

FIVE HOLDINGS

Development / Hospitality

SUPPLIER STANDARD

FIVE has established key principles for supplier standards, requiring responsible business practices and operations that align with their values of ethical business practices, environmental sustainability, social inclusion, and economic development. FIVE recognizes the importance of diversity and has committed to diversity initiatives that include staff and supplier diversity.

FIVE has a Supplier Code of Conduct that mandates continuous improvement in areas such as child labor, association and collective bargaining, harassment and forced labor, and equal employment opportunities. Compliance with the Supplier Code of Conduct is required, and failure to comply may result in the termination of the assignment or contract.

FIVE's Health and Safety Policy is robust, focusing on the prevention of occupational accidents and diseases, and eliminating potential accident risks in the workplace and its affiliates through efficient risk assessment. The policy also encourages prevention activities and is integrated into FIVE's global management system.

FIVE ensures high labor health and safety standards throughout the supply chain by providing guidelines for best practices, performing supplier risk assessments, and reporting any non-conformities. By adhering to these standards, FIVE aims to be a leading company that prioritizes occupational health and safety and workplace well-being at all hierarchical levels, and across the supply chain. FIVE encourages all its suppliers to extend the supplier standards through their supply chain (tier 1 suppliers)

FIVE Supplier Code of Conduct standards are binding on all its suppliers. FIVE obtains a declaration from all its suppliers that they have read, understood, and shall adhere to the guidelines of the Code.

Refer the '[Health and Safety](#)' section to access the detailed policy document.

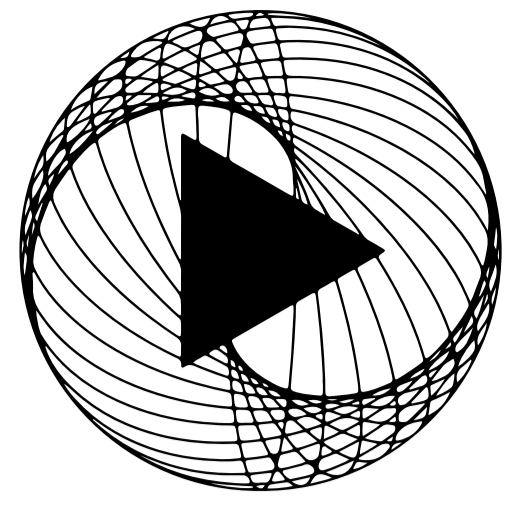
 **FIVE Supplier Code Of Conduct_English.Pdf**

