



**CHALHOUB
GROUP**

SINCE 1955

HOSPITALITY & ENTERTAINMENT TO EXTERNAL STAKEHOLDERS POLICY

MARCH 2023



<p>SCOPE</p> 	<ul style="list-style-type: none">■ This Policy applies to all Hospitality and Entertainment provided by Chalhoub to all its external third parties and stakeholders such as partners, suppliers, providers, distributors, customers, agents, consultants, government officials, etc. globally.■ It does not apply to Hospitality and Entertainment provided by Chalhoub to its employees. For hospitality and entertainment to employees, please apply the Travel & Expenses Policy.■ 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.
<p>ALERTS & BREACHES</p> 	<ul style="list-style-type: none">■ You are encouraged to raise concerns about any issue or suspicion of violations of this Policy at the earliest possible stage, under the internal escalation 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.
<p>DEFINITION</p> 	<ul style="list-style-type: none">■ "Hospitality" includes travel, accommodation, meals, and beverages.■ "Entertainment" includes any activity provided with the intent of entertaining others, such as theatre plays, live shows, music, casinos, concerts, boat tours, museum visits, golf games, spas, dance shows, etc. The above is only a list of examples as many more examples exist.
<p>CRITERIA</p> 	<ul style="list-style-type: none">■ Chalhoub can provide Hospitality and Entertainment to its external third parties and stakeholders only in connection with, and for the duration of, a legitimate business activity, with the aim of enabling appropriate business discussions.■ Hospitality and Entertainment to external third parties and stakeholders must be moderate, incidental, and secondary to the main purpose of the activity and conducive to business communication.■ Hospitality and Entertainment must not be excessive or extravagant and always consider the impact on Chalhoub's image and Chalhoub's visible stance on conducting ethical business.
<p>NO CORRUPT INTENT</p>	<ul style="list-style-type: none">■ Chalhoub's Anticorruption Policy fully applies to Hospitality and Entertainment.■ Hospitality and Entertainment by Chalhoub cannot be used to influence the outcome of a business decision. At the time of



providing Hospitality and Entertainment, Chalhoub should consider whether a major decision is in progress, such as call for tenders or contract renewal and the impact that this may have or give the impression to have on that decision.

- Hospitality and Entertainment cannot be provided as an inducement or in exchange for an express or implied agreement or understanding that:
 - Chalhoub products will be used, ordered, leased, purchased, administered, recommended, or that they will receive any preferential treatment; or
 - Chalhoub itself will receive any preferential treatment (e.g., in obtaining retail licences).
- Chalhoub must not cover any personal expenses (e.g., minibar, video on demand, laundry, spa, or other incidentals).

HOSPITALITY & ENTERTAINMENT TO GOVERNMENT OFFICIALS



- Hospitality and Entertainment to government officials is not allowed unless approved in advance in writing by the Group President.
- Hospitality and Entertainment to government officials must not be intended or provided to obtain, retain or reward any undue business advantage

ACCOMPANYING PERSONS



- Hospitality and Entertainment should only be extended to the to external third parties and stakeholders who qualify as participants in their own right to attend the activity and should not include accompanying persons such as spouses, family, friends or other significant others of the invited participant.
- As an exception:
 - A single “plus one” guest can be allowed if approved in advance in writing by the Group President, a member of the Executive Committee, a Chief, a Country Manager, or a VP.
 - A single “plus one” guest of a government official can be allowed if approved in advance in writing by the Group President.

ENTERTAINMENT

- Entertainment to external third parties and stakeholders must be moderate, incidental, and conducive to business communication.
- Invitations for entertainment event should always be in taste and have a connection with Chalhoub’s business context (e.g., fashion events) or geographical/cultural context (e.g., an event in the Middle East such as a sports competition or exhibition in the region).

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- Entertainment outside of the above scope (e.g., casinos) or inappropriate or excessive is not allowed.
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LOCATIONS



- Meetings with external third parties and stakeholders must be conducted in locations which are appropriate for business meetings. Locations must not be excessive or extravagant and always consider the impact on Chalhoub's image and Chalhoub's visible stance on conducting ethical business.
 - Chalhoub may not organize meetings with external third parties and stakeholders that take place outside of the home country of the invitees unless:
 - most of the invitees are from outside of such country and, given the home countries of most of the invitees, it makes greater logistical and sense to hold the event in another country; or
 - given the location of the relevant resource or expertise that is the object or subject matter of the event, it makes greater sense to hold the event in another country (e.g., a fashion show in Paris, a major center of excellence abroad or in parallel to a large international congress).
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MEETING VENUES



- Meetings with external third parties and stakeholders must be conducted at appropriate venues commonly used for business meetings in our sectors. Venues must not be excessive or extravagant and always consider the impact on Chalhoub's image and Chalhoub's visible stance on conducting ethical business.
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ACCOMMODATION



- Tourist-oriented hotels (e.g., beach or ski resort hotels in season, amusement park, castles) cannot be used.
 - Hotels that are mainly renowned for their significant sport, health, or recreational facilities (e.g., spa hotels, sport resorts, casino hotels) cannot be used.
 - Accommodation to external third parties and stakeholders must not be excessive or extravagant and always consider the impact on Chalhoub's image and Chalhoub's visible stance on conducting ethical business.
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MEALS & BEVERAGES



- Chalhoub can provide meals and beverages to external third parties and stakeholders, which are moderate, reasonable and secondary to the main event, and comply with the applicable standards of the country of the activity. Meals and beverages to external third parties and stakeholders must not be excessive or extravagant and always consider the impact on Chalhoub's image and Chalhoub's visible stance on conducting ethical business.
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- Restaurants or related venues used with external third parties and stakeholders must be moderate and conducive to a business/scientific discussion (e.g., excluding theatres, castles, casinos, boats, hippodromes, cabarets, museums, aquariums, zoos).
 - Alcoholic beverages are only permitted with external third parties and stakeholders, if provided in the context of an evening business meal only and in moderate quantities (e.g., maximum half a bottle of wine per person), unless not permitted by local standards.
 - Meal costs may not be divided among Chalhoub colleagues for the same event; all meals must be paid for by the most senior attending Chalhoub employee.
 - Maximum allowed expenditure per external person per meal, including drinks, tips and taxes, is:
 - Lunch: 125 USD.
 - Dinner: 125 USD within the Middle East and 250 USD in Europe and the United States.
 - The above limits do not apply to meals initiated and attended by the Group President, a member of the Executive Committee, a Chief, a Country Manager, or a VP.

TRAVEL



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- Travel arrangements for external third parties and stakeholders should minimize free time, costs and overnight stays and must be tailored to the duration of the activity, considering the available travel connections.
 - Airplane **economy** class travel is the standard for external third parties and stakeholders.
 - Airplane **premium** economy or **business** class travel is allowed for external third parties and stakeholders. This choice is left to the good judgment of the Chalhoub initiator.
 - Airplane **first** class travel is not permitted.
 - Train first class and/or business class travel is permitted.
 - Chalhoub should proactively organize meals and arrange travel in advance for invited external third parties and stakeholders. However, if out of pocket expenses occur during travel that could have not been planned in advance (e.g., taxi, sandwich at airport, car rental, mileage reimbursement, motorway fees, parking) they can be paid for, or reimbursed based on the submission of receipts for actual expenses incurred.
 - Chalhoub cannot provide travel which exceeds the duration of the activity or not “to” or “from” the invitee’s usual place of practice, unless they confirm in writing that this is because of professional reasons (e.g., another professional meeting or seminar taking place the day after Chalhoub’s event).
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