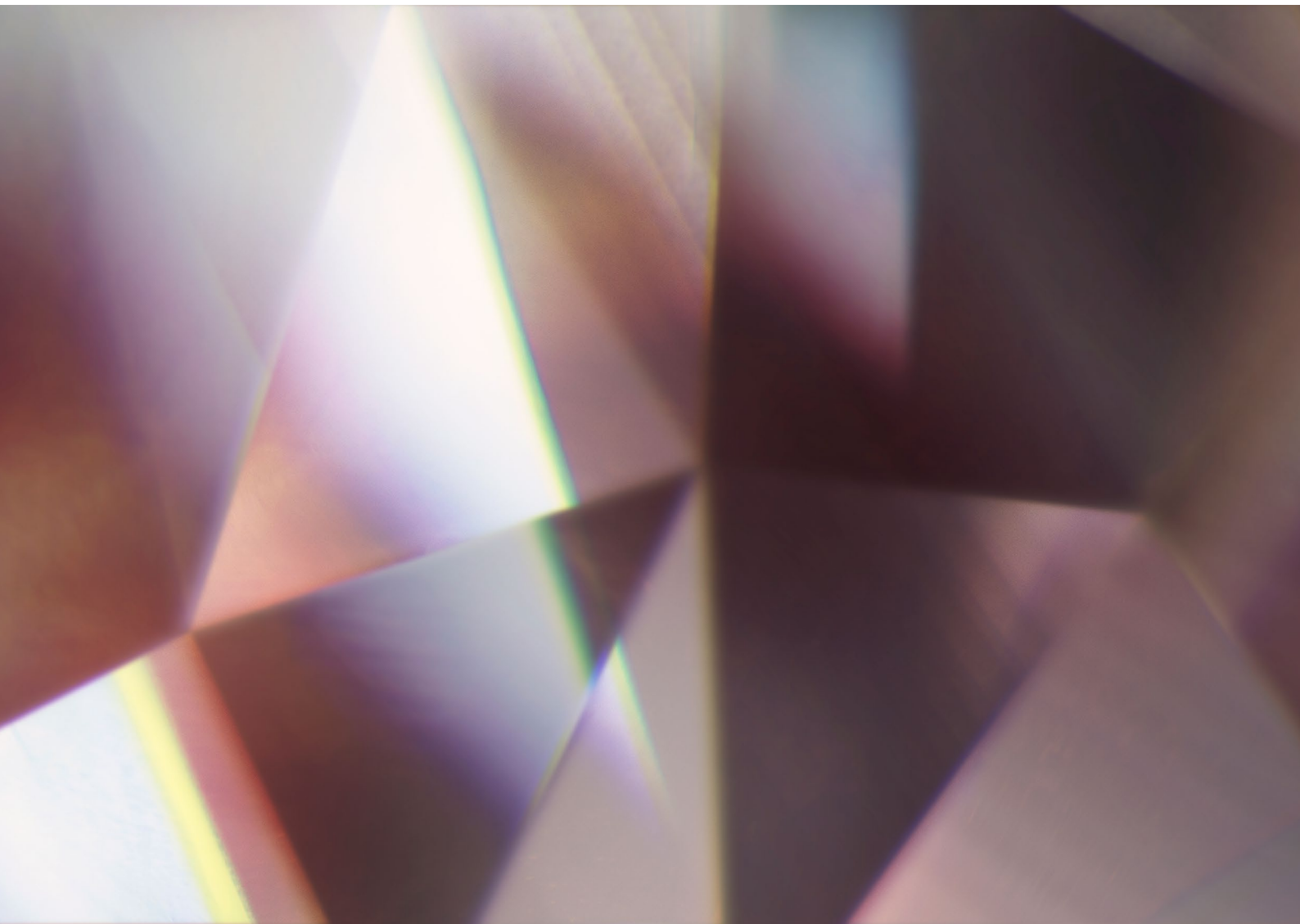


D I M E X O N .

# Partners in Provenance

ESG REPORT 2024



# CONTENTS

|   |    |
|---|----|
| <b>INTRODUCTION</b>                           | 3  |
| Directors' message                            | 3  |
| About the report                              | 5  |
| Our company                                   | 8  |
| Stakeholder engagement                        | 12 |
| Materiality                                   | 14 |
| ESG strategy                                  | 17 |
| <b>PILLAR 1: ENVIRONMENTAL SYNERGY</b>        | 19 |
| Energy and emissions                          | 21 |
| GHG emissions                                 | 22 |
| Carbon neutrality                             | 26 |
| Climate risk                                  | 27 |
| Waste management                              | 32 |
| Water management                              | 34 |
| Biodiversity and ecological impacts           | 35 |
| <b>PILLAR 2: PRODUCT INTEGRITY</b>            | 36 |
| Strengthening our value chain                 | 36 |
| Traceability                                  | 37 |
| Responsible sourcing                          | 39 |
| Product provenance and naturalness            | 41 |
| Customer-centric approach                     | 43 |
| Customer satisfaction survey                  | 43 |
| <b>PILLAR 3: SOCIAL STEWARDSHIP</b>           | 44 |
| Health, safety and employee wellbeing         | 45 |
| Diversity and inclusion                       | 45 |
| Diversity and inclusion index                 | 46 |
| ESG training                                  | 51 |
| Employee satisfaction                         | 52 |
| Talent attraction and retention               | 53 |
| Labour-management relations                   | 54 |
| Human rights                                  | 54 |
| Community relations                           | 57 |
| Need and impact assessment                    | 57 |
| <b>PILLAR 4: RESPONSIBLE BUSINESS CONDUCT</b> | 52 |
| Governance                                    | 52 |
| ESG communication                             | 56 |
| Policies                                      | 59 |
| Risks and opportunities                       | 62 |
| <b>GRI Index</b>                              | 69 |
| <b>ESRS Index</b>                             | 75 |
| <b>RJC Index</b>                              | 80 |
| <b>Glossary</b>                               | 68 |

# Sustainability is not just a goal, it's our guiding principle

Dimexon's unwavering commitment to transparency, quality and sustainable luxury is demonstrated by our ability to set industry benchmarks while simultaneously creating lasting value for our stakeholders and communities.

We are proud to share our 2024 ESG report with you, which showcases the significant strides forward we have made in environmental stewardship, product excellence, social responsibility, and ethical business practices.

The title of this year's report is *Partners in Provenance*, which underscores our unwavering commitment to ethical sourcing and transparency. Through the implementation of auditable digital processes and advanced technological systems, including our SAP portal, we have achieved 100% traceability for all diamonds processed in-house, from source to distribution. This milestone reinforces the confidence of our partners and customers in the integrity of our products.

*Partners in Provenance* also highlights our belief that meaningful change can only be achieved through collaboration; be that with our staff, our clients, or wider industry partners and groups. We are invested in building strategic alliances that will amplify our efforts, including signing the UN Women's Empowerment Principles (WEPs) and the Science-Based Targets initiative (SBTi).

## Embracing environmental responsibility

Responding to the challenge of climate change is a major focus for our business, and we have taken concrete steps to enhance our environmental performance. This year, we completed our Climate Risk Assessment, a crucial milestone in identifying potential risks and charting a course towards a more sustainable future. With a firm commitment to reduce our carbon footprint, we have taken the first step towards the SBTi to establish a 1.5°C-aligned emissions reduction target.

Our commitment extends beyond carbon reduction, as we plan to prepare a comprehensive nature roadmap in the coming year, including a thorough biodiversity assessment. These proactive initiatives perpetuate our unwavering commitment to environmental stewardship. ▶



Rajiv Mehta, Director

“As we look to the future, Dimexon remains committed to leading in sustainable luxury.”

“We remain committed to cultivating a safe, inclusive and equitable workplace in which all our staff can thrive.”

**A safe and inclusive workplace for all**

Our other focus is, of course, our people, and we remain committed to cultivating a safe, inclusive and equitable workplace in which all our staff can thrive.

As a proud signatory of the WEPs, we are actively implementing its seven principles to advance gender equality and women’s empowerment in the workplace. We remain a women-led business, with 77.5% of our staff identifying as female.

Further, our participation in the Watch & Jewellery Initiative 2030’s pioneering pilot programme for gender-responsive procurement to support women’s economic development within the jewellery industry reflects our proactive approach to enhancing inclusivity and diversity.

**Leaders in sustainable luxury**

As we look to the future, Dimexon remains committed to leading in sustainable luxury. We will do this through innovative carbon reduction solutions and tech-enabled auditable provenance tracking, as well as fostering industry collaborations to enhance consumer confidence, and expanding our presence in key markets.

We continue integrating sustainable practices across our operations, ensuring our growth supports long-term ecological balance and societal reforms. Our resolve to build a legacy of responsible practices, transparency and continuous growth remains resolute.

We extend our heartfelt gratitude to our stakeholders for their unwavering support and trust in our journey towards sustainability. Your confidence in our mission fuels our dedication to setting industry-leading benchmarks and achieving sustainability goals. Together, we will continue to innovate, inspire and lead by example, forging a path towards a thriving industry that contributes positively to both the planet and society.

Warm regards,  
**Rajiv Mehta & Vishal Mehta**  
DIRECTORS, DIMEXON



Vishal Mehta, Director



## Partners in Provenance

At Dimexon, we have consistently sought to elevate our practices beyond the traditional markers of success by striking a balance between cultivating sustainable luxury and delivering sustainable value to all our partners during our journey.

Our partners include – but are not limited to – our employees, suppliers, customers and the wider watch and jewellery industry. With their support, we have undertaken a respectful and trust-based approach to building our organisation.

We believe that provenance is more than just a diamond's origin; it encompasses the people, values and practices that shape its journey. For us, provenance signifies a holistic approach to sustainability. It encompasses the geographical origin of our diamonds and the ethical practices that define our company. This comprehensive view of provenance ensures that our products not only meet the highest quality standards, but stand as a testament to our dedication to sustainability, supply chain transparency and ethical sourcing. This approach reinforces our brand's integrity and empowers our clients to make informed choices.

At Dimexon, we foster a culture of sustainability by engaging our employees in the pursuit of sustainable luxury;

ensuring that the principles of environmental stewardship and ethical practices are shared values embodied by each member of our team.

We are dedicated to engaging with the global ESG community, and the watch and jewellery industry, ensuring our practices are innovative and aligned with the evolving sustainability standards. Moreover, human rights and the empowerment of women are integral components of our corporate ethos. They are foundational to our operations, guiding our interactions with all stakeholders and reflecting our progressive values.

*Partners in Provenance* is a declaration of our commitment to sustainability and a testament to our belief in the power of collaboration, and the importance of provenance in defining the future of luxury. As we move forward, we invite our stakeholders to join us on this journey, confident in our shared ability to forge a more sustainable and equitable industry.

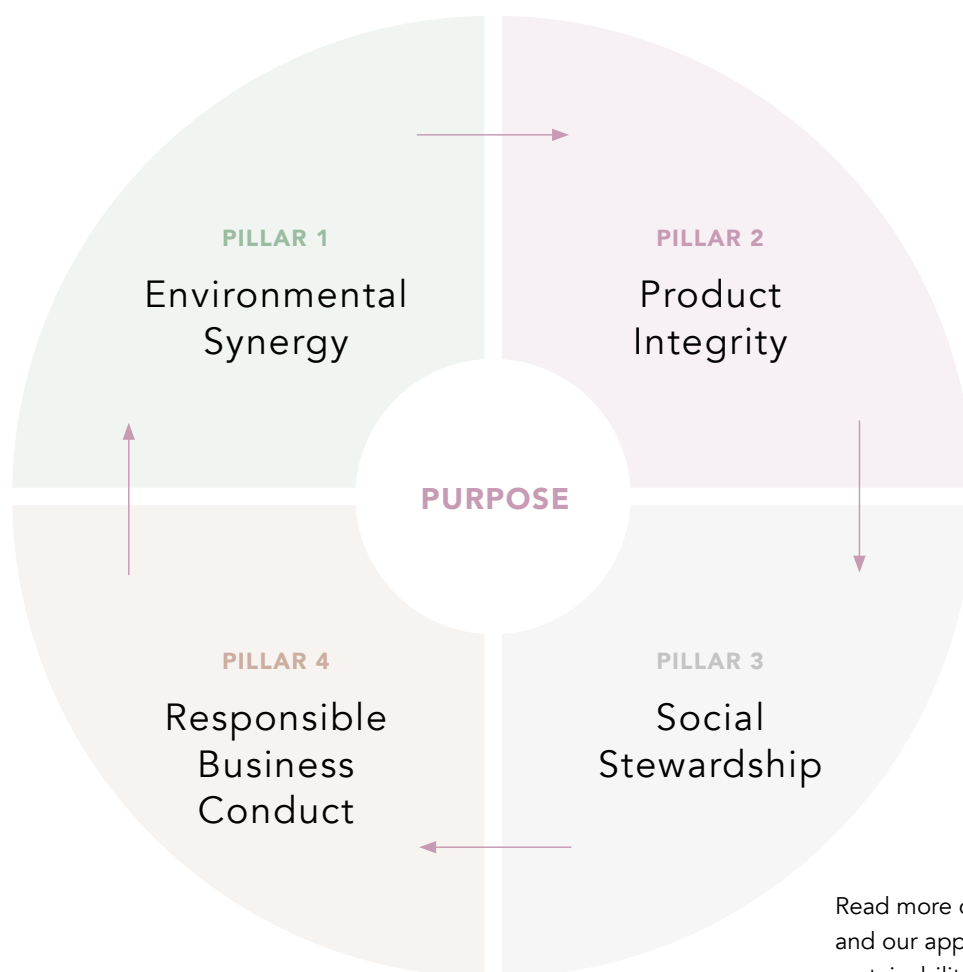
## About the report

*Partners in Provenance* is our third annual ESG report, continuing our commitment to communicating transparently with stakeholders.

It details our sustainability strategies and CY2024 priorities within the framework of our ESG strategy, and is structured in

accordance with Dimexon’s ESG strategic framework.

The report showcases the company’s advancements in fostering sustainable luxury, guided by the four pillars of Environmental Synergy, Product Integrity, Social Stewardship and Responsible Business Conduct.



Read more on this framework and our approach to sustainability on p18.

### Reporting period

The report presents Dimexon’s sustainability performance, related activities and initiatives undertaken from January 1, 2023 to December 31, 2023.

### Reporting scope and boundary

The report covers the ESG performance of entities across Dimexon’s value chain, which include:

- Dimexon Antwerp NV, Antwerp, Belgium (including SDTC BV)
- Dimexon M.E. DMCC, Dubai, UAE
- Dimexon Diamonds Ltd., India
  - Corporate Office, Nariman Point, Mumbai, Maharashtra
  - Operations Centre, Dahisar, Mumbai, Maharashtra
  - Sales & Procurement Office, Bandra Kurla Complex, Mumbai, Maharashtra
  - Manufacturing Operations, Coimbatore, Tamil Nadu
  - Outsource Manufacturing Operations, Ahmedabad, Gujarat
- Dimexon (Hong Kong) Ltd., Hong Kong



**Reporting standards and frameworks**

The report has been developed with reference to the Global Reporting Initiative (GRI) Standards for sustainability reporting and aligned with the National Guidelines on Responsible Business Conduct (NGRBC), Responsible Jewellery Council (RJC), World Diamond Council (WDC), Watch & Jewellery Initiative 2030 and the United Nations’ Sustainable Development Goals (SDGs).

We are also proud signatories of the United Nations Women’s Empowerment Principles (UN WEP), formed by the UN Global Compact (UNGC) and UN Women.

Further, owing to Dimexon’s operations in Antwerp, Belgium, the company has voluntarily embraced the European Sustainability Reporting Standards (ESRS) under the EU Corporate Sustainability Reporting Directive (CSRD) for the first time. It is our goal is to align with European Union (EU) reporting practices to improve the consistency, comparability and quality of sustainability disclosures for entities within EU jurisdictions. While this report represents a significant step towards full ESRS compliance, we anticipate fully meeting the expanded requirements in future reporting cycles and will provide an update in due course.

**Materiality**

In 2021, we carried out a comprehensive materiality assessment in consultation with our internal and external stakeholders, and in line with our business objectives, risks and opportunities.

Through this process, we identified and prioritised 14 key topics material to the business. In 2022, we reassessed our material topics in response to the shifting macroeconomic

landscape [read p16-17 of our 2023 ESG report *Impact Through Provenance* for more details].

Moving forward, we will refine our materiality approach to comply with the requirements of the CSRD and ESRS. The insights from our upcoming double materiality assessment will be incorporated into our next sustainability report.

**Management assurance**

Dimexon’s leadership recognises their responsibility towards ESG commitments and asserts that this report adequately addresses all material issues, providing a fair and accurate representation of our ESG performance.

**Feedback**

This report emphasises our dedication to presenting accomplishments, insights and goals. It offers a detailed view of our ethical diamond sourcing, sustainability initiatives and commitment to the four core pillars of our ESG strategic framework. We welcome and appreciate our stakeholders’ feedback on our reporting and invite comments and suggestions by email at [esg@dimexon.com](mailto:esg@dimexon.com) or via our website, [dimexon.com](http://dimexon.com).

**Forward-looking statements**

This report includes prospective statements and commitments that reflect Dimexon’s present expectations and reasonable projections. However, these are subject to inherent risks and uncertainties, including policy shifts, market fluctuations, operational events and significant external trends that could cause actual results to deviate materially from anticipated outcomes.



# Dimexon: Shaping sustainable luxury

Dimexon Group, which was established in 1966, is a major diamond manufacturer that is celebrated for its exceptional craftsmanship and leading ethical practices.

Our expertise in manufacturing polished diamonds to industry-recognised size bands and calibrated smalls has earned us our reputation as a trusted supplier of exquisite natural diamonds to prestigious watch and jewellery brands worldwide.

## **Prioritising provenance and empowerment**

We are committed to building a sustainable diamond industry by placing ethical practices and social responsibility at the forefront of our operations. We ensure responsible sourcing through collaborations with reputable suppliers, meticulously

documenting and verifying the origin of each diamond to guarantee provenance and traceability.

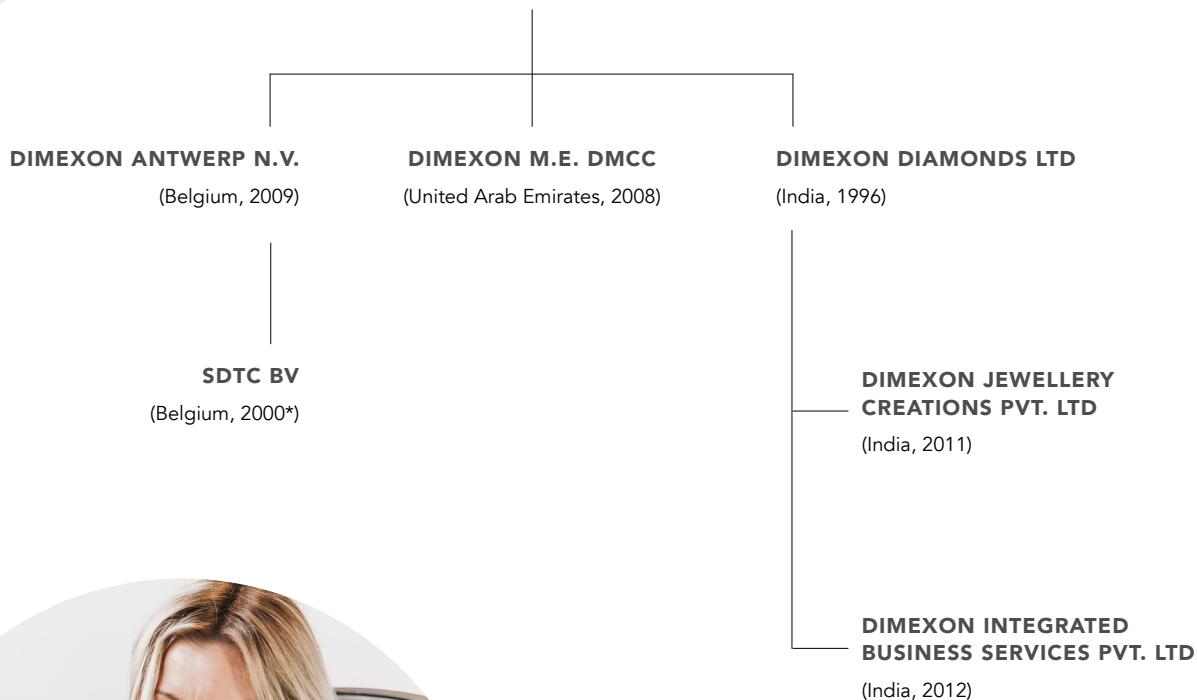
Our commitment to equality, fairness and diversity is reflected in our workforce, with more than three quarters of our staff being women.

We provide women with global growth opportunities, technical training and flexible working hours, fostering an inclusive environment that supports women's rights and dignity. We believe our unwavering dedication to ethical practices has been the foundation of our success.

## Group structure

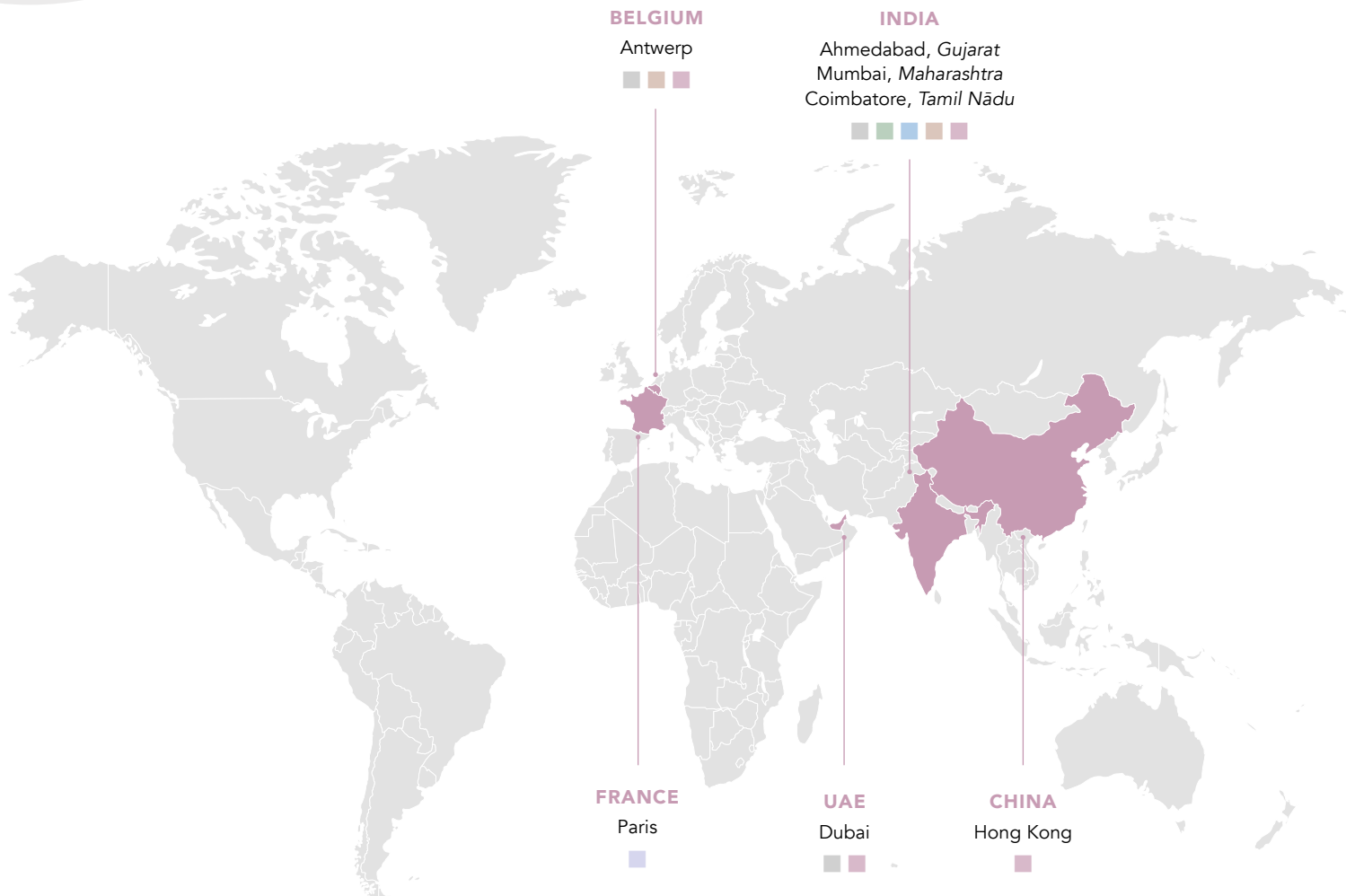
### DIMEXON (HONG KONG) LIMITED

(Hong Kong, 2006) Holding Company



\*Acquired by Dimexon in 2022

## Geographic presence



| ACTIVITY BY COUNTRY* |                        |                       |                               |                           |                        |                      |
|----------------------|------------------------|-----------------------|-------------------------------|---------------------------|------------------------|----------------------|
|                      | Rough diamond sourcing | Diamond manufacturing | Polished diamond distribution | Polished diamond sourcing | Polished diamond sales | Business development |
| Map colour key       | ■                      | ■                     | ■                             | ■                         | ■                      | ■                    |
| Antwerp              | ■                      |                       |                               | ■                         | ■                      | ■                    |
| Dubai                | ■                      |                       |                               |                           | ■                      |                      |
| Ahmedabad            |                        | ■                     |                               |                           |                        |                      |
| Mumbai               | ■                      | ■                     | ■                             | ■                         | ■                      | ■                    |
| Coimbatore           |                        | ■                     |                               |                           |                        |                      |
| Hong Kong            |                        |                       |                               |                           | ■                      | ■                    |
| Paris                |                        |                       |                               |                           |                        | ■                    |

\*As of December 31, 2023

## Our value chain

Dimexon's Sightholder status with De Beers since 1976 and Select Diamantaire status with Rio Tinto since 2007 ensures direct access to a significant portion of the global, non-sanctioned rough diamond supply. We also source high-quality rough diamonds from carefully selected junior mining companies.

