



IMPACT THROUGH PROVENANCE

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**DIMEXON.**

ESG SUMMARY 2023

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OUR ESG REPORT AND ROADMAP  
TO SUSTAINABLE LUXURY

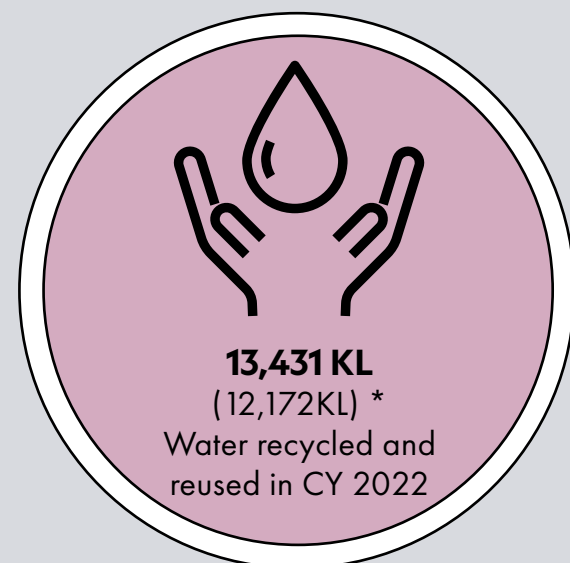
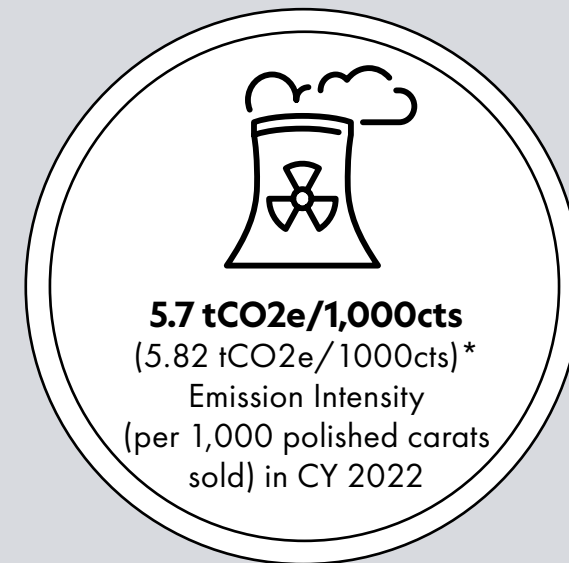
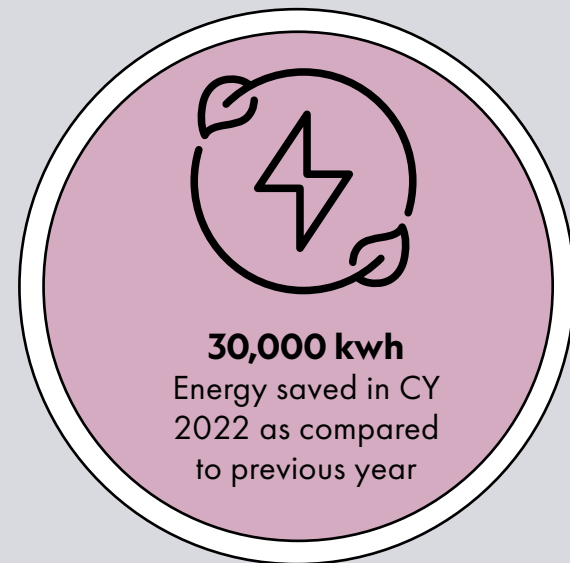
# IMPACT THROUGH PROVENANCE

- Dimexon's ESG strategy revolves around provenance and naturality, contributing significantly to addressing stakeholder needs promptly.
- The Ukraine-Russia conflict in 2022 resulted in key brands imposing a ban on diamonds of Russian origin, leading to increased importance of transparently sharing provenance information.
- We have invested in upgrading our systems and assurance processes to enhance transparency and accountability throughout our supply chain, enabling stakeholders to access auditable information

