

IMPACT THROUGH PROVENANCE

DIMEXON.

ESG REPORT 2023

OUR ESG REPORT AND ROADMAP
TO SUSTAINABLE LUXURY



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IMPACT THROUGH PROVENANCE

Provenance is vital in the diamond industry. That's why the theme for this year's ESG report is Impact Through Provenance, reflecting the increasing importance this subject has gained during the past year.

In 2022, one of the most significant consequences of the Ukraine-Russia conflict for the diamond industry was a ban on diamonds of Russian origin. Key brands refusing to work with the stones as a result of official international sanctions required organisations across the industry value-chain to transparently share provenance information relating to diamond supplies.

For Dimexon, as charted in our ESG strategy, our efforts towards Provenance and Naturality (under the Product Integrity pillar) and Responsible Sourcing (under the Responsible Business Conduct pillar) contributed significantly towards our ability to address the needs of our stakeholders swiftly.

We decided to further enhance the transparency of our supply chain, sharing traceability and provenance information with our customers and stakeholders. This was achieved by upgrading systems and assurance processes to enhance the levels of transparency and accountability throughout the supply chain, allowing us to provide stakeholders with the required information in an auditable manner.

This year's theme, Impact through Provenance, is aligned with our overarching sustainability purpose of Inspiring Sustainable Luxury. Through innovation and collaboration, Dimexon continuously strives to improve operations, promote sustainability and drive positive change in the wider industry.

were audited by independent third parties. This is a major achievement by the company, and conformed to the high standards of our customers' expectations.

OUTLOOK

Climate change, particularly global warming, is recognised as one of the most critical challenges facing our world today. Exceeding a 1.5-degree increase in global temperatures is likely to have severe consequences for the climate system. To tackle this urgent issue, our company is fully committed to making a positive impact through action. We have set ambitious goals to combat climate change, with a primary focus on making our operations sustainable through the reduction of greenhouse gas (GHG) emissions. By doing so, we aim to contribute to collective efforts in mitigating the effects of climate change.

In addition, to ensure compliance and stay ahead of the curve, we are updating our policies and establishing partnerships. These efforts are aimed at fostering social responsibility, including community development, and ensuring the maintenance of ethical sourcing standards and provenance throughout our supply chain. Our commitment to responsible business conduct is deeply embedded in our ethos, as we consistently uphold high standards.

A FINAL NOTE

At Dimexon, our passionate team drives our growth, guided by responsible leadership and ethical conduct. Our ESG Report showcases our measurable goals and progress towards a sustainable future, emphasising transparency and provenance. We continuously improve, innovate and collaborate with stakeholders to contribute to a more sustainable diamond industry. Together, we shape a future where beauty, emotion and sustainability coexist, leaving a lasting legacy for generations, with provenance. I invite you to read more about these and other topics in the our 2023 report, Impact through Provenance, to gain a complete view of all our activities.

Rajiv Mehta & Vishal Mehta
Directors, Dimexon

A MESSAGE FROM OUR DIRECTORS

Dear stakeholders,

Dimexon is proud to release its ESG Report 2023, relating to the year 2022. Through our second annual ESG report, we demonstrate our deep-rooted commitment to Inspiring Sustainable Luxury by focusing on our operations, supporting our stakeholders, and aligning our business to their targets as they pursue their sustainability goals. I am pleased to share that during 2022, Dimexon made good progress on some of the sustainability goals and KPIs that we had set for ourselves as part of our ESG strategy released last year.

IMPACT THROUGH PROVENANCE

As a consequence of the Russia-Ukraine war (and the subsequent ban of Russian diamonds), one of the key challenges faced by the diamond industry in 2022 was the importance of demonstrating system-based provenance traceability and tracking for diamonds. As part of our commitment on Product Integrity to our stakeholders, we are proud to share that Dimexon was among the first in the industry to provide system-tracked provenance declarations for supplies of melee diamonds, which



ESG HIGHLIGHTS OF 2022

During the year under review, Dimexon undertook several initiatives along its sustainability journey. These are some of the key achievements.

ENVIRONMENT

- Annually recycled more than 1.5 tonnes of e-waste
- Annually recycled more than 5 tonnes of paper
- Treated 13.7 million litres of sewage and used water
- Minimised usage of single-use plastic in our offices

PRODUCT INTEGRITY

- Stringent segregation tools implemented to guarantee provenance tracking
- Configured supply chain to deliver polished melee from De Beers-only rough, for a global jewellery brand
- Signed up for De Beers Pipeline Integrity programme (in addition to Forevermark)
- Initiated Supplier Due Diligence, as per OECD guidelines, for Tier 1 suppliers

SOCIAL STEWARDSHIP

- Signed up to the UN's Women Empowerment Principles (UN-WEPs)
- Increased focus on supporting people with disabilities through employment opportunities

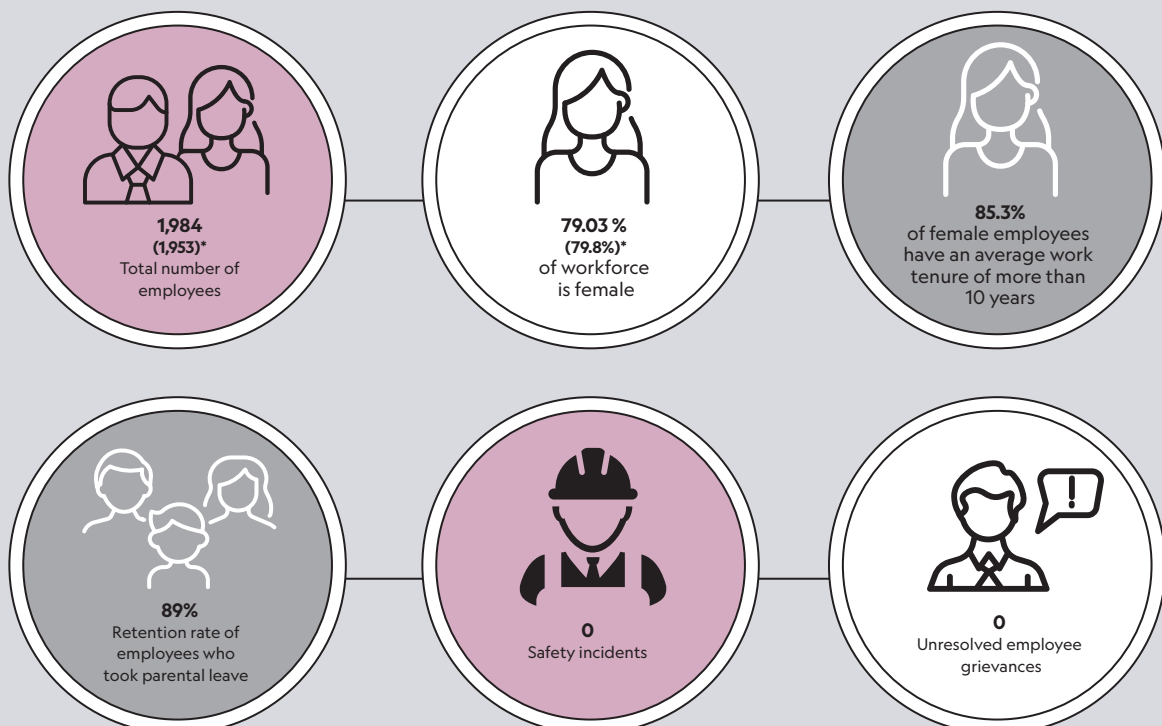
RESPONSIBLE BUSINESS CONDUCT

- Joined the Watch & Jewellery Initiative 2030 including participation in pilots for ESG Book and WEPs GRP tool
- Achieved recertification with the Responsible Jewellery Council (RJC) until 2025
- Successfully complied with various stakeholder-led third-party audits conducted by the following audit firms: SGS, UL Solutions, RSM Astute