Our state-of-the-art manufacturing facilities in India employ more than 2,000 skilled professionals. We utilise the latest

technologies and lean processes to cut and polish the rough diamonds we source direct from our mining partners.

We continuously invest in upgrading our facilities, and recently introduced automation technologies, including the Galaxy Meteorite Inclusion Mapping System from leading supplier Sarine.

The polished diamonds are then distributed to our global sales offices in Antwerp, Dubai, Mumbai and Hong Kong, serving customers worldwide through our extensive network.



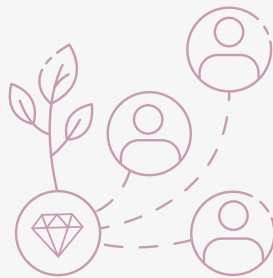
## Our partnerships



# Engaging with stakeholders

Stakeholder engagement and feedback are key to our sustainability efforts. We are thus committed to fostering collaborative value through ongoing, open and responsive

dialogue with our internal and external stakeholders\*, aiming to understand their concerns and expectations, and build lasting relationships.



## Stakeholder engagement process

Identify key internal and external stakeholders by weighing their impact on our business



Initiate communication with them and actively understand their requirements and concerns



Set clear objectives and goals to meet the requirements of each stakeholder group



Regularly assess our strategy and analyse stakeholder feedback to identify areas of improvement and effectively address their concerns

\*Our internal stakeholders include our employees and leadership while our external stakeholders consist of customers, suppliers, financial institutions, government entities, regulatory bodies, knowledge partners, industry associations and communities.

| PRIORITISING STAKEHOLDER NEEDS  |   |   |  |  |
|---|---|---|--|--|
| Stakeholders and their significance   | Engagement channels   | Issues discussed  | Linkage with material topics   | EF*  |
| <p><b>Employees and leadership</b></p> <p>The effectiveness and capabilities of our workforce are essential to the success of our organisation. Our leadership is vital in steering the strategic vision and fostering the company's accomplishments, which largely rely on the contributions of our employees.</p> | <ul style="list-style-type: none"> <li>• Induction programs</li> <li>• Internal communications (emails and employee portal)</li> <li>• HR help desk</li> <li>• Employee grievance procedures</li> <li>• Engagement initiatives and discussion groups</li> <li>• Leadership meetings</li> <li>• Cultural activities</li> <li>• Training programmes</li> </ul>    | <ul style="list-style-type: none"> <li>• Human rights and labour management</li> <li>• Performance appraisal and rewards</li> <li>• Training and career development</li> <li>• Transparency in business</li> <li>• Compliance with safety norm</li> <li>• Focus on ESG aspects</li> <li>• Diversity and inclusion</li> <li>• Employee wellbeing</li> <li>• Employee engagement and satisfaction</li> <li>• Talent attraction and retention</li> <li>• Gender pay parity</li> <li>• Consumer demand for diamonds</li> <li>• Product design, creativity and quality</li> <li>• Innovation</li> <li>• Cybersecurity</li> <li>• Long-term strategy</li> </ul> | <ul style="list-style-type: none"> <li>• Human rights</li> <li>• Health, safety and employee wellbeing</li> <li>• Labour-management relations</li> <li>• Diversity and inclusion</li> <li>• Talent attraction and retention</li> <li>• Energy and emissions</li> <li>• Water and wastewater management</li> <li>• Packaging and waste</li> <li>• Transparency and traceability</li> <li>• Responsible sourcing</li> <li>• Product provenance and naturality</li> <li>• Industrial partnerships</li> <li>• Community relations</li> <li>• Responsible business practices</li> </ul> | <ul style="list-style-type: none"> <li>■ Ongoing</li> <li>■ Demand-based</li> </ul>  |
| <p><b>Customers</b></p> <p>Our customers' choices inform our company's strategic direction, and their satisfaction and loyalty drive our revenue and shape our success.</p>   | <ul style="list-style-type: none"> <li>• One-to-one interactions and meetings</li> <li>• Customer satisfaction reviews</li> <li>• Company website</li> <li>• Grievance redressal mechanism</li> <li>• Trade shows</li> <li>• Site visits to our facilities</li> <li>• Industry forums</li> <li>• Facility/process audits through certification firms</li> </ul> | <ul style="list-style-type: none"> <li>• Focus on ESG aspects and non-financial performance</li> <li>• Product provenance and integrity</li> <li>• Supplier assessments</li> <li>• Transparent disclosures</li> <li>• Data protection</li> <li>• Customer experience</li> <li>• Product design, creativity and quality</li> <li>• Innovation</li> </ul>   | <ul style="list-style-type: none"> <li>• Transparency and traceability</li> <li>• Product provenance and naturality</li> <li>• Responsible sourcing</li> <li>• Human rights</li> </ul>   | <ul style="list-style-type: none"> <li>■ Annual</li> <li>■ Demand-based</li> </ul>   |
| <p><b>Suppliers</b></p> <p>Thriving partnerships with suppliers unlock a powerful engine for our success through optimised supply chains and assured sources of goods.</p>  | <ul style="list-style-type: none"> <li>• One-to-one interactions and meetings</li> <li>• Site visits and inspection</li> <li>• Vendor quality assessment</li> <li>• Vendor performance assessment</li> </ul>  | <ul style="list-style-type: none"> <li>• On-time performance</li> <li>• Ethical practices, anti-bribery and anti-corruption</li> <li>• Supply chain management</li> <li>• Internal and external audits</li> </ul>   | <ul style="list-style-type: none"> <li>• Packaging and waste</li> <li>• Transparency and traceability</li> <li>• Responsible sourcing</li> <li>• Product provenance and naturality</li> <li>• Human rights</li> <li>• Industrial partnerships</li> <li>• Responsible business practices</li> </ul>   | <ul style="list-style-type: none"> <li>■ Annual</li> <li>■ Half-yearly</li> <li>■ Demand-based</li> </ul>                      |
| <p><b>Financial institutions</b></p> <p>Financial institutions provide the necessary capital and financial support, enabling the company to pursue its growth and expansion strategies.</p>   | <ul style="list-style-type: none"> <li>• One-to-one meetings</li> <li>• Communication of financial results</li> <li>• Leadership engagement</li> <li>• Insight into long-term strategy</li> </ul>   | <ul style="list-style-type: none"> <li>• Financial and non-financial performance</li> <li>• Robust strategy for business growth</li> <li>• Long-term business value</li> <li>• Economic impact on producer countries</li> <li>• Consumer demand for diamonds</li> <li>• Product design, creativity and quality innovation</li> <li>• Sustainable finance</li> <li>• Legal and regulatory compliances</li> </ul>   | <ul style="list-style-type: none"> <li>• Transparency and traceability</li> <li>• Responsible sourcing</li> <li>• Product provenance and naturality</li> <li>• Responsible business practices</li> </ul>   | <ul style="list-style-type: none"> <li>■ Annual</li> <li>■ Half-yearly</li> <li>■ Quarterly</li> <li>■ Demand-based</li> </ul> |
| <p><b>Government entities and regulatory bodies</b></p> <p>The regulations and policies established by the authorities directly impact our operational compliance, market access, and overall business practices in the diamond industry.</p>   | <ul style="list-style-type: none"> <li>• Annual reports and other regulatory filings</li> <li>• Formal dialogues</li> <li>• Policy advocacy</li> <li>• Industry associations</li> <li>• Trade groups</li> </ul>   | <ul style="list-style-type: none"> <li>• Compliance with industry regulations</li> <li>• Import and export policies</li> <li>• Environment and sustainability standards</li> <li>• Financial and non-financial performance</li> <li>• Economic impact on producer countries</li> <li>• Labour and employment laws</li> </ul>  | <ul style="list-style-type: none"> <li>• Transparency and traceability</li> <li>• Responsible sourcing</li> <li>• Product provenance and naturality</li> <li>• Human rights</li> <li>• Health, safety and employee wellbeing</li> <li>• Labour-management relations</li> <li>• Responsible business practices</li> <li>• Energy and emissions</li> <li>• Water and wastewater management</li> <li>• Industrial partnerships</li> </ul>   | <ul style="list-style-type: none"> <li>■ Annual</li> <li>■ Demand-based</li> </ul>   |
| <p><b>Industry associations</b></p> <p>Industry associations provide a platform for networking, collaborative innovation and unified policy advocacy, ultimately fostering growth and advancement within the diamond industry.</p>  | <ul style="list-style-type: none"> <li>• Meetings, emails and other correspondences</li> <li>• Conferences</li> </ul>   | <ul style="list-style-type: none"> <li>• Social and governance aspects</li> <li>• Human rights due diligence and community development</li> <li>• Diamond provenance and responsible sourcing</li> <li>• Stakeholder engagement</li> <li>• Transparency and traceability</li> <li>• Data protection</li> <li>• Industrial partnerships</li> <li>• Legal and regulatory compliances</li> </ul>   | <ul style="list-style-type: none"> <li>• Responsible sourcing</li> <li>• Industrial partnerships</li> <li>• Product provenance and naturality</li> <li>• Transparency and traceability</li> </ul>  | <ul style="list-style-type: none"> <li>■ Annual</li> <li>■ Demand-based</li> </ul>   |
| <p><b>Communities</b></p> <p>Thriving communities are the foundation of our economy. We believe in building trust and securing a strong social license to operate by actively engaging and consistently supporting them.</p>  | <ul style="list-style-type: none"> <li>• Corporate Social Responsibility (CSR) activities</li> <li>• Awareness programmes</li> <li>• Social impact assessment studies</li> </ul>  | <ul style="list-style-type: none"> <li>• Proactive engagement to solve social and environmental issues</li> <li>• Contribution to community welfare</li> <li>• Community relations</li> <li>• Craftmanship and skill development</li> </ul>   | <ul style="list-style-type: none"> <li>• Community relations</li> <li>• Human rights</li> </ul>  | <ul style="list-style-type: none"> <li>■ Annual</li> <li>■ Half-yearly</li> <li>■ Demand-based</li> </ul>                      |

\*Engagement frequency: ■ Annual ■ Half-yearly ■ Quarterly ■ Ongoing ■ Demand-based



# Materiality

Materiality assessment is integral to our business strategy, guiding financial decisions by evaluating economic, social and environmental impacts throughout our value chain.

In 2021, we conducted a comprehensive assessment to identify critical issues for our operations and updated our material topics in 2022 [Read our 2023 ESG report *Impact Through Provenance* for more details]. This process involved extensive dialogue with stakeholders to understand their concerns and our impacts on them, alongside various internal and external factors affecting our business model.

We are in the process of conducting a double materiality assessment, and plan to disclose the results in our next ESG report, released in 2025.

## Materiality assessment process

Our five-step materiality assessment systematically evaluates the prospective impacts of initiatives and aims to minimise adverse outcomes. It identifies sustainability issues that could significantly impact the delivery of our strategy and future performance or materially affect our key stakeholders.

The materiality assessment optimises resource allocation, prioritises key information for decision making, enhances financial reporting and improves risk management.

By prioritising material issues, we ensure regulatory compliance, effectively address stakeholder needs and integrate ESG initiatives with our business operations, thereby driving long-term value creation.

## Five steps: the assessment process





**Our material topics**

We have categorised our material topics under the four pillars that underpin our ESG strategy (read more about our strategy on p17). We are dedicated to addressing them effectively to enhance our performance, ensure stakeholder satisfaction and contribute to a sustainable future. The icons show how Dimexon’s strategy contributes towards the United Nation’s Sustainable Development Goals adopted in 2015.

**PILLAR 1: ENVIRONMENTAL SYNERGY**

**Material topics:**

- 1 Energy and emissions
- 2 Water and wastewater management
- 3 Packaging and waste



**PILLAR 3: SOCIAL STEWARDSHIP**

**Material topics:**

- 7 Human rights
- 8 Health, safety and employee wellbeing
- 9 Industrial partnerships
- 10 Labour-management relations
- 11 Diversity and inclusion
- 12 Community relations
- 13 Talent attraction and retention



**PILLAR 2: PRODUCT INTEGRITY**

**Material topics:**

- 4 Transparency and traceability
- 5 Responsible sourcing
- 6 Product provenance and naturality

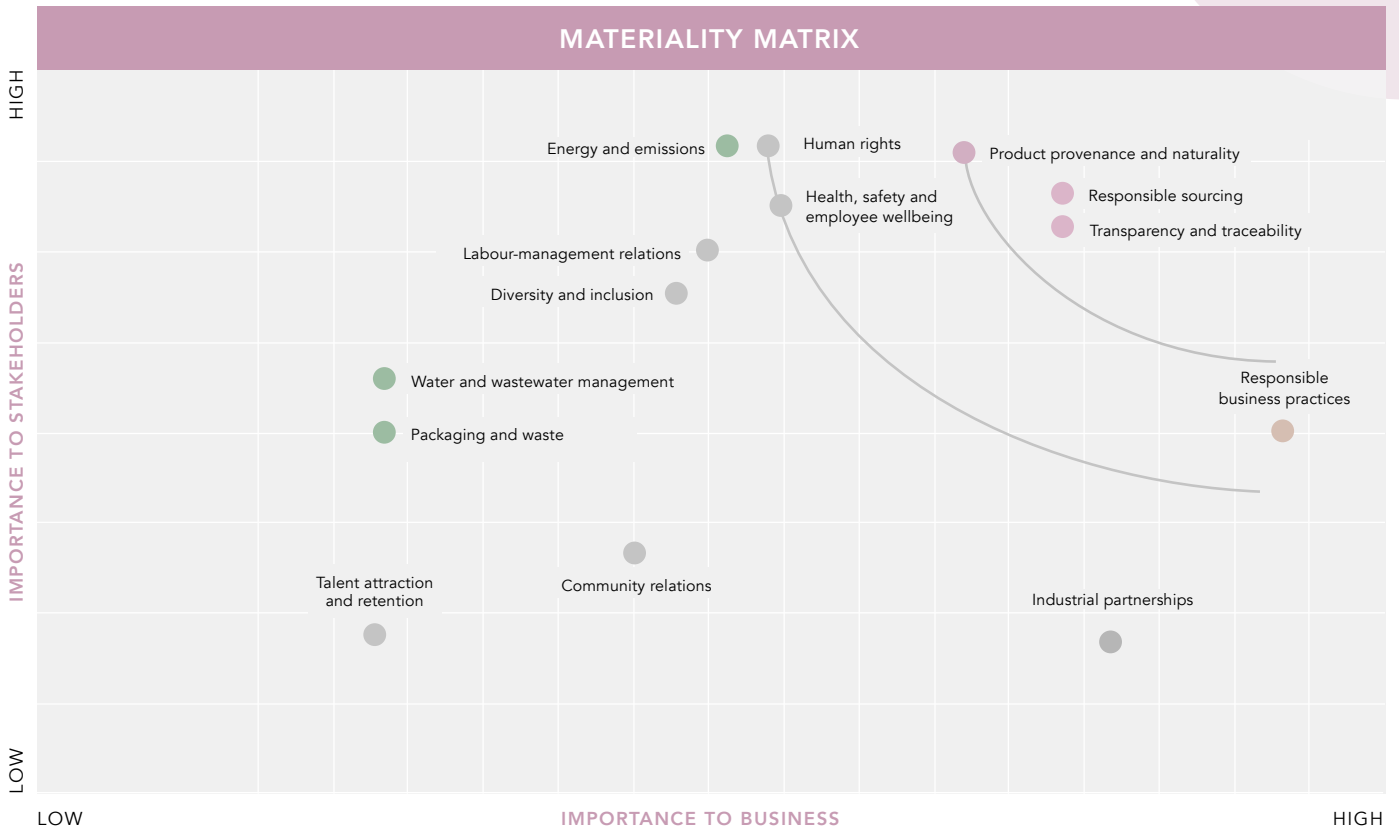


**PILLAR 4: RESPONSIBLE BUSINESS CONDUCT**

**Material topics:**

- 14 Responsible business practices





**Pillars:** ● Environmental synergy ● Product integrity ● Social stewardship ● Responsible business conduct



# Our ESG strategy

Dimexon's corporate strategy is built on a strong foundation of environmental, social and governance (ESG) factors.

We aim to reduce our environmental footprint and generate positive impacts for communities and individuals through focused efforts in sustainable collaboration, product excellence, business ethics and social responsibility. This commitment drives our pursuit of long-term sustainability goals, enhances our resilience and competitiveness, and strengthens our contribution to the UN Sustainable Development Goals (SDGs).

## Management approach to ESG

Our management's approach to ESG is deeply rooted in our commitment to sustainable luxury and decades of operational excellence.

We maintain a competitive edge through strategic collaborations with top-tier partners and industry institutions, adhering to globally recognised standards, such as the Watch & Jewellery Initiative 2030 (WJI 2030), the World Diamond Council (WDC) and the Responsible Jewellery Council (RJC). We prioritise environmental responsibility through climate risk assessments and innovative technologies to minimise our carbon footprint.

Our dedication to social equity and female empowerment is exemplified by our partnership with the UN Women's Empowerment Principles (WEPs). We are testing its Gender-Responsive Procurement Assessment Tool, which has been created to help companies gauge their progress on GRP policies and practices (read more about our contribution to the programme on p48). We continuously evaluate the external landscape, engage with stakeholders and integrate

ESG priorities into our business strategy and decision-making processes.

By benchmarking against industry leaders and aligning with the UN SDGs, we ensure our operations not only meet but often exceed international benchmarks for responsibility and sustainability.

## CASE STUDY

### Empowering our people to build a sustainable business

One of our team members participated in the Start-to-SDG Masterclass – Raising ESG Leadership course, co-organised by the Watch and Jewellery Initiative 2030 (WJI 2030) and the United Nations Institute for Training and Research (UNITAR). This programme focuses on integrating sustainable development and the SDGs in the supply chain of the global jewellery and watch industry, with a special focus on climate action, biodiversity and inclusiveness. The programme ran from February to April 2024. It equipped participants with the knowledge and skills to implement and communicate sustainable practices within their organisations.

**ESG strategy, goals and priorities**

In 2021, we established an ESG strategic framework to advance our ambitious sustainability goals, rooted in our commitment to inspiring sustainable luxury. This framework is structured around four key pillars, each with specific focus areas identified through benchmarking with industry peers.

For each focus area, we have set key performance indicators (KPIs) to guide our progress. Additionally, each focus area is aligned with relevant UN SDGs, ensuring our actions contribute to a global sustainability agenda. Our contributions to the UN SDGs through our four pillars are detailed in the Materiality section on p14.

| Pillar   | Focus Area                             | KPIs   |
|--|--|--|
| <b>ENVIRONMENTAL SYNERGY</b><br>Read more on p19 | Energy emission                        | <b>KPI 1</b> Greenhouse gas emissions<br><b>KPI 2</b> Carbon neutrality<br><b>KPI 3</b> Climate risk     |
|  | Resource-neutral operations            | <b>KPI 4</b> Single-use-plastic waste<br><b>KPI 5</b> Zero waste to landfill                             |
| <b>PRODUCT INTEGRITY</b><br>Read more on p36     | Responsible consumption and production | <b>KPI 6</b> Traceability<br><b>KPI 7</b> Responsible procurement<br><b>KPI 8</b> Supplier due diligence |
|  | Customer centricity                    | <b>KPI 9</b> Customer satisfaction survey  |
| <b>SOCIAL STEWARDSHIP</b><br>Read more on p44    | Diversity and inclusion                | <b>KPI 10</b> Diversity and inclusion index  |
|  | Employee wellbeing                     | <b>KPI 11</b> ESG training<br><b>KPI 12</b> Employee satisfaction  |
|  | Community relations                    | <b>KPI 13</b> Need and impact assessment   |
| <b>RESPONSIBLE BUSINESS</b><br>Read more on p58  | Ethics and compliance                  | <b>KPI 14</b> Due diligence and compliance   |
|  | Responsible communication              | <b>KPI 15</b> ESG communication  |

# Environmental synergy

We are committed to minimising the ecological impact of producing high-value diamonds.

We have set targets to reduce our footprint through energy-efficient technologies, renewable energy, responsible resource management and circular economy principles, continuously monitoring our progress to mitigate environmental risks.