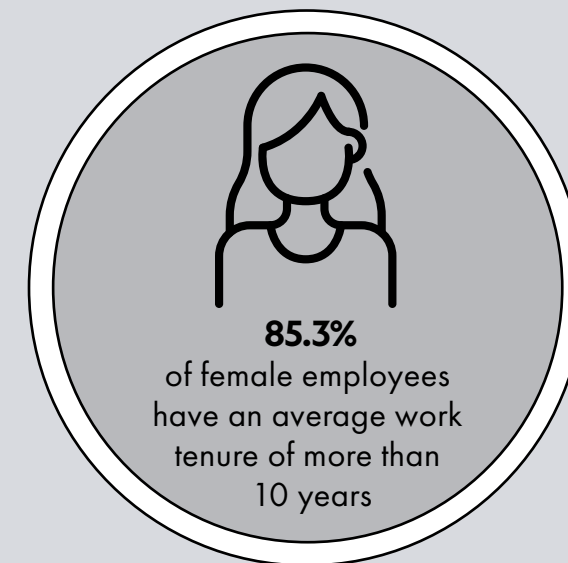
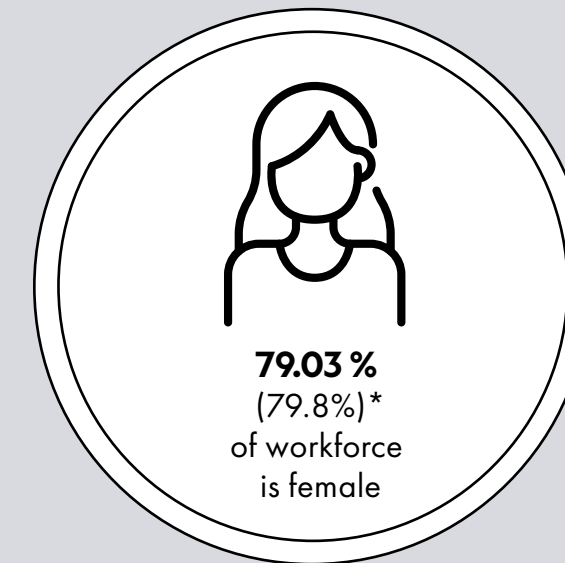
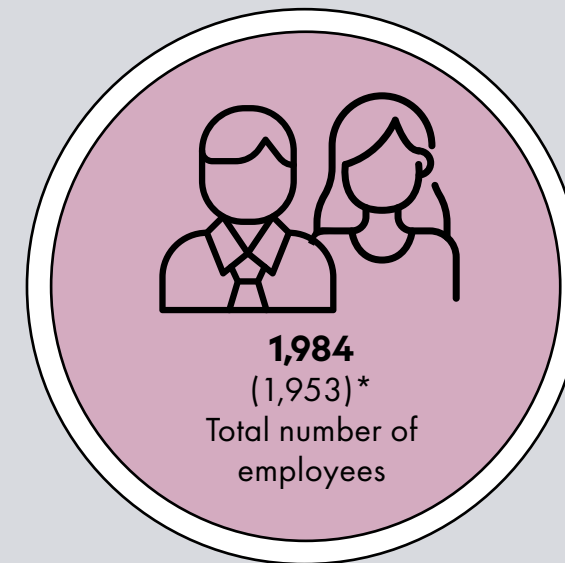


# KEY HIGHLIGHTS OF CY2022

## ENVIRONMENT



## SOCIAL



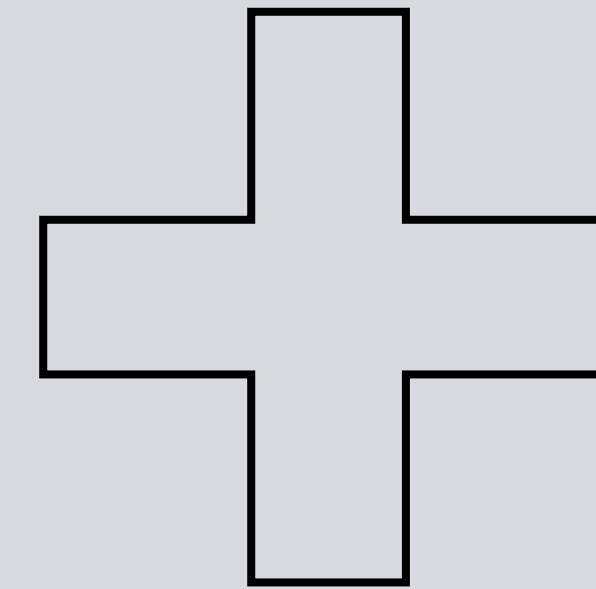
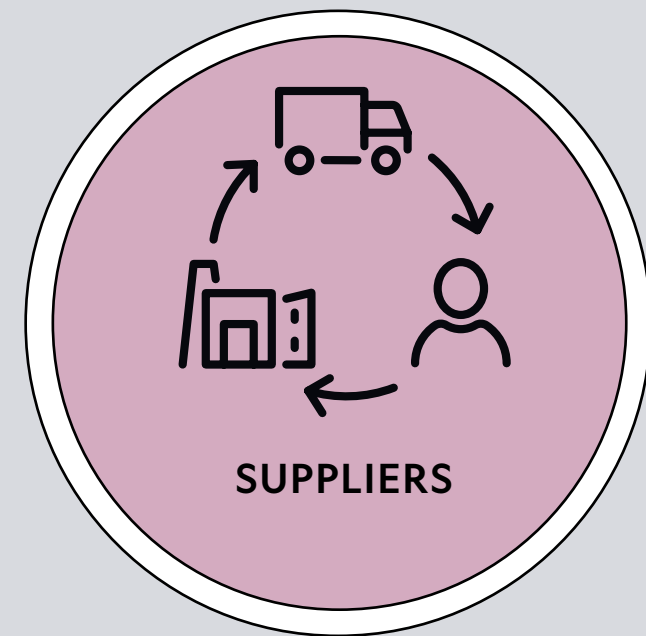
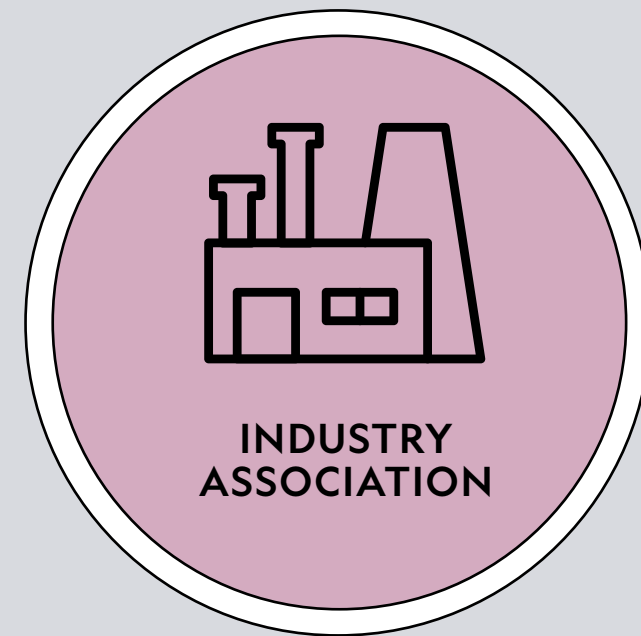
## GOVERNANCE