ENVIRONMENT

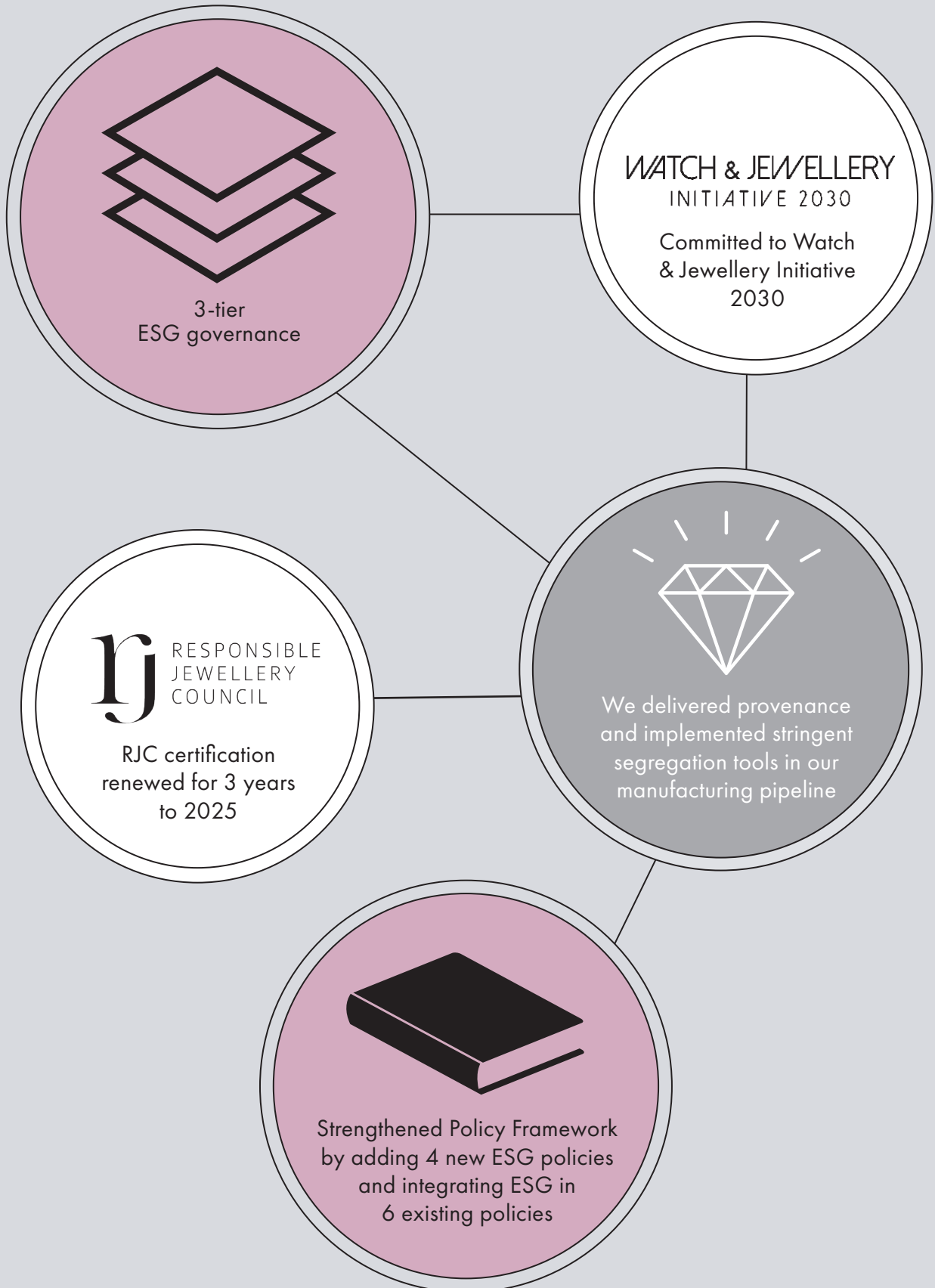


SOCIAL



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

GOVERNANCE





ABOUT THE REPORT

This second ESG Report reflects our commitment to transparent and comprehensive stakeholder communication. The report shares the progress we made on the ESG agenda and related non-financial metrics, aligning with our ESG strategy and the roadmap we established last year.

Dimexon actively seeks innovative approaches to communicate and share information on the journey towards achieving our sustainability goals. Through this report, we provide insights into our approach and share our progress with stakeholders, namely our customers, suppliers, financial institutions, business partners, colleagues, industry peers, trade groups and communities.

Dimexon's approach involves proactive identification and response to evolving ESG risks and opportunities, along with the steady implementation of sustainability best practices. Along our journey, we have made extensive efforts to engage with stakeholders, adhere to cross-industry benchmarks and standards, deploy effective environmental management solutions, and adopt leading practices in risk management and corporate governance.

REPORTING STANDARD

The report has been developed in reference to the Global Reporting Initiative (GRI) Standards for sustainability reporting and disclosures, in line with our commitment to transparent and responsible reporting practices. We have aligned the report with the National Guidelines on Responsible Business Conduct (NGRBC), Responsible Jewellery Council (RJC), World Diamond Council (WDC), and United Nations' Sustainable Development Goals (SDGs). Our recent endeavours include participation in the Watch & Jewellery Initiative 2030 (WJI2030), with the intention of demonstrating our commitment to collaborative action and the pursuit of long-term sustainability goals, in alignment with the three WJI2030 strategic pillars, namely building climate resilience, preserving resources and fostering inclusiveness.



MATERIALITY

At Dimexon, we evaluated a universe of key ESG topics relevant to our business. To finalise topics that are material to our business from the universe of topics considered, we conducted extensive external and internal stakeholder engagement. Another layer was to map the relevance of those topics to Dimexon's business objectives, risks and opportunities, in conjunction with the magnitude of the impact of our operations on those topics. Through this materiality assessment, we have identified and prioritised 14 key topics that are material to the business.

LIMITATIONS

This document contains forward-looking statements and commitments based on Dimexon's current expectations and reasonable assumptions. The actualisation of those commitments may involve risks and uncertainties, such as changes in government policies, global markets, operational incidents, mega trends, and other external factors. Thus, the actual results may differ from what we expect.

MANAGEMENT ASSURANCE

The leadership team acknowledges its responsibility toward ESG commitments and believes that the report addresses all material issues and presents Dimexon's ESG performance in a fair and accurate manner.

FEEDBACK

Through this report, we prioritise sharing achievements, insights and targets. It provides valuable insight into our commitment to ethical diamond sourcing, proactive measures in business sustainability, and our adherence to the four key pillars: Environmental Synergy, Product Integrity, Social Stewardship, and Responsible Business Conduct. We highly encourage and value feedback from our stakeholders regarding our reporting suite. Stakeholders can share comments and suggestions with us at esg@dimexon.com or via [dimexon.com](https://www.dimexon.com)

REPORTING PERIOD

This report presents Dimexon's sustainability performance and activities undertaken during the calendar year from 1 January 2022 to 31 December 2022.

REPORTING SCOPE & BOUNDARY

The coverage includes Dimexon's ESG performance across the diamond supply chain, encompassing all operations and activities.

THESE INCLUDE:

- Dimexon Antwerp NV, Antwerp, Belgium
- 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

DIMEXON AT A GLANCE: GROWING ON STRONG FOUNDATIONS

With more than 55 years of experience, Dimexon has emerged as a respected player in the midstream sector of the modern diamond industry, and has gained a global reputation as a trusted supplier of exquisite natural diamonds.