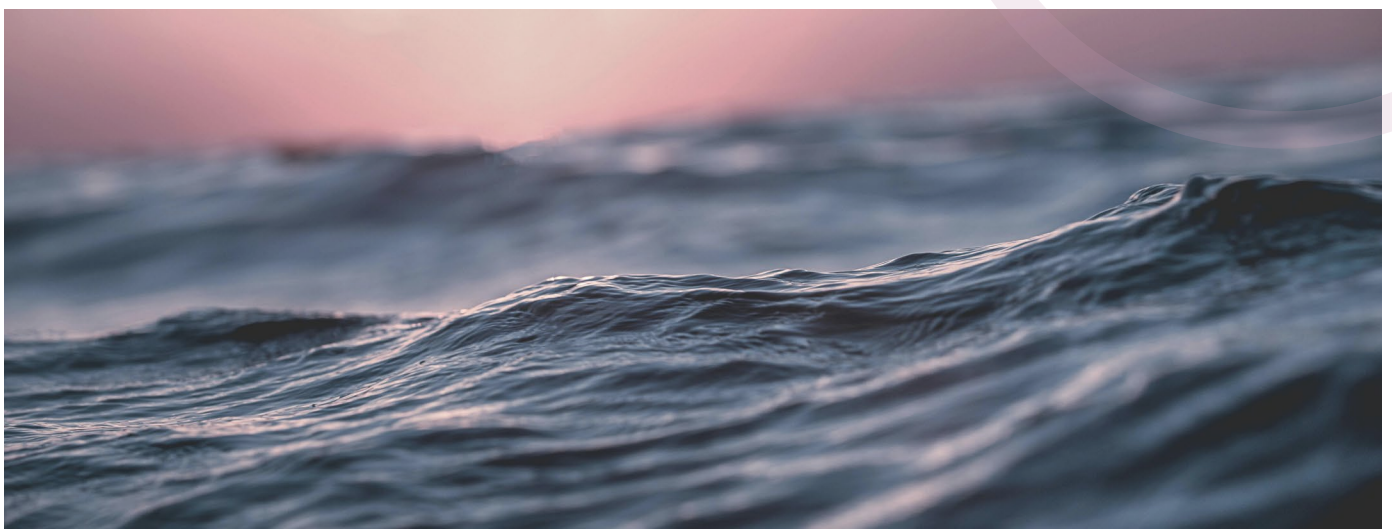
## KEY PERFORMANCE INDICATORS

- KPI 1 GHG emissions
- KPI 2 Carbon neutrality
- KPI 3 Climate risk
- KPI 4 Single-use plastic waste
- KPI 5 Zero waste to landfill

## MATERIAL TOPICS

- MT 1 Energy and emissions
- MT 2 Water and wastewater management
- MT 3 Packaging and waste

## UN SUSTAINABLE DEVELOPMENT GOALS ALIGNED



## Key highlights



**1st**

Our first climate risk assessment was conducted during the year



**-437GJ**

Our energy consumption dropped 437 GJ compared to base year CY2019



**-10.8%**

A 10.8% reduction in absolute Scope 1 and 2 emissions on base year CY2019



**12,783kl**

We recycled and reused 12,783kl of wastewater in the business



**0**

We achieved zero liquid discharge at our Coimbatore manufacturing unit



### Zero Waste to Landfill

Our Coimbatore site won a Gold ZWL diversion rate for recycling 93.91% of its hazardous waste, and a Platinum ZWL diversion for recycling 98.48% of its non-hazardous waste

\* Verified by TUV India



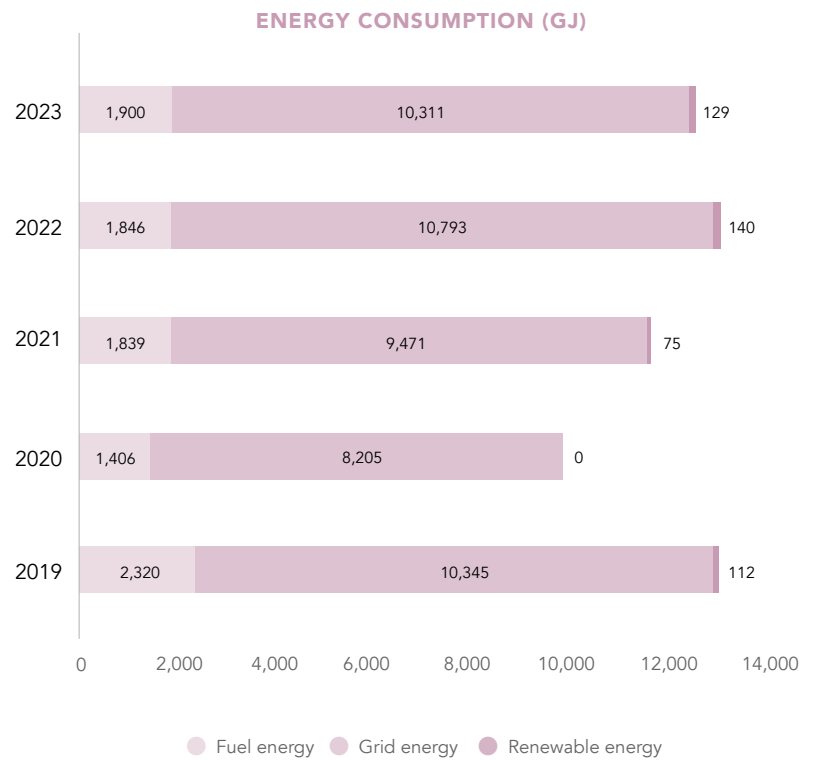
MT 1

## Energy and emissions

Over the years, we have undertaken various measures to reduce our carbon footprint and minimise our environmental impact across our value chain. We have taken the first step with the Science-based Targets initiative (SBTi) by agreeing to set a goal to reduce our emissions in line with keeping global warming to 1.5°C. Once this target is validated by SBTi, we will disclose it publicly.

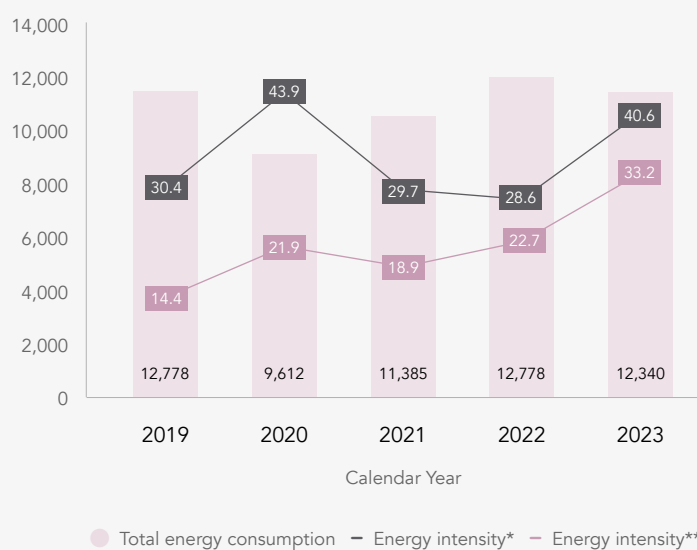
### Energy management

At Dimexon, we implement energy-saving technologies, including utilisation of energy-efficient systems, adopting renewable energy and implementing innovative solutions to reduce and optimise energy usage.



Note: Our renewable energy penetration for CY2023 is at par with CY2022.

### ENERGY INTENSITY (GJ/cts)



\*per polished carats sold (GJ/cts (in '000s)) \*\*per equivalent polished carats (GJ/cts (in '000s))

Note: In CY2023, while the overall energy consumption is lower by 3.5%, reduced business volumes have resulted in higher energy intensity (per carat) being reported.

KPI 1

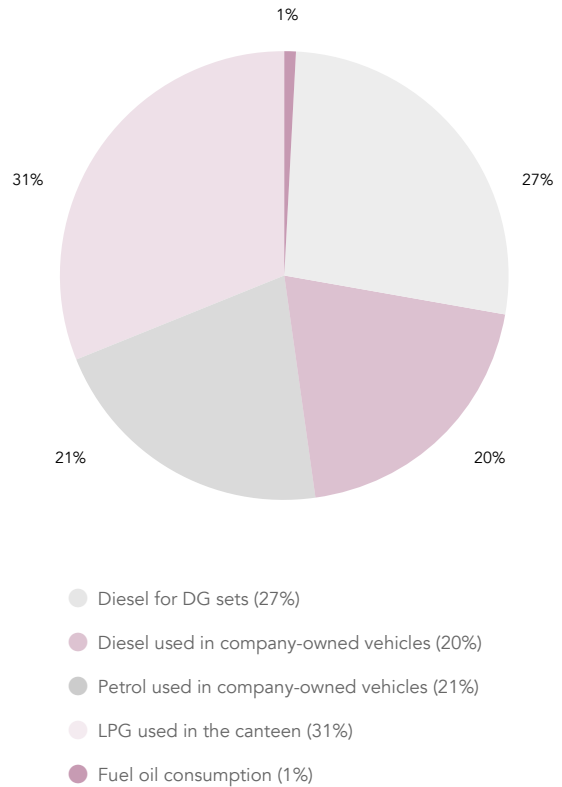
## GHG emissions

We recognise the impact of greenhouse gas (GHG) emissions on climate change and are committed to reducing our GHG footprint by actively monitoring and minimising our conventional energy use.

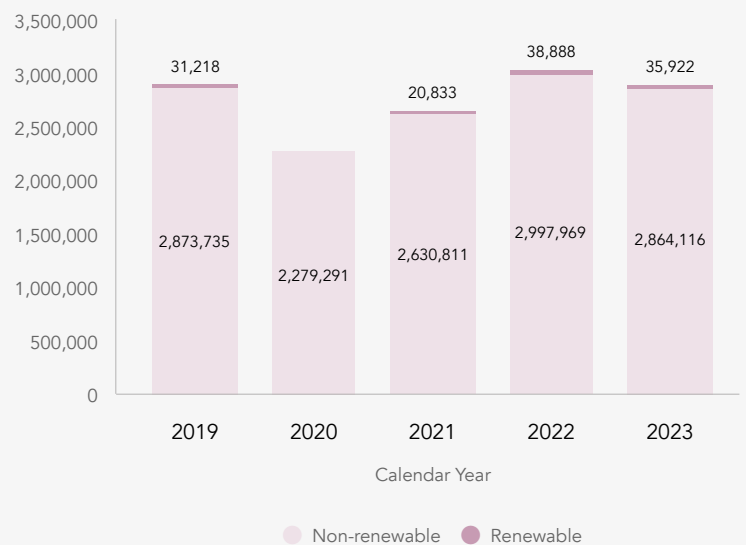
### Scope 1 and Scope 2 emissions

Our Scope 1 emissions arise from direct fuel consumption, including diesel in generator sets, company-owned vehicles, petrol, LPG in our canteen and fuel oil in operations. Our Scope 2 emissions come from the indirect energy consumption of purchased grid electricity and are measured using the location-based method. Both Scope 1 and Scope 2 emissions are measured and monitored according to the GHG Protocol Corporate Standard.

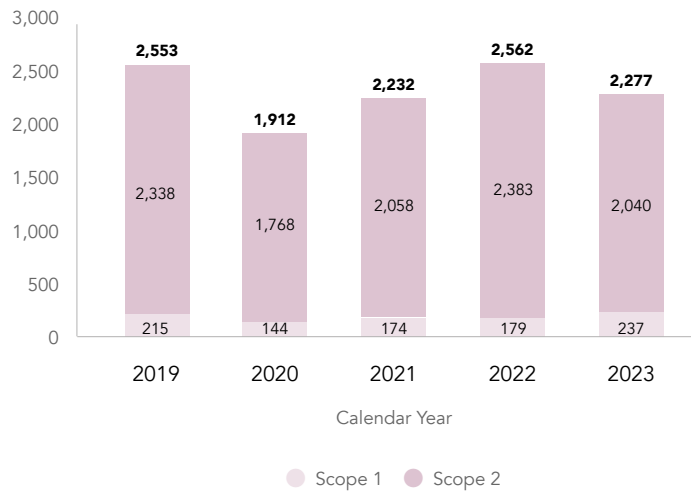
TOTAL DIRECT ENERGY CONSUMPTION (BY SOURCE)



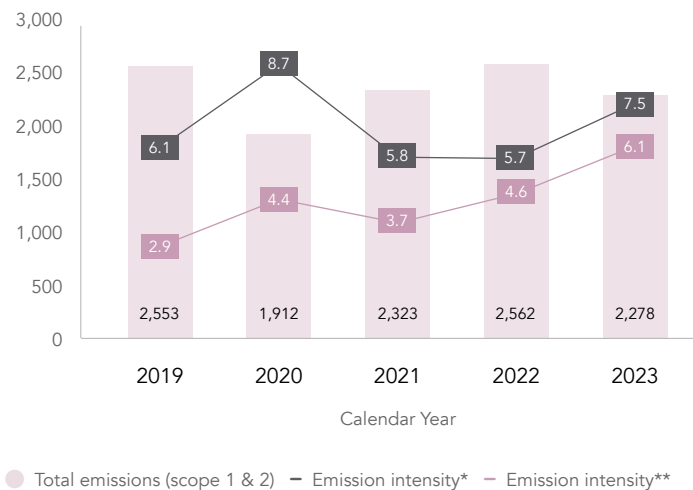
TOTAL PURCHASED ELECTRICITY (kWh)



SCOPE 1 & 2 GHG EMISSIONS (tCO<sub>2</sub>e)



EMISSION INTENSITY (SCOPE 1 & SCOPE 2) (tCO<sub>2</sub>e)



\*Emission intensity (per polished carats sold (tCO<sub>2</sub>e cts in '000s)) \*\*Emission intensity (per equivalent polished carats sold (tCO<sub>2</sub>e cts in '000s))

Notes:

1. Our business activities contributed 58 kgs of emissions related to ozone-depleting substances (ODS) during the year.
2. We measure and track our Scope 1 and Scope 2 emissions in accordance with the guidelines set by the World Resources Institute (WRI) and the World Business Council for Sustainable Development (WBCSD) GHG Protocol Corporate Standard.
3. In CY2023, while overall emissions are ~11%, reduced business volumes resulted in higher emission intensity (per carat) being reported.

**Scope 3 emissions**

In CY2021, we conducted a comprehensive Scope 3 screening to identify relevant categories for our business:

- Category 1: Purchased goods and services
- Category 2: Capital goods
- Category 3: Fuel and energy-related activities
- Category 4: Upstream transportation and distribution
- Category 5: Waste generated in operations
- Category 6: Business travel
- Category 7: Employee commuting
- Category 9: Downstream transportation and distribution
- Category 13: Downstream leased assets

In 2023, we formalised our approach and methodologies for tracking and monitoring our Scope 3 emissions. This report includes data on Scope 3 emissions for Categories 6, 7 and 13. They are reported based on the Greenhouse Gas Protocol. Emissions calculations are derived using emission factors provided by DEFRA, correlating emissions with financial expenditure.

| Scope 3 category                     | Emissions (tCO <sub>2</sub> e) |
|--------------------------------------|--------------------------------|
| C6 – Business travel                 | 273                            |
| C7 – Employee commuting <sup>2</sup> | 1,323                          |
| C13 – Downstream leased assets       | 3                              |
| <b>Total</b>                         | <b>1,598</b>                   |

Notes: 1. We will report on the emissions for other categories in our upcoming report.  
 2. More than 50% of our employees commute by bus, while others use bicycles, two-wheelers, three-wheelers, personal cars, and trains/metros.

**CASE STUDY**

**Electric vehicles power a greener future at our Coimbatore plant**

As part of our unwavering commitment to environmental sustainability, we have implemented a strategic initiative at our location in Coimbatore. The successful deployment of two electric vehicles (EV) marks a step towards transitioning to greener alternatives and reducing our reliance on fossil fuels.

This initiative has yielded tangible results, achieving a notable reduction in diesel consumption by company-owned vehicles, amounting to 5,413 litres. Consequently, we have observed a substantial decrease of 14 MtCO<sub>2</sub>e in total emissions compared to CY2022. This reduction has demonstrably contributed to lowering our Scope 1 - Mobile emissions.

We remain steadfast in our pursuit of expanding our EV fleet and exploring innovative solutions to further minimise our environmental footprint.



**31.5%**

In CY2023, Dimexon reduced its diesel consumption for company-owned vehicles by 31.5%

**Air pollution**

We periodically conduct ambient air quality tests in our Coimbatore facility at specific locations to analyse particulate matter smaller than 10 micrometres and 2.5 micrometres in diameter (PM10 and PM2.5), as per the Tamil Nadu Pollution Control Board (TNPCB) and IS 5182 standards. We also perform source emission tests on all diesel generator (DG) sets to measure particulate matter size according to the emission standards for generator sets. Currently, the particulate matter size in both ambient air tests and source emission tests falls within the standard limits. However, if the TNPCB reduces the Total Particulate Matter (TPM) standard limit or if particulate matter concentrations in our ambient air increase, we will retrofit our DG sets with emission control devices.

**Targets and performance**

We have successfully achieved our CY2023 target for Scope 1 and Scope 2 emissions reporting. To ensure we maintain transparency, we are enhancing our capabilities for consistent monitoring of Scope 1, 2 and 3 emissions, monitoring over the short-, medium-, and long-term. We are also actively working to transition our Coimbatore manufacturing facility to solar energy, and we anticipate reporting significant reductions in emissions in our CY2024 report as a result.

**Looking ahead**

Dimexon is committed to accurate GHG accounting, employing rigorous data collection and management practices throughout the organisation. We prioritise establishing effective channels for gathering information and applying precise emission calculation methodologies, ensuring robust accounting for relevant Scope 3 categories. Additionally, we are seeking independent assurance for our GHG data to maintain accuracy and support informed decision making.

**Emissions targets**

**TARGET**

**By 2023**

Accounting, disclosing and monitoring of Scope 1 and Scope 2 emissions

**100%**  
achieved

**TARGET**

**By 2024**

Extending our reach in Scope 3 disclosure to other relevant Scope 3 categories

**TARGET**

**By 2025**

Accounting, disclosing and continuous monitoring of Scope 1, Scope 2 and Scope 3 emissions

**TARGET**

**By 2025**

25.2% reduction in emissions from the baseline of CY2019



Dimexon's short-term decarbonisation goal is to **reduce emissions by 25% on 2019 levels by 2025**, and we are on track to achieve this after switching to renewable energy and electric vehicles. We also have an **ambitious staff training programme** to make each employee a climate advocate.



**KPI 2**

## Carbon neutrality

We have formally committed to the SBTi, signifying our dedication to aligning our carbon reduction efforts with the latest climate science. This commitment underscores our proactive approach to climate action and lays the foundation for future sustainability initiatives.

### Looking ahead

We are in the process of assessing decarbonisation measures across our business and will develop a clear roadmap to guide us in meeting our climate commitments.

Our focus on continuous improvement, innovation and collaboration will help us exceed our climate goals and reinforce our leadership in sustainable practices within the diamond industry.

**TARGET**

### By 2030

Dimexon will become a carbon-neutral operation



### KPI 3

## Climate risk

Recognising the environmental impact of our operations, we conducted our first climate risk assessment in CY2023 to identify potential physical and transition risks that could impact our business, our stakeholders and the environment.

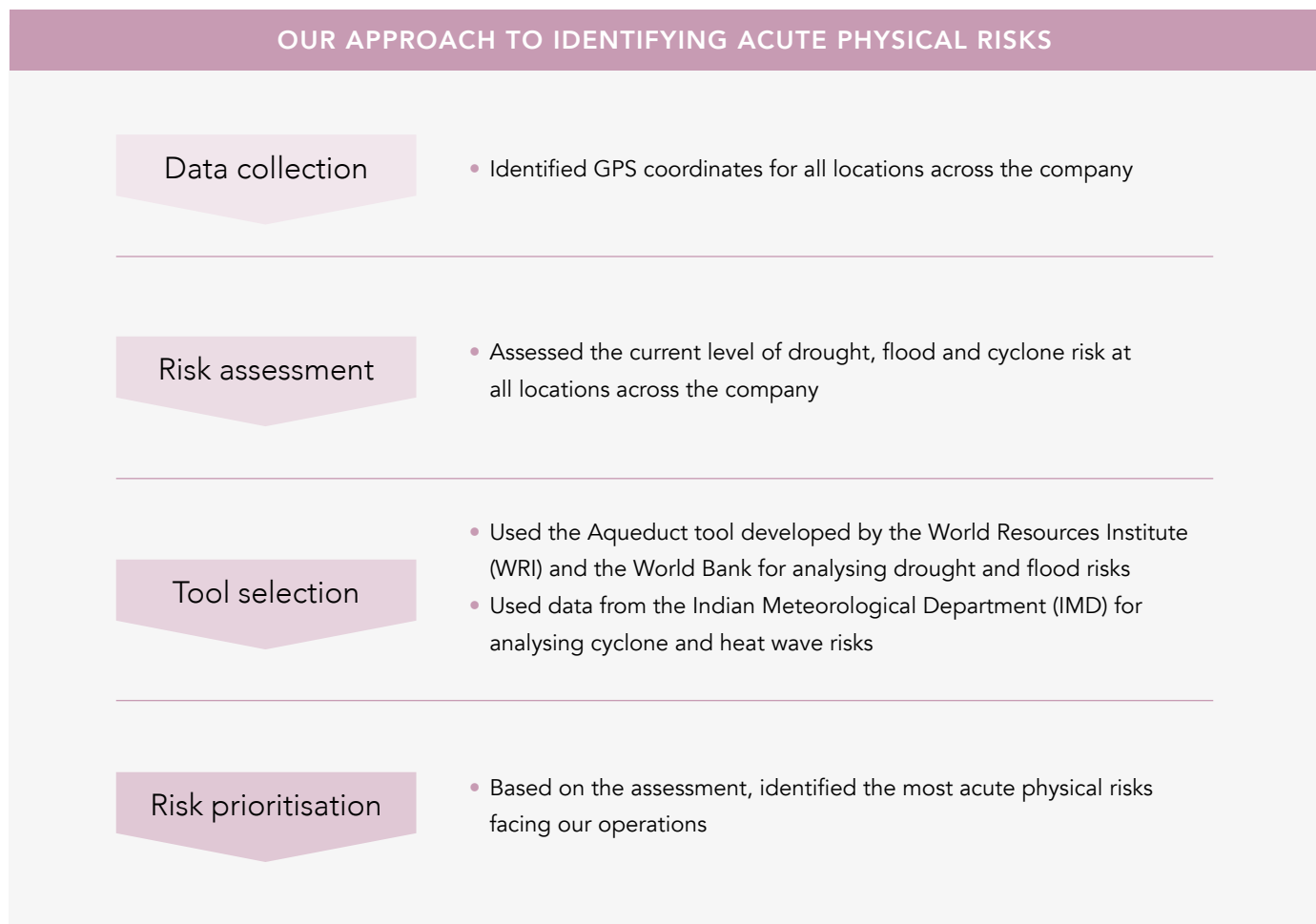
In line with the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD), now part of the International Sustainability Standards Board (ISSB), we have adopted short- (0-3 years), medium- (3-10 years) and long-term (10-30+ years) time frames for assessing these risks and have transparently reported on them. Further, we have conducted a climate-related physical risk assessment to identify potential threats to our operations.

We are now focused on understanding these impacts and developing appropriate mitigation measures to protect our business.

Physical risks from climate change can be event driven, such as the increased severity of cyclones, hurricanes and floods. Or longer-term shifts, such as sustained higher temperatures. These risks correspond to potential economic and financial losses. Here, we outline the acute and chronic physical risks facing our manufacturing facility in Coimbatore.

### Acute physical risks

Acute physical risks encompass the immediate financial impacts of extreme weather events, such as heatwaves, droughts, cyclones and riverine floods, which can disrupt operations and affect the stability of the supply chain. By understanding and preparing for these risks, we aim to safeguard our financial stability and ensure the continuity of our operations amidst changing climate conditions.



### ACUTE PHYSICAL RISKS AND POTENTIAL IMPACTS

| Risk description | Potential impacts   | Risk intensity |
|------------------|---|----------------|
| Heatwave         | Heatwaves pose a likely risk, with daily temperatures expected to exceed 40°C by 2050 under certain climate scenarios. This could significantly impact employee productivity, increase absenteeism, and raise electricity consumption and energy bills due to higher cooling demands. | ■              |
| Drought          | Droughts are a possible risk in the Coimbatore region due to variable rainfall patterns. Although our operations are not water-intensive, employees may struggle to access water for personal use, affecting their wellbeing and productivity.  | ■              |
| Cyclone          | Cyclones pose a minor risk to our Coimbatore operations due to the low probability of occurrence in the region.   | ■              |
| Riverine flood   | Riverine floods are unlikely to significantly impact our operations due to the low risk from the Bhavani River, as assessed by Coimbatore District Disaster Management.   | ■              |

Risk level: ■ High risk ■ Medium Risk ■ Low Risk

### Chronic physical risks

Chronic physical risks encompass the financial impacts of gradual climate shifts, such as rising temperatures, increased precipitation and water stress.