 **FIVE Supplier Code Of Conduct_Arabic.Pdf**

 **FIVE Supplier Code Of Conduct_German.Pdf**

 **FIVE Supplier Code Of Conduct_Hindi.Pdf**

 **High Environmental Standards In Supply Chain Policy.Pdf**



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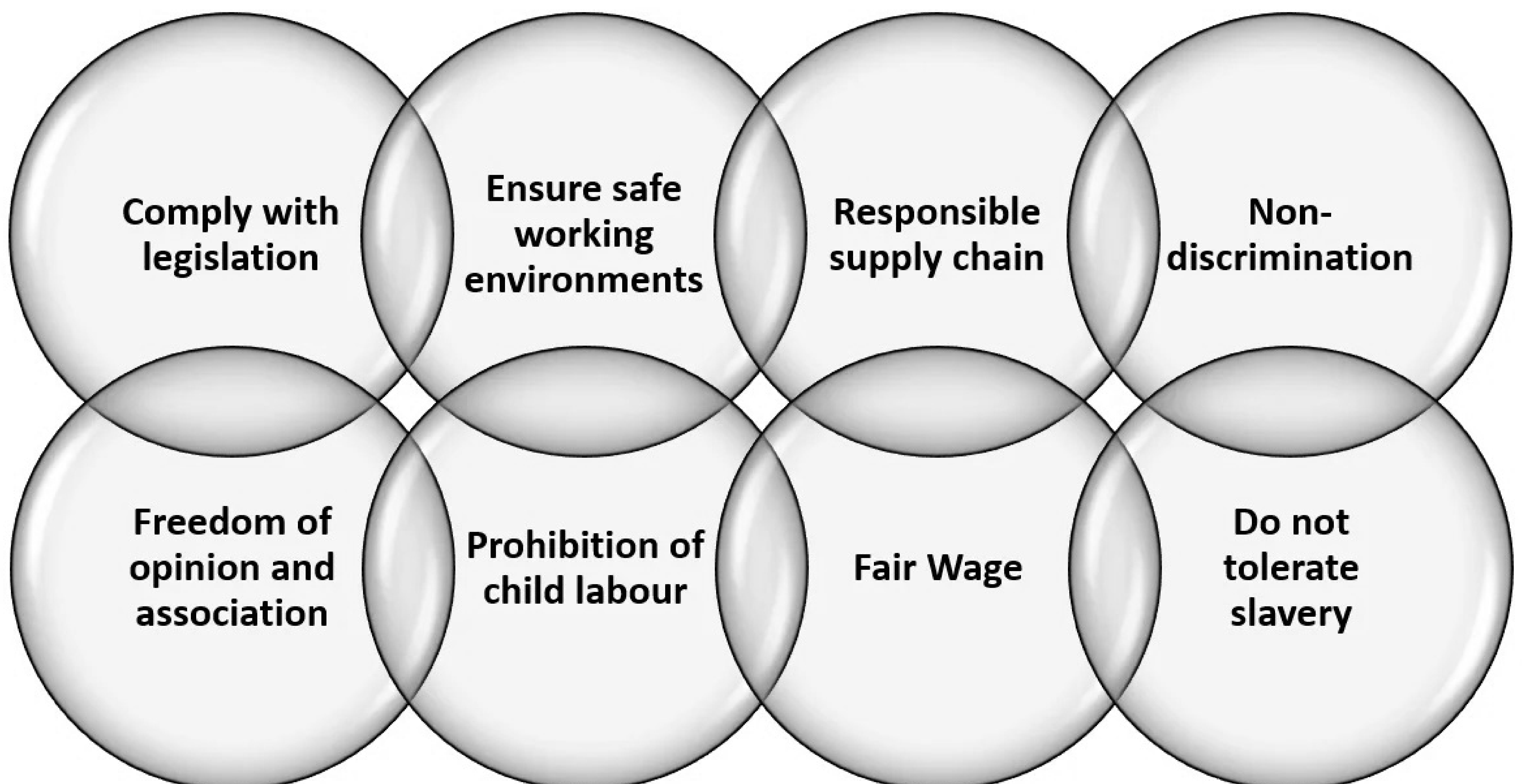
Risk Assessment

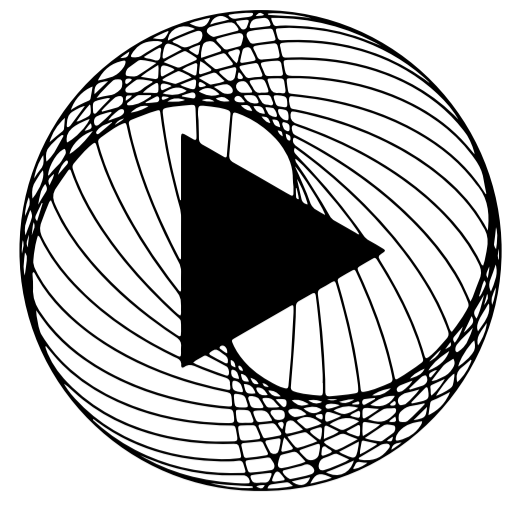
Risk assessment is done on all the suppliers considering the following attributes and accordingly suppliers are classified in A, B and C categories. Additional supplier selection will be subject to the discretion of the Purchasing Manager or the Risk and Compliance Director. Refer FIVE Supplier Risk Assessment Policy for more details.