The group's success is deeply rooted in its untiring commitment to values such as integrity, transparency, attention to detail, and community support. The company excels in direct sourcing of rough diamonds from primary sources, ensuring consistent production of high-quality polished diamonds, and widespread distribution to targeted jewellery and watch brands, retailers, and manufacturers worldwide.





PROUD LEGACY

Dimexon, with its notable market position in the diamond industry, has experienced remarkable growth over the past five years and is projected to sustain this trajectory.

To deliver excellence in our product quality, we are focused on provenance and traceability, as well as promoting empowerment of women, equality and fairness across our business. These values are embedded in the DNA of our company and drive our commitment to deliver exceptional results.

Provenance and traceability are integral aspects of our business operations, seamlessly embedded throughout our operations, from the initial sourcing of rough diamonds to the final dispatch of our polished stones. We prioritise responsible sourcing by collaborating with reputable suppliers, ensuring that the origin of our diamonds is accurately documented and verified. Through these measures, we guarantee the provenance and traceability of the diamonds we deliver.

At Dimexon, we are committed to promoting equality, fairness and diversity, and empowering women throughout our company. We prioritise the professional growth and advancement of our employees by providing them with comprehensive technical training. We recognise the importance of work-life balance and support the needs of our workforce. Whether in Asia or Europe, we actively strive to retain and promote women in diverse roles, including account management, finance, servicing, sales, and manufacturing. Our inclusive approach ensures that women have equal opportunities to thrive and contribute to our success.

BUSINESS OVERVIEW

Dimexon's product portfolio is renowned for its exceptional range of diamonds, featuring expertly crafted calibrated round diamonds.

Our strong relationships with some of the world's largest rough diamond mining companies provide us with direct, reliable and consistent access to a significant percentage of global, ethical rough diamond supplies. These relationships include our Sightholder status with De Beers (since 1976) and a Select Diamantaire status with Rio Tinto (since 2007).

We manufacture finely made polished diamonds according to generic, industry-recognised size bands (-2, stars, melee, 10 per carat, 4 per carat). In addition, we take pride in our ability to service the needs of our customers for calibrated smalls, supplying consistent volumes of finely cut and polished small diamonds, within a micrometre tolerance of 0.05mm.

Our fully audited supply chain gives our clients peace of mind by guaranteeing the ethical sourcing and full traceability of our diamonds.



OUR COMPANY

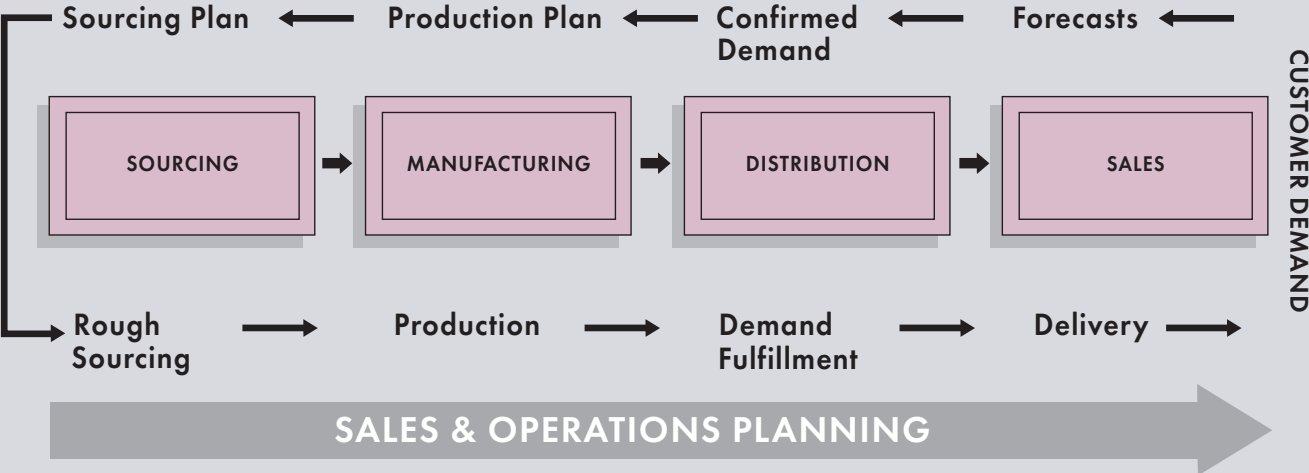
OUR SUPPLY CHAIN

Dimexon has been a De Beers Sightholder since 1976, and a Rio Tinto Select Diamantaire since 2007. Our long-term relationships with some of the world’s largest diamond mining companies, including Rio Tinto and De Beers Group, provide us with direct, reliable and consistent access to a significant percentage of the global rough diamond supply. In addition, we also purchase from carefully selected, high-quality junior mining companies.

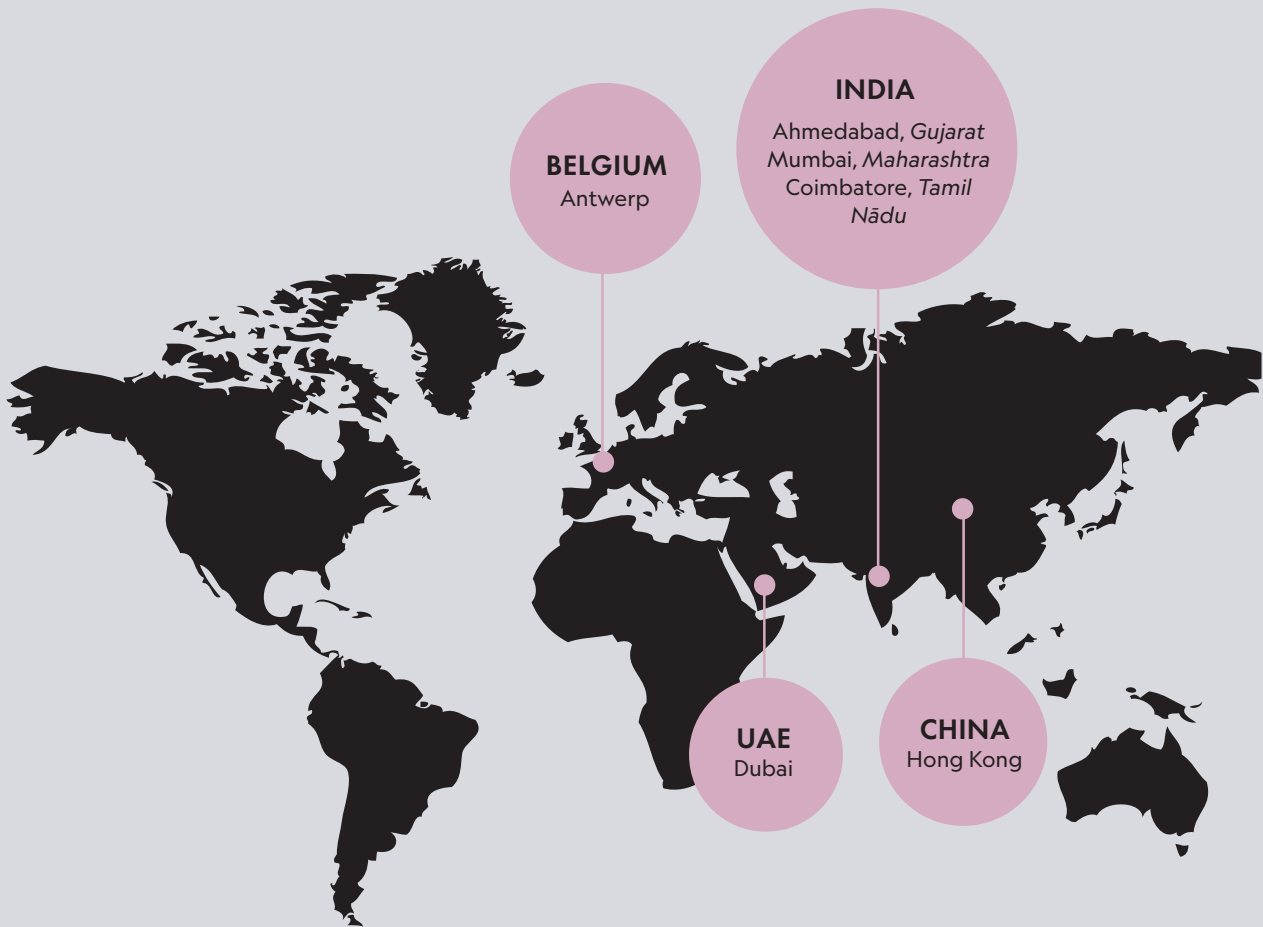
We have state-of-the-art manufacturing facilities at Coimbatore in India, employing more than 1,600 skilled personnel. The rough diamonds are cut and polished at this facility, which utilises the latest technologies and lean manufacturing processes. Dimexon continuously invests in upgrading its manufacturing facilities; most recently investing in new automation technologies, including the Synova water jet laser-cutting equipment and auto-bottom polishing equipment.