## OUR APPROACH TO IDENTIFYING CHRONIC PHYSICAL RISKS

### Scenario-wise projections

- Project temperature and precipitation for Coimbatore until 2100 across RCP2.6, RCP4.5 and RCP8.5 scenarios\*
- Collect historical temperature and precipitation data for the site locations

### Variability assessment

- Calculate expected changes in temperature, precipitation, and water stress from historical levels across different scenarios and timelines until 2100

### Tool selection

- Use the Aqueduct tool developed by the World Resources Institute (WRI) and the World Bank for analysing drought and flood risks
- Use data from the Indian Meteorological Department (IMD) for analysing cyclone and heat wave risks
- Use the World Bank’s Climate Change Knowledge Portal (CCKP) for global data on historical and future climate, vulnerabilities and impacts

### Risk prioritisation

- Based on the assessment, identified the most acute physical risks facing our operations

\*Representative Concentration Pathways (RCPs) are prescribed concentration pathways (used in IPCC AR5) for GHG and aerosol concentrations, together with land use change, that are consistent with a set of broad climate outcomes used by the climate modelling community. The pathways are characterised by the radioactive forcing produced by the end of the 21<sup>st</sup> century.

## CHRONIC PHYSICAL RISKS AND POTENTIAL IMPACTS

| Risk description         | Potential impacts  | Risk duration |
|--------------------------|--|---------------|
| Temperature rise         | Rising daily maximum temperatures and more frequent heatwaves pose significant risks to Dimexon’s operations and employees, leading to higher energy costs, increased maintenance and reduced employee productivity.   | ■             |
| Cumulative precipitation | Coimbatore’s heavy rainfall, particularly in July and October, can disrupt operations and impact employee wellbeing. Waterlogging disrupts commuting, increases energy costs and raises health concerns, potentially leading to higher absenteeism.                | ■             |
| Water stress             | Water stress in Coimbatore, driven by seasonal reservoir depletion, poses operational and reputational risks. Increased water supply costs and potential interruptions could impact operations, while local water withdrawals may damage the company’s reputation. | ■             |

Risk level: ■ Long term risk ■ Medium-term risk ■ Short-medium term risk

**Transition risk**

Transition risks are the risks associated with the transition to a lower-carbon economy. These risks arise from policy and legal changes, technological advancements, market shifts and reputational factors as organisations and economies strive to mitigate climate change.

For companies like ours, which operate within sectors sensitive to environmental impact, understanding and managing these risks is crucial for sustaining operations and maintaining market position.

We are focused on understanding these impacts and developing appropriate mitigation measures to protect our business



OUR APPROACH TO IDENTIFYING TRANSITION RISKS

Peer analysis

- Conduct an analysis of climate-related transitional risks and opportunities identified by peers

As-is analysis

- Review our existing climate-related risks

Analysis of macro trends

- Conduct market and sectoral analysis to understand consumer behaviour and demand changes.
- Analyse national and international compliance and regulatory requirements
- Analyse macro ESG trends impacting the company

Risk identification and prioritisation

- Identify and prioritise transition risks in alignment with TCFD

| TRANSITION RISKS AND RELATED MITIGATION MEASURES  |  |  |
|---|--|--|
| Risk  | Description  | Mitigation   |
| <b>Policy and legal</b><br>Mandates on and regulation of existing products and services | Global governments are intensifying the scrutiny of corporate environmental practices due to growing climate change concerns. Non-compliance with these regulations can result in financial penalties, including legal fees, taxes and fines, harming a company's financial health and reputation.   | <ul style="list-style-type: none"> <li>• Meet regulatory requirements by disclosing sustainability-related information as mandated</li> <li>• Working towards setting and achieving science-based targets to comply with national and international commitments</li> </ul>   |
| <b>Technology</b><br>Transition and adaptation to low-carbon technology                 | Inadequate power infrastructure and grid limitations hinder renewable energy investment for corporates, impacting their energy and GHG commitments and potentially jeopardising the financial viability of renewable projects.   | <ul style="list-style-type: none"> <li>• Exploring the feasibility of purchasing renewable energy or installing adequate renewable energy capacities at our manufacturing sites</li> </ul>   |
| <b>Market</b><br>Changing customer behaviour or increase in the cost of raw materials   | The growing popularity of lab-grown diamonds, with a lower environmental impact than mined diamonds, presents a significant opportunity in the Indian market. Demand for conflict-free and sustainable options is increasing, and failure to adapt could lead to revenue loss.   | <ul style="list-style-type: none"> <li>• Ensure all rough natural diamonds are ethically sourced</li> <li>• Disclose this information transparently to stakeholders</li> <li>• Undertake measures to reduce value chain emissions and aim to offer net-zero or low-carbon attached diamonds</li> </ul>                                       |
| <b>Reputation</b><br>Increased stakeholder concern or negative stakeholder feedback     | Stakeholders demand transparency in environmental footprint reduction and diamond sourcing traceability. As part of the Watch & Jewellery Initiative 2030, we aim to reduce GHG emissions in line with the 1.5°C pathway by 2030 and achieve net zero by 2050. Failure to meet these commitments can result in reputational damage and negative stakeholder feedback | <ul style="list-style-type: none"> <li>• Effectively monitor and reduce GHG emissions</li> <li>• Set net-zero targets and commit to and disclose Science-Based Targets (SBTi)</li> <li>• Implement decarbonisation initiatives</li> <li>• Transparently disclose year-on-year progress on carbon reduction and target achievement</li> </ul> |

**Looking ahead**

Through a climate risk assessment, we have identified physical and transition risks critical to our business. To further enhance our climate risk management, we will assess the identified risks and create targeted mitigation measures along with a comprehensive mitigation plan.

We also plan to expand our renewable energy initiatives, increase energy efficiency and implement advanced water conservation practices. Additionally, we will enhance our infrastructure to withstand extreme weather and minimise disruptions. We will also align our operations with the recommendations of the TNFD framework, integrate climate risk into decision-making and ensure resilience throughout our supply chain.



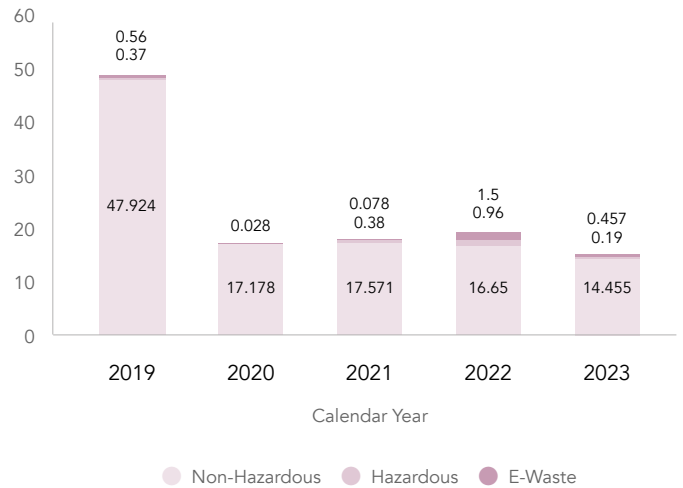
MT 3

## Packaging and waste

At Dimexon, we champion a zero-waste future by implementing sustainable waste management practices to minimise environmental impact. We aim to create a circular economy in our supply chain by extending material use and finding innovative repurposing methods. We are phasing out single-use plastic, promoting recycling and striving for zero waste to landfill.

We implement comprehensive segregation programmes to manage waste from our internal operations, which include used oil and metal, plastic and paper waste that can contaminate land and water. Our initiatives focus on recycling and reuse, while we collaborate with partners to further reduce waste.

TOTAL WASTE GENERATED (MT)



KPI 4

## Single-use plastic waste

Single-use plastic\* (SUP) items significantly harm both terrestrial and aquatic ecosystems. This includes SUPs already banned under guidelines set by the Government of India’s Ministry of Environment, Forests and Climate Change (MoEFCC) and additional SUPs identified by our environmental assessments. We are committed to tackling pollution by eliminating the use of specific SUPs across our entire operations.

To streamline waste management and eliminate SUPs, we conducted a comprehensive waste assessment study to identify SUPs and opportunities for improvement. Based on the findings, we developed Standardised Operating Procedures (SOPs) aligned with the Reduce, Reuse, Recycle (RRR) principles. These SOPs promote practices such as replacing plastic water bottles with glass, and plastic packaging with cloth bags. Additionally, we have an Information, Education and Communication (IEC) programme to train employees on banned SUPs and best waste management practices, fostering awareness and compliance.

**TARGET**

**By 2023**

Eliminate all single-use plastic waste from the business

**100%**  
achieved

\* Single-use plastic items: plates, cups, glasses, cutlery such as forks, spoons, knives, straws, trays, earbuds with plastic sticks, plastic sticks for balloons, plastic flags, candy sticks, ice-cream sticks, polystyrene [Thermocol] for decoration, wrapping or packing, wrapping or packing films around sweet boxes, invitation cards, plastic or PVC banners less than 100 micron, stirrers, carry bags less than 120 microns in thickness.

Note: While we have banned SUP across our operations, we use recyclable plastic in packaging.

KPI 5

## Zero waste to landfill

At Dimexon, we actively support global initiatives to improve solid waste management. We have a well-maintained scrap yard to segregate and store the waste before final disposal. Waste generated at Dimexon is split into four categories:

1. **Hazardous waste:** Empty barrels and containers of acid, oily cotton and spent oil
2. **Non-hazardous waste:** Materials such as metal, paper, plastic and cotton
3. **E-waste:** Electronic waste
4. **Wet waste:** Food and horticultural waste

Waste segregation enables us to efficiently sort materials, identifying recyclables, reusables and hazardous waste, which is then sent for proper disposal or recycling to authorised recyclers. Spent oil is recycled, while oily cotton waste is used as an alternative fuel by end recyclers. For e-waste, we partner with authorised recyclers under a take-back programme for responsible handling. We repurpose wet waste as cattle feed, diverting it from landfills and supporting sustainable agriculture.

Collaborating with trusted vendors ensures our waste is managed in an environmentally responsible manner, adhering to relevant regulations and guidelines. Our recycling initiatives aim to significantly reduce landfill waste and promote sustainable resource use, fostering a circular approach to waste management.

Our manufacturing facilities are fully compliant with all regulations set forth by the Pollution Control Board (PCB). We have obtained all necessary authorisations for water, air and waste management, demonstrating our commitment to environmental responsibility.

### Looking ahead

Our comprehensive waste assessment study fuelled a revolution in our operations. By implementing the recommendations, we are actively phasing out SUPs. This paves the way for innovative, eco-friendly packaging solutions built for reusability. Our consistent effort in empowering our employees comes through advanced training, fostering a culture of mindful waste management. We are partnering with forward-thinking vendors who share our vision of zero waste. Together, we are diverting materials from landfills and embracing a future where waste becomes a resource.

### CASE STUDY

## High waste diversion rates with ZWL certification

We recycled all the waste generated at our Coimbatore facility, winning our manufacturing site Zero Waste to Landfill (ZWL) certification.

Over the verification period from April 1, 2022, to March 31, 2023, Dimexon underwent a comprehensive audit by TUV India, an independent verification entity, to assess our commitment to the Zero Waste to Landfill (ZWL) initiative.

The verification process meticulously examined hazardous and non-hazardous waste streams generated within our wholly owned operations.

The focus was on our efforts to recycle, reuse, reduce, and incinerate with energy recovery, and other methods of waste diversion, excluding landfill disposal and incineration without heat recovery.

Based on the verification results, our organisation achieved a diversion rate of 93.91% for hazardous waste, earning a Gold Diversion Rate classification, and a diversion rate of 98.48% for non-hazardous waste, meriting a Platinum Diversion Rate certification. This achievement underscores our success in significantly mitigating our environmental impact by ensuring that the vast majority of our waste is diverted from landfills.



“A major undertaking to get ourselves ready for ZWL auditing was to engage our large workforce at Coimbatore in disposing of waste correctly on the factory floor, and we invested in company-wide training to ensure this happened. The next stage was to look at where we were sending our waste, and ensuring that our recycling partners were processing it properly and not sending any to landfill.”

### Baskaran Natarajan

Director, Dimexon Diamonds

MT 2

## Water and wastewater management

At Dimexon, our mantra *Save blue, live green* drives our water stewardship efforts. We are dedicated to minimising freshwater use and impact on local communities at our manufacturing unit in Coimbatore. Our efforts include implementing low-flow faucets, rainwater harvesting, sewage treatment, and ensuring responsible water management.

### Rainwater harvesting

Our Coimbatore facility implements a 24kL daily capacity rainwater harvesting system, replenishing groundwater and storing water while prioritising responsible water management through rigorous quality testing, exemplifying our dedication to water conservation and pollution control.

### Zero Liquid Discharge

Our Coimbatore site, a Zero Liquid Discharge (ZLD) facility, operates a 50 kl/day ZLD system that treats wastewater for reuse in gardening and domestic applications. Our DDL1 ETP plant is equipped with a mechanical evaporator system for effluent water treatment, ensuring ZLD, with no treated effluent water released into the environment. This meets the Pollution Control Board (PCB) standards, minimises freshwater use and promotes water stewardship.

### Targets and performance

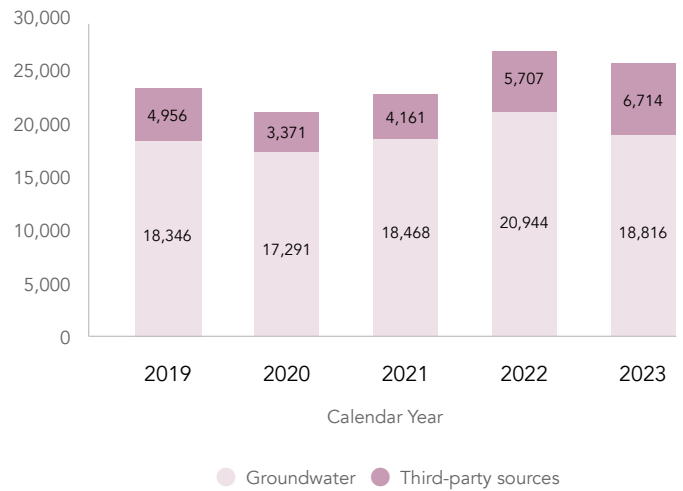
We aim to increase our rainwater harvesting capacity to further reduce our reliance on municipal water supplies. Additionally, we will continue to implement initiatives to raise awareness and promote water conservation practices among our stakeholders, to reduce overall water usage.

### Looking ahead

We aim to minimise our water footprint through innovative water management strategies, stakeholder engagement, collaboration with local communities, and sustainable practices across our operations. We are also enhancing our environmental compliance to build regulatory trust, open business opportunities, and create sustainable, long-term value.

Our mantra *save blue, live green* drives our water stewardship efforts

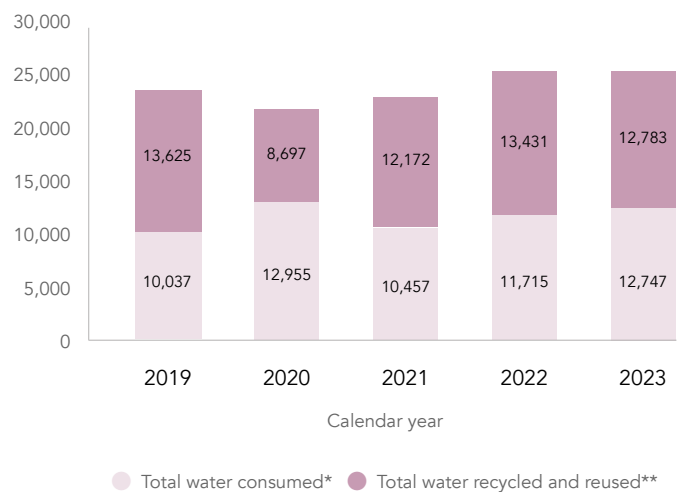
### SOURCE-WISE WATER WITHDRAWAL (kL)



Notes:

- Information on water withdrawals comes from water bills and meter records. Calculations are based on water audits or inventory.
- The third-party water withdrawal for CY2022 was initially misreported as 4,202 kl in our ESG Report 2023; the correct figure is 5,707 kl. The revised figure is reflected in this report to ensure accuracy and transparency.

### TOTAL WATER CONSUMPTION AND DISCHARGE (kL)



\* Water consumption (excluding rainwater harvesting and recycled/reused water)

\*\* Total wastewater discharged, which was reused through treatment via STP/ETP



## Biodiversity and ecological impacts

Recognising the importance of stakeholder expectations and the evolving ESG landscape, Dimexon has taken a significant step forward by integrating biodiversity and ecological impacts into its core focus areas starting this year. We are committed to minimising our ecological footprint and supporting natural habitat preservation within our operations and supply chain.

We are in the process of conducting a biodiversity materiality assessment to understand where our activities are likely to impact biodiversity. This assessment will enable us to identify key areas where our operations intersect with nature, allowing us to focus our efforts on the most critical aspects.

To support the assessment, we have been gathering data from our direct operations to pinpoint material impacts and dependencies, helping us identify priority areas for further evaluation.

### Targets and performance

We are developing a biodiversity roadmap and will align our operations with the recommendations of the Taskforce on Nature-related Financial Disclosures (TNFD) and the Watch & Jewellery Initiative 2030's Nature Roadmap guidance.

### TARGET

#### By 2025

Dimexon will be aligned with the TNFD recommendations

### Looking ahead

Our biodiversity roadmap will encompass both short-term and long-term interventions. We have understood the regulatory requirements and reporting timelines, identified internal stakeholders involved in the initiative and raised awareness of nature-related topics within the company. Identifying the appropriate resources and allocating time to address these issues are critical steps in our strategy.

Our upcoming biodiversity assessment will refine our roadmap, ensuring our actions align with our values and global biodiversity goals. We are committed to reporting our progress in our next sustainability report, demonstrating our dedication to transparency and continuous improvement.

# Product integrity

Traceability has been rigorously embedded across all our operations.

We track our diamonds from origin to delivery, ensuring transparency and customer confidence. Our rigorous supply chain checks and partnerships with ethical suppliers ensure that every diamond we offer is ethically sourced and free from any association with human rights abuses or compromised labour standards. Through these practices, we are dedicated to advancing sustainability and solidifying our status as a responsible leader in the diamond industry.

### Strengthening our value chain

We are dedicated to continuous improvement, optimising our value chain through streamlined operations, innovative processes and technology. Through this commitment to efficiency and quality, we ensure every diamond we offer is mined responsibly and accountable for its impact on people, communities and the environment. This commitment strengthens our competitive edge and builds stakeholder trust.

#### KEY PERFORMANCE INDICATORS

- KPI 6 Traceability
- KPI 7 Responsible procurement
- KPI 8 Supplier due diligence
- KPI 9 Customer satisfaction survey

#### MATERIAL TOPICS

- MT 4 Transparency and traceability
- MT 5 Responsible sourcing
- MT 6 Product provenance and naturality

#### UN SUSTAINABLE DEVELOPMENT GOALS ALIGNED



## Key highlights

**100%**

All our rough and polished diamond suppliers are aligned with our Responsible Sourcing Policy

### Full traceability

Origin-based, system-driven, auditable traceability information for all **single stones** (certified) and input-mix ratios based, system-driven, auditable traceability information for all **multi-stone parcels** (uncertified\*)

**288**

We engaged with 288 active suppliers in 2023

\*refers to diamonds less than 0.8pts without individual laboratory grading certificate



## MT 4

## Transparency and traceability

Traceability is the cornerstone of ethical and responsible sourcing in the diamond industry. Given the industry's global scale and complex supply chains, understanding a diamond's provenance is essential to ensure it has been sourced responsibly, free from conflict and without contributing to human rights abuses or environmental degradation.

Since embarking on our traceability journey in 2017, we have continuously enhanced our systems and processes to ensure the highest standards of transparency and accountability. Our meticulous traceability framework diligently tracks a diamond's journey (single stones and multi-stone parcels) from the mine, where we source rough diamonds, through every manufacturing stage, including precision cutting and polishing, ensuring a seamless chain of custody.

We have also integrated a single-source origin supply capability for multi-stone parcels. Further, we leverage the latest cutting-edge technologies to enhance diamond traceability throughout the supply chain, continuously evaluating and upgrading our systems as needed.

We are committed to providing conflict-free diamonds through stringent sourcing policies. We adhere to the Kimberley Process and the System of Warranties to ensure ethical sourcing, including rigorous documentation and verification throughout the supply chain, from purchase to sale.

We maintain consistent warranties on all diamonds and provide the same level of assurance to our customers. We only allow the purchase of diamonds from secondary markets with clear origin declarations, and we have a zero-tolerance policy against sourcing from restricted countries.

### Digitalising our supply chain

Our supply chain is fully digitalised, powered by a state-of-the-art SAP ERP system. This digitalisation allows for complete transparency, with every diamond assigned a

unique batch number that provides precise details on its origin. The system is workflow and approval matrix-based, ensuring that every transaction in the diamond's journey is recorded and thereby fully auditable by third-party entities.

Our traceability reports are backed by external audits from independent agencies, providing customers with vital origin information and confidence in the diamonds' source.

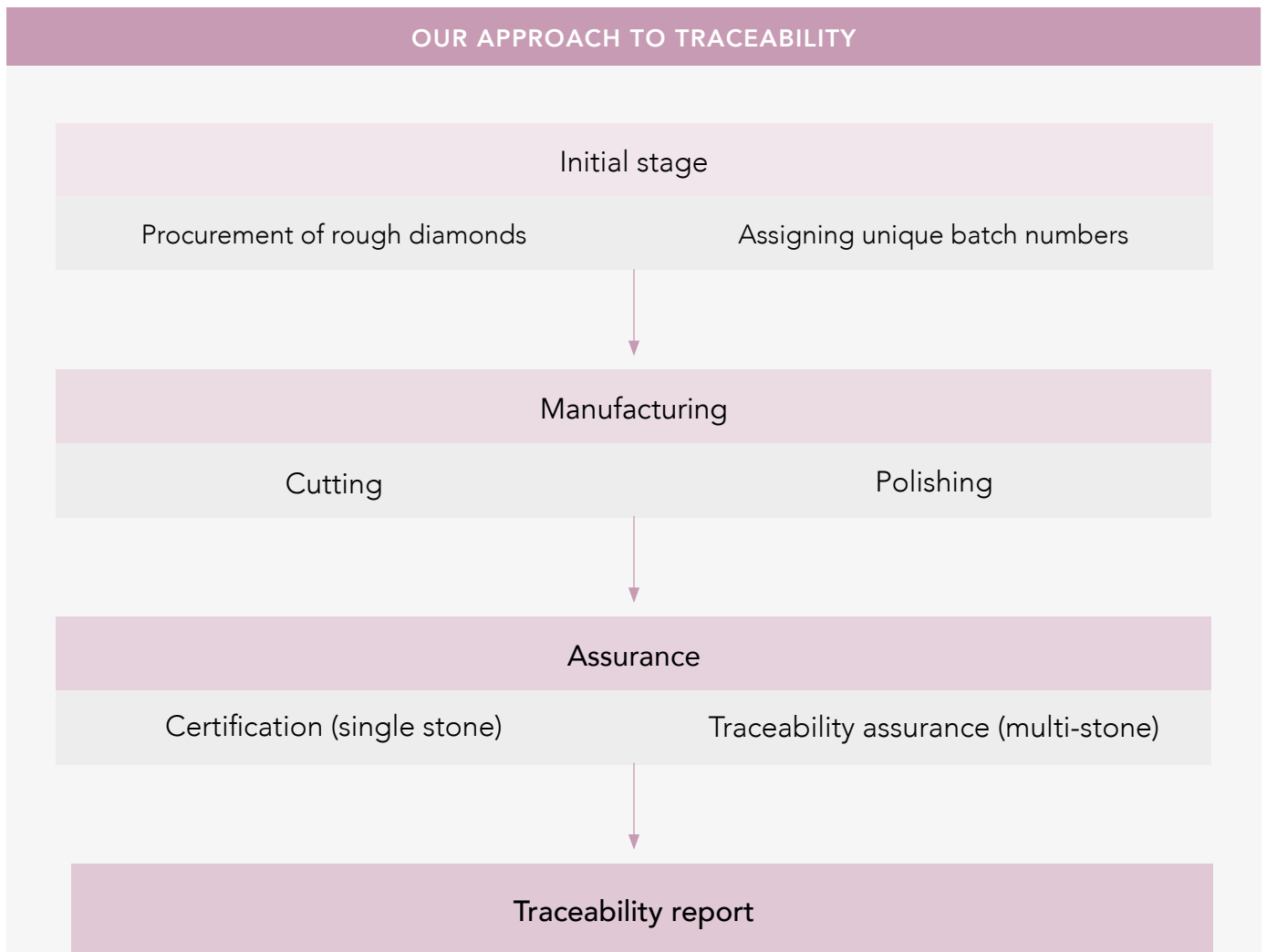
We also provide fully customisable digital reports tailored to specific customer goals, significantly enhancing accuracy and customer satisfaction. This approach underscores our commitment to fair practices and enhances trust and authenticity, providing our customers and partners with the assurance of transparent, responsible practices throughout the supply chain.



