



**CHALHOUB
GROUP**

SINCE 1955

GIFTS GIVING POLICY

MARCH 2023



SCOPE



- This Policy applies to all Gifts provided by Chalhoub to its employees, third parties and stakeholders such as customers, partners, suppliers, providers, distributors, agents, consultants, government officials, etc., globally.
- It implements the Chalhoub's Code of Ethics and Chalhoub's Anticorruption Policy as relates to Gifts.
- This Policy does not apply to
 - Commercial free goods that are provided as part of a sales/purchase transaction in lieu of a discount.
 - Products provided to influencers to allow them to review the products.
 - Gifts received by Chalhoub employees. The Code of Ethics and the Conflicts of Interest Policy apply to received gifts.
 - Samples.
- In the event of any conflict between this Policy and laws, regulations, codes, or other applicable Chalhoub policies and procedures, the more restrictive requirement will apply.
- Any exception to this Policy must be approved in writing by Compliance by submitting an exception request to compliance@chalhoub.com.

ALERTS & BREACHES



- You are encouraged to raise concerns about any issue or suspicion of violations of this Policy at the earliest possible stage, under the speak up procedure.
- Any breach of this Policy or of the related applicable laws, regulations and codes may result in disciplinary measures, up to termination, in compliance with the applicable employment legislation, and Chalhoub's Human Resources policies and procedures.

DEFINITIONS



- "Gifts" include any item provided free of charge to an employee, a third-party or stakeholder and identified as a gesture of gift-giving. These include gifts stamped with Chalhoub logo, products from Chalhoub's stock, and purchased gifts.
- "Samples" include any product in Chalhoub's commercial portfolio provided free of charge to a third-party with a marketing purpose so that the third-party can familiarize themselves with the product and gain better experience or understanding of it, its characteristics, and its usage, with a view to purchase it. On this basis, Samples are very different from Gifts and must not be assimilated and Samples are out of the scope of this Policy.

CRITERIA



- Chalhoub may provide Gifts only as allowed in this Policy. If a type of Gift or other free item is not explicitly described in this Policy, it must not be provided.
- Gifts allowed under this Policy must have a maximum retail value of 250 USD. Retail value is the price the recipient of the gift would have to pay for themselves on the market, not the price Chalhoub paid to purchase the item.
- Gifts offered by the Group President are at a value of their discretion.

NO CORRUPT INTENT



- Gifts must not be intended or provided to obtain, retain or reward any undue business advantage from any person in public office, or – if this person or organization is not a public office – in violation of their professional duty. Such inappropriate transfers of value may amount to corruption.
- Gifts to government officials are not allowed, unless as specifically authorized in this policy.
- Gifts requested in order to expedite or obtain performance of duties deserved by Chalhoub (e.g., security checks, processing a legitimate visa, receiving a due customs invoice) are also prohibited.
- Chalhoub's Anticorruption Policy fully applies to Gifts.

GIFTS STAMPED WITH CHALHOUB LOGO



- Chalhoub can provide Gifts stamped with Chalhoub logo which are customary in our industry, within cultural traditions. These are generally provided at the occasion of specific events (e.g., year-end celebrations or Eid) or during business visits.
- Gifts stamped with Chalhoub logo can be provided to customers, employees, partners, suppliers, providers, distributors, agents, consultants if approved by the Group President, a member of the Executive Committee, a Chief, a Country Manager, or a VP.
- Gifts stamped with Chalhoub logo to government officials are not allowed, unless allowed by the applicable rules of the official's institution and approved in advance in writing by the Group President, a member of the Executive Committee, a Chief, a Country Manager, or a VP but never as intended or provided to obtain, retain or reward any undue advantage.
- No employee, whatever their title or seniority, can provide or forward Gifts stamped with Chalhoub logo without the above written approval.
- These gifts must be ordered from the Office of the Group President and must be notified to the Compliance department (compliance@chalhoub.com) in advance and they keep an accurate and detailed record of the produced number of such gifts and their individual recipients, with as a minimum:
 - The number of Gifts stamped with Chalhoub logo.
 - Their type and characteristics.
 - Their name/brand if applicable.
 - Their retail value.
 - The date of the gift.
 - Their individual recipients.
 - The rationale for the gift.

PURCHASED GIFTS



- Purchased gifts can be provided to employees only (e.g., Easter eggs, chocolate boxes, delicacy baskets, power banks) if approved in advance in writing the Group President, a member of the Executive Committee, a Chief, a Country Manager, or a VP.
- Purchased gifts cannot be of the same type of products dealt with by Chalhoub (e.g., a competing perfume by a competitor's brand). In that case, a product in the Chalhoub portfolio must be used.

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- These are generally provided at the occasion of specific events (e.g., year-end celebrations, birthdays, weddings, childbirths, Eid).
 - Any other gifts purchased by any employees from any vendor using Chalhoub's money or corporate credit cards are not allowed and must not be provided to anyone, internally or to third parties.
 - These gifts must be notified to the Compliance department (compliance@chalhoub.com) in advance and they keep an accurate and detailed record of the purchased number of such gifts and their individual recipients, with as a minimum:
 - the number of purchased Gifts
 - their type and characteristics
 - their name/brand if applicable
 - their retail value
 - the date of the gift
 - their individual recipients
 - the rationale for the gift.
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PRODUCTS FROM CHALHOUB'S STOCK



- Chalhoub may provide products from its own stocks (e.g., fashion items or homeware) for free as marketing tools to customers, partners, suppliers, providers, distributors, agents, consultants by Brand directors or marketing team members. These Gifts as marketing tools must be recorded very clearly as "Gifts for marketing purposes" in Chalhoub's books and records and must be paid by the relevant marketing budget of the employee offering the gift.
 - Gifts from Chalhoub's stock can also be provided as gifts to Chalhoub employee or contractor if approved in advance in writing by Group President, a member of the Executive Committee, a Chief, a Country Manager, or a VP.
 - Gifts from Chalhoub's stock to government officials are not allowed, unless allowed by the applicable rules of the official's institution and approved in advance in writing by the Group President, a member of the Executive Committee, a Chief, a Country Manager, or a VP but never as intended or provided to obtain, retain or reward any undue advantage.
 - No other employee, whatever their title or seniority, can provide or forward Gifts from Chalhoub's stock.
 - The individual retail value of each Gift from Chalhoub's stock must not exceed 250 USD. Each authorized employee may provide these items a reasonable number of times per calendar year.
 - Extracting items from stocks without following the process and parameters in this Policy and implementing tools is strictly prohibited.
 - Every affiliate keeps an accurate and detailed record of each Gifts from Chalhoub's stock with as a minimum:
 - the number of Gifts from Chalhoub's stock
 - their type and characteristics
 - their name/brand if applicable
 - their retail value
 - the date of the gift
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- their individual recipients
 - [the rationale for the gift.]
 - Approver's name and approval date.
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