The polished diamonds are then distributed to the sales offices across Antwerp, Dubai, Mumbai and Hong Kong to serve the needs of our customers across the world.





OUR SUPPLY CHAIN



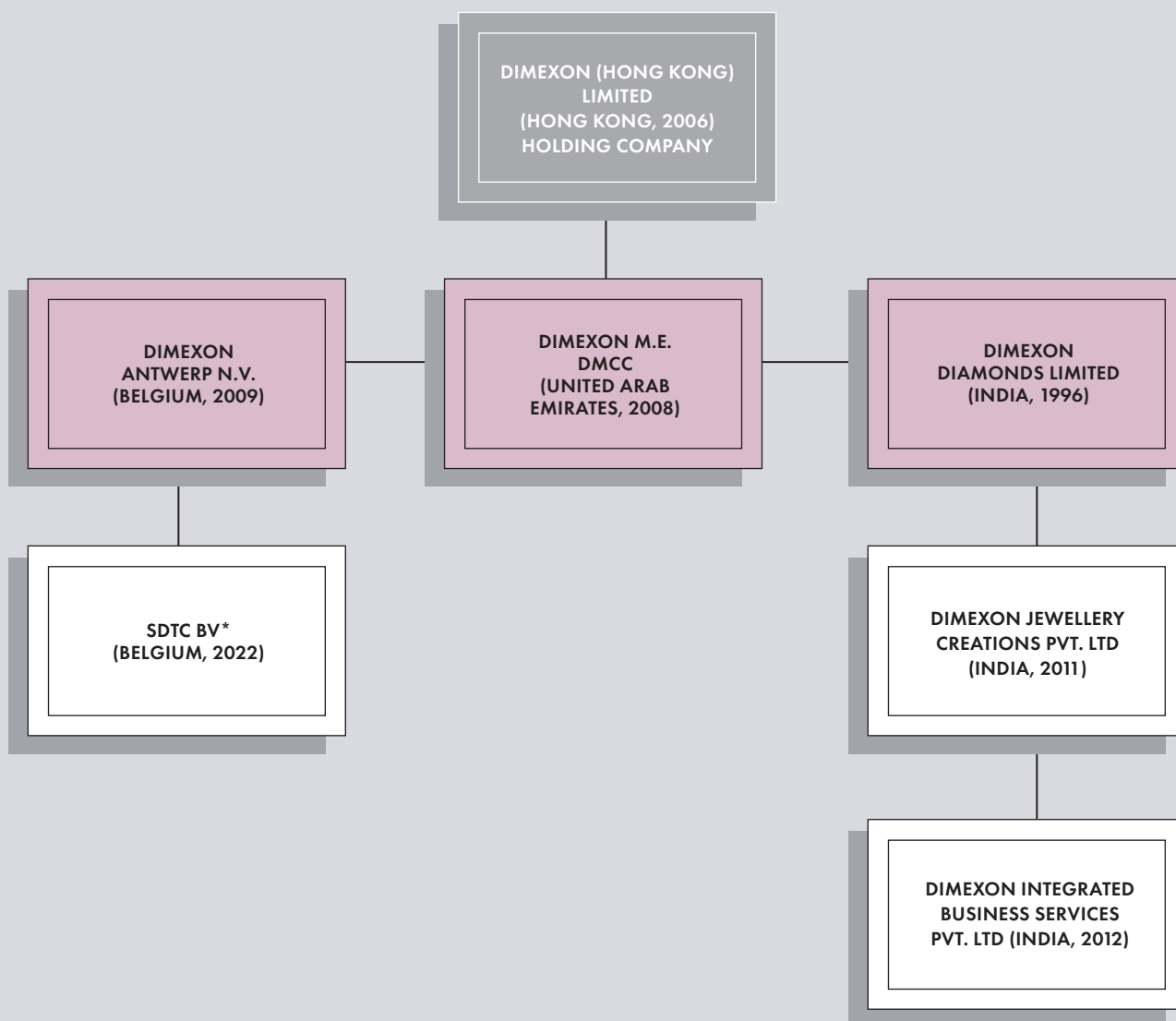
GEOGRAPHIC PRESENCE



ACTIVITY BY COUNTRY

	Rough Diamonds Sourcing	Diamond Manufacturing	Polished Diamonds Distribution	Polished Diamonds Sourcing	Polished Diamonds Sales
 ANTWERP	YES			YES	YES
 DUBAI	YES				YES
 AHMEDABAD		YES			
 MUMBAI	YES	YES	YES	YES	YES
 COIMBATORE		YES			
 HONG KONG					YES

GROUP STRUCTURE



*Dimexon Antwerp NV acquired 100% stake in SDTC BV in 2022 and the integration of business operations is currently in progress. Hence, the sustainability related information regarding these operations will be included from next year’s report.

STAKEHOLDER ENGAGEMENT

We recognise the vital role of meeting stakeholder expectations in driving the success of our organisation and generating value for our stakeholders. We acknowledge that engaging with stakeholders in a meaningful way enables us to obtain valuable perspectives on their key concerns and expectations.

Dimexon is dedicated to maintaining an ongoing, open, and responsive strategic conversation and is strategically involved with all stakeholders. The primary objective of the stakeholder engagement process is to cultivate collaborative value creation rooted in enduring relationships.

Dimexon recognises the varying requirements of its different internal and external stakeholders, and engages with them through appropriate mediums regularly to gain insight into their issues and concerns. Our in-house talent constitutes our internal stakeholders. We nurture a supportive work environment by prioritising the wellbeing and health of our in-house talent. The universe of our external stakeholders includes customers, suppliers, financial institutions, government entities, regulatory bodies, knowledge partners, industry associations, and organisations that we associate with through memberships amongst others. We are committed to delivering high-quality products, ensuring safe operations, and implementing responsible social, environmental, and health management practices throughout our business value chain.

STAKEHOLDER ENGAGEMENT PROCESS

We analyse stakeholders influenced by our operations as well as those who have the potential to impact growth opportunities or add to the risk. To do this we utilise a stakeholder matrix that outlines the methods and frequency of engagement, as well as the communication channels used for each stakeholder.

