and 39 commercial truck dealership locations, and we have the opportunity to implement more energy-efficient resources and to reduce energy consumption, including by installing LED lighting, occupancy sensors, energy-efficient glass, and high-efficiency heating, ventilation, and air conditioning (“HVAC”) systems. Our new locations can be built to enhance construction and energy efficiency standards, providing energy efficiency and reduced emissions. Additionally, improved battery cell storage, a reduction in the cost per unit of solar panels, and other energy innovations are expected to continue to decrease the cost and improve the availability of renewable and alternative energy sources. By selecting more renewable sources of power, whether directly or indirectly through energy purchases, particularly as such renewable energy becomes more available and less expensive, we may benefit from lower overall GHG emissions and reduced operational costs.</p>
<p><b>Reputation</b></p>	<p>We are aware that our reputation as a responsible corporate citizen rests, in part, on whether our customers, suppliers, vendors, and other stakeholders view us as a responsible steward of the environment. We will continue to be cognizant of, and work to manage, the environmental impact of our business and operations. An increasing number of consumers believe that companies should be proactive and focused on their environmental impacts and sustainability initiatives. Meeting the expectations of these customers, including through our initiatives identified in our 2023 Corporate Responsibility Report and through embracing electrification, may strengthen our reputation and enhance our customer loyalty.</p>

## Task Force on Climate-Related Financial Disclosures Index

### RISK MANAGEMENT

**a) Describe the organization's processes for identifying and assessing climate-related risks.**

As previously described, environmental matters and the identification, management, and monitoring of climate-related risks are integrated into Company-wide risk management processes described in the "Strategy" section above, including through the Risk Report, the Sustainability Committee, and efforts at both the senior leadership and local management levels. Through institutionalizing climate-related risks as part of the Company's regular risk management and mitigation function, the Company is better positioned to anticipate and react to climate-related risks on an ongoing basis. In addition, the Company regularly consults with vehicle manufacturers and other supply chain partners to better understand and, where appropriate, proactively develop responses to both upstream and downstream risks that may impact the Company or its industry partners.

Members of the Company's senior management team are actively involved in reviewing and assessing the risks included in the Risk Report or otherwise identified by the Company's processes. This process includes the Penske Corporation Compliance and Risk Review Board ("CRRB"), which is a group of senior management that meets periodically to identify, assess, control, monitor, and report on risks that may jeopardize our success. We also have CRRBs at each of our principal business units, and these boards work collectively to identify risks, including climate-related risks. The relative significance of climate-related risks, including as compared to other identified risks, are determined through discussions with functional experts across the organization, feedback from our partners and suppliers, and, where appropriate, consultation with experts from environmental and safety consulting firms.

As noted above, the Board and, through its delegation of principal authority over ESG matters, the Nominating and Corporate Governance Committee has the overall responsibility for climate-related risk oversight, focusing on the most significant risks facing the Company and ensuring that management's responses to such risks are appropriate.

The Company approaches relevant climate-related risks on a case-by-case basis, particularly as the applicable transition risks and physical risks identified earlier in this Appendix are relevant to different geographic and operational parts of the broader business.

**(b) Describe the organization's processes for managing climate-related risks.**

Enterprise-level risks identified in accordance with the processes set forth in this Appendix are managed or mitigated through internal policies and procedures. Senior leadership of the Company engages in a regular cadence of meetings to discuss the Risk Report, including with the applicable risk owners, and work to periodically evaluate whether existing mitigation efforts are successful or whether additional or escalated countermeasures are necessary. Additionally, risk owners are expected to build mitigation controls and actions into their respective business plans or risk oversight responsibilities across the Company's business units.

**(c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.**

See the disclosures set forth in "Governance" and "Risk Management" above.

### METRICS

**(a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.**

We principally rely on the level of new vehicle sales by volume and by type (internal combustion engine ("ICE"), hybrid battery/ICE, pure electric vehicle) to assess the impact of climate change on our industry. The types of vehicles sold are driven by changing consumer preference, applicable regulations, and the availability of vehicles in a supply-constrained environment. We expect that over time the percentage of electric vehicles will continue to increase, and the resulting vehicle emissions will decrease.

**(b) Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 GHG emissions and the related risks.**

Please see page 21 and 37 of the 2023 Corporate Responsibility Report for certain emissions data for our North American operations.

**(c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.**

We have not set targets with respect to climate-related risks and opportunities.

## Caution Concerning Forward-Looking Statements

Statements in this report, including this Appendix, may involve forward-looking statements, including forward-looking statements regarding Penske Automotive Group, Inc.'s financial performance, ESG strategy, and growth plans. Actual results may vary materially because of risks and uncertainties that are difficult to predict. These risks and uncertainties include, among others, those related to macro-economic, geo-political and industry conditions and events, including their impact on new and used vehicle sales, the availability of consumer credit, changes in consumer demand, consumer confidence levels, fuel prices, personal discretionary spending levels, interest rates, and unemployment rates; our ability to obtain vehicles and parts from our manufacturers, especially in light of supply chain disruptions due to natural disasters, the shortage of vehicle components, the war in Ukraine, challenges in sourcing labor, or labor strikes or work stoppages, or other disruptions; changes in the retail model either from direct sales by manufacturers, a transition to an agency model of sales, sales by online competitors, or from the expansion of electric vehicles; the effects of a pandemic on the global economy, including our ability to react effectively to changing business conditions in light of any pandemic; the rate of inflation, including its impact on vehicle affordability; changes in interest rates and foreign currency exchange rates; our ability to consummate integrate and realized return on our acquisitions; with respect to PTS, changes in the financial health of its customers, labor strikes or work stoppages by its employees, a reduction in PTS' asset utilization rates, continued availability from truck manufacturers and suppliers of vehicles and parts for its fleet, potential decreases in the resale value of used vehicles which may affect PTS' ability

to sell its used vehicles after the expiration of its customers' leases or at the end of its holding period for rental vehicles, which may affect PTS' profitability and regulatory risks and related compliance costs; our ability to realize returns on our significant capital investment in new and upgraded dealership facilities; our ability to navigate a rapidly changing automotive and truck landscape; our ability to respond to new or enhanced regulations in both our domestic and international markets relating to automotive and commercial truck dealerships and vehicles sales, including those related to the sales process or emissions standards, as well as changes in consumer sentiment relating to commercial truck sales that may hinder our or PTS' ability to maintain, acquire, sell, or operate trucks; the success of our distribution of commercial vehicles, engines, and power systems; natural disasters; the rate of climate change; recall initiatives or other disruptions that interrupt the supply of vehicles or parts to us; the outcome of legal and administrative matters, and other factors over which management has limited control. These forward-looking statements should be evaluated together with additional information about Penske Automotive Group's business, markets, conditions, and other uncertainties, which could affect Penske Automotive Group's future performance. These risks and uncertainties are addressed in Penske Automotive Group's Form 10-K for the year ended December 31, 2022, Form 10-Q for the quarterly period ended March 31, 2023, Form 10-Q for the quarterly period ended June 30, 2023, Form 10-Q for the quarterly period ended September 30, 2023, and its other filings with the Securities and Exchange Commission. This report speaks only as of its date, and Penske Automotive Group disclaims any duty to update the information herein.



**Penske Automotive Group, Inc.**

2555 Telegraph Road

Bloomfield Hills, MI 48302-0954

[www.penskeautomotive.com](http://www.penskeautomotive.com)

For questions about this report, please email

[ir@pensekautomotive.com](mailto:ir@pensekautomotive.com)



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