\*The data shown in "( )" is for CY 2021

# OUR STAKEHOLDERS: COLLABORATIVE EFFORTS FOR VALUE CREATION

In our pursuit of becoming an ESG leader in the diamond industry, we are committed to a collaborative approach with our stakeholders. We actively engage with them on a regular basis to gain a deep understanding of their key concerns. This proactive engagement allows us to identify material topics that could impact our business, enabling us to take timely corrective actions and work together with our stakeholders to generate enhanced value for all.



**FREQUENT  
ENGAGEMENT**

**MULTIPLE  
CHANNELS OF  
ENGAGEMENT**

**INCREASED  
TRUST**

**MATERIAL TOPICS  
IDENTIFICATION**

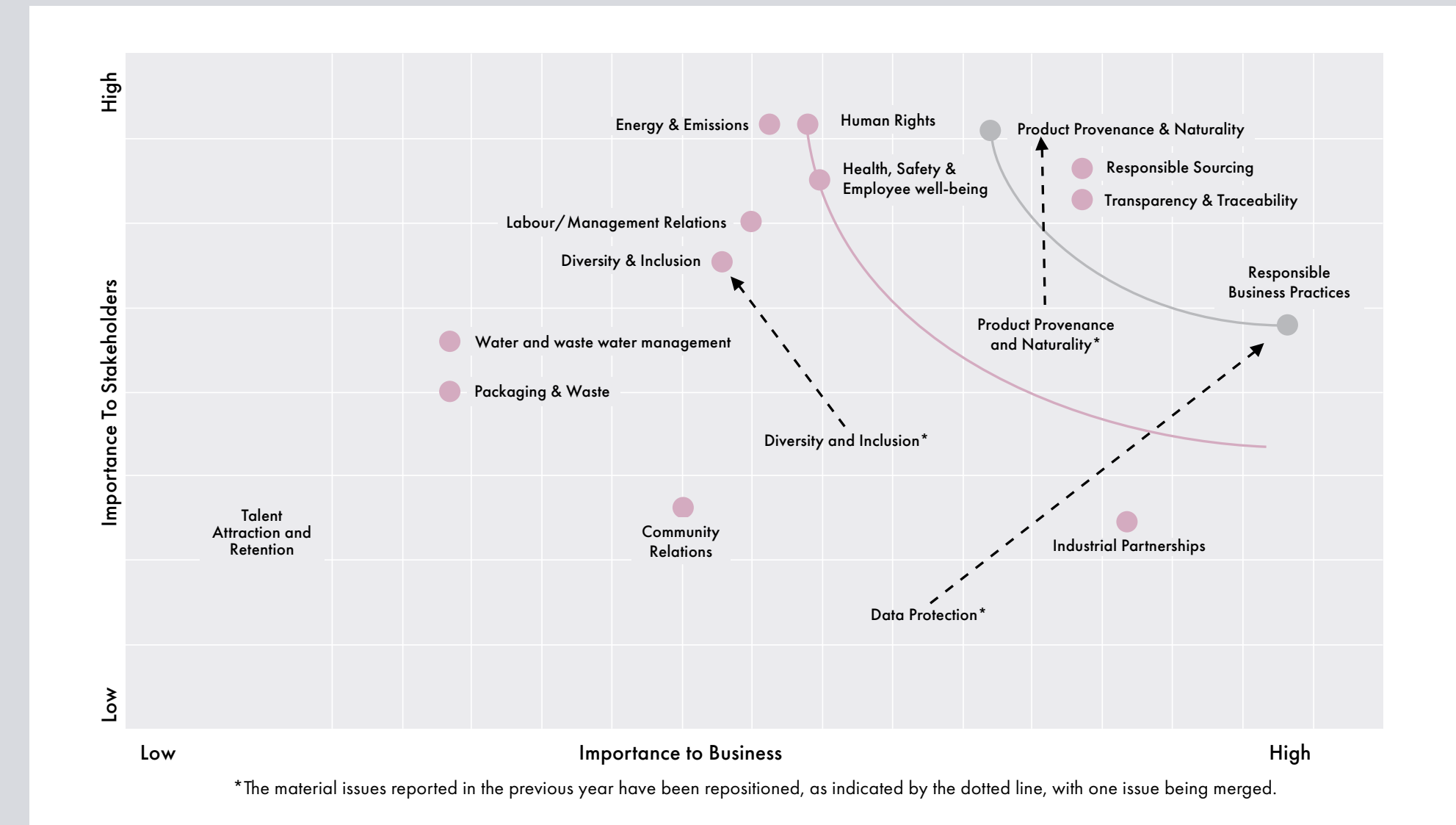
**BETTER  
DECISIONS**

**COLLABORATIVE  
VALUE CREATION**

# MATERIALITY ASSESSMENT

- In CY21, we conducted a materiality assessment to identify the most significant issues and concerns that affect our business and stakeholders. Building on this foundation, every year we revisit and update the material issues in accordance to the evolving landscape and potential implications for our operations.
- In CY22, we have updated our materiality matrix (Data Protection, Diversity and Inclusion, Product Provenance and Naturality). The revised matrix, presented here in graph 1, reflects our commitment to staying responsive and aligned with the prevailing challenges and opportunities.

GRAPH 1



# ESG GOVERNANCE

## ESG LEADERSHIP COMMITTEE

The ESG Leadership Committee consists of esteemed representatives from our Global Advisory Board. This committee plays a pivotal role in providing strategic direction, overseeing progress, and ensuring the achievement of our ESG objectives.



## ESG LEADERSHIP COMMITTEE

The ESG Leader/CSO plays a crucial role in collaborating with the Leadership Committee and the ESG Programme Manager. The ESG Leader/CSO's responsibilities encompass planning and implementing a range of measures to accomplish the goals and targets established by the Board. Additionally, the ESG Leader/CSO is responsible for overseeing the progress of these initiatives at a macro level.



## ESG PROGRAMME MANAGER

ESG Programme Manager takes on the important role of providing guidance and leading the ESG Working Group and offering a macro-level perspective on performance to the ESG Leader/CSO. In addition, they are responsible for overseeing the performance of multiple sites and coordinating with ESG Location Coordinators.