Criteria	UOM	Category A	Category B	Category C
Volume of purchases	AED per year	> 1 million	>= 500000 to 1 million	<500000
% contribution to total purchases	Purchases/ Total Purchases	>10%	5% - 10%	< 5%
Type of supplier	Material/ Service Category	F&B, Engineering, IT	F&B, Engineering, IT, General	Others
Presence	Local/ Foreign	Foreign suppliers	Local suppliers	Local suppliers
Revenue	Revenue (AED millions)	> 50	20 - 50	< 20
Complaints	Number of complaints per year	>=2	1	0
Access to data	Access to FIVE data	Direct access	No access	No access

 [**Supplier Risk Assessment Policy.Pdf**](#)

COMMITMENTS – SUPPLIER CODE OF ETHICS





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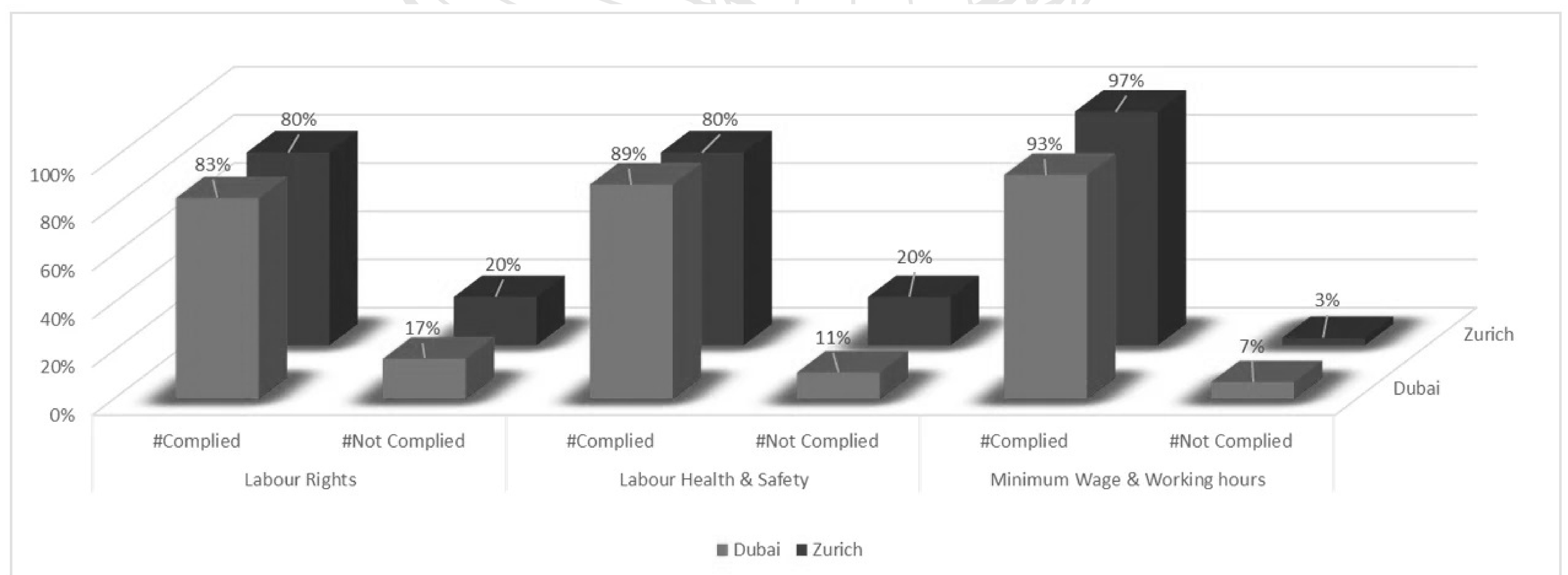
SUPPLIER STANDARD