**"Traceability is paramount in the modern diamond industry. At Dimexon, we are pioneering a secure and transparent system, tracking each diamond's journey from mine to market. By utilising cutting-edge scanning and blockchain technology, we are providing an unbreakable chain of custody, verifying origin and assuring our customers of the ethical and sustainable nature of their diamonds. This commitment to traceability is not just the future of our industry, it is the foundation of trust and confidence we build with every stone."**

### Viral D. Mehta

Vice President, Sales, Strategy and Distribution  
Dimexon Diamonds



During the manufacturing process, polished diamonds undergo one of the following two processes

- Single-stone diamonds (certified)**

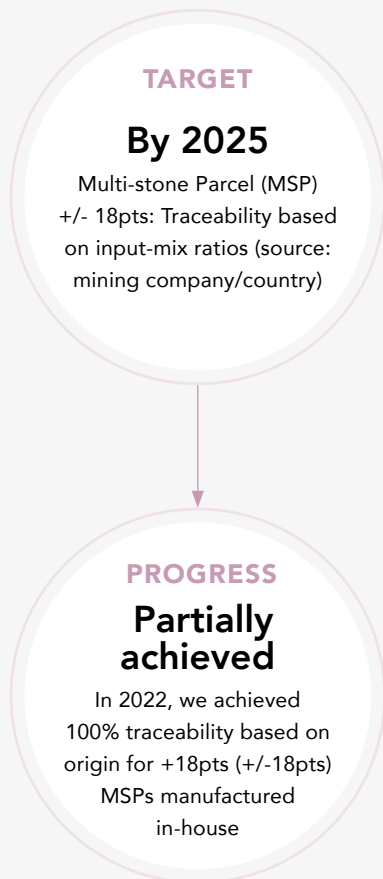
  - Polished diamonds intended for single-stone distribution and requiring certification are sent to an accredited laboratory
  - The diamonds are certified by the laboratory
  - Origin details are maintained throughout the certification process to ensure traceability
- Multi-stone parcels (uncertified)**

  - When distributing parcels, we combine diamonds with similar characteristics (cut, colour, clarity and size) for consistent quality
  - Based on customer requirements, we either sell single-stone diamonds or blend diamonds from multiple origins
  - Traceability is assured through input-mix, providing detailed information on each parcel, including sources and percentages
  - Customers receive information on the various sources contributing to a parcel's composition

**Looking ahead**

We are strengthening our commitment to traceability solutions by focusing on transparency, ethical conduct and building trust with our stakeholders. To achieve this, we are enhancing data integrity across our supply chain, conducting regular audits to evaluate the level of digitalisation in our processes and carefully monitoring the sourcing of rough and polished diamonds directly from miners and secondary markets.

By integrating our systems with those of our clients and adopting globally recognised best practices, we aim to provide a clear, end-to-end view of the diamond journey, setting a new standard for transparency in our sourcing operations.



We aim to provide a clear, end-to-end view of the diamond journey, setting a new standard for transparency

**MT 5**

**Responsible sourcing**

At Dimexon, responsible procurement is at the heart of our operations. We recognise the importance of sourcing diamonds ethically and strive to ensure that our supply chain upholds the highest standards of responsibility and sustainability.

We have implemented a comprehensive responsible sourcing policy that guides our procurement practices, ensuring that the diamonds we source are free from any connection to conflict regions, human rights abuses or environmental harm. In conflict-affected and high-risk areas (CAHRAs), we conduct comprehensive due diligence to identify, assess and mitigate potential risks, including human rights violations, forced labour, war crimes, bribery and money laundering. We also adhere to internationally recognised frameworks and guidelines, including the Kimberley Process Certification Scheme, the World Diamond Council's System of Warranties, and OECD Due Diligence Guidance for Responsible Supply Chains, to ensure responsible sourcing.

We conduct thorough due diligence on our suppliers, verifying their compliance with our responsible sourcing policy and implementation of defined processes and practices. Our suppliers are required to provide relevant certifications and documentation that demonstrate their commitment to responsible sourcing.

Moreover, we have been a BPP Compliant De Beers Sightholder since 2005 and participate in the De Beers' BPP Audits annually (read more about our participation in the BPP Audits on p66).

**100%**

All of our suppliers are vetted against legislative and regulatory requirements

CASE STUDY

## Dimexon’s efforts towards responsible procurement

To ensure our procurement policies meet industry benchmarks, we are aligned with the following standards.

### The Kimberley Process Certification Scheme

The Kimberley Process, authorised by the United Nations and World Trading Organisation, is a set of standards that aims to prevent conflict diamonds from entering the mainstream rough diamond market. All 83 participating nations, adhering to the Kimberley Process Certification Scheme (KPCS), require government-validated certificates for all rough diamond imports and exports. Dimexon meticulously adheres to all KPCS guidelines, ensuring our diamonds are ethically sourced and conflict-free.

### The World Diamond Council’s System of Warranties

The World Diamond Council’s System of Warranties (SoW) is a voluntary program promoting responsible diamond sourcing throughout the industry. A written warranty, confirming the diamonds’ conflict-free status, accompanies each transaction. Dimexon proudly participates in the SoW

programme, demonstrating our commitment to transparency and ethical sourcing. Every invoice we issue includes a written warranty guaranteeing the conflict-free origin of our diamonds. We meticulously maintain records of all warranty invoices received and issued, ensuring a transparent and auditable trail of diamond provenance.

### The OECD Due Diligence Guidance for Responsible Supply Chains

Our comprehensive supplier due diligence program, aligned with the OECD’s five-step framework, includes establishing effective management systems, identifying and assessing risks, implementing robust risk management procedures, conducting third-party audits, and providing transparent annual reporting. These actions enhance our due diligence practices, promote transparency, and foster a sustainable supply chain.

**TARGET**  
**By 2023**

100% of suppliers to be in compliance with the responsible sourcing policy of Dimexon

**100%**  
achieved

**TARGET**  
**From 2024**

Organise and conduct ESG/sustainability awareness sessions and capacity-building workshops for all suppliers

**TARGET**  
**From 2024**

Review Dimexon’s Responsible Sourcing Policy and include any additional relevant ESG parameters

### Looking ahead

We are committed to continuously improving our responsible sourcing policy and practices, and integrating them seamlessly into our operations. Through capacity-building sessions and educational and training programs on responsible sourcing techniques, we empower suppliers to adopt responsible sourcing practices that meet our high standards. Further, we are committed to enhancing our due diligence framework, fostering strong partnerships and investing in supplier development to create shared value and promote responsible sourcing throughout our supply chain.





## MT 6

## Product provenance and naturality

At Dimexon, we are committed to upholding high human rights and environmental standards in our supply chain. To achieve this, we have developed a robust supplier due diligence process, designed to mitigate risks, identify discrepancies and ensure transparency across the supply chain, emphasising accountability and integrity.

It involves extensive background checks to validate suppliers' credibility, assessment of their legal compliance and adherence to social and environmental regulations. We prioritise responsible sourcing practices and evaluating ethical standards including human rights, labour practices and environmental sustainability. Through thorough supplier due diligence, we aim to minimise risks from unethical sourcing practices, protect our company's reputation and deliver high-quality products.

### Human rights for suppliers

We are committed to upholding strict standards for human rights, ensuring safe labour practices, and fostering ethical conduct throughout our supply chain. At the core of this commitment is our Responsible Sourcing Policy, which ensures that every diamond sourced from our suppliers is ethically procured, fully compliant with the rigorous standards set by the Kimberly Process Certificate, the World Diamond Council's System of Warranties, and the OECD Due Diligence Guidance for Responsible Supply Chains. Further, all our suppliers are required to adhere to our Human Rights Policy and Supplier Code of Conduct (read more about these policies on p61).

We partner with our suppliers to ensure safe and equitable working conditions for all, with a particular focus on protecting vulnerable groups.

Through continuous monitoring and proactive remediation efforts, we are dedicated to addressing diverse human rights risks, including access to grievance mechanisms, the prohibition of child and forced labour, the elimination of discrimination and the fight against modern slavery. We maintain a zero-tolerance policy towards child or forced

labour across our global operations.

Through our responsible sourcing practices, we endeavour to create a supply chain that respects and protects the rights of every individual involved, upholding the highest standards of human rights and promoting a culture of integrity and transparency.

### On-site audits of suppliers

We conduct rigorous on-site supplier audits to ensure compliance with our stringent social and environmental standards.

Our audits focus on evaluating compliance with our Human Rights Policy and Supplier Code of Conduct, as well as industry standards and regulations. We assess suppliers' working conditions, labour practices, environmental management and supply chain transparency. These audits are crucial in identifying areas for improvement and fostering a collaborative approach to sustainability.

We have implemented a comprehensive due diligence process for direct suppliers, covering 35% of our supplier network. This diverse group includes 42% of our polished diamond suppliers and 18% of our rough diamond suppliers, ensuring a broad and thorough assessment across our procurement activities.

### Capacity building and training

We strive to build enduring partnerships with our suppliers through comprehensive training programmes designed to empower our suppliers and enhance their capabilities.

We plan to provide our suppliers with specialised training sessions on ESG adoption, equipping them with practical knowledge and tools to integrate sustainable practices into their operations. Through open communication and the sharing of best practices, we aim to create an environment that encourages collaboration and knowledge exchange, thus ensuring every link in our supply chain contributes positively to our shared goals.



**Looking ahead**

We are enhancing our ESG practices by refining supplier evaluation criteria and conducting training sessions to boost supplier awareness and implementation of sustainable actions across the supply chain.

Our goal is to incorporate all direct suppliers into our ESG screening criteria and conduct annual audits for at least 5% of our non-RJC-member suppliers to align their standards with

global best practices, ensure compliance and reinforce our corporate values. We aim to enhance supplier performance, streamline our process and bridge existing gaps while establishing a proactive plan to address any ESG shortcomings. This strategic approach underscores our commitment to sustainability, ethical sourcing and robust partnerships across our supply chain.

**TARGET**

**By 2025**

Achieve 100% direct supplier screening

**TARGET**

**By 2025**

Audit at least 5% of our suppliers every year

**TARGET**

**By 2026**

Commence audit coverage for at least 5% of non-RJC member suppliers, year-on-year

## Customer-centric approach

At Dimexon, customer centricity is the foundation of our operations. We prioritise understanding our customers’ needs and preferences, tailoring our products and services to deliver exceptional experiences.

We actively engage with our customers through various channels, including social media, exclusive events such as high-end exhibitions and presentations during Fashion Weeks, and bespoke experiences tailored to specific clientele.

Our unwavering commitment to customer satisfaction drives continuous improvement, fostering long-term relationships based on trust and loyalty. By consistently exceeding expectations, we reinforce our reputation as a trusted leader in the diamond industry.



### KPI 4

## Customer satisfaction survey

Customer satisfaction is paramount at Dimexon, guiding our strategies and driving business excellence. We strive to exceed expectations by delivering exceptional products and services, building trust and fostering enduring relationships.

We prioritise open communication and actively listen to our customers’ preferences, expectations and feedback through surveys. During the year, we conducted our first customer satisfaction survey. Insights from the survey will allow us to tailor our offerings to meet specific demands and continuously improve our performance, processes and customer experiences.

### Looking ahead

We are dedicated to intensifying our customer engagement initiatives to enhance our products and services, aiming for outstanding customer satisfaction.

We value customer feedback as essential for navigating the dynamic diamond industry and adapting effectively. We plan to reconduct the customer satisfaction survey in 2025, expanding our outreach to encompass a diverse range of our clients.

Our focus remains on delivering top-quality products responsibly and ethically, ensuring we meet and exceed customer expectations while fostering trust and long-lasting relationships.

# 8.44

In CY2023, we achieved a global average Net Promoter Score (NPS) of 8.44 out of 10 during our first customer satisfaction survey

### TARGET

## By 2025

Reconduct our customer satisfaction survey and improve on 2023’s score

# Social stewardship

We are committed to cultivating a diverse and empowered workforce.

At Dimexon, we actively engage with our communities and build strong, equitable partnerships. Through initiatives in employee development, customer engagement, community outreach and the integration of innovative technologies, we strive to create a more inclusive organisation that not only meets the needs of today, but sets the foundation for a more equitable future.

## KEY PERFORMANCE INDICATORS

- KPI 10 Diversity and inclusion index
- KPI 11 ESG training
- KPI 12 Employee satisfaction
- KPI 13 Need and impact assessment

## MATERIAL TOPICS

- MT 7 Human rights
- MT 8 Health, safety and employee wellbeing
- MT 9 Industrial partnerships
- MT 10 Labour-management relations
- MT 11 Diversity and inclusion
- MT 12 Community relations
- MT 13 Talent attraction and retention

## UN SUSTAINABLE DEVELOPMENT GOALS ALIGNED



## Key highlights

**77.5%**

of our employees  
are female

**2,806**

hours of staff  
training delivered

**98%**

return-to-work rate  
from maternity leave

**0**

fatalities recorded  
during the year

MT 8

## Health, safety and employee wellbeing

At Dimexon, we foster a nurturing and inclusive work environment that holistically addresses our employees’ physical, mental and emotional health. Our comprehensive ESG framework, supported by robust human capital policies, seamlessly integrates employee welfare with our sustainability goals and ethical business practices. We provide social protection benefits, including pensions and health insurance, to all our workers.

We ensure that all our employees receive fair and competitive compensation, aligned with industry standards.

Our meticulously crafted Working Hour Policy is central to our approach, designed to empower employees to achieve a healthy work-life balance.

At Dimexon, all employees are entitled to family leave. Additionally, recognising the critical importance of parental bonding, our progressive leave policy extends beyond legal requirements, fully supporting employees during the early stages of their children’s lives. We also provide on-site creches at our factories.

At Dimexon, we embrace the principles of collective bargaining when finalising wage and bonus settlements for our non-management workers across levels. Our workers have the right to join trade unions, which provides them with a platform to have open dialogue and share concerns with the management to arrive at mutually acceptable solutions. These trade unions, representing our workers, present a charter of demands related to wages, workload, incentives and other welfare measures to management.

Management carefully reviews these demands, initiating a series of discussions with elected worker representatives. Each demand is scrutinised based on its merits, legal provisions and ethical considerations. Together, management and worker representatives reach mutually beneficial solutions, which are then formalised in an agreement.

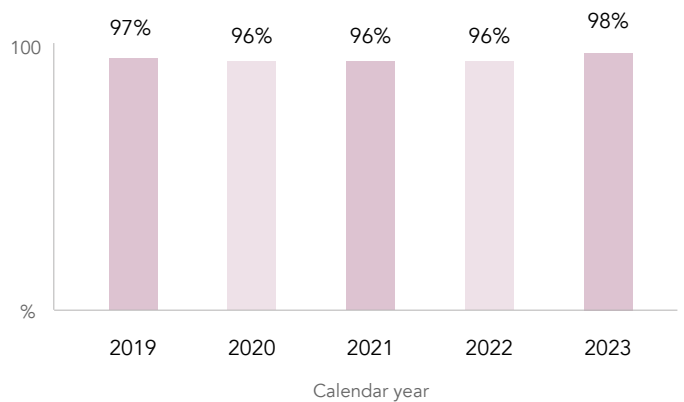
Through this collaborative process, Dimexon successfully finalised an agreement in July 2023 that is accepted by all trade unions and their members, and ensures that our workers receive their entitled benefits and are satisfied. The agreement is valid for five years.

MT 11

## Diversity and inclusion

We are committed to building a brand rooted in equity and inclusion. We champion diversity by celebrating individuality and supporting diverse voices that shape our business and communities, ensuring an inclusive environment with equal access to opportunities.

### RETURN-TO-WORK RATE OF EMPLOYEES FOLLOWING PARENTAL LEAVE



### 5 STEPS WE TAKE TO CREATE A DIVERSE AND INCLUSIVE WORKFORCE





KPI 10

## Diversity and inclusion index

We are dedicated to promoting equality and inclusivity by cultivating an environment that encourages individuals to express themselves freely, feel safe and collaborate with dignity. This approach ensures that all team members can excel without discrimination.

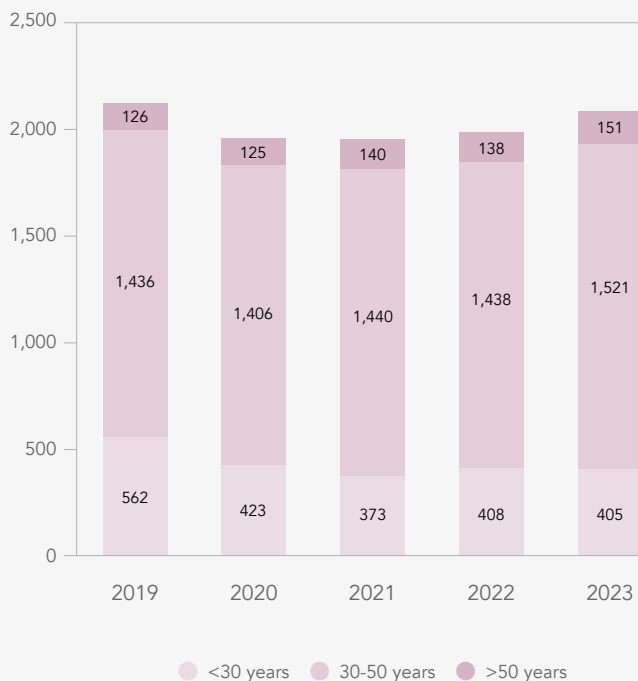
“Our people form a long-standing relationship with the company because of our corporate culture, which fosters a deep sense of belonging, purpose and wellbeing. Dimexon is a place where people feel respected, valued, supported and empowered to excel, which speaks volumes about the company’s commitment to its employees’ wellbeing and success.”



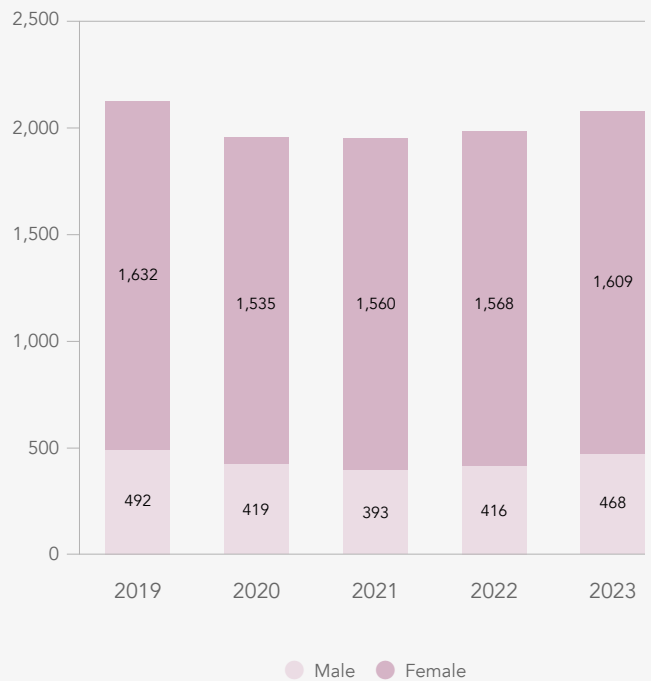
**Rajiv Mehta**

Group Director, Dimexon Diamonds

TOTAL EMPLOYEES BY AGE GROUP



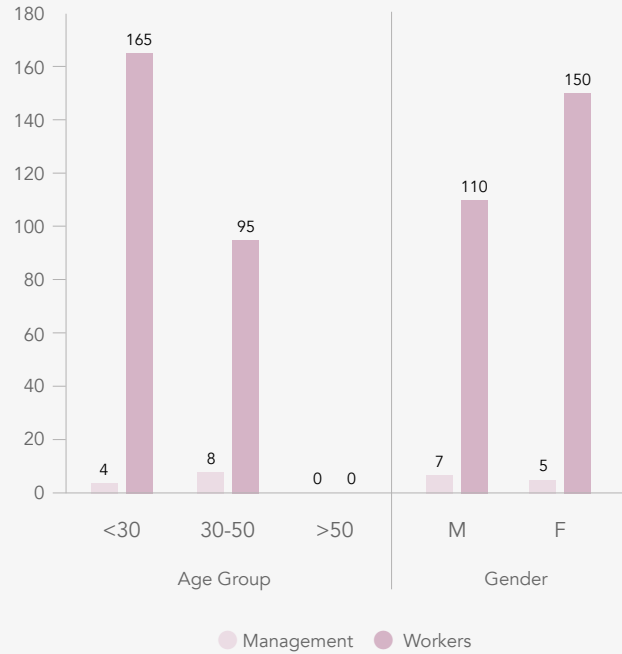
TOTAL EMPLOYEES BY GENDER



**EMPLOYEE TURNOVER** (number of staff leaving)



**NEW HIRES**



**Empowering individuals with disabilities**

We champion the inclusion of employees with disabilities, including speech, hearing, manual dexterity and mobility impairments.

We are proud to support 16 team members with disabilities (five male, 11 female) across our central rough assortment, maintenance, and cutting and polishing departments. Each valued member of staff enriches our operations with their unique skills and perspectives.

Their presence underscores our commitment to a workforce that embraces, and benefits from, the full spectrum of human ability.

**Women at the forefront**

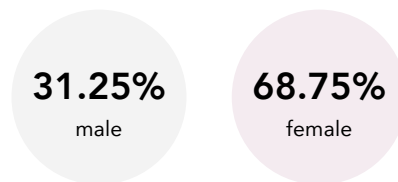
Dimexon is committed to fostering a gender-inclusive workplace where women have equal opportunities to thrive. Through targeted leadership and mentorship programmes, we intend to empower women to reach their full potential and drive our success.

**Prevention of sexual harassment**

To maintain our commitment to fostering a safe and equitable work environment, we have a dedicated Women’s Wing and a Sexual Harassment Committee. This committee comprises representatives from single points of contact



**EMPLOYEES WITH DISABILITIES BY GENDER**



(SPOCs), female employees and management.

The committee meets quarterly to proactively address all concerns and grievances, review policies, and implement preventive measures. Employees are fully informed of the committee’s role and are encouraged to seek its support when needed. We have also implemented a secure, anonymous reporting system to encourage employees to voice their concerns without fear of retaliation.