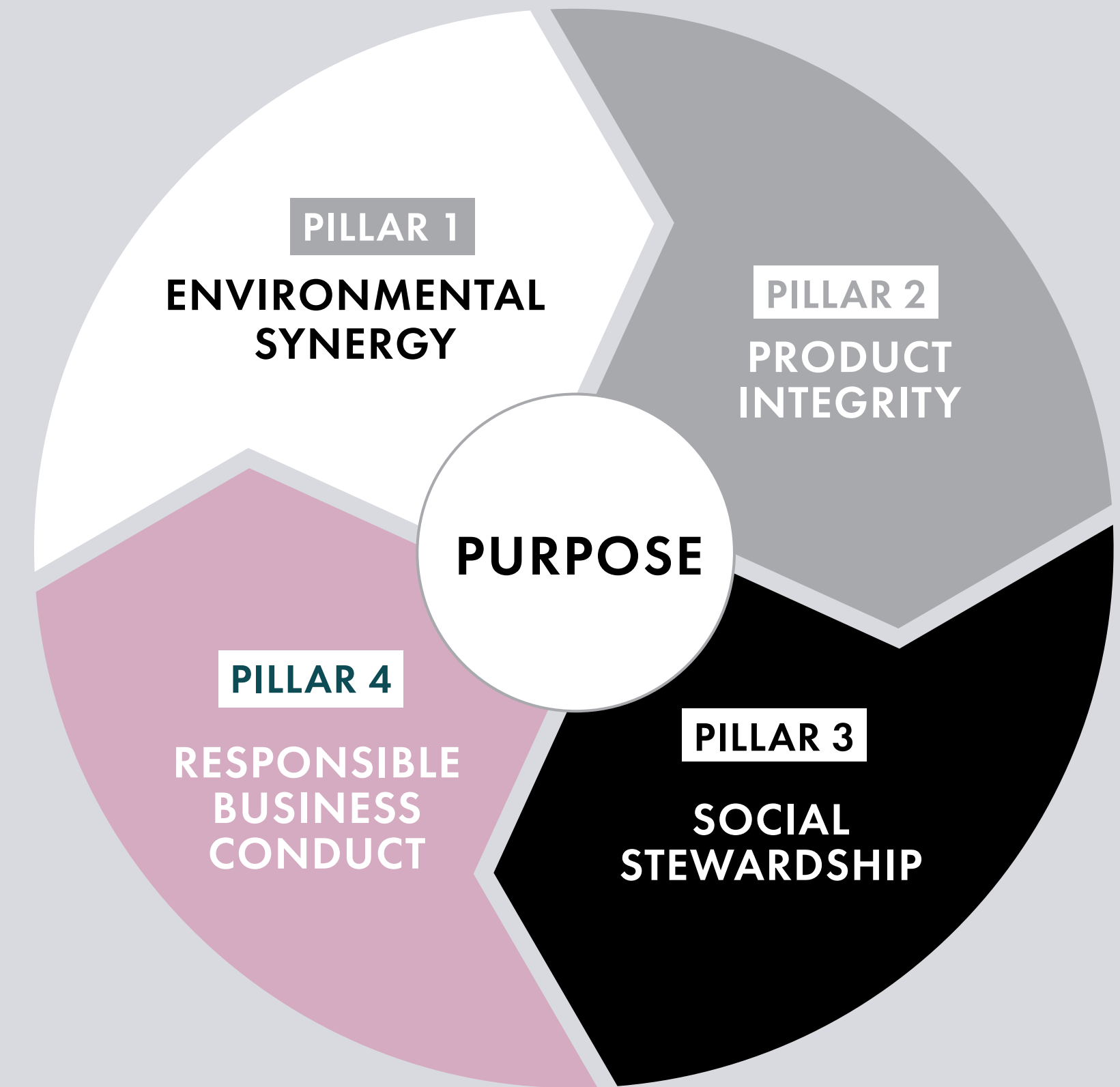
## ESG WORKING GROUP

The ESG Working Group is led by the ESG Programme Manager, who coordinates and works with cross-functional teams across the locations. The ESG Working Group is responsible for identifying, and implementing programmes, initiatives and activities. The Working Group shares the feasibility reports of the initiatives with the ESG Leader/CSO through the Programme Manager. Once the approved initiatives are implemented, the progress reports are shared with the ESG Leader/CSO regularly. The progress is reviewed by the ESG Leadership Committee and further suggestions, or actions are recommended by them.

# OUR ESG STRATEGIC PILLARS

Our purpose of inspiring sustainable luxury continues to be at the heart of this strategic framework. The approach incorporates our core pillars in the areas of E (Environmental), S (Social) and G (Governance), as well as critical focus areas within each dimension.

## DIMEXON'S COMPREHENSIVE ESG STRATEGIC FRAMEWORK



### FOCUS AREA

- |                                   |                         |                             |
|-----------------------------------|-------------------------|-----------------------------|
| ● Energy and Emissions            | ● Customer Centricity   | ● Employee Welfare          |
| ● Resource Neutral Operation      | ● Diversity & Inclusion | ● Responsible Communication |
| ● Product Provenance & Naturality | ● Community Relation    | ● Ethics & Compliance       |

# WHERE WE ARE HEADED

We aspire to be ESG leaders in the diamond industry, and have set ourselves these ambitious targets for the future.

## PILLAR 1 TARGETS

### KPI 1: Greenhouse Gas Emissions

Accounting, Disclosing, and continuous monitoring of Scope 1, Scope 2, and Scope 3 Emissions by 2030

### KPI 2: Carbon Neutrality

Carbon neutral by 2030

### KPI 3: Climate Risk

Alignment with TCFD Recommendations by 2025

### KPI 4: Single-Use Plastic Waste

Zero single-use plastic by 2023

### KPI 5: Zero Waste to Landfill (ZWL)

Zero Waste to Landfill by 2025

## PILLAR 2 TARGETS

### KPI 1: Responsible Procurement

100% of our suppliers must comply with our responsible sourcing policy by 2023

### KPI 2: Traceability

100% traceability on individual diamonds and mixed parcels of 018ct & above and less than 0.18ct respectively by 2025