SUPPLIER ON-SITE AUDITS

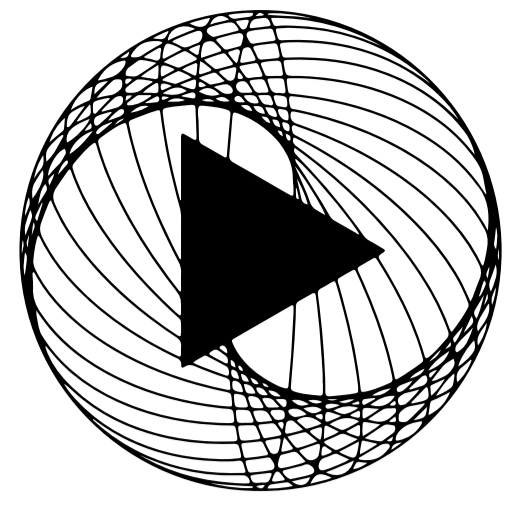
We performed an ESG risk analysis to evaluate the level of risk that our primary suppliers face with regard to environmental, social, and governance criteria. The analysis encompassed a variety of factors, such as human rights, occupational health and safety, labor conditions, working hours, environmental concerns, quality, business ethics, institutional relationships, and corruption. This assessment enabled us to gain better visibility into the potential risks we might face in the countries where we operate and take necessary measures to anticipate and mitigate these risks in advance.

FIVE has taken a strategic initiative by conducting annual on-site supplier audits for its key vendors operating in Dubai and Zurich. These vendors have been shortlisted based on various factors, including the sector they operate in, their size, geographical location, and the nature of their work. The on-site audits conducted by FIVE have focused on critical areas of social aspects, including but not limited to Labor Rights, Labor Health & Safety, Minimum Wage & Working Hours. The diligent scrutiny of these critical areas has allowed FIVE to mitigate potential social risks that could pose a threat to the enterprise's reputation and image in the market. The annual on-site audits are a testament to FIVE's commitment to ensuring that its suppliers adhere to the highest ethical and social standards, thereby aligning with the enterprise's core values of sustainability, responsibility, and accountability.

OUTCOME OF ON-SITE AUDITS – COVERING SOCIAL ASPECTS



The on-site audit results for various business sectors have revealed both compliance and non-compliance in critical areas of social aspects such as Labor Rights, Labor Health & Safety, Minimum Wage, and Working Hours. The audits have been instrumental in identifying potential social risks and ensuring that businesses align with the highest ethical and social standards. The compliance findings indicate that several businesses have demonstrated a commitment to upholding labor rights, providing safe working environments, and adhering to minimum wage and working hour regulations. However, the non-compliance findings have highlighted areas that require attention and improvement. Overall, the on-site audits have served as a valuable tool for promoting social responsibility and accountability in the business sector.



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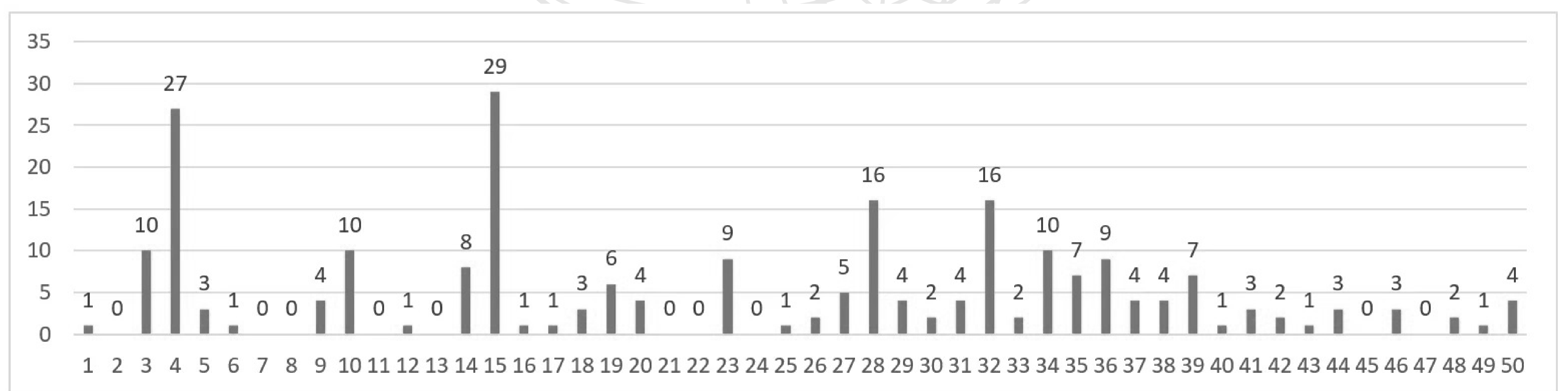
SUPPLIER STANDARD

