

**Careers at Hovione
Management Development Principles**

What Hovione expects from its people

1. Introduction

Hovione provides opportunities for people that want to join a winning team that does great things and does them the right way. We take our responsibilities seriously and if you join our team you need to know what you are getting into because a great deal will be expected of you.

2. Check for a good fit before you join

Before you apply for positions at Hovione please invest the time to find out what our DNA is, what has been our History, what we do and how we do it. Please think carefully whether you want to be part of this. Apply for a place in our team only if you feel you already have basic principles and attitudes that display an affinity with Hovione's culture. This document exists to provide you with a sense of what is expected of you as a manager and a leader in this organization. Please read our mission statements and our policies, read our two documents "What you can expect from Hovione", and "What Hovione expects from its people" – if you join Hovione this is part of our deal.

3. The Hovione Family

Our people make up the Hovione family, we look after each-other, we rely on each-other, we expect a lot from each-other and we never let each-other down. We work as a team, for us the "we" is the winner. The degree of interdependence and the joint commitment we all share in the success of Hovione is best expressed in the concept of family – this is not to be understood in its emotional or patriarchal sense but in the concept of commitment by the individual to the collective, the equality of rights and obligations within the group members, the fairness and the transparency and commonality of values and goals, and the constant group evolution that the survival of a family requires– including the fact that the elders must teach the younger, and the elders must know when to make space for the younger.

4. What you must have

You must have energy and determination, curiosity and a natural desire for -and acceptance of- diversity. Welcoming the new, welcoming change, having the ability to adapt and evolve should be second nature to you.

5. What you must commit to

Make the most of every challenge, never let an opportunity slip. Strive for excellence in everything that you do. Do it right: i) does this need doing?, ii) is this the right way to do it? and iii) -after you decide to do it -make sure that you do it with care and right-first-time. It is good to be a perfectionist but don't ever wait for perfection - you must demand perfection but accept sound solutions that were a best effort, that were produced efficiently within plan and that were ready when they were needed.

You are expected to fulfil your job function to your best ability, to follow the rules, procedures and policies and meet the goals and objectives that were set and that you agreed to and were trained for, with a concern for efficiency and productivity, making best use of the information and IT tools available.

6. What is not acceptable

Behaviour that is illegal, that is not aligned with our mission or policies or that we would not be proud of is not acceptable. Breaking these principles, or repeatedly failing to meet the criteria in our policies and procedures makes you not qualified to be part of the Hovione team, you will be expected to leave.

7. Goals and Principles

You will very often have well defined goals and objectives set for you: company targets, team objectives, personal goals - daily or annual, about continuous improvement or one-off. However never loose track of the bigger picture, try often to stand back and look at what each small step contributes to: to a project, to developing a young person, to a successful year, to building a strong company, to building a high performance team, to contributing to our community, to fighting disease, to improving the quality of life of millions.

Most decisions have a short term frame of reference, but consider also the long-term impact of your daily actions – consider them with reference to principles over and above any goals. The instruments of long-term guidance are called principles – at Hovione they are our mission and policies, our culture, our way of doing things. Principles are most important, never compromise.

8. Knowledge beyond your job skills

We are all expected to have a general knowledge of the communities where we operate, of the colleagues with whom we work, of our stakeholders in general. We need to be sensitive to what are their beliefs and their ways,

just as much as we expect them to respect our values. We also need to keep ourselves updated of what is happening in the outside world, and especially what impacts us at Hovione. You are expected to read about the current affairs of our industry and the sciences we make use of, about the industry of our clients – our market, and about the final users of our products and services. We need also to remain aware of the history and the background of Hovione and of chemistry, of the key events that shaped our industry and our company.

9. Scientific Method

Hovione people work ethic is based around the scientific method. This is a fact based approach, this relies on data, and this is about seeking to prove theories. It involves acting as devil’s advocate, never jumping to conclusions, but instead interrogating the data. We question whether we have the right data – we don’t look for more data to avoid delaying the decisions.

10. Your skills

You have an area of specialization, but you are also expected to be a generalist, and to think out of the box – and to contribute. At Hovione you will never be constrained to only voicing views in your discipline of expertise – we feel that diversity makes us richer, that different points of view result in a better decision, that a fresh look is never out of place. Should you feel awkward that you are the least experienced in a group and that your comment or question may run the risk of sounding foolish -say it, contribute- it will never be held against you, and it may well enrich the collective view. There is always a right time to say and contribute, and that time is before it is too late – so say it!

11. Training and Personal development Plan (PDP) – a shared commitment

Hovione offers training opportunities. There will be many such instances, your responsibility is to take these invitations seriously, and if you accept them you must make the most of it. You must be on time, you must pay attention, you must learn and you must contribute by active participation. In the end you must offer constructive criticism. Don’t bring your computer to class or your mobile phone, and don’t read or answer emails or text messages during class or meetings – your attention will be elsewhere than in class and you are being disrespectful.

If you are responsible for others, as a line manager, as a project manager or because you are leading a team in a specific way – over and above the objectives your group has, you always have a specific responsibility in the development of the people you lead. Your success is measured by the success of your people as Hovione people. If you want a promotion, your first priority is to train at least one successor.