### KPI 3: Supplier Due Diligence

100% direct supplier screening

### KPI 4: Customer Satisfaction Survey

Continuous improvement in customer satisfaction

## PILLAR 3 TARGETS

### KPI 1: Diversity and Inclusion

Continuous improvement in Diversity and Inclusion

### KPI 2: ESG Training

Average of minimum 8 hours of ESG related training per employee per year by 2025

### KPI 3: Employee Satisfaction

Continuous improvement in employee satisfaction

### KPI 4: Need & Impact Assessment

Impact assessment for all community development projects

## PILLAR 4 TARGETS

### KPI 1: Due Diligence & Compliance

Accurate and transparent

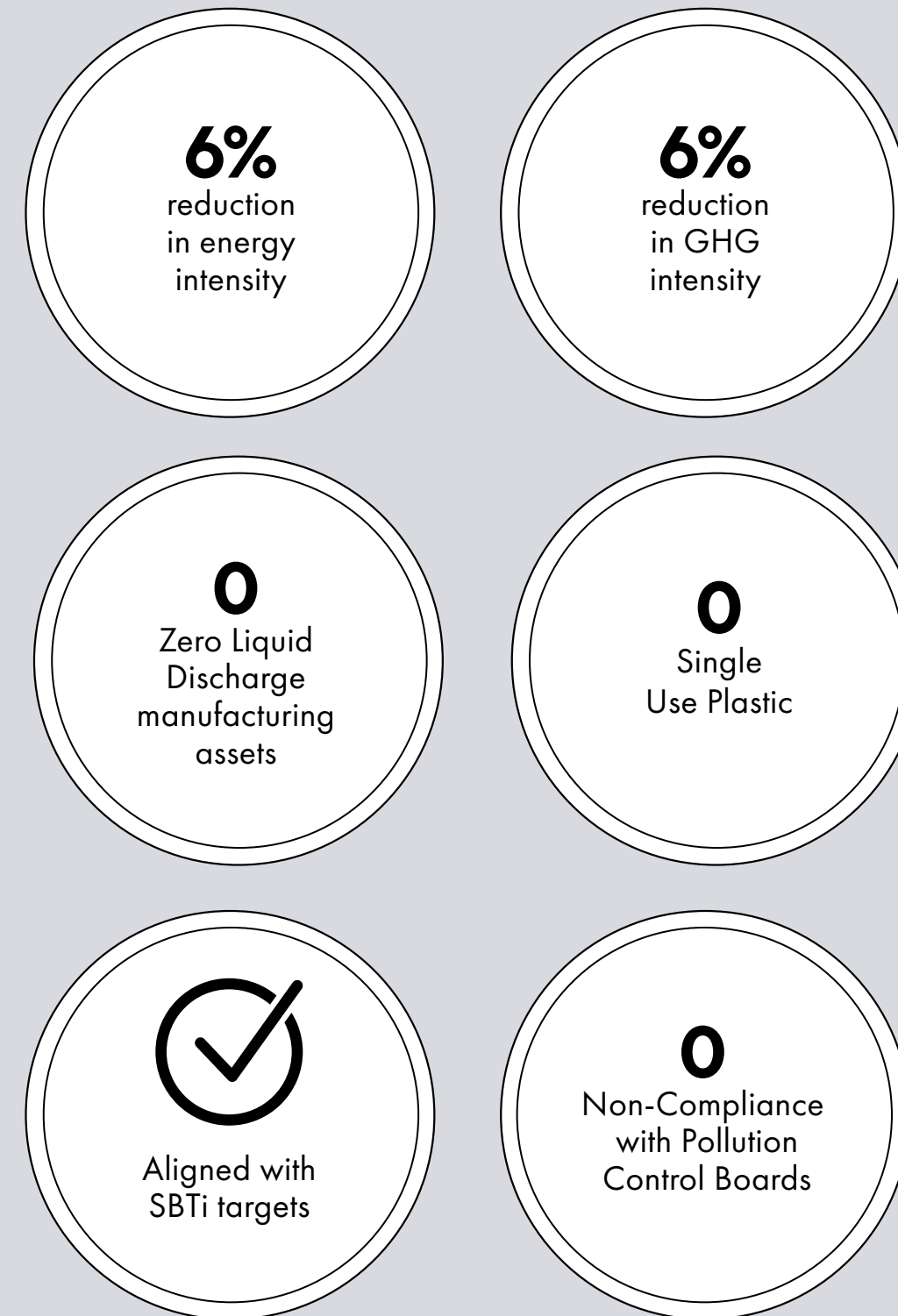
### KPI 2: ESG Communication

Accurate and transparent disclosure and