STAKEHOLDER GROUP	ENGAGEMENT CHANNELS	FREQUENCY OF ENGAGEMENT	KEY ISSUES OF INTEREST
<p>Employees & Leadership The efficiency and potential of our employees is integral to the overall success of the business. Leadership plays a crucial role in guiding the strategic direction and driving the company's overall achievement which is primarily delivered by our employees.</p>	<ul style="list-style-type: none"> • Induction programs • Internal communications (emails and employee portal) • HR help desk • Employee grievance procedures • Engagement initiatives and discussion groups • Leadership meetings • Cultural Activities 	Ongoing and demand-based	<ul style="list-style-type: none"> • Human rights and labour management • Performance appraisal and rewards • Training and career development • Transparency in business • Compliance with safety norm • Focus on ESG aspects • Diversity & Inclusion • Employee wellbeing • Employee engagement and satisfaction • Talent Attraction and Retention • Gender pay parity • Consumer demand for diamonds • Product design, creativity and quality • Innovation • Cyber Security • Long-term strategy
<p>Customers Customers significantly impact a company's success by providing essential revenue and influencing the decision-making processes.</p>	<ul style="list-style-type: none"> • One-to-one interactions and meetings • Customer satisfaction reviews • Company website • Grievance redressal mechanism • Trade shows 	Annual and demand-based	<ul style="list-style-type: none"> • Focus on ESG aspects and non-financial performance • Product provenance and integrity • Supplier assessments • Transparent disclosures • Data protection • Customer experience • Product design, creativity and quality • Innovation
<p>Industry Associations Industry associations foster innovation and propel industry growth by promoting collaboration, knowledge sharing, policy advocacy and networking opportunities among industry players.</p>	<ul style="list-style-type: none"> • Meetings, emails and other correspondences • Conferences 	Annual and demand-based	<ul style="list-style-type: none"> • Social and governance aspects • Human rights due diligence and community development • Diamond provenance and responsible sourcing • Stakeholder engagement • Transparency and traceability • Data protection • Industrial partnerships • Legal and regulatory compliances
<p>Suppliers Robust partnerships with suppliers enables companies to optimise supply chain efficiency, achieve punctual delivery, and foster a culture of innovation.</p>	<ul style="list-style-type: none"> • Site visits and inspection • Regular interactions • Vendor quality assessment • Vendor performance assessment • Supplier meetings 	Annual, half-yearly and demand-based	<ul style="list-style-type: none"> • Responsible sourcing • Product integrity and provenance • On-time performance • Ethical practices, anti bribery and anti corruption • Transparency and traceability • Responsible business practices • Industrial partnerships • Supply chain management • Internal and external audits
<p>Communities Communities grant us the right to function, thus it is our duty to boost and cultivate close ties with them.</p>	<ul style="list-style-type: none"> • Corporate Social Responsibility activities • Awareness programs • Social Impact Assessment studies 	Annual, half-yearly and demand-based	<ul style="list-style-type: none"> • Proactive engagement to solve social and environmental issues • Contribution to community welfare • Community relations • Craftsmanship and skill development
<p>Financial Institutions They are essential capital sources in our growth and expansion strategy (short- and long-term plans).</p>	<ul style="list-style-type: none"> • One-to-one meetings • Communication of financial results • Leadership engagement • Insight into long-term strategy 	Annual, half-yearly and demand-based	<ul style="list-style-type: none"> • Financial and non-financial performance • Robust strategy for business growth • Long-term business value • Responsible sourcing • Diversity and inclusion • Responsible business practices • Economic impact on producer countries • Consumer demand for diamonds • Product design, creativity and quality innovation • Sustainable finance • Legal and regulatory compliances

MATERIALITY

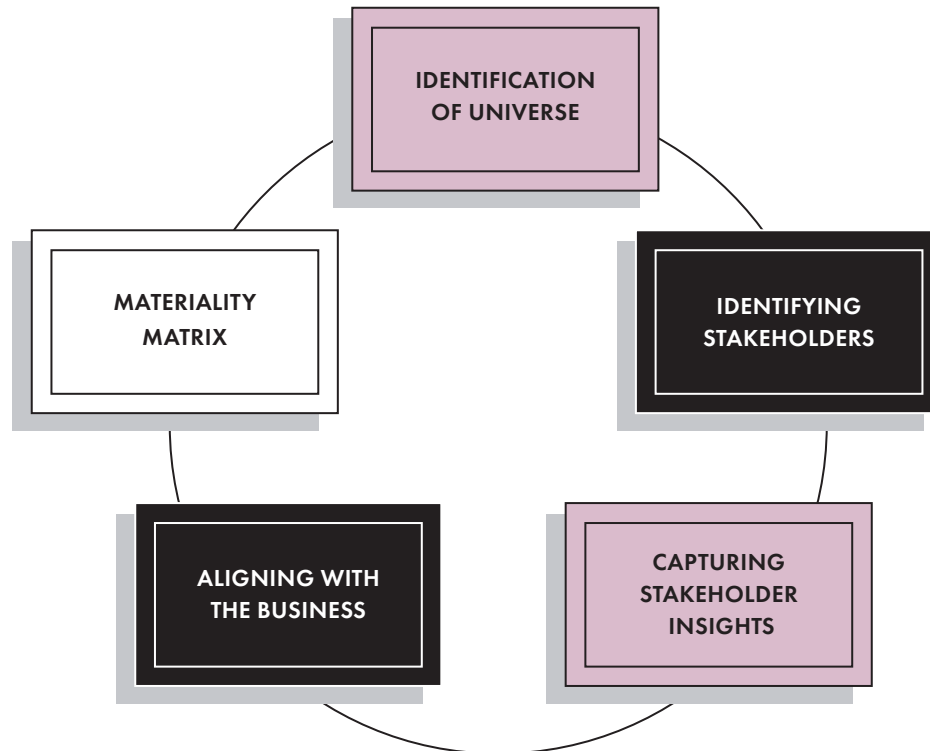
A materiality assessment holds great significance in various aspects of our business and helps in financial decision-making in conjunction with the perception of economic, social and environmental impacts of our business across our value chain.

The benefits of this assessment are multifold, including assistance in prioritising relevant information, assistance in making informed choices, enhancing financial reporting, aiding risk assessment, ensuring compliance, facilitating effective stakeholder communication, and ensuring we are aligned with legal and regulatory requirements. By focusing on material matters, we are able to allocate resources effectively, provide concise and reliable information, and meet the needs of our stakeholders.

Conducting a materiality assessment has helped the organisation in identifying key issues, devising effective solutions to address these key issues, and generating value across the short, medium and long term. By adopting this approach, we have assessed major corporate risks and potential outcomes, formulated strategies to mitigate the likelihood of future incidents and established a transparent connection between our ESG initiatives and business operations.

MATERIALITY ASSESSMENT PROCESS

The materiality strategy for identifying key issues involves a five-step process. Firstly, we analyse global, sectoral, and fundamental business priorities, comparing them with peer companies and relevant pockets of excellence. Secondly, we identify the internal and external stakeholders affected by these material issues. Subsequently, we seek input from senior management to prioritise the top material concerns that have adverse effects on the organisation's business. Once the list of material issues is established, they are correlated with business objectives and risks to arrive at a final list of issues that are most material to our business. We recognise that it is essential to promptly outline initiatives to increase our positive impact through the material issues and, assess their future impact, and pro-actively mitigate the occurrence of any negative impacts.



In response to feedback, we established a material issue framework and categorised the issues based on their Environmental, Social and Governance dimensions.

In 2021, an extensive initial assessment was performed to ascertain the vital issues for our operations. We actively involved internal and external stakeholders of the organisation. This evaluation led us to pinpoint 15 critical issues that significantly impact our business.

During the reporting year, we conducted a follow-up evaluation to assess the ongoing significance of the identified issues in the current context. Engaging in dialogues with our senior management team, we sought to align these material matters and ensure progress toward our objectives. These discussions focused on the advancements made and the challenges faced in addressing these important concerns.

In light of the current circumstances, it is crucial to acknowledge the influence of the ongoing Ukraine-Russia war on our material issues. As a consequence, the priorities of two material issues have been adjusted, and one material issue, Data Protection, has been merged with Responsible Business Practices, resulting in a total of 14 material issues.