Our goal is to cultivate a culture of mutual respect, dignity, and zero tolerance for sexual harassment, ensuring a safe and empowering environment for everyone in our organisation.



CASE STUDY

## Our commitment to the Women’s Empowerment Principles

In our ongoing mission to support and empower women in the workplace, we have become a proud signatory to the Women’s Empowerment Principles (WEPs), a framework established by the UN Global Compact and UN Women to promote gender equality.

We are committed to upholding the WEPs’ seven core principles, which include establishing high-level corporate leadership for gender equality, promoting women’s education and professional development, and implementing gender-responsive practices throughout the supply chain. By aligning with these principles, we strive for gender equality within our operations and beyond.

Today, with a workforce that is 77.5% female, we demonstrate our ongoing commitment to advocating for women’s rights and advancing gender equality globally.

In 2023, Dimexon, alongside leading Watch & Jewellery

Initiative 2030 (WJI 2030) members, participated in a pioneering pilot programme to assess gender-responsive procurement (GRP) within the jewellery industry. This initiative, launched in partnership with UN Women, applied the WEPs’ Gender Responsive Procurement Assessment Tool in an industry-specific context for the first time. It aimed to evaluate and enhance gender equality practices across the sector.

Dimexon’s participation revealed both the company’s commitment to gender equality, and the challenges in achieving it. The GRP Assessment Tool helped us identify areas of improvement in our procurement processes, covering areas such as gender equality commitments, procurement policy and supplier engagement. By addressing identified gaps, we are working to strengthen the inclusivity and resilience of our supply chain.

CASE STUDY

## Hear from the women of Dimexon



“Before Dimexon, no women were employed in Coimbatore. Once Dimexon began hiring women, all the other businesses followed suit. The women here are now much stronger because of this. I am the third generation of my family to work for the company, and my son works for Dimexon too. I started as a diamond polisher 36 years ago, and now I manage 1,500 people.”

**Revathi C.V**

Assistant production manager



“I quickly built a strong friendship circle when I joined the company 23 years ago. We share meals, laughter and camaraderie, even amid personal challenges. The workplace offers a respite, allowing us to unwind. Today, owning a house, a car and land, I have secured a comfortable life. I have educated my two daughters, and much like our improved living standards, I have grown over these 23 years, transforming from a rough diamond to a polished one.”

**Anita N.**

Operator



“I joined Dimexon in 1977 at 21, becoming the first woman in the finance department. It was my first and last job, due to the family-like atmosphere and my passion for the work. When my daughter wished to study in the US, financial constraints arose. I brought this to the attention of Pankaj Bhai, who enabled me to borrow the funds from the business. My daughter is now a physiotherapy doctor in Seattle, and I spend half the year in the US with her and my grandchildren, having retired in 2017.”

**Anjali Ainapure**

Retired Dimexon employee\*

\*Mrs Ainapure passed away during the creation of this report. Our condolences go out to her family.

### Targets and performance

Our commitment to diversity, inclusion and empowerment is stronger than ever. We are intensifying diverse hiring, expanding disability inclusion, and enhancing workplace accessibility. We aim to set new industry benchmarks, demonstrating that a diverse workforce drives business success and societal progress.

### Looking ahead

Our journey toward a more equitable workplace is central to our long-term strategy, and we are committed to maintaining transparency as we advance. Our ongoing initiatives focus on cultivating an inclusive culture that values differences, promotes equal opportunities and empowers every employee to reach their full potential. Building on our solid foundation, we are setting ambitious targets to enhance representation at all levels of our organisation, striving to become a leading example of diversity and inclusion.

#### TARGET

**By 2024/25**

Conduct a third-party diversity and inclusion survey

#### TARGET

**By 2027**

Initiate regular index surveys



## Learning and development

As part of our commitment to maintaining a responsible and ethical workplace, we conducted a series of comprehensive training programmes to enhance the knowledge and skills of our employees. This training covered crucial topics from human rights and workplace safety to anti-bribery measures

and emergency preparedness. We meticulously monitor program efficacy, track individual progress, and actively solicit feedback. By equipping our team with essential knowledge and skills, we aim to create a safe, inclusive and compliant workforce that aligns with our core values and ESG objectives.

## Training highlights

**2,806**

The total number of staff training hours delivered\*

**1.35**

The average training hours received per employee

**100%**

All employees received performance and career development reviews

\*refers to hours dedicated to existing team members, does not take into account training hours for new hires

KPI 11

## ESG training

Our comprehensive ESG training programmes equip our employees with a deep understanding of our company policies, strategic objectives and feedback mechanisms. Through interactive discussions, we foster a culture of open communication and continuous improvement, empowering individuals to contribute to our ESG journey.

One of our team members also participated in the Start-to-SDG Masterclass, which focuses on integrating sustainability and the SDGs within the jewellery industry's supply chain (you can read more on p17).

By focusing on these critical domains, we aim to empower our employees with the knowledge, skills and ethical framework necessary to make meaningful contributions to Dimexon's sustainable and responsible operations.

### Looking ahead

We are dedicated to fostering a culture of learning and development that empowers employees and strengthens communities. We will continue investing in initiatives that enhance core competencies, promote sustainable practices, and provide educational opportunities from basic literacy to advanced technical skills, benefiting both our workforce and surrounding communities.

Dimexon is dedicated to achieving our ambitious target of delivering a minimum of eight hours of comprehensive ESG training annually to each employee by 2025.



### Training conducted in CY2023

- Human rights training for security personnel
- BPP & RJC compliance training
- Grievance redressal mechanism training
- Sexual harassment prevention training
- Health and safety protocols (including first aid training, fire safety training and canteen safety and hygiene training)
- Anti-bribery and facilitation payments training
- Emergency evacuation drill

Note: First aid and workplace hazard trainings were provided to workers periodically in their local language.

### TARGET

#### By 2024

An average annual minimum of 4 hours of ESG-related training per employee

### TARGET

#### By 2025

An average annual minimum of 8 hours of ESG-related training per employee

KPI 12

## Employee satisfaction

We acknowledge that our employees are pivotal to our success, and integral to our ESG objectives. Our approach to employee satisfaction encompasses promoting work-life balance, offering professional development opportunities, rewarding excellence and maintaining transparency in communication.

Our workers receive production incentives and variable bonuses based on performance, while managers earn annual bonuses based on their achievements. This approach ensures everyone's contributions are recognised and valued.



### CASE STUDY

## Fostering employee wellbeing through comprehensive support

At Dimexon, we prioritise employee welfare by offering support in times of need.

Last year, we enabled an employee's son to participate in a national kickboxing championship by covering equipment and travel costs, allowing the family to attend and celebrate his achievement.

We also provided substantial financial assistance to an employee whose child required surgery, covering hospital expenses and ensuring necessary treatment. These initiatives cultivate a supportive work environment that prioritises both professional and personal wellbeing for our employees and their families.

We are committed to active engagement with our workforce and pursuing a diverse, inclusive team that drives innovation and reflects the global communities we serve.



MT 13

## Talent attraction and retention

Our employee engagement programmes are testament to our commitment to ESG principles. The programmes are strategically crafted to attract, retain and nurture top-tier talent. Our dynamic performance evaluation system transcends conventional metrics, offering personalised, constructive feedback and uncovering growth opportunities. This ensures employees’ professional development is in harmony with our overarching ESG objectives.

We believe cultural engagement plays a pivotal role in a vibrant workplace. This was vividly demonstrated through our recent Ayudha Pooja celebrations at our Coimbatore facility, which featured singing, rangoli and art competitions that showcased the talents and traditions of our employees.

Similarly, in Mumbai and Ahmedabad, the spirit of Navratri was embraced with fervour; our team members adorned the traditional colours of the festival and enthusiastically participated in rangoli competitions. These events not only celebrate our diverse cultural heritage but also strengthen our community spirit, reflecting Dimexon’s commitment to an inclusive and engaging work environment.



### Targets and performance

We are currently conducting a comprehensive third-party employee survey. This initiative aims to gather valuable, unbiased insights into our employees’ experiences, satisfaction levels, and areas for potential enhancement. Once completed, the results will be thoroughly analysed and published in the next report. By acting on these insights, we aim to strengthen our workplace culture and align our practices more closely with our workforce’s needs and expectations.

### Looking ahead

As we look to the future, we plan to intensify our efforts to foster a culture of continuous dialogue and collaboration. We will focus on enhancing professional development opportunities, promoting work-life balance, and refining our recognition programmes to celebrate diverse contributions.

By actively engaging with our employees and embracing their feedback, we aim to create a workplace where everyone feels empowered and valued.

**TARGET**

**By 2024**

Conduct a third-party employee engagement survey



## MT 10

### Labour-management relations

We are unwavering in our commitment to fostering a safe and healthy work environment for all employees and workers. Our ultimate goal is zero harm, achieved through the elimination of accidents and incidents.

We have implemented a robust Occupational Health and Safety (OHS) Policy and Management System that guides our efforts to prevent occupational hazards, ensure regulatory compliance and enhance our safety practices.

Our approach includes employee health and safety monitoring, swift risk assessment, and mitigation related to our operations, products and services. A dedicated Safety Committee, comprising representatives from various levels, meets quarterly to oversee and promote OHS activities. Also, we conduct regular safety training and awareness programmes, equipping employees and workers to identify hazards, respond to emergencies, and prevent accidents.

During the year, we recorded 13 first-aid cases; our aim is to constantly ensure zero harm and we are continuously strengthening our OHS systems to reach that goal.

As of December 31, 2023, 13 contract workers, including gardeners and canteen staff (representing 0.85% of the workforce), are also covered by the OHS system.

We strive to continually improve our OHS performance by adhering to the latest industry standards, benchmarking

against best practices and fostering a culture of safety consciousness among all employees and workers.

#### Targets and performance

At Dimexon, our primary objectives are to maintain zero fatalities and achieve yearly reductions in injury frequency rates. We will also continue to expand our training programmes and implement corrective actions identified through safety audits conducted in collaboration with our suppliers.

#### Looking ahead

We are committed to enhancing our health and safety standards to ensure a safe and supportive environment for all employees. By strengthening our OHS Policy and Management System, which is focused on proactive hazard prevention and regulatory compliance, we aim to drive continuous improvement across our organisation.

Additionally, we will refine our rapid risk assessment processes, particularly for new operations, products, and services. Moving forward, we remain steadfast in our dedication to enhancing our health and safety standards, ensuring that every employee can work in an environment that fosters their safety and ability to thrive.

MT 7

## Human rights

We firmly believe that ethical behaviour is the foundation of our operations and stakeholder relations. To foster such behaviour, we strive to balance operational needs with our responsibility to protect human rights.

Our comprehensive human rights policy guides daily activities and actively addresses potential adverse impacts. We align our practices with internationally recognised principles, including the Universal Declaration of Human Rights, ILO Fundamental Conventions, the UN Guiding Principles on Business and Human Rights, and the International Bill of Human Rights, ensuring that our actions consistently respect and uphold these standards.

We also provide comprehensive training to our employees on human rights and our policy, ensuring they uphold these standards and contribute to a respectful workplace.

### Zero tolerance policy towards child and forced labour

We have a zero-tolerance policy for unethical practices such as child labour, forced labour, harassment, and sexual abuse throughout our operations and supply chain.

Any evidence of such behaviour is met with swift and decisive action, including corrective measures or the termination of business relationships.

We scrutinise the documents of potential employees to confirm their age and fitness for work before hiring them.

### Human rights training to security personnel

We conduct quarterly human rights training sessions for our security guards, emphasising our policies against child labour and discrimination based on gender, caste and religion.

This training equips them to handle inquiries at the factory gate, perform frisking procedures and manage potential suspects without harassment or mistreatment.

In the case of any such incident, the security personnel refer the individuals to the appropriate department. The training enables the security guards to prevent potential disputes and maintain positive employee relations.

### Human rights due diligence

As part of our commitment to upholding human rights, we conduct proactive due diligence to identify and address potential violations early. Our human rights due diligence process ensures we operate responsibly and sustainably, respecting the rights of all individuals and communities affected by our operations.



“Security guards at Dimexon are provided with periodical training on how to handle the visitors, candidates and employees with due care, politely, without any discrimination. The training empowers us to tackle any challenges with proactivity and vigilance, ensuring we maintain discipline, decorum and harmony within the company.”

### Somasundaram R

Security guard, Dimexon Diamonds

100%

All security personnel are trained in human rights policies and procedures

100%

Full compliance with international standards

### CASE STUDY

## Human rights due diligence assessment at Ahmedabad

To ensure alignment with the COP requirements and confirm robust implementation, we undertook a comprehensive human rights due diligence assessment at our Ahmedabad facility, leveraging the RJC Human Rights Due Diligence Toolkit.

This assessment provided valuable insights, validating existing practices, highlighting areas for improvement and informing necessary process adjustments.

Based on the success of this initiative, we are committed to expanding our human rights due diligence approach across all Dimexon operations to maintain consistent and comprehensive oversight of our human rights performance.



CASE STUDY

## WJI Human Rights Navigator Tool

Our unwavering commitment to advancing human rights is evident in our proactive initiatives and enthusiastic engagement with programmes championing this vital cause.

We proudly joined the Watch & Jewellery Initiative 2030 in Paris for the launch of its groundbreaking Human Rights Navigator Tool. This invaluable resource offers practical guidance for effectively integrating human rights considerations into business operations.

In recognition of our leadership in this area, Dimexon was invited to share best practices and insights on our proactive approach to human rights across all our initiatives, demonstrating our commitment to continuous improvement and collaboration within the industry.



### Targets and performance

As a part of our commitment to WJI 2030, we are finalising a comprehensive human rights policy that aligns with international standards and encompasses our external stakeholders. This policy will demonstrate our commitment to respecting human rights and promoting fair working conditions throughout our operations and value chain.

### Looking ahead

Dimexon is committed to further strengthening human rights practices and setting new benchmarks in ethical business operations. We will continue to refine and expand our comprehensive human rights policy, ensuring it remains aligned with evolving international standards and best practices.

We plan to enhance our employee training programs on human rights, developing more advanced and targeted modules to ensure our workforce remains at the forefront of ethical practices.

In the coming years, we aim to increase transparency in our human rights efforts, regularly reporting on our progress and challenges. We will also explore new partnerships and initiatives that can help us address emerging human rights issues in our rapidly evolving global context.



**MT 12**

## Community relations

At Dimexon, we understand the importance of deeply engaging with the communities in which we operate, striving to make a meaningful and lasting impact.

Our initiatives primarily focus on education, healthcare and women empowerment. Our approach to community development involves identifying the community's primary needs through comprehensive assessments, guiding relevant and effective initiatives, and measuring success with regular impact assessments to adapt to unforeseen challenges. This proactive approach allows us to refine our strategies and ensure our community development efforts are sustainable and transformative.

During the year, we supported Vidyamandir Trust and Jain Education Trust, both of which prioritise education. Our contribution to Jain Education Trust specifically helped fund the construction of a women's hostel.



**KPI 13**

## Need and impact assessment

As a responsible organisation, Dimexon prioritises inclusive growth, sustainable development, and nation building by conducting thorough needs and impact assessments.

By systematically evaluating the needs and impacts of our programs, we strive to continually improve our approach, ensuring that our operations contribute positively to our workforce and the broader community.

**TARGET**

**By 2025**

Community needs assessment for all new CSR projects

**Looking ahead**

Our long-term focus lies in deepening our engagement with the communities around us by expanding the needs and impact assessments to cover all existing and future CSR initiatives. Further, we plan to collaborate closely with local stakeholders to co-create tailored solutions that address their most pressing challenges. Our targeted efforts aim to enhance overall wellbeing that contributes to the long-term vitality of local communities.

# Responsible business conduct

Dimexon has consistently set standards for exemplary corporate governance, demonstrating a commitment to efficient, transparent and ethical business operations.

Our robust oversight mechanisms ensure compliance with industry regulations and global best practices, fostering long-term value for our shareholders, employees, customers and communities.

Since 1976, we have proudly held the prestigious title of De Beers Global Sightholder, consistently meeting the stringent ethical standards of both De Beers and the Kimberley Process. We are proud members of the World Diamond Council (WDC), with our director Rajiv Mehta serving on its board. The WDC works with Kimberley Process participants to prevent conflict diamonds from entering the legitimate supply chain and restrict the trade of embargoed diamonds.

Further, we are recognised as a Rio Tinto Select Diamantaire and have been a Responsible Jewellery Council (RJC) member since 2006, underscoring our dedication to responsible sourcing and ethical practices within the jewellery industry. Rajiv Mehta also chairs the ESG Committee of the Watch & Jewellery Initiative 2030 (WJI 2030) of which we are a member.

## KEY PERFORMANCE INDICATORS

KPI 14 Due diligence and compliance

KPI 15 ESG communication

## MATERIAL TOPICS

MT 14 Responsible business practices

## UN SUSTAINABLE DEVELOPMENT GOALS ALIGNED



## Key highlights

### Certified RJC member

We successfully achieved recertification for a three-year period (June 30, 2022 to June 30, 2025)

### First IFRS signatory

First diamond company worldwide to voluntarily sign on to the International Financial Reporting Standards (IFRS)

### WDC member

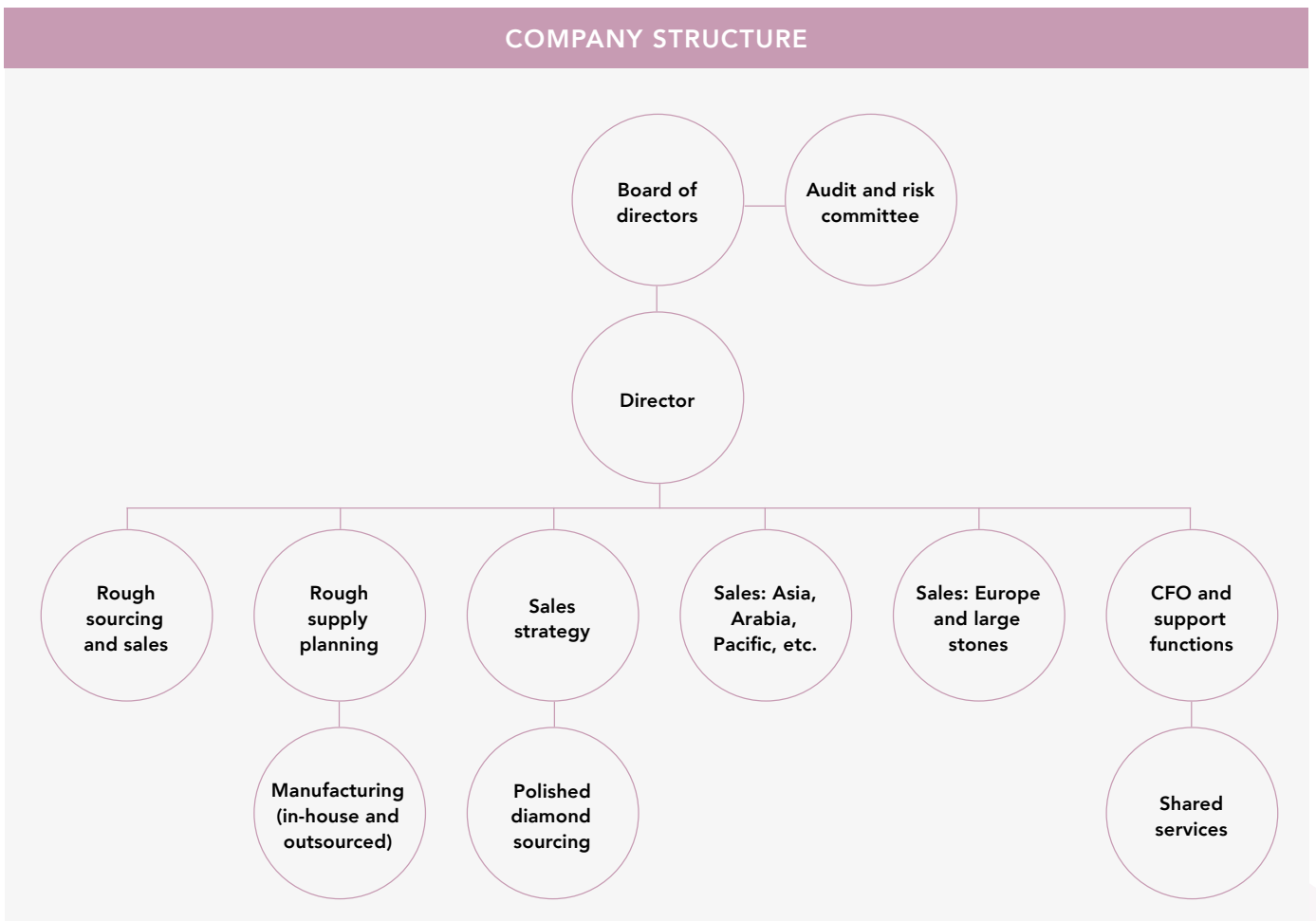
A member of the World Diamond Council since 2014, with our director Rajiv Mehta serving on its board

## Board of directors

Our board of directors is entrusted with steering our company’s vision and strategic direction, ensuring we remain at the forefront of industry innovation and stakeholder engagement. Beyond their strategic responsibilities, the board champions rigorous governance practices, creating a culture of transparency and ethical conduct across all levels of the organisation. They are committed to continuous improvement, regularly reviewing and refining policies to

meet evolving industry standards and regulatory requirements.

Women constitute 12.5% of our board, and we are committed to increasing the representation of women in leadership at Dimexon. Additionally, our board has two non-executive directors to give us an external perspective that complements the expertise of our other board members, ensuring a balanced approach to governance.



### MT 14

## Responsible business practices

Our comprehensive corporate governance framework is designed to navigate the complexities of the diamond industry with a strong focus on transparency, accountability

and ethical business practices. Guided by the board of directors, this framework is a testament to our dedication to ethical leadership and sustainable growth in the diamond industry.



**Sustainability governance**

The board of directors also oversee the company’s governance structure to ensure effective decision making on all matters, including ESG. The governance framework provides a structured platform to develop and implement a thorough strategy to address climate change and bolster

responsible business practices in the diamond industry. The framework encompasses clear policies, measurable targets, and rigorous reporting mechanisms. It enables us to effectively manage ESG risks and create long-term value for all stakeholders.



**Roles and responsibilities**

- **ESG leadership committee:** Comprised of esteemed global advisory board members, the ESG leadership committee provides strategic direction, oversees progress and ensures the achievement of Dimexon’s ESG objectives.
- **ESG leader/chief sustainability officer (CSO):** The ESG leader/CSO collaborates with the leadership committee and ESG programme manager to plan, implement and oversee progress on initiatives designed to achieve the board’s ESG goals.
- **ESG programme manager:** The ESG programme manager guides the ESG working group, provides macro-level performance insights to the ESG leader/CSO and oversees multi-site performance.
- **ESG working group:** Led by the ESG programme manager, the cross-functional ESG working group identifies, implements, and reports on ESG initiatives, with progress reviewed and recommendations provided by the ESG leadership committee.



KPI 15

## ESG communication

We take a comprehensive approach to ESG communication, ensuring it is meaningful and provides valuable insights into our initiatives, policies and value-creation strategies.

To enhance our leadership's knowledge and skills, we conduct annual ESG training and are currently developing self-training modules with assessments.

We engage actively with our stakeholders to address their concerns and priorities, fostering a balanced and collaborative path to sustainable and profitable growth. Through regularly published ESG reports and updates on our website [dimexon.com](http://dimexon.com), we offer transparent accounts of our progress and commitment to responsible practices.

