

CSE Independent Assurance Statement

CSE has been engaged by Chalhoub Group (Chalhoub) to provide independent assurance over the Sustainability Report 2024. The aim of this process is to provide reassurance to Chalhoub's stakeholders over the accuracy, reliability and objectivity of the reported information and the coverage of the material issues regarding the business and the stakeholders. The "Chalhoub Impact" Sustainability Report 2024 is in compliance with the requirements of the GRI STANDARDS Guidelines at 'In Accordance level'.

Scope of work

The scope of work included a review of the Chalhoub 2024 Sustainability Report activities and performance data related to the 2024 year that ended December 31, 2024.

The assurance process was conducted in line with the requirements of the AA1000 Assurance Standard v3 and applied a Type 2 'moderate' level of assurance. Type 2 requires assessment of organization's adherence with the AA1000 AS Principles and shall additionally assess and evidence the reliability and quality of specified sustainability performance and disclosed information. The principles that the assurance process is focused on are:

- Inclusivity, Materiality, Responsiveness, and Impact.

The scope of work included a review of the 2024 Sustainability Report activities and performance data.

Specifically, this included:

- Statements, information and performance data contained within the Sustainability Report.

- Chalhoub's process for determining material aspects for reporting and the management approach to material issues.
- Chalhoub's reported data and information as per the requirements of the Global Reporting Initiative (GRI) STANDARDS Sustainability Reporting Guidelines as indicated in the Report index.

Methodology

In order to verify the content of the 2024 Sustainability Report we undertook the following activities to inform our independent assurance engagement:

- Conducted document reviews, data sampling and associated reporting systems as they relate to selected content and performance data.
- Reviewed the outcomes of Chalhoub's stakeholder engagement activities in 2024.
- Reviewed the materiality analysis and its outputs.
- Evaluated Chalhoub's public disclosures against the GRI standards.

More details on the specific information and data that were verified are presented in the following sections of the present independent assurance report.

General Conclusions

With respect to the scope of work, we conclude that:

- The account of Chalhoub's activities and performance during 2024 and the way they are presented in the 2024 Sustainability Report is accurate.
- Chalhoub adheres to the principles of inclusivity, materiality, responsiveness, and impact as per the AA1000 Accountability Principles Standard.

Any errors or misstatements identified during the engagement were corrected prior to the publication of the 2024 Sustainability Report.

Key Observations and Recommendations

Chalhoub achieved significant improvements in the management and performance in corporate responsibility and sustainability during the period covered by the Sustainability Report:

- Development of a 5-year sustainability roadmap with measurable targets and clear milestones according to North Star indicators.
- Governance:
 - creation of Internal audit department, DE&I Committee, Ethics Committee
 - integration of ESG into Enterprise Risk Management system
 - 96% completion rate for the Code of Ethics Training
 - expansion of ISO certifications to include offices and retail stores.
- Social:
 - increased representation of women in leadership roles to 40%, successfully achieving the respective 2030 target
 - 80% employee “Voice of the People” survey response Rate
 - 37% supplier assessment completion rate, with Chalhoub moving closer to 45% 2026 goal.
- Environmental:
 - implementation of emissions intensity-based calculations for scope 3 for the first time
 - introduction of Life Below Water restoration project
 - launch of the Brand Partner Engagement Program, to reduce shared emissions across 3 scopes of Carbon Footprint
 - improved performance versus previous year in Scope 1 emissions (-6.6%), waste generated (-9.8%), water consumption (-8.7%), despite Chalhoub’s business expansion.

Based on the observations and concluding remarks derived from the assurance engagement, our key observations, and recommendations for the improvement of Chalhoub’s future Sustainability Reports are:

- With respect to the principle of inclusivity, Chalhoub maintains a comprehensive

communication process with its key stakeholders. Also, Chalhoub has implemented the appropriate principles in the development of its approach towards sustainable development.