To accurately capture these changes and account for the evolving landscape and potential implications for our operations, we have updated our materiality matrix. The revised matrix is presented below, reflecting our commitment to staying responsive and aligned with the prevailing challenges and opportunities.

PRODUCT PROVENANCE & NATURALITY

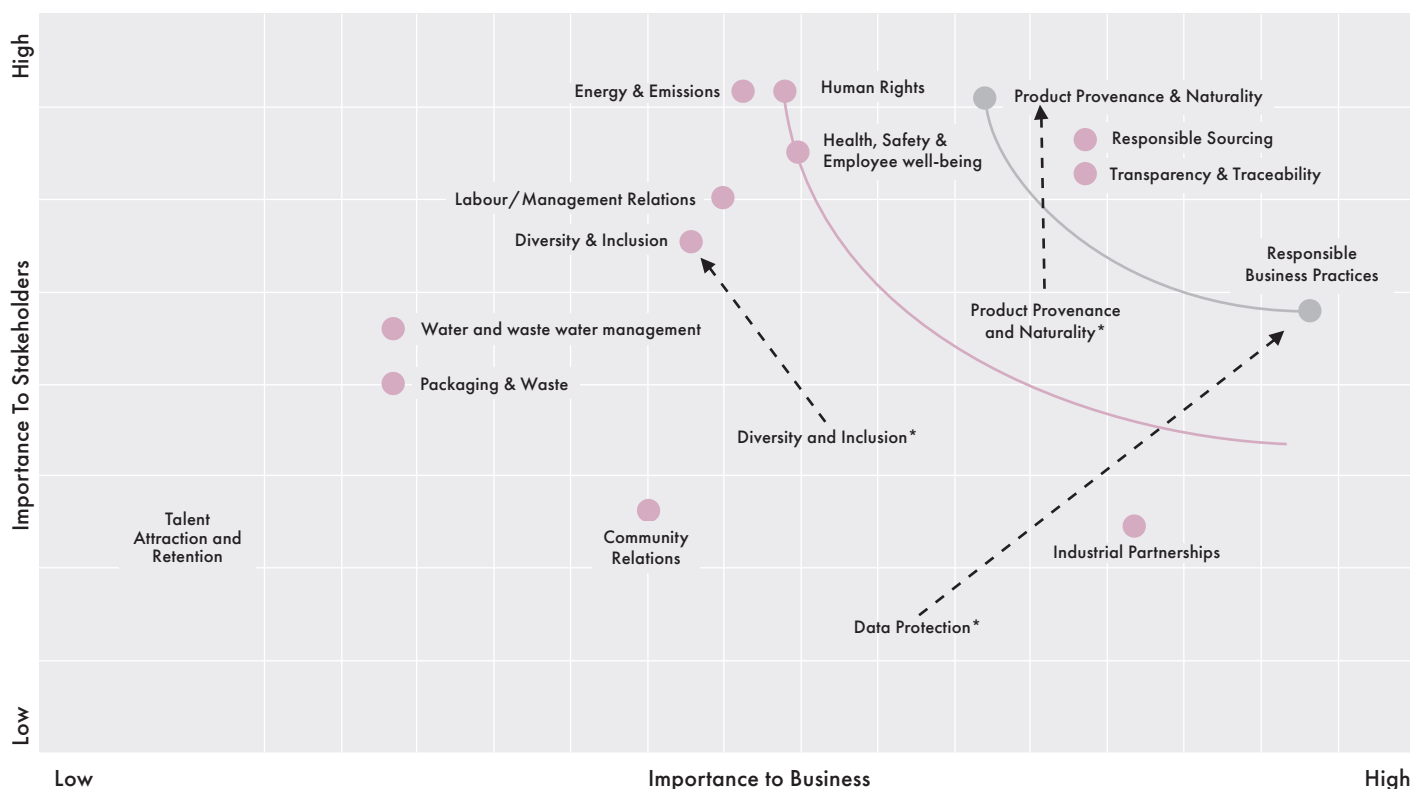
The diamond sourcing landscape was significantly impacted by the Ukraine-Russia war in 2022. In light of this conflict, we have significantly upgraded our segregation capabilities across our manufacturing supply chain. This measure ensures we maintain our commitment to responsible sourcing and ethical practices amidst geopolitical instability. We are closely monitoring the situation and will continue to assess the implications to uphold the highest standards in our diamond sourcing operations.

DIVERSITY & INCLUSION

Our participation in the collaborative initiative, Watch & Jewellery Initiative 2030, aligned with the UN’s Women’s Empowerment Principles, directly addresses the impact on this material issue.

MATERIALITY MATRIX

We are firmly committed to addressing these material issues in a sustainable and responsible manner, as we believe it is crucial for our long-term success. By actively engaging with these concerns, we aim to mitigate risks, improve our performance, and contribute to a more sustainable future. Our dedication to addressing these issues reflects our commitment to ethical business practices and our responsibility towards our stakeholders and the broader society. We understand the significance of these challenges and are determined to address them with diligence.



*The material issues reported in the previous year have been repositioned, as indicated by the dotted line, with one issue being merged.



OUR APPROACH TO ESG

At Dimexon, we recognise that ESG factors play a crucial role in the long-term viability of our business, and we have integrated these considerations into our decision-making processes. By embracing ESG as a strategic imperative, we aim to enhance our resilience and competitiveness, while also contributing to the wider goals of sustainable development.

We have implemented a number of ESG initiatives to address important issues like climate change, waste management, and social inequality. As an illustration, we have established ambitious targets for reducing greenhouse gas emissions and continuously pursue innovative solutions to improve resource efficiency. We are committed to maintaining the integrity of our products through measures that include conducting regular due diligence on our supply and ensuring ethical diamond sourcing. Furthermore, we actively engage with our stakeholders to comprehend their needs and concerns and identify opportunities for collaboration to drive social and environmental advancements.

In addition to our ESG initiatives, we prioritise business ethics as a fundamental aspect of our operations. We uphold high standards of ethical conduct in all aspects of our business, from sourcing materials to engaging with stakeholders. This holistic approach strengthens our reputation, helps us build stronger ties with our stakeholders and also contributes to a more sustainable and equitable future for all.

We have developed an ESG Framework which covers our core strategic pillars, rooted in the areas of environmental (E), social (S) and governance (G), with a particular emphasis on key focus areas within each dimension.