You have a duty to work diligently in your own annual Personal Development Plan, but more importantly you will have to work on those of your direct reports – your future is -in no small part- dependent on the completion of their PDPs.

12. Leadership

The line managers are Hovione’s leaders, they are evaluated on a 360° basis along the following 3 clusters of competencies: A Manager’s ability to develop others is a key responsibility and a promotion factor.

<p>Setting the Agenda</p> <ul style="list-style-type: none"> • Results Driven • Customer Driven • Analytical Thinking • Intellectual Curiosity 	<p>Taking Others With You</p> <ul style="list-style-type: none"> • Team Leadership & Alignment • Developing Others • Team Work 	<p>Doing It the Right Way</p> <ul style="list-style-type: none"> • Integrity & Respect for Others • Embraces Change • Executive Maturity
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13. Leadership style

At Hovione we consider that there are 4 leadership styles:

- Directive - giving out orders
- Coaching and leading by example
- A participative, consensus building approach
- Delegation: give autonomy, define responsibility and wait for completion, then ask for reporting

All the 4 styles have their *raison d’être* and are appropriate at the right moment for the appropriate counterpart. The Hovione leader makes use of all of them, depending on the moment, and the type of audience or colleague. You will surely develop your own way, but make sure it is one that leads you to build a performing team, that makes results feel effortless rather than painful, that emphasize active listening and the development of people. Listen to what people think of your leadership style, you will soon know what needs fixing – ask for help, ask for guidance; set goals for yourself, tells others about them, then ask others whether you have been improving and meeting those goals.

14. Languages and cultural diversity

Diversity of experience and the ability to communicate effectively with our international customers is a precondition to succeed in a career at Hovione. You should not apply for a job at Hovione if you cannot speak English fluently and if you do not enjoy travelling. It is not unusual for people at Hovione to have a good command of 2 or more languages. The minimum standard of your English should be the Cambridge First Certificate—however to do well you should aim for having passed the exam of Proficiency in English. We are in the process of making Mandarin also an important language at Hovione.

15. Confront the issue, don't kill the messenger

The life of a business manager is not easy, there will be many difficult decisions to take and there will be many issues to confront. Confronting an issue means that you need to identify it, unfortunately it is not unusual for elephant size issues to be ignored as we hope they will go away by themselves – governments do it all the time ! So as a Hovione manager you must identify issues as early as possible before they grow into difficult problems, you need to think ahead on how you will confront them, and then you must confront them: don't let go till they are fixed. Confronting issues does not mean confronting people, or killing the messenger! Don't personalise the matter. Everyone has a right to error, but nobody has the right to fail to learn from mistakes.

Confronting issues, includes especially confronting your boss's views – he/she will benefit from an assertive view, if he/she is a good boss you will be thanked for your strong well thought-out views as long as they are constructive.

16. What we expect from managers

We expect a lot from our managers: to anticipate developments and see trends in the market before anyone else, to question company practices and procedures, to go beyond appearances, beyond expectations and the letter of the Law. When you represent the firm externally, or when you communicate to outside Hovione you need to be sensitive to the words you choose, positive communications are very important. At all times you are expected to do, and be seen to be doing, the right thing. Responsibility is not an empty gesture, taking responsibility must be overt, pro-active and have consequences. *Caveat emptor* is long gone, *caveat vendor* is now the yardstick by which we will be judged and sanctioned. That said, we still expect you to be keen on taking risk. We place a major emphasis on working hard, and we strive to create an environment where people enjoy coming to work every day.

17. Doing it right

Sometimes doing the right thing is not obvious. If you are asked to sample emissions, or air quality in a work place, don't go for the best conditions – pick a place you know has a bad performance and then pick the worst situation. This will result in data that will flag us into action, the appropriate action. If there are situations that need fixing, let's find them and take action. We may have situations in the company that we may not feel proud about, but we must have integrity in identifying what needs attention. At Hovione we have extensive rules, standards and procedures – but I ask you to never hide behind them to justify an action you knew was not the right thing to do. Be assertive, take a stand for what you believe in.

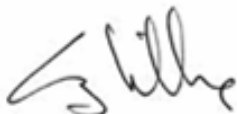
18. Loyalty

Your loyalty to the Firm should be unquestionable, and sensitivity in relation to confidential matters -Hovione's or Hovione's customers- is key. Loyalty is also a matter of integrity, and we are again back to Principles: If your boss tells that you are not being loyal because you disagree with her/him, tell her/him "No, no, you've got it wrong – I am the one who is loyal !"

19. Telephone rings

As a Hovione person with responsibility, you will soon learn to dread when the phone rings when you are at home and it is the plant calling. No one ever calls you at home with good news, so invariably one does not look forward to these calls – but they come, and you are expected to have the strength to deal with them.

Suggested reading materials: *Five Past Midnight in Bhopal* by Dominique Lapierre, Simon & Schuster 2002; *What Asbestos Taught Me About Managing Risk*, by Bill Sells, HBR March-April 1994, reprint N° 94209; Hovione policies and missions and press room materials.



Guy Villax, CEO
Grandola, 28th July 2008