- With respect to the principle of materiality, it is suggested that Chalhoub continues to enhance its Impact framework by focusing on stakeholder engagement in the yearly materiality assessment. It is suggested that Chalhoub considers a materiality assessment at least every two years and expands the scope of the materiality assessment process to ‘Double Materiality’ to include Financial Impacts to its process (planned for 2025).
- With respect to the principle of responsiveness Chalhoub had incorporated the concerns and preferences of its key stakeholder groups. It is recommended that Chalhoub continues to focus on data protection by fostering its Cybersecurity measures.
- With respect to the principle of impact, Chalhoub shows adequate monitoring, measuring and accountability for its actions and their impact on its broader natural and human ecosystems. It is suggested that Chalhoub continues to:
 - prioritize energy efficiency and decarbonization across the supply chain by increasing efforts in supplier engagement, energy conservation measures and renewable energy procurement
 - build on the employees training momentum of the last years.
- With respect to performance indicators, it is recommended to continue showing performance from previous years in most indicators, and to be able to show the progress made in managing all material issues.

Findings and conclusions concerning adherence to the AA1000AS principles of Inclusivity, Materiality, Responsiveness and Specific Performance Information

Inclusivity – how the key stakeholder groups were identified and engaged regarding sustainability issues. All the key stakeholder groups were engaged. Chalhoub applied widely accepted principles in developing its approach to stakeholder engagement and sustainability.

Materiality – how the assessment of the importance of each sustainability topic took place. The process for determining the material issues by Chalhoub provides a balanced representation of the material issues regarding its sustainability performance and impact.

Responsiveness – how the company responded to the issues that were pointed out by each stakeholder group, and how this response is described in the 2024 Sustainability Report. Chalhoub has responded in a sufficient manner to the issues that were of high concern to the stakeholders. This response is presented in an appropriate and sufficient manner in the 2024 Sustainability Report.

Impact – how the company monitors, measures, and is accountable for how its actions affect its broader ecosystems. Chalhoub provides adequate information in its 2024 Sustainability Report on how it monitors its impacts on the natural and human ecosystems. The performance indicators used are based on commonly accepted standards and local/global best practices.

Specific Performance Information – The Specific Performance Information (quantitative data related to GRI metrics and indicators) has been collected and presented in a commonly acceptable manner in the 2024 Sustainability Report and the ‘general and specific disclosures’ have been reviewed during the assurance process.

Specifically, during the independent assurance process, CSE examined evidence and documentation regarding:

- A description of other means, besides the materiality assessment, of identifying and verifying important sustainability topics for the 2024 fiscal year.
- A description (along with any supporting evidence and documentation) of the stakeholder engagement process, including the materiality assessment process.
- Evidence and documentation about Chalhoub’s Sustainability Strategy and KPIs.
- Evidence and documentation regarding material ESG topics, included in the report:
 - Diverse and Equitable Workplace
 - People-centric Wellness culture
 - Occupational health and safety
 - Talent nurturing and retention
 - Community support
 - Responsible and ethical shared value
 - Partnering for Innovative and Diverse Business Growth
 - Emissions / Energy
 - Circularity
 - Biodiversity.
- Verification that no allegations were made against Chalhoub Group regarding corruption, as well as that no confirmed incidents under any applicable corruption laws were reported during the reporting period.
- Evidence and documentation regarding Chalhoub Group Integrated Management System (IMS; ISO 9001, 45001, 14001).
- Evidence and documentation about employee work environment and wellbeing index and people satisfaction.
- Evidence and documentation about supplier engagement.

- Evidence and documentation about community support activities.

Overall, the report is in accordance with the GRI STANDARDS. It is recommended that Chalhoub focus on the short, medium and long-term action plans and KPIs depicted in its 5-year plan and proceed with further enhancement of the Scope 3 emissions calculations introduced in 2024 Sustainability Report.

Exclusions and Limitations

Excluded from the scope of our work is information relating to:

- Activities outside the defined reporting period or scope.
- Company position statements.
- Financial data taken from Chalhoub's 2024 Annual Report.
- Content of external websites or documents.
- Any other issue or policy was not referred in the documentation.

This independent statement should not be relied upon to detect all errors, omissions or misstatements that may exist within the 2024 Sustainability Report. The scope of our work was defined and agreed in consultation with Chalhoub.

Statement of CSE Independence, Impartiality and Competence

This is the third year that CSE has provided independent assurance services in relation to the Chalhoub Sustainability Report. Our assurance team completing the work for Chalhoub has extensive knowledge of conducting assurance over environmental, social, health, safety and ethical information and systems, and through its combined experience in this field, an excellent understanding of good practice in Sustainability Reporting and assurance.



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On behalf of the Assurance Team

Marina Alonistioti

Head of Assurance Services

Center For Sustainability and Excellence (CSE)