ESG STRATEGY

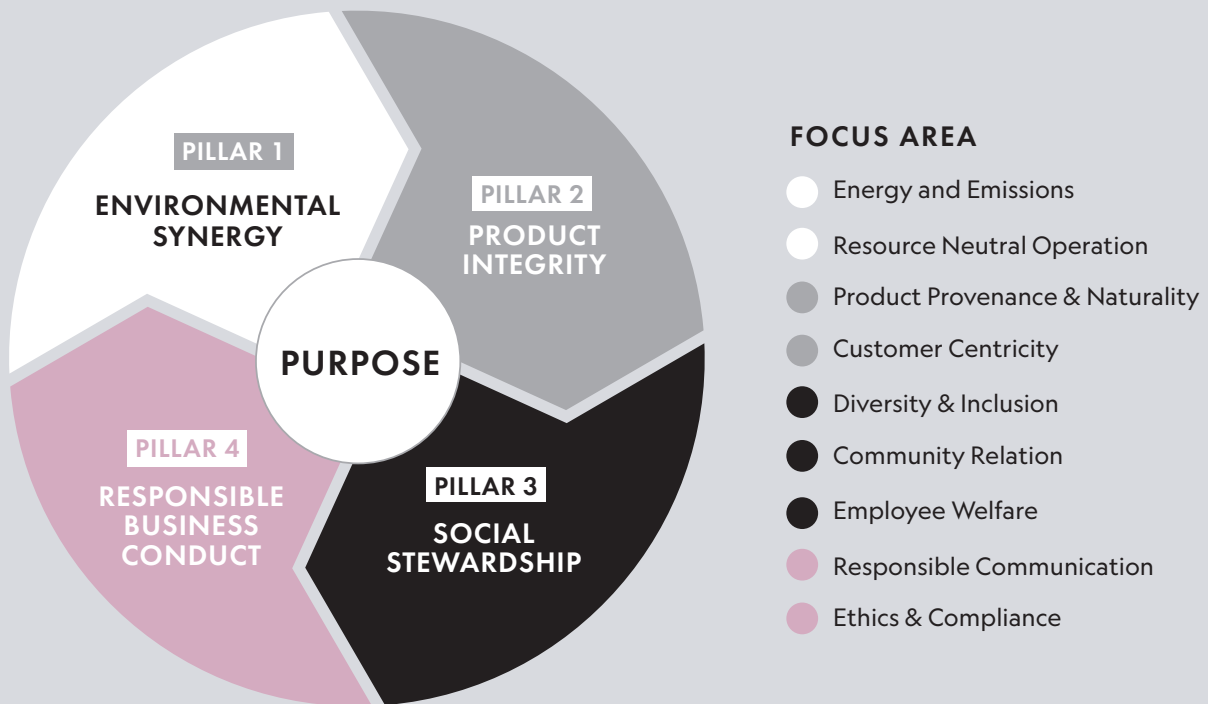
Sustainable development is an integral part of Dimexon’s growth story. Businesses like ours have a long-term influence on the environment and communities in which they operate.

Year after year, we strive to bring positive change to the lives of our stakeholders through focused ESG measures. Hence, we are always working towards reducing the environmental impact of our business activities and contributing to the general holistic development of our people and the ecosystems within which we operate.

Based on these guiding principles, last year we defined the strategic framework that would guide our ESG Journey as we progress through the years.

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



MANAGEMENT APPROACH TO ESG

Our management team conducts regular evaluations of the external landscape, including markets and the key factors that influence the markets economically, politically, socially and environmentally. Our success in achieving our strategic goals relies on our ability to navigate and respond to these dynamic forces. Collaborating with stakeholders allows us to identify and prioritize the most crucial issues that demand our attention. Our ESG roadmap, with its vital priorities, is seamlessly integrated into our business strategy, operational framework, project planning, execution and decision-making processes.

Our decision-making processes involve benchmarking against industry peers and aligning with various compliance standards, such as the Responsible Jewellery Council (RJC) and the Sustainable Development Goals (SDGs). This year, we have further strengthened our commitment by joining the Watch & Jewellery Initiative 2030 and signing the United Nations Women Empowerment Principles (WEPs), ensuring that we stay up to date and operate in accordance with internationally recognised standards.

ESG PILLARS: GOALS AND PRIORITIES

We conducted a benchmarking exercise with our industry peers and identified significant material issues, which we then classified into four strategic pillars.

PILLAR 1

ENVIRONMENTAL SYNERGY



SDG6
Our objective is to guarantee universal access to sustainable water and sanitation services for everyone.

CLEAN WATER & SANITATION



SDG7
Our aim is to provide affordable, reliable, sustainable and modern energy access for everyone.

AFFORDABLE & CLEAN ENERGY



SDG12
Our aim is to ensure sustainable consumption and production patterns throughout our facilities.

RESPONSIBLE CONSUMPTION & PRODUCTION



SDG13
We are committed to taking immediate action to address climate change and mitigate its impacts.

CLIMATE ACTION

**FOCUS AREA 1
ENERGY EMISSION**

KPI 1: Greenhouse Gas Emission

We are continuously measuring and tracking our Scope 1 and Scope 2 emissions in accordance with the World Resource Institute (WRI)/World Business Council of Sustainable Development (WBCSD) GHG Protocol Corporate Standard guidelines.

KPI 2: Carbon Neutrality

We are taking steps for decarbonisation and offsetting strategies.

KPI 3: Climate Risk

We conduct climate risk and opportunity assessments to evaluate the impact of climate change on our business activities.

**FOCUS AREA 2
RESOURCE NEUTRAL OPERATIONS**

KPI 4: Single-Use Plastic Waste

We adhere to the plastic waste management regulations set by the government, which include the prohibition of Single-Use Plastics (SUP).

KPI 5: Zero Waste to Landfill (ZWL)

Dimexon actively promotes the circular economy by maximising waste utilisation through on-site recycling, waste segregation, and responsible disposal. We ensure that waste is reused or recycled through authorised vendors, all while adhering to responsible sourcing guidelines.

PILLAR 2

PRODUCT INTEGRITY



RESPONSIBLE CONSUMPTION & PRODUCTION



PARTNERSHIP FOR THE GOALS

FOCUS AREA 1 PRODUCT PROVENANCE & NATURALITY

KPI 1: Provenance and Traceability

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

KPI 2: Responsible Procurement

We strictly comply with the Kimberly Process and the World Diamond Council's System of Warranties. Additionally, we adhere to the OECD Due Diligence Guidance for Responsible Supply Chains to ensure responsible practices throughout our supply chain.

KPI 3: Supplier Due Diligence

To reinforce our commitment, we plan to continuously evaluate our supply chain based on established Environmental, Social and Governance (ESG) criteria.

AREA 2 CUSTOMER CENTRICITY

KPI 4: Customer Satisfaction Survey

We strive to maintain continuous interaction with our customers and gather their valuable insights to enhance our offerings.

PILLAR 3

SOCIAL STEWARDSHIP



SDG3
Our aim is to ensure healthy lives and promote well-being for people of all ages, encompassing comprehensive healthcare and wellness initiatives.

GOOD HEALTH & WELLBEING



SDG5
We are committed to achieving gender equality and empowering women and girls, ensuring equal rights, opportunities, and participation.

GENDER EQUALITY



SDG10
We are dedicated to reducing inequality, fostering equal opportunities, social inclusion, and equitable distribution of resources and benefits.

REDUCED INEQUALITIES



SDG11
We strive for inclusive, safe, resilient, and sustainable settlements that cater to the needs of all and contribute to wellbeing and quality of life.

SUSTAINABLE CITIES & COMMUNITIES

**FOCUS AREA 1
DIVERSITY & INCLUSION**

KPI 1: Diversity & Inclusion Index

For the past three decades, we have placed significant emphasis on creating employment opportunities for women.

**FOCUS AREA 2
EMPLOYEE WELLBEING**

KPI 2: ESG Training

We constantly focus on enabling our employees to improve their understanding on ESG and develop their skills for their professional development to contribute to the organisation's success and help achieve ESG related

targets and goals. To do so we bring in best-in-class modules and training methodologies which are effective.

KPI 3: Employee Satisfaction

We offer opportunities that empower our workforce to enhance their standard of living, provide education for their children, and improve their economic status within society.

**FOCUS AREA 3
COMMUNITY RELATIONS**

KPI 4: Need & Impact Assessment

These assessments allow us to effectively navigate unprecedented challenges while implementing community development initiatives.

PILLAR 4

RESPONSIBLE BUSINESS

**SDG 8**

Promote sustained, inclusive, and sustainable economic growth, and ensure productive employment and decent work opportunities for all.

**DECENT WORK &
ECONOMIC GROWTH**

**SDG 16**

Promote peaceful, inclusive societies for sustainable development, access to justice for all and effective, accountable and inclusive institutions.

**PEACE, JUSTICE &
STRONG INSTITUTION**

FOCUS AREA 1 ETHICS AND COMPLIANCE

KPI 1: Due Diligence & Compliance

Due diligence refers to the comprehensive investigation conducted by a business to identify and assess risks associated with conflict-affected and high-risk areas (CAHRAs). This process includes evaluating human rights violations, forced labour, torture, war crimes, support to non-state armed groups or security forces, bribery, fraudulent misrepresentation of mineral origin, money laundering, and tax evasion. We hold certifications from the Responsible Jewellery Council (RJC) and undergo audits based on De Beers Best Practice Principles (BPP) to ensure compliance.