Business Sector	Labour Rights		Labour Health & Safety		Minimum Wage & Working hours	
	#Complied	#Not Complied	#Complied	#Not Complied	#Complied	#Not Complied
F&B	83.3%	16.7%	88.9%	11.1%	91.3%	8.7%
IT	83.3%	16.7%	92.9%	7.1%	100.0%	0.0%
Construction	83.3%	16.7%	85.7%	14.3%	100.0%	0.0%
O&M	83.3%	16.7%	78.6%	21.4%	100.0%	0.0%
Housekeeping	75.0%	25.0%	64.3%	35.7%	92.9%	7.1%
General Trading	81.7%	18.3%	87.3%	12.7%	95.2%	4.8%
Manufacturing	83.3%	16.7%	92.9%	7.1%	92.9%	7.1%
Engineering	79.2%	20.8%	89.3%	10.7%	96.4%	3.6%
Waste Management	83.3%	16.7%	92.9%	7.1%	100.0%	0.0%

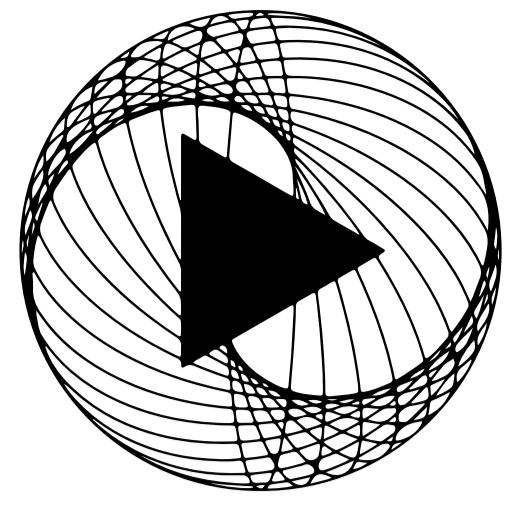
The audits consisted of a comprehensive 50-question checklist, and major non-compliances were observed in below points

1. The employment of recruitment agencies/brokers without appropriate due diligence,
2. The absence of child-care/creche facilities for workers
3. The lack of documentation regarding sustainable materials procurement.

Additionally, few of the vendors were found to have no environmental/energy management system or policy in place to monitor and assess resource efficiency, nor any relevant certifications. These findings reveal the need for vendors to prioritize compliance in these areas to ensure the highest ethical and social standards are upheld



At FIVE, we take compliance seriously and hold our suppliers to the same high standards. As part of our supplier audit procedure, we review and analyze each supplier's audit checklist responses and evidence provided. In cases where non-compliance is identified, we issue a non-compliance communication to the supplier. The nature of the communication depends on the severity of the non-compliance.



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For suppliers who have fulfilled all high-importance compliances, we provide a summary of recommended areas for improvement based on compliances that are recommended but not deemed critical. However, if a supplier fails to provide critical compliances in its checklist evaluation, we provide a two week window for the supplier to correct its non-conformity and to provide evidence. We also convey the recommended improvements to help the supplier meet our compliance standards.