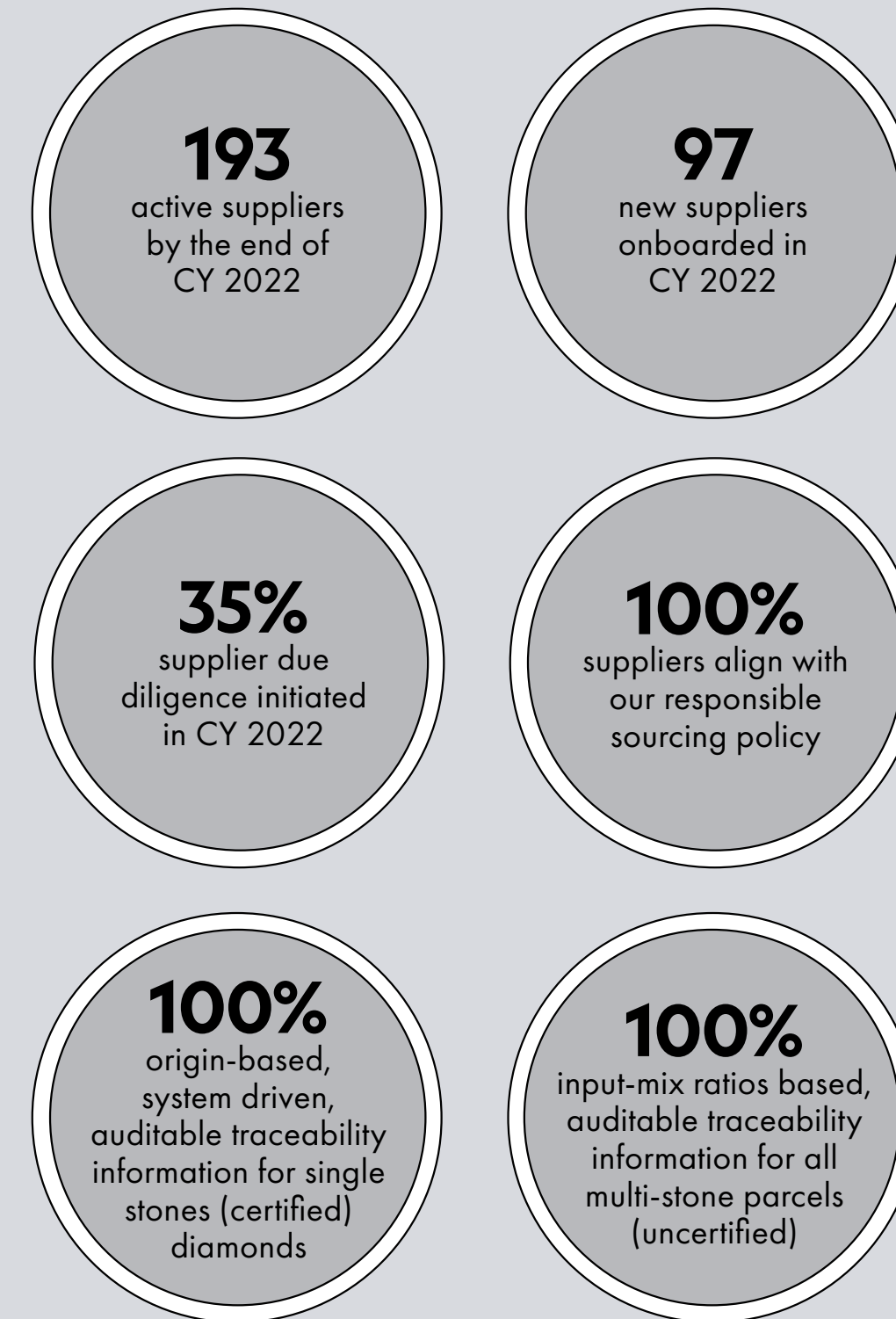


# ESG PILLARS: PERFORMANCE HIGHLIGHTS

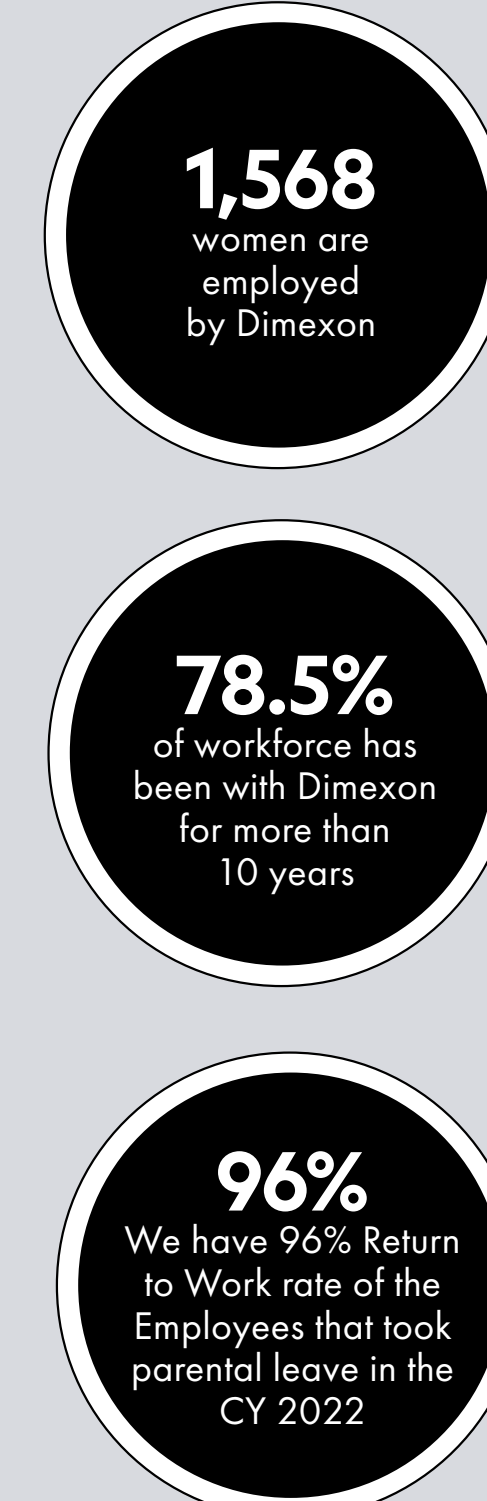
## PILLAR 1



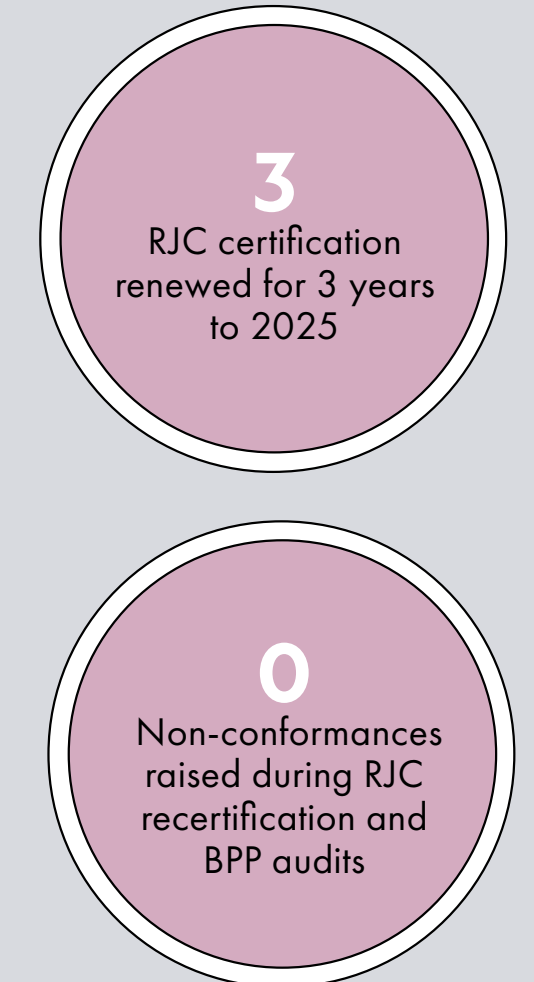
## PILLAR 2



## PILLAR 3



## PILLAR 4



# **PILLAR 1** ENVIRONMENTAL SYNERGY

## **KPI 1: Greenhouse Gas Emissions**

- We have undertaken scope 3 screening assessment to identify the relevant and significant categories.