### Business ethics

At Dimexon, we demonstrate our commitment to responsible business practices with a robust framework of corporate policies and a strict Code of Conduct. This framework ensures transparency, integrity and accountability across all operations and interactions.

Beyond the Code, we have implemented comprehensive policies on environmental sustainability and fair labour practices, ensuring every aspect of our operations aligns with our ethical standards. This commitment boosts our corporate reputation and reassures stakeholders of our adherence to ethical business conduct and sustainable development.

## Policies

### Anti-bribery policy

Our anti-bribery policy is designed to guide our board of directors and employees in recognising and avoiding actions that may violate anti-bribery and corruption laws. By fostering a culture of transparency and fairness, we ensure all business activities are conducted with unwavering integrity.

Throughout the year, Dimexon was not involved in any legal actions related to anti-competitive, anti-trust or monopoly practices. Furthermore, the company made no financial or in-kind political contributions during this period.

### Human rights policy

Our human rights policy ensures that all employees, regardless of nationality, gender, race, status or religion, live with social and economic dignity and freedom.

The policy is aligned with international standards, such as the Universal Declaration of Human Rights and the Fundamental Human Rights Conventions of the ILO, detailing fair treatment requirements and grievance procedures. It encompasses a diversity and inclusion policy that fosters a diverse workplace where individuals can safely express their

uniqueness and collaborate, alongside a non-discrimination policy that strictly prohibits discrimination, harassment, and any inappropriate conduct.

0

There were no cases of bribery or corruption brought against Dimexon during the year

ADDITIONAL POLICIES UNDER THE HUMAN RIGHTS POLICY



Read more about our approach to human rights on p55.

**Responsible sourcing policy**

Our Responsible Sourcing Policy ensures the ethical procurement of all our diamonds, in adherence to the Kimberly Process Certificate, the World Diamond Council's System of Warranties and the Organisation for Economic Co-operation and Development (OECD) Due Diligence Guidance for Responsible Supply Chains.

The policy ensures that Dimexon avoids any involvement in trading diamonds from conflict-affected areas, thereby promoting ethical and conflict-free sourcing practices. It involves identifying potential red flags, conducting rigorous due diligence and executing detailed risk assessments to address and mitigate any ethical concerns.

**Grievance redressal policy**

Our Grievance Redressal Policy is designed to empower both employees and external stakeholders by providing a

structured approach for voicing concerns and raising issues. The Grievance Redressal Committee is tasked with receiving and resolving all formal grievances within the organisation, ensuring that voices are effectively heard and addressed.

Recognising the importance of our relationships beyond internal operations, we are committed to nurturing positive relationships with the communities where we operate, for which, this policy extends to external stakeholders, including local communities, suppliers, customers, and business partners. The committee also serves as a transparent and accessible point of contact for these stakeholders, facilitating open dialogue and actively engaging with their concerns.

By fostering collaboration between the company and the communities we impact, the Grievance Redressal Committee aims to resolve disputes in a way that supports mutual trust and respect, benefiting both the community and the company in the long term.



## Risks and opportunities

Dimexon’s risk governance is crucial for evaluating, managing and mitigating risks to achieve our business objectives.

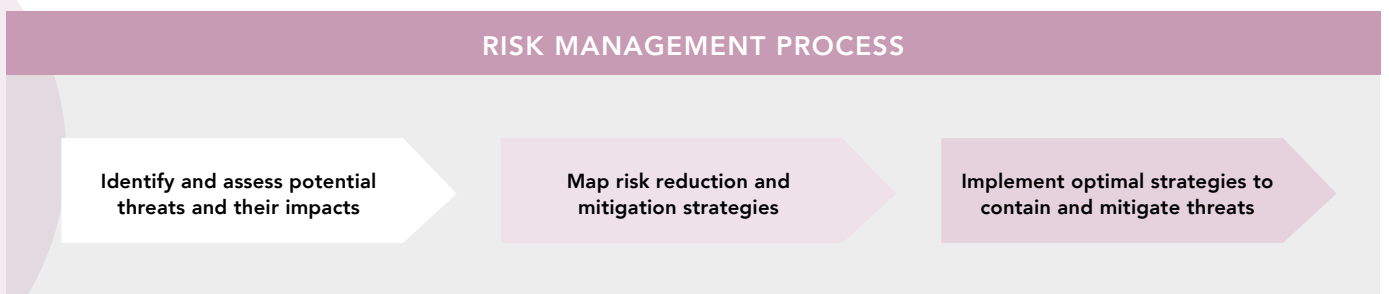
The board of directors, with additional oversight from board committees, oversees the company’s risk management and internal control systems. They review key risks that could impact our business model and performance.

Our robust risk governance, managed by the audit and risk committee of our advisory board, employs a comprehensive enterprise risk management framework. This framework uses both top-down and bottom-up approaches to identify

significant risks and opportunities, allowing us to proactively safeguard operations and stakeholders and drive growth within the diamond industry.

### Risk management process

At Dimexon, we have established a robust risk management process that identifies and mitigates potential threats to safeguard operations and stakeholders and ensures sustainable business practices.



| PRIMARY RISKS AND MITIGATION MEASURES   |   |   |
|---|---|---|
| Risk description  | Potential impacts   | Mitigation measures   |
| <p><b>Demand volatility</b><br/>The uncertainty and fluctuations in consumer demand for diamonds result in demand volatility.</p>   | <p>Market demand fluctuations pose challenges in predicting sales, forecasting revenue and making informed business decisions. These shifts can strain our supply chain, potentially causing production delays and disruptions as suppliers struggle to adapt quickly.</p>      | <p>We prioritise understanding customer needs through proactive engagement. We utilise a formal demand forecasting system and conduct regular customer segmentation. This process ensures robust risk management practices, including flexible supply chain operations, dynamic pricing strategies, efficient resource allocation and responsiveness to trends to maintain stability and long-term success.</p> |
| <p><b>Inventory margins and price volatility</b><br/>Inventory margins and price volatility for a diamond company are influenced by financial and operational uncertainties tied to fluctuating diamond prices.</p>   | <p>Fluctuations in diamond prices can trigger financial instability by reducing profits and devaluing inventory. Uneven stock levels can tie up capital or result in lost sales, ultimately straining supply chains and complicating pricing strategies.</p>                    | <p>Our integrated sales and operations planning (SOP) process optimises resource allocation, aligning inventory with set standards to reduce waste and boost efficiency. Clear margin guidelines for rough diamond processing enable informed decision making, promoting responsible sourcing and effective cost management.</p>  |
| <p><b>Credit risk</b><br/>Credit risk refers to the possibility of a counterparty defaulting on payment obligations for the goods provided, leading to financial losses.</p>  | <p>Non-fulfilment of debt obligations can lead to cash flow issues, impacting the company's ability to finance operations. High credit risk can necessitate more stringent credit policies, limiting sales opportunities and straining customer relationships.</p>              | <p>We prioritise responsible financial practices through a robust credit management process. This includes establishing clear procedures for assessing new customers and regularly reviewing credit limits for existing ones. This proactive approach ensures financial stability and minimises risk.</p>   |
| <p><b>Liquidity and covenants risks</b><br/>Liquidity risk involves meeting short-term financial obligations due to insufficient cash flow or liquid assets. Covenants risk pertains to the restrictions and conditions lenders impose in financing agreements.</p> | <p>Strains in liquidity and failure to comply with covenants can result in financial distress or insolvency through penalties, increased interest rates, loan defaults, delayed response to market changes and strained relationships with creditors.</p>                       | <p>Our proactive approach to fulfilling our financial obligations includes regular cash flow forecasting at the entity level, followed by strategic planning for securing appropriate funding. Additionally, we conduct periodic reviews of financial ratios established with our banking partners to ensure continued compliance with agreed-upon covenants.</p>   |
| <p><b>Environmental risk</b><br/>The potential negative impacts of mining and processing activities on the environment, such as habitat destruction, water pollution and carbon emissions can lead to long-term ecological damage.</p>                              | <p>Failure to manage environmental risks can result in regulatory penalties, increased operational costs, ecological damage and reputational damage as consumers increasingly favour sustainable practices.</p>   | <p>Acknowledging the threats posed by climate change, we strive to minimise the impact of global warming on our operations and the availability of rough diamonds. Read more on how we address environmental risk on p27.</p>   |
| <p><b>Human rights risk</b><br/>Human rights risks include potential association with labour abuses, child labour and conflict diamonds.</p>  | <p>This risk can lead to severe legal penalties, reputational damage and loss of consumer trust. Additionally, failing to address human rights concerns can result in boycotts, divestment by ethical investors and increased scrutiny from regulators and advocacy groups.</p> | <p>We maintain a zero-tolerance policy toward child and forced labour across our operations and supply chain, underscoring our commitment to ethical practices. Read more on our approach to human rights on p55.</p>   |



## Opportunities

- Sustainability and ethical practices:** Adopting sustainable and ethical practices offers Dimexon a strategic advantage by aligning with rising consumer demands for responsible sourcing and environmental stewardship. By promoting conflict-free and eco-friendly initiatives, Dimexon can enhance its reputation, access new ethical consumer markets and differentiate itself from competitors, fostering customer loyalty and sustainable growth.
- Technological advancements:** We leverage advanced technologies such as rough planning machines and automated systems to maximise diamond value, enhance efficiency and minimise waste. Furthermore, the adoption of innovations such as spectroscopy, blockchain and digital platforms strengthens traceability and transparency, positioning Dimexon as a leader in responsible and sustainable diamond practices.
- New market segments:** The rising demand from Generation Z presents a significant opportunity for growth, as this generation values branding and social impact. Brands that effectively communicate the positive social impacts of their diamonds, such as community development and ethical sourcing, will be well-positioned to capture this market segment, making it a key opportunity for Dimexon.
- Increased brand awareness:** Dimexon's focus on the importance of traceability, provenance, women empowerment and good practices such as Occupational Health and Safety (OHS), rainwater harvesting, water conservation, enhancing green cover, and community and employee empowerment has been unwavering. By transparently communicating our ESG initiatives and establishing ourselves as a responsible brand, we aim to generate more awareness about our sustainable practices. This increased awareness is expected to lead to a boost in purchases from existing brands as well as attract new brands to purchase from us. By fulfilling our role as a responsible corporate citizen, we are well equipped to capitalise on opportunities to grow our revenue.



**De Beers: Best Practice Principles (BPP) Audits**

De Beers Internal Audit (DBIA) is an independent, objective assurance and consulting activity that systematically reviews risk management, internal control and governance processes to enhance operations. The Best Principles Audits enforce strict requirements, including recording Kimberley Process Certification Scheme (KPCS) certificates and System of Warranty invoices, to prevent conflict with diamond shipments.

Dimexon sets standards for ethical excellence in the diamond industry through our proactive engagement with De Beers’ Best Practice Principles Audits. These comprehensive evaluations underpin De Beers’ rigorous ethical business code, reinforcing consumer trust in diamond jewellery. Our commitment to integrity is demonstrated in three key areas:

- **Audit compliance:** We promptly address audit findings with targeted action plans, ensuring continuous improvement in our practices.
- **Stakeholder collaboration:** We strengthen partnerships with global jewellery councils and communities, fostering a united front against unethical practices.
- **Awareness initiatives:** We spearhead educational programmes to combat the production and distribution of illegal and counterfeit products, promoting industry-wide ethical standards.



## KPI 14

## Due diligence and compliance

We emphasise due diligence and compliance in our operations through thorough investigations and assessments. We identify and address risks related to conflict-affected areas, human rights violations and illicit activities. This commitment ensures ethical practices, safeguarding our reputation and fostering stakeholder trust.

### Responsible Jewellery Council (RJC) Certification

The RJC Code of Practices (COP) is a leading global benchmark for business ethics and accountable supply chains. Covering key minerals such as gold, silver, platinum, diamonds and coloured gemstones, the COP reflects RJC's dedication to rigorous certification, independently audited and accredited by the International Social and Environmental Accreditation and Labelling (ISEAL). All members are required to obtain third-party accreditation to ensure adherence to the COP. RJC auditors evaluate Dimexon's annual due diligence practices through regular audits, ensuring continuous improvement. For more information, refer to our RJC COP Index on p80.

### Our commitments to the WJI 2030 pillars

The Watch & Jewellery Initiative 2030 (WJI 2030), launched by Cartier and Kering in 2022, is a global effort to enable industry transformation and innovation towards a vision of sustainability and excellence. To this end, they have set minimum commitments for all members under three strategic pillars. Our model is aligned with WJI 2030 and we are actively working towards meeting all their criteria, demonstrating our dedication to industry-wide sustainability and best practices.

### WJI2030 Pillar 1: Build climate resilience

At Dimexon, we are dedicated to minimising our carbon footprint in alignment with the Science Based Targets initiative (SBTi). We have already registered our commitment and submitted our letter of intent to SBTi, taking significant steps to map our carbon footprint and identify key areas for reduction. We are currently developing our targets and seeking validation to ensure a credible and transparent approach to climate action. This process includes collaboration with industry experts and conducting internal reviews to refine our goals. Read more about our carbon neutrality targets and SBTi journey on p25 and p26.

### WJI2030 Pillar 2: Preserve resources

We are committed to preserving biodiversity across our operations and supply chain. We are in the process of conducting a high-level biodiversity materiality assessment to identify critical impact areas. In preparation for a comprehensive assessment next year, we are actively gathering data from direct operations, completing sector-level materiality impact assessments and pinpointing priority areas. Based on these insights, we are prioritising key target-setting areas and addressing data gaps to ensure our roadmap is data-driven and aligned with our environmental goals. Read more about our Biodiversity commitments and progress on p35.

### WJI2030 Pillar 3: Foster inclusion

Upholding the highest standards for human rights across operations and value chains is our priority. We participated in the United Nations Women Empowerment Principles (UN WEP) pilot programme to assess gender-responsive procurement (GRP) within the jewellery industry. Read more about the case study on p48.

We are also signatories to the United Nations Women's Empowerment Principles (WEP) and are in the process of finalising a comprehensive human rights policy aligned with the United Nations Guiding Principles on Business and Human Rights (UNGPs), Organization for Economic Cooperation and Development (OECD) Due Diligence Guidance and in line with the eight International Labour Organization (ILO) standards. This policy will demonstrate our commitment to respecting human rights and promoting fair working conditions throughout our operations and value chain. Read more about our company's approach to human rights on p55.

### Looking ahead

Looking ahead, integrity, transparency and accountability remain central to our governance philosophy. To stay at the forefront of industry best practices, we actively engage in initiatives and events that align our operations with the highest standards and drive positive change in the diamond industry. We are committed to aligning our reporting with the requirements of leading ESG rating agencies and ESG disclosure frameworks. These will help us assess our performance, identify improvements and measure progress annually, contributing to a more sustainable future.

# Glossary and indexes

## Glossary

|       |  |         |   |
|-------|--|---------|---|
| BPP   | Best Practice Principles   | MSP     | Multi Stone Packet                                    |
| COP   | Code of Practices  | NGRBC   | National Guidelines on Responsible Business Conduct   |
| CSO   | Chief Sustainability Officer                                       | ODS     | Ozone Depleting Substances                            |
| CSR   | Corporate Social Responsibility                                    | OECD    | Organisation for Economic Cooperation and Development |
| CSRD  | Corporate Sustainability Reporting Directive                       | OHS     | Occupational Health and Safety                        |
| DBIA  | De Beers Internal Audit  | PCB     | Pollution Control Board                               |
| DEFRA | Department for Environment, Food and Rural Affairs                 | PVC     | Polyvinyl Chloride                                    |
| DMCC  | Dubai Multi Commodities Centre                                     | RJC     | Responsible Jewellery Council                         |
| ESG   | Environment, Social, Governance                                    | RRR     | Reduce, Reuse, Recycle                                |
| ESRS  | European Sustainability Reporting Standards                        | SOP     | Standard Operating Procedure                          |
| ETP   | Effluent Treatment Plant   | SSP     | Single Stone Packet                                   |
| EU    | European Union   | STP     | Sewage Treatment Plant                                |
| EV    | Electric Vehicle   | SUP     | Single Use Plastic                                    |
| GHG   | Greenhouse Gas   | TCFD    | Task Force on Climate-related Financial Disclosures   |
| GJ    | Gigajoule  | TNFD    | Task Force on Nature-related Financial Disclosures    |
| GRI   | Global Reporting Initiative  | UAE     | United Arab Emirates                                  |
| GRP   | Gender Responsive Procurement                                      | UN SDGs | United Nations Sustainable Development Goals          |
| HR    | Human Resources  | UNGC    | United Nations Global Compact                         |
| IEC   | Information, Education and Communication                           | UNITAR  | United Nations Institute for Training and Research    |
| IFRS  | International Financial Reporting Standards                        | WBCSD   | World Business Council for Sustainable Development    |
| ILO   | International Labour Organisation                                  | WDC     | World Diamond Council                                 |
| IPCC  | Intergovernmental Panel on Climate Change                          | WEP     | Women's Empowerment Principles                        |
| ISEAL | International Social and Environmental Accreditation and Labelling | WJI2030 | Watch & Jewellery Initiative 2030                     |
| ISSB  | International Sustainability Standards Board                       | WRI     | World Resources Institute                             |
| IT    | Information Technology   | XRT     | X-ray Therapy   |
| KPCS  | Kimberley Process Certification Scheme                             | ZLD     | Zero Liquid Discharge                                 |
| KPI   | Key Performance Indicator  | ZWL     | Zero Waste to Landfill                                |
| LPG   | Liquefied Petroleum Gas  |         |   |

# Global Reporting Initiative (GRI) Index

| GRI Standard                         | Disclosure   | Location  | Page |
|--------------------------------------|--|---|------|
| <b>GENERAL DISCLOSURES</b>           |  |   |      |
| <b>GRI2:<br/>General disclosures</b> | 2-1 Organisational details   | About the report  | 6    |
|                                      | 2-2 Entities included in the organisation's sustainability reporting             | About the report  | 6    |
|                                      | 2-3 Reporting period, frequency and contact point                                | About the report  | 6    |
|                                      | 2-4 Restatements of information  | N/A   | -    |
|                                      | 2-5 External assurance   | N/A   | -    |
|                                      | 2-6 Activities, value chain and other business relationships                     | Dimexon: shaping sustainable luxury   | 8    |
|                                      | 2-7 Employees  | Social stewardship/Diversity and inclusion  | 45   |
|                                      | 2-8 Workers who are not employees  | Social stewardship/Diversity and inclusion  | 45   |
|                                      | 2-9 Governance structure and composition   | Responsible business conduct/<br>Board of directors   | 59   |
|                                      | 2-10 Nomination and selection of the highest governance body                     | N/A   | -    |
|                                      | 2-11 Chair of the highest governance body  | Responsible business conduct/<br>Board of directors   | 59   |
|                                      | 2-12 Role of the highest governance body in overseeing the management of impacts | Responsible business conduct/<br>Board of directors   | 59   |
|                                      | 2-13 Delegation of responsibility for managing impacts                           | N/A   | -    |
|                                      | 2-14 Role of the highest governance body in sustainability reporting             | Responsible business conduct/<br>Responsible business practices/<br>Sustainability governance | 60   |
|                                      | 2-15 Conflicts of interest   | Responsible business conduct/ESG communication/Business ethics                                | 61   |
|                                      | 2-16 Communication of critical concerns  | Responsible business conduct/<br>Policies / Grievance redressal policy                        | 61   |
|                                      | 2-17 Collective knowledge of the highest governance body                         | Responsible business conduct/ ESG communication   | 61   |
|                                      | 2-18 Evaluation of the performance of the highest governance body                | N/A   | -    |
|                                      | 2-19 Remuneration policies   | Responsible business conduct/ESG communication/Business ethics                                | 61   |
|                                      | 2-20 Process to determine remuneration   | N/A   | -    |
|                                      | 2-21 Annual total compensation ratio   | N/A   | -    |
|                                      | 2-22 Statement on sustainable development strategy                               | Directors' message  | 3    |

| GRI Standard                                  | Disclosure   | Location   | Page |
|---|--|--|------|
| <b>GRI2:<br/>General disclosures</b>          | 2-23 Policy commitments  | Responsible business conduct/ESG communication/Business ethics         | 61   |
|   | 2-24 Embedding policy commitments  | Responsible business conduct/ESG communication/Business ethics         | 61   |
|   | 2-25 Processes to remediate negative impacts   | Responsible business conduct/<br>Policies / Grievance redressal policy | 61   |
|   | 2-26 Mechanisms for seeking advice and raising concerns                              | Responsible business conduct/<br>Policies / Grievance redressal policy | 61   |
|   | 2-27 Compliance with laws and regulations  | Responsible business conduct/<br>Risks and opportunities               | 63   |
|   | 2-28 Membership associations   | Engaging with stakeholders /<br>Prioritising stakeholder needs         | 13   |
|   | 2-29 Approach to stakeholder engagement  | Engaging with stakeholders /<br>Stakeholder engagement process         | 12   |
|   | 2-30 Collective bargaining agreements  | Responsible business conduct/ESG communication/Business ethics         | 61   |
| <b>ENVIRONMENT</b>                            |  |  |      |
| <b>GRI 3:<br/>Material Topics</b>             | 3-1 Process to determine material topics   | Materiality / Materiality assessment process                           | 14   |
|   | 3-2 List of material topics  | Materiality / Our material topics                                      | 15   |
|   | 3-3 Management of material topics  | Materiality  | 14   |
| <b>GRI 201: Economic Performance</b>          | 201-1 Direct economic value generated and distributed                                | N/A  | -    |
|   | 201-2 Financial implications and other risks and opportunities due to climate change | Responsible business conduct/<br>Risks and opportunities               | 63   |
|   | 201-3 Defined benefit plan obligations and other retirement plans                    | N/A  | -    |
|   | 201-4 Financial assistance received from government                                  | N/A  | -    |
| <b>GRI 202:<br/>Market Presence</b>           | 202-1 Ratios of standard entry-level wage by gender compared to local minimum wage   | N/A  | -    |
|   | 202-2 Proportion of senior management hired from the local community                 | N/A  | -    |
| <b>GRI 203:<br/>Indirect Economic Impacts</b> | 203-1 Infrastructure investments and services supported                              | N/A  | -    |
|   | 203-2 Significant indirect economic impacts  | N/A  | -    |
| <b>GRI 204:<br/>Procurement Practices</b>     | 204-1 Proportion of spending on local suppliers                                      | N/A  | -    |
| <b>GRI 205:<br/>Anti-corruption</b>           | 205-1 Operations assessed for risks related to corruption                            | Responsible business conduct/ESG communication/Business ethics         | 61   |
|   | 205-2 Communication and training about anti-corruption policies and procedures       | Responsible business conduct/ESG communication/Business ethics         | 61   |