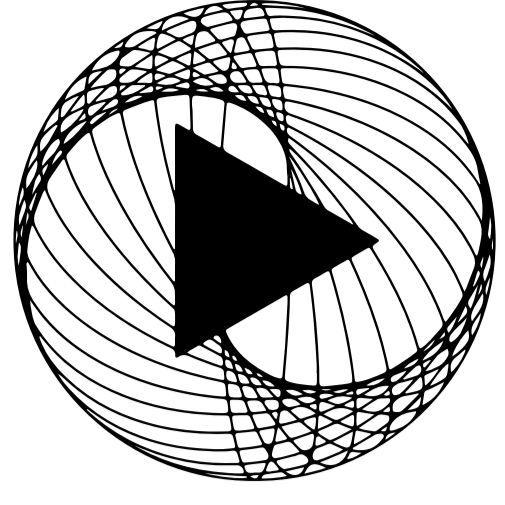
By enforcing our supplier audit procedure, we ensure that all suppliers meet our high standards for compliance and quality, and we maintain the integrity of our supply chain.

EXTENDED SUPPLY CHAIN

At FIVE hotels, we recognize the importance of ensuring compliance with our supplier standards on labor rights and working conditions throughout our extended supply chain. To achieve this, we have implemented several measures that allow us to monitor and assess the performance of our key vendors and their suppliers. We conduct on-site audits not only for our key vendors but also for their suppliers within the extended supply chain. Our audit checklist is designed to ensure that the code of business ethics is adhered to throughout the extended supply chain. We also consider the production volume and purchase order value awarded to our key vendors when conducting audits. Additionally, we collect evidence of third-party audit reports or conduct our audits through on-site visits. By implementing these measures, we aim to promote social responsibility and ethical business practices throughout our extended supply chain, thereby ensuring compliance with our supplier standards on labor rights and working conditions.

FIVE Vendor	Extended Vendor	Vendor Category
ISHWAR TILING WORKS LL	Rak Ceramics	Tiling and Contracting
BARAKAT VEGETABLES & FRUITS COMPANY LLC	Veggitech	Food
STARGATE BUILDING SOLUTIONS LLC	Taski	Contracting and Man Power
CLASSIC FINE FOODSTUFF TRADING LLC	Rhug Estate	Food
MIRAK ROYAL NATURE FRUIT AND VEGETABLES L.L.C	Silal	Food
INDOGUNA DUBAI LLC	mayura Station	Food
NOBLE PRINTING PRESS LLC	printing factory	Printing
INTROS MIDDLE EAST GENERAL TRADING L.L.C	Rituals	Wet amenities (Rituals.)
ALPHAMED GENERAL TRADING	Lavaza	Food (coffee)
PULSAR FOODSTUFF TRADING	Nestle	Minibar Food
KONE MIDDLE EAST LLC	Kone	Lift
CASAMIA BUILDING MATERIAL TRADING LLC	Casamia	Engineering materials
SALTO ACCESS CONTROL SYSTEMS TRADING LLC	Salto	Acess System Rooms & Security
ATOZ WORLD HOSPITALITY SUPPLIES LLC	Libby	F&B General
AL AHRAR HOTEL SUPPLIES LLC	Bona	F&B General

In addition to the measures mentioned earlier, above table displays the details of the business awarded to our key suppliers and the list of their vendors part of extended supply chain. It provides us with a comprehensive overview of the production volume and purchase order value awarded to each supplier, as well as the list of their vendors. By analyzing this data, we can assess the level of influence our key suppliers have on their vendors, and ensure that they are aligned with our supplier standards on labor rights and working conditions.



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On-Site Visit To Veggiotech & Themar Al Emarat Who Supply Food To Barakat (FIVE Vendor)



On-site visit to Veggiotech & Themar Al Emarat who supply food to Barakat (FIVE Vendor)