## **KPI 2: Carbon Neutrality**

- We have conducted decarbonisation assessment to understand the key emission hotspots.

## **KPI 3: Climate Risk**

- We are in process of conducting a climate risk and opportunity assessment study with the objective to identify and understand the potential risks and opportunities posed by climate change in alignment to Task Force on Climate-related Financial Disclosures (TCFD).

## **KPI 4: Single-Use Plastic Waste**

- Our company has set a target to eliminate the usage of specific single-use plastics in all our operations by the end of CY2023. This list includes SUPs that are already banned according to the guidelines set by the Ministry of Environment, Forests and Climate Change (MoEFCC), India as well as additional SUPs identified by our company.

## **KPI 5: Zero Waste to Landfill (ZWL)**

- We devised SOPs for waste segregation, disposal, and diversion from landfill. In addition, we have initiated an awareness program and engaged with our site teams to provide them with the necessary knowledge and training.

## PILLAR 2 PRODUCT INTEGRITY

### KPI 1: Responsible Procurement

- We have implemented auditable processes and systems that track the journey of each parcel of diamonds.

### KPI 2: Traceability

- We have achieved 100% traceability based on origin for all our +18 pts SSPs and for MSPs (+/-18 pts) manufactured by us at Dimexon.

### KPI 3: Supplier Due Diligence

- We are constantly working towards aligning all our suppliers with 100% compliance with responsible sourcing policy of Dimexon. To reinforce our commitment, we plan to continuously evaluate and re-evaluate our supply chain based on established Environmental, Social, and Governance (ESG) criteria. In addition, we have successfully initiated the due diligence process for our direct suppliers.

### KPI 4: Customer Satisfaction Survey

- We will be conducting a third party survey in CY23 and will be publishing results in the consecutive report.



# **PILLAR 3** SOCIAL STEWARDSHIP

## **KPI 1: Diversity and Inclusion**

- We will be conducting a third-party survey in CY23 and will be publishing results in the consecutive report

## **KPI 2: ESG Training**

- We constantly focus on enabling our employees to improve their understanding of ESG and develop skills for their professional development to contribute to the organisation's success and help achieve ESG related targets and goals. To do so, we set a target for CY23 to ensure that each employee receives a minimum of four hours of ESG-related training annually, with best-in-class modules and training methodologies.

## **KPI 3: Employee Satisfaction**

- We will be conducting a comprehensive third-party employee survey in CY23 together valuable insights, improve our processes and publish the results in the following CY24.

## **KPI 4: Need & Impact Assessment**

- We are focused on continuously carrying out the need and impact assessment for all of our community development projects.
- We have undertaken various initiatives for community development, including educational activities and environmental conservation efforts for the upliftment of the local communities.

# PILLAR 4 RESPONSIBLE BUSINESS CONDUCT

## KPI 1: Due Diligence & Compliance

- We hold certifications from the Responsible Jewellery Council (RJC) and undergo audits based on De Beers Best Practice Principles (BPP) to ensure compliance.
- We continue to disclose transparently and communicate if any non-conformance issues are raised or reported.

## KPI 2: ESG Communication

- This report is our second ESG report. We are focused towards building on our report and its disclosures year-on-year.



# PILLAR 4 RESPONSIBLE BUSINESS CONDUCT

## Policies and controls implementation

We have reinforced our corporate policies and processes to achieve business sustainability. We refer to these and strive to adopt best industry practices and work towards conducting our business at Dimexon in an ethical and responsible manner.

## OUR POLICY LANDSCAPE



# RESPONSIBLE JEWELLERY COUNCIL (RJC) CERTIFICATION

- It gives us enormous pleasure to share that we have been recertified by the Responsible Jewellery Council (RJC) for another three years (until 2025).
- Dimexon has been a certified member of RJC for more than a decade now.
- The RJC is the pre-eminent worldwide benchmark within the jewellery and watch industry, prioritising business ethics and accountable supply chains.



# ALIGNMENT WITH WATCH & JEWELLERY INITIATIVE 2030

- In 2022, we became a member of WJI 2030 with other leaders in the luxury industry.
- We are working towards making our business more sustainable and integrating the WJI 2030 pillars in our business actions.
- In addition, we are also participating in pilots for ESG Book and WEP's GRP tool





# PROMOTING EMPOWERMENT OF WOMEN

- Since we opened our doors in the 1960s, we have been empowering our workforce, championing gender pay parity and fostering a culture of mutual respect among employees.
- We are proud to announce that we have become signatories of the Women's Empowerment Principles (WEP), a powerful set of guidelines and principles designed to support women's wrights within the workplace, and beyond, across the globe.





IMPACT THROUGH PROVENANCE

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**DIMEXON.**

Read the full ESG 2023  
report at [dimexon.com](https://www.dimexon.com)