| GRI Standard                               | Disclosure  | Location   | Page |
|--|---|--|------|
| <b>GRI 205: Anti-corruption</b>            | 205-3 Confirmed incidents of corruption and actions taken   | Responsible business conduct/ESG communication/Business ethics | 61   |
| <b>GRI 206: Anti-competitive Behaviour</b> | 206-1 Legal actions for anti-competitive behaviour , anti-trust, and monopoly practices   | Responsible business conduct/ESG communication/Business ethics | 61   |
| <b>GRI 207: Tax</b>                        | 207-1 Approach to tax   | N/A  | -    |
|  | 207-2 Tax governance, control, and risk management  | N/A  | -    |
|  | 207-3 Stakeholder engagement and management of concerns related to tax  | N/A  | -    |
|  | 207-4 Country-by-country reporting  | N/A  | -    |
| <b>GRI 301: Materials</b>                  | 301-1 Materials used by weight or volume  | N/A  | -    |
|  | 301-2 Recycled input materials used   | N/A  | -    |
|  | 301-3 Reclaimed products and their packaging materials  | N/A  | -    |
| <b>GRI 302: Energy</b>                     | 302-1 Energy consumption within the organisation  | Environmental synergy/Energy and emissions/Energy management   | 21   |
|  | 302-2 Energy consumption outside of the organisation  | N/A  | -    |
|  | 302-3 Energy intensity  | Environmental synergy/Energy and emissions/Energy management   | 21   |
|  | 302-4 Reduction of energy consumption   | Environmental synergy/Energy and emissions/Energy management   | 21   |
|  | 302-5 Reductions in energy requirements of products and services  | N/A  | -    |
| <b>GRI 303: Water and Effluents</b>        | 303-1 Interactions with water as a shared resource  | Environmental synergy/Water and wastewater management          | 34   |
|  | 303-2 Management of water discharge-related impacts   | Environmental synergy/Water and wastewater management          | 34   |
|  | 303-3 Water withdrawal  | Environmental synergy/Water and wastewater management          | 34   |
|  | 303-4 Water discharge   | Environmental synergy/Water and wastewater management          | 34   |
|  | 303-5 Water consumption   | Environmental synergy/Water and wastewater management          | 34   |
| <b>GRI 304: Biodiversity</b>               | 304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas | N/A  | -    |
|  | 304-2 Significant impacts of activities, products and services on biodiversity  | N/A  | -    |
|  | 304-3 Habitats protected or restored  | N/A  | -    |
|  | 304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations                                | N/A  | -    |

| GRI Standard                                      | Disclosure   | Location  | Page |
|---|--|---|------|
| <b>GRI 305: Emissions</b>                         | 305-1 Direct (Scope 1) GHG emissions   | Environmental synergy/GHG emissions                 | 22   |
|   | 305-2 Energy indirect (Scope 2) GHG emissions  | Environmental synergy/GHG emissions                 | 22   |
|   | 305-3 Other indirect (Scope 3) GHG emissions   | Environmental synergy/GHG emissions                 | 22   |
|   | 305-4 GHG emissions intensity  | Environmental synergy/GHG emissions                 | 22   |
|   | 305-5 Reduction of GHG emissions   | Environmental synergy/GHG emissions                 | 22   |
|   | 305-6 Emissions of ozone-depleting substances (ODS)  | Environmental synergy/GHG emissions                 | 22   |
|   | 305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions                    | N/A   | -    |
| <b>GRI 306: Waste</b>                             | 306-1 Waste generation and significant waste-related impacts   | Environmental synergy/Packaging and waste           | 32   |
|   | 306-2 Management of significant waste-related impacts  | Environmental synergy/Packaging and waste           | 32   |
|   | 306-3 Waste generated  | Environmental synergy/Packaging and waste           | 32   |
|   | 306-4 Waste diverted from disposal   | Environmental synergy/Zero waste to landfill        | 33   |
|   | 306-5 Waste directed to disposal   | Environmental synergy/Zero waste to landfill        | 33   |
| <b>GRI 308: Supplier Environmental Assessment</b> | 308-1 New suppliers that were screened using environmental criteria                                      | Product integrity/Product provenance and naturality | 41   |
|   | 308-2 Negative environmental impacts in the supply chain and actions taken                               | N/A   | -    |
| <b>SOCIAL</b>                                     |  |   |      |
| <b>GRI 401: Employment</b>                        | 401-1 New employee hires and employee turnover   | Social stewardship/Diversity and inclusion          | 45   |
|   | 401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees | N/A   | -    |
|   | 401-3 Parental leave   | Social stewardship/Employee wellbeing               | 45   |
| <b>GRI 402: Labor/Management Relations</b>        | 402-1 Minimum notice periods regarding operational changes   | N/A   | -    |

| GRI Standard   | Disclosure   | Location   | Page |
|--|--|--|------|
| <b>GRI 403: Occupational Health and Safety</b>                   | 403-1 Occupational health and safety management system   | Social stewardship/Labour-management relations                 | 54   |
|  | 403-2 Hazard identification, risk assessment, and incident investigation   | Social stewardship/Labour-management relations                 | 54   |
|  | 403-3 Occupational health services   | Social stewardship/Labour-management relations                 | 54   |
|  | 403-4 Worker participation, consultation, and communication on occupational health and safety                        | Social stewardship/Labour-management relations                 | 54   |
|  | 403-5 Worker training on occupational health and safety  | Social stewardship/Labour-management relations                 | 54   |
|  | 403-6 Promotion of worker health   | Social stewardship/Labour-management relations                 | 54   |
|  | 403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships  | N/A  | -    |
|  | 403-8 Workers covered by an occupational health and safety management system   | Social stewardship/Labour-management relations                 | 54   |
|  | 403-9 Work-related injuries  | Social stewardship/Labour-management relations                 | 54   |
|  | 403-10 Work-related ill health   | Social stewardship/Labour-management relations                 | 54   |
| <b>GRI 404: Training and Education</b>                           | 404-1 Average hours of training per year per employee  | Social stewardship/ESG training                                | 51   |
|  | 404-2 Programs for upgrading employee skills and transition assistance programs                                      | Social stewardship/ESG training                                | 51   |
|  | 404-3 Percentage of employees receiving regular performance and career development reviews                           | Social stewardship/Learning and development                    | 50   |
| <b>GRI 405: Diversity and Equal Opportunity</b>                  | 405-1 Diversity of governance bodies and employees   | N/A  | -    |
|  | 405-2 Ratio of basic salary and remuneration of women to men   | N/A  | -    |
| <b>GRI 406: Non-discrimination</b>                               | 406-1 Incidents of discrimination and corrective actions taken   | Social stewardship/Diversity and inclusion                     | 45   |
| <b>GRI 407: Freedom of Association and Collective Bargaining</b> | 407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk | Responsible business conduct/ESG communication/Business ethics | 61   |
| <b>GRI 408: Child Labor</b>                                      | 408-1 Operations and suppliers at significant risk for incidents of child labor                                      | Product integrity/Product provenance and naturality            | 41   |
| <b>GRI 409: Forced or Compulsory Labor</b>                       | 409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor                       | Product integrity/Product provenance and naturality            | 41   |
| <b>GRI 410: Security Practices</b>                               | 410-1 Security personnel trained in human rights policies or procedures  | Social stewardship/Human rights                                | 55   |
| <b>GRI 411: Rights of Indigenous Peoples</b>                     | 411-1 Incidents of violations involving rights of indigenous peoples   | N/A  | -    |

| GRI Standard                               | Disclosure  | Location   | Page |
|--|---|--|------|
| <b>GRI 413: Local Communities</b>          | 413-1 Operations with local community engagement, impact assessments, and development programs      | Social stewardship/Community relations             | 57   |
|  | 413-2 Operations with significant actual and potential negative impacts on local communities        | Social stewardship/Community relations             | 57   |
| <b>GRI 414: Supplier Social Assessment</b> | 414-1 New suppliers that were screened using social criteria  | Product integrity/Product provenance and naturalty | 41   |
|  | 414-2 Negative social impacts in the supply chain and actions taken                                 | N/A  | -    |
| <b>GRI 415: Public Policy</b>              | 415-1 Political contributions   | N/A  | -    |
| <b>GRI 416: Customer Health and Safety</b> | 416-1 Assessment of the health and safety impacts of product and service categories                 | N/A  | -    |
|  | 416-2 Incidents of non-compliance concerning the health and safety impacts of products and services | N/A  | -    |
| <b>GRI 417: Marketing and Labeling</b>     | 417-1 Requirements for product and service information and labeling                                 | N/A  | -    |
|  | 417-2 Incidents of non-compliance concerning product and service information and labeling           | N/A  | -    |
|  | 417-3 Incidents of non-compliance concerning marketing communications                               | N/A  | -    |
| <b>GRI 418: Customer Privacy</b>           | 418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data  | N/A  | -    |

# European Sustainability Reporting Standards (ESRS) Index

| ESRS Standard                 | Disclosure  | Location  | Page |
|-------------------------------|---|---|------|
| <b>GENERAL DISCLOSURES</b>    |   |   |      |
| BP-1                          | General basis for preparation of the sustainability statements  | About the report  | 6    |
| BP-2                          | Disclosures in relation to specific circumstances   | About the report  | 6    |
| GOV-1                         | The role of the administrative, management and supervisory bodies   | Responsible business conduct/<br>Board of directors   | 59   |
| GOV-2                         | Information provided to and sustainability matters by the undertaking's administrative, management and supervisory bodies | Responsible business conduct/<br>Responsible business practices/<br>Sustainability governance | 60   |
| GOV-3                         | Integration of sustainability-related performance in incentive schemes  | N/A   | -    |
| GOV-4                         | Statement on due diligence  | Directors' message  | 3    |
| GOV-5                         | Risk management and internal controls over sustainability reporting   | Responsible business conduct/<br>Risks and opportunities                                      | 63   |
| SBM-1                         | Strategy, business model and value chain  | Dimexon: shaping sustainable luxury/Our value chain   | 11   |
| SBM-2                         | Interests and views of stakeholders   | Engaging with stakeholders  | 12   |
| SBM-3                         | Material impacts, risks and opportunities and their interaction with strategy and business model                          | Materiality   | 14   |
| IRO-1                         | Description of the processes to identify and assess material impacts, risks and opportunities                             | Materiality / Materiality assessment process  | 14   |
| IRO-2                         | Disclosure requirements in ESRS covered by the undertaking's sustainability statements                                    | N/A   | -    |
| DC-P                          | Policies adopted to manager material sustainability matters   | Responsible business conduct/ESG communication/Business ethics                                | 61   |
| DC-A                          | Actions and resources in relation to material sustainability matters  | Throughout the report   | -    |
| DC-M                          | Metrics in relation to material sustainability matters  | Throughout the report   | -    |
| DC-T                          | Tracking effectiveness of policies and actions through targets  | Throughout the report   | -    |
| <b>ERSR E1 CLIMATE CHANGE</b> |   |   |      |
| E1-1                          | Transition plan for Climate Change Mitigation   | Environmental synergy/Energy and emissions  | 21   |
| E1-2                          | Policies relating to climate change mitigation and adaptation   | N/A   | -    |
| E1-3                          | Actions and resources in relation to climate change policies  | Environmental synergy/Energy and emissions/Targets and performance                            | 25   |
| E1-4                          | Targets related to climate change mitigation and adaptation   | Environmental synergy/Emissions targets   | 25   |

| ESRS Standard                             | Disclosure  | Location   | Page                    |
|---|---|--|-------------------------|
| E1-5                                      | Energy consumption and mix  | Environmental synergy/Energy and emissions/Energy management   | 21                      |
| E1-6                                      | Gross Scopes 1,2,3 and Total GHG emissions  | Environmental synergy/GHG emissions  | 22                      |
| E1-7                                      | GHG removals and GHG mitigation projects financed through carbon credits  | N/A  | -                       |
| E1-8                                      | Internal carbon pricing   | N/A  | -                       |
| E1-9                                      | Potential financial effects from material physical and transition risks and potential climate-related opportunities | Environmental synergy/Climate risk   | 27                      |
| <b>ERSR E2 POLLUTION</b>                  |   |  |                         |
| E2-1                                      | Policies related to pollution   | N/A  | -                       |
| E2-2                                      | Actions and resources related to pollution  | Environmental synergy/Single-use plastic waste<br>Environmental synergy/Zero waste to landfill<br>Environmental synergy/GHG emissions<br>Environmental synergy/Water and wastewater management | 32,<br>33,<br>22,<br>34 |
| E2-3                                      | Targets related to pollution  | Environmental synergy/Single-use plastic waste   | 32                      |
| E2-4                                      | Pollution of air, water and soil  | Environmental synergy/Single-use plastic waste<br>Environmental synergy/Zero waste to landfill<br>Environmental synergy/GHG emissions<br>Environmental synergy/Water and wastewater management | 32,<br>33,<br>22,<br>34 |
| <b>ERSR E3 WATER AND MARINE RESOURCES</b> |   |  |                         |
| E3-1                                      | Policies related to water and marine resources  | N/A  | -                       |
| E3-2                                      | Actions and resources related to water and marine resources   | Environmental synergy/Water and wastewater management  | 34                      |
| E3-3                                      | Targets related to water and marine resources   | Environmental synergy/Water and wastewater management  | 34                      |
| E3-4                                      | Water consumption   | Environmental synergy/Water and wastewater management  | 34                      |
| <b>ERSR E4 BIODIVERSITY</b>               |   |  |                         |
| E4-1                                      | Transition plan on biodiversity and ecosystems  | Environmental synergy/Biodiversity and ecological impacts  | 35                      |
| E4-2                                      | Policies related to biodiversity and ecosystems   | N/A  | -                       |

| ESRS Standard  | Disclosure   | Location   | Page |
|--|--|--|------|
| E4-3   | Actions and resources related to biodiversity and ecosystems   | N/A  | -    |
| E4-4   | Targets related to biodiversity and ecosystems   | Environmental synergy/Biodiversity and ecological impacts                  | 35   |
| E4-5   | Impact metrics related to biodiversity and ecosystems change   | N/A  | -    |
| E4-6   | Potential financial effects from biodiversity and ecosystem-related impacts, risks and opportunities   | N/A  | -    |
| <b>ESRS E5 RESOURCE USE AND THE CIRCULAR ECONOMY</b> |  |  |      |
| E5-1   | Policies related to resource use and the circular economy  | N/A  | -    |
| E5-2   | Actions and resources related to resource use and circular economy   | Environmental synergy/Packaging and waste                                  | 32   |
| E5-3   | Targets related to resource use and the circular economy   | Environmental synergy/Single-use plastic                                   | 32   |
| E5-4   | Resource inflows   | N/A  | -    |
| E5-5   | Resource outflows  | N/A  | -    |
| E5-6   | Potential financial effects from resource use and circular economy-related impacts, risks and opportunities  | N/A  | -    |
| <b>ESRS S1 OWN WORKFORCE</b>                         |  |  |      |
| S1-1   | Policies related to own workforce  | Responsible business conduct/ESG communication/Business ethics             | 61   |
| S1-2   | Processes for engaging with own workers and workers' representatives about impacts   | Social stewardship/Human rights  | 55   |
| S1-3   | Processes to remediate negative impacts and channels for own workers to raise concerns   | Responsible business conduct/Policies/Grievance redressal policy           | 62   |
| S1-4   | Taking actions on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce and effectiveness of own actions | Social stewardship/Employee wellbeing                                      | 45   |
| S1-5   | Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities   | Social stewardship/Talent attraction and retention/Targets and performance | 53   |
| S1-6   | Characteristics of the undertaking's employees   | Social stewardship/Diversity and inclusion                                 | 45   |
| S1-7   | Characteristics of non-employee workers in the undertaking's own workforce   | N/A  | -    |
| S1-8   | Collective bargaining coverage and social dialogue   | Responsible business conduct/ESG communication/Business ethics             | 61   |
| S1-9   | Diversity metrics  | Social stewardship/Diversity and inclusion                                 | 45   |

| ESRS Standard                             | Disclosure   | Location  | Page |
|---|--|---|------|
| S1-10                                     | Adequate wages   | Social stewardship/Employee wellbeing   | 45   |
| S1-11                                     | Social protection  | Social stewardship/Employee wellbeing   | 45   |
| S1-12                                     | Persons with disabilities  | Social stewardship/Diversity and inclusion index/Empowering individuals with disabilities | 47   |
| S1-13                                     | Training and skills development metrics  | Social stewardship/Learning and development   | 50   |
| S1-14                                     | Health and safety metrics  | Social stewardship/Labour-management relations  | 54   |
| S1-15                                     | Work-life balance indicators   | Social stewardship/Employee wellbeing   | 45   |
| S1-16                                     | Compensation indicators (pay gap and total compensation)   | N/A   | -    |
| S1-17                                     | Incidents, complaints and severe human rights impacts and incidents  | Social stewardship/Labour-management relations  | 54   |
| <b>ESRS S2 WORKERS IN THE VALUE CHAIN</b> |  |   |      |
| S2-1                                      | Policies related to value chain workers  | Product integrity/ Product provenance and naturality/Human rights for suppliers           | 41   |
| S2-2                                      | Processes for engaging with value chain workers about impacts  | Product integrity/ Product provenance and naturality/Capacity building and training       | 41   |
| S2-3                                      | Processes to remediate negative impacts and channels for own workers to raise concerns   | Responsible business conduct/ Policies/Grievance redressal policy                         | 62   |
| S2-4                                      | Taking action on material impacts on value chain workers, and approaches to mitigating material risks and pursuing material opportunities related to value chain workers, and the effectiveness of those actions | Product integrity/ Product provenance and naturality/On-site audits of suppliers          | 41   |
| S2-5                                      | Targets related to managing material negative impacts, advancing positive impacts and managing material risks and opportunities  | Product integrity/ Responsible sourcing   | 40   |
| <b>ESRS S3 AFFECTED COMMUNITIES</b>       |  |   |      |
| S3-1                                      | Policies related to affected communities   | N/A   | -    |
| S3-2                                      | Processes for engaging with affected communities about impacts   | Social stewardship/Community relations  | 57   |

| ESRS Standard                          | Disclosure   | Location  | Page |
|--|--|---|------|
| S3-3                                   | Processes to remediate negative impacts and channels for affected communities to raise concerns  | Responsible business conduct/<br>Policies/Grievance redressal policy              | 62   |
| S3-4                                   | Taking action on material impacts on affected communities and approaches to mitigating material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions        | Social stewardship/Community relations  | 57   |
| S3-5                                   | Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities   | Social stewardship/Community relations  | 57   |
| <b>ESRS S4 CONSUMERS AND END-USERS</b> |  |   |      |
| S4-1                                   | Policies related to consumers and end-users  | N/A   | -    |
| S4-2                                   | Processes for engaging with consumers and end-users about impacts  | Product integrity/Product provenance and naturality/<br>Customer-centric approach | 43   |
| S4-3                                   | Processes to remediate negative impacts and channels for consumers and end-users to raise concerns   | Responsible business conduct/<br>Policies/Grievance redressal policy              | 62   |
| S4-4                                   | Taking action on material impacts on consumers and end-users, and approaches to mitigating material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions | Product integrity/Product provenance and naturality/<br>Customer-centric approach | 43   |
| S4-5                                   | Targets related to managing material negative impacts, advancing positive impacts and managing material risks and opportunities  | Product integrity/Customer satisfaction survey                                    | 43   |
| <b>ESRS G-1 BUSINESS CONDUCT</b>       |  |   |      |
| G1-1                                   | Business conduct policies and corporate culture  | Responsible business conduct/ESG communication/Business ethics                    | 61   |
| G1-2                                   | Management of relationship with suppliers  | Product integrity/ Product provenance and naturality                              | 41   |
| G1-3                                   | Prevention and detection of corruption and bribery   | Responsible business conduct/ESG communication/Business ethics                    | 61   |
| G1-4                                   | Incidents of corruption or bribery   | Responsible business conduct/ESG communication/Business ethics                    | 61   |
| G1-5                                   | Political influence and lobbying activities  | N/A   | -    |
| G1-6                                   | Payment practices  | N/A   | -    |

# Responsible Jewellery Council (RJC) Index

| RJC Standard                                      | Disclosure  | Location  | Page |
|---|---|---|------|
| <b>General Requirements</b>                       | COP 1 – Legal compliance  | Responsible business conduct/<br>Risks and opportunities          | 63   |
|   | COP 2 – Policy and Implementation   | Responsible business conduct/ESG<br>communication/Business ethics | 61   |
|   | COP 3 – Reporting   | About the Report  | 6    |
|   | COP 4 – Financial accounts  | N/A   | -    |
| <b>Responsible Supply Chains and Human Rights</b> | COP 5 – Business partners   | Product integrity/Strengthening our<br>value chain                | 36   |
|   | COP 6 – Human rights  | Social stewardship/Human rights                                   | 55   |
|   | COP 7 - Due diligence for responsible sourcing from<br>conflict-affected and high-risk areas  | Product integrity/Responsible<br>sourcing                         | 39   |
|   | COP 8 - Sourcing directly from artisanal and small-scale<br>mining                            | N/A   | -    |
|   | COP 9 - Sourcing post-consumer industrial precious metals<br>directly from informal recyclers | N/A   | -    |
|   | COP 10 – Community development  | Social stewardship/Community<br>relations                         | 57   |
|   | COP 11 - Bribery and facilitation payments  | Responsible business conduct/ESG<br>communication/Business ethics | 61   |
|   | COP 12 - Know Your Counterparty (KYC): Money<br>laundering and finance of terrorism           | Responsible business conduct/ESG<br>communication/Business ethics | 61   |
|   | COP 13 – Security   | Responsible business conduct/ESG<br>communication/Business ethics | 61   |
|   | COP 14 – Provenance claims  | Product integrity/Transparency and<br>traceability                | 37   |
| <b>Labour Rights and Working Conditions</b>       | COP 15 – General employment terms   | N/A   | -    |
|   | Cop 16 – Working hours  | Responsible business conduct/ESG<br>communication/Business ethics | 61   |
|   | COP 17 – Remuneration   | Responsible business conduct/ESG<br>communication/Business ethics | 61   |
|   | COP 18 - Harassment, discipline, grievance procedures<br>and non-retaliation                  | Responsible business conduct/ESG<br>communication/Business ethics | 61   |
|   | COP 19 – Child labour   | Responsible business conduct/ESG<br>communication/Business ethics | 61   |
|   | COP 20 – Forced labour  | Responsible business conduct/ESG<br>communication/Business ethics | 61   |
|   | COP 21 – Freedom of association and collective<br>bargaining                                  | Responsible business conduct/ESG<br>communication/Business ethics | 61   |
|   | COP 22 – Non-discrimination   | Responsible business conduct/ESG<br>communication/Business ethics | 61   |

| RJC Standard   | Disclosure   | Location  | Page   |
|--|--|---|--------|
| <b>Health, Safety and Environment</b>                            | COP 23 – Health and Safety   | Social stewardship/Labour-management relations  | 54     |
|  | COP 24 – Environmental management  | Environmental synergy   | 19     |
|  | COP 25 - Hazardous substances  | Environmental synergy   | 19     |
|  | COP 26 - Wastes and emissions  | Environmental synergy<br>Environmental synergy/GHG emissions  | 19, 22 |
|  | COP 27 - Use of natural resources  | Environmental synergy/Energy and emissions<br>Environmental synergy/Water and wastewater management | 21, 34 |
| <b>Gold, Silver, PGM, Diamond and Coloured Gemstone products</b> | COP 28 - Product disclosure  | Product integrity/Transparency and traceability   | 37     |
|  | COP 29 - Kimberley Process certification scheme and World Diamond Council system of warranties | Product integrity/Responsible sourcing  | 39     |
|  | COP 30 - Grading, analysis and appraisal   | Product integrity/Transparency and traceability   | 37     |
| <b>Responsible mining</b>  | COP 31 - Extractive Industries Transparency Initiative   | N/A   | -      |
|  | COP 32 - Stakeholder engagement  | Engaging with stakeholders  | 12     |
|  | COP 33 - Indigenous peoples and free, prior and informed consent                               | N/A   | -      |
|  | COP 34 - Impact assessment   | Social stewardship/Need and impact assessment   | 57     |
|  | COP 35 - Artisanal and small-scale mining and large-scale mining                               | N/A   | -      |
|  | COP 36 – Resettlement  | N/A   | -      |
|  | COP 37 - Emergency response  | N/A   | -      |
|  | COP 38 – Biodiversity  | Environmental synergy/Biodiversity and ecological impacts   | 35     |
|  | COP 39 - Tailings and waste rock   | N/A   | -      |
|  | COP 40 – Cyanide   | N/A   | -      |
|  | COP 41 – Mercury   | N/A   | -      |
|  | COP 42 - Mine rehabilitation and closure   | N/A   | -      |