FOCUS AREA 2 RESPONSIBLE COMMUNICATION

KPI 2: ESG Communication

We provide our stakeholders with a comprehensive report of our ESG performance, initiatives and way forward to fulfil their expectations, gain trust and showcase our capabilities of creating value sustainably. To do so we align our business activities and disclosures with their priorities, fostering transparency and accountability in our operations.

IN DEPTH: PILLAR 1

ENVIRONMENTAL SYNERGY

At Dimexon, we recognise that the environment plays a key role in shaping the future of sustainable business. We aspire to create long-term value supported by our results-driven ESG strategies and roadmap. Conservation and responsible utilisation of natural resources is not just one of our objectives, but it also stands for our business vision. We are cognisant of the environmental impact associated with our value chain. Furthermore, at Dimexon, it is our ambition to achieve our sustainability targets, by evaluating and mitigating the environmental risks and enabling positive environmental impact.

KPIs:

- Greenhouse Gas Emission
- Carbon Neutrality
- Climate Risk
- Single-Use Plastic Waste
- Zero Waste to Landfill (ZWL)

KEY HIGHLIGHTS



* As compared to base year CY 2019 ** Details on page number 32

Material Topics

- Energy and Emission
- Water and Wastewater Management
- Packaging and Waste

SDGs Alignment

- SDG 6** Clean Water and Sanitation
- SDG 7** Affordable and Clean Energy
- SDG 12** Responsible Consumption and Production
- SDG 13** Climate Action

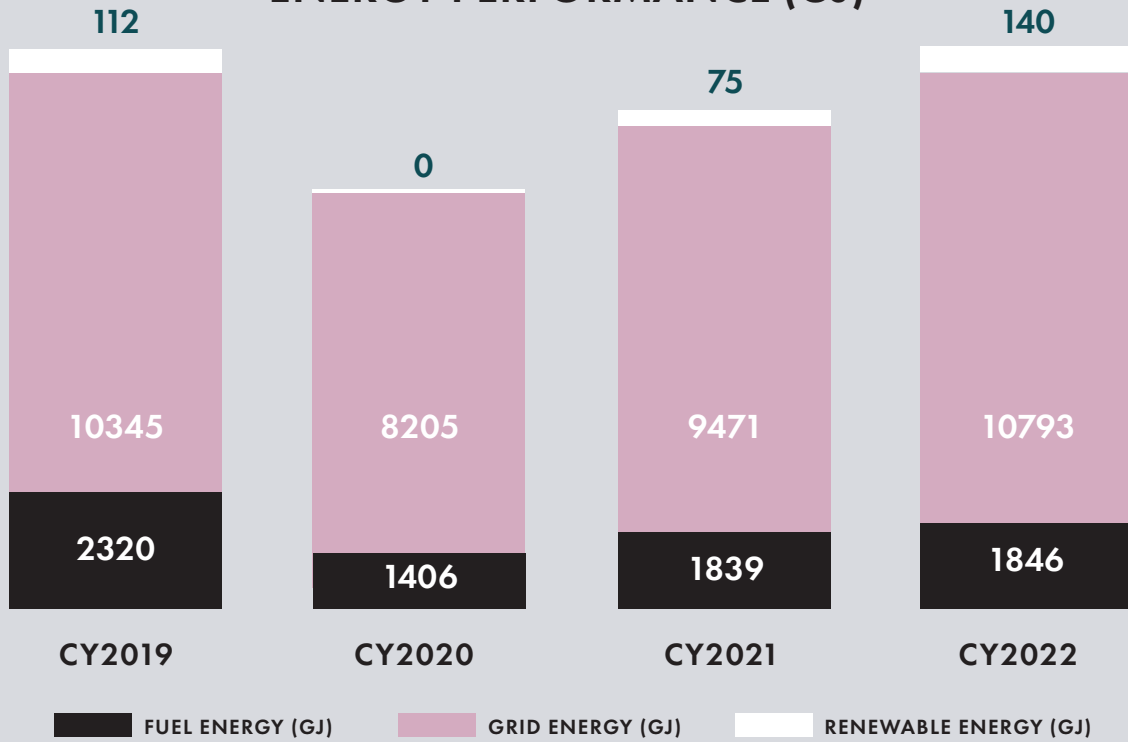
ENERGY AND EMISSIONS

Dimexon is committed to effective energy and emissions management. We understand the environmental impact of energy consumption and greenhouse gas emissions, and we are committed to reducing our carbon footprint. Through implementation of energy-efficient technologies, operational improvements, and the use of renewable energy sources, we strive to minimise energy consumption and emissions across our operations. We regularly monitor and measure our energy usage and emissions, setting targets for reduction and implementing initiatives to achieve reduction targets. By adopting sustainable practices and investing in energy-efficient infrastructure, we aim to mitigate our environmental impact and contribute to a greener future. Dimexon remains proactive in exploring innovative solutions and collaborating with industry partners to further enhance our energy and

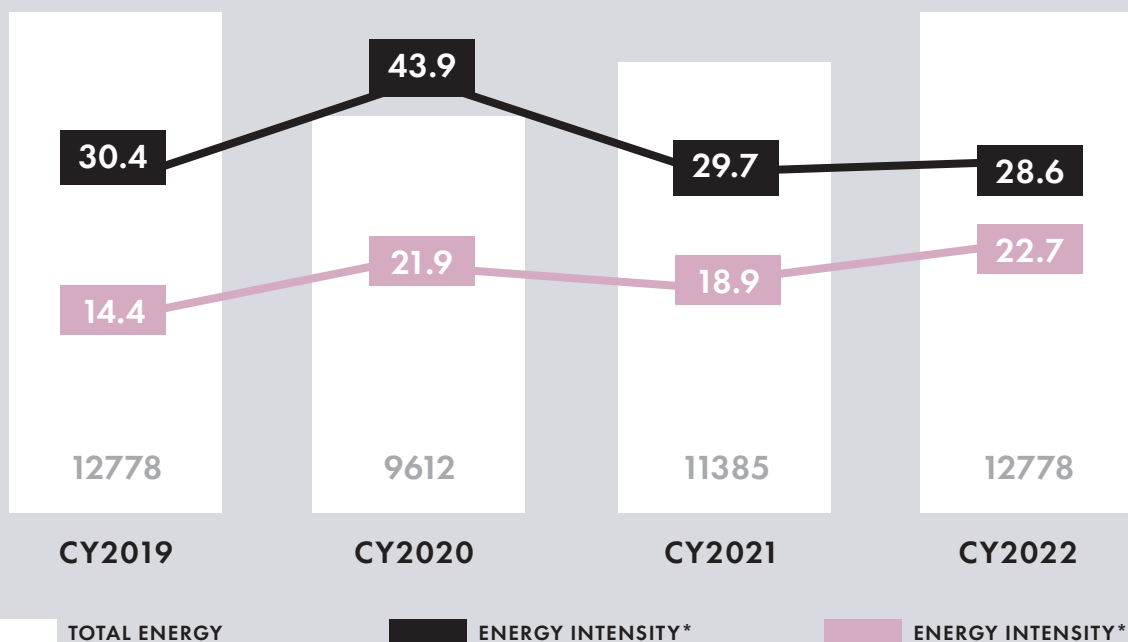
ENERGY MANAGEMENT

Dimexon is committed to energy conservation and optimising its usage throughout its operations. We understand the importance of reducing our environmental footprint and actively seek ways to minimise energy consumption. By implementing energy-efficient technologies and practices, such as using LED lighting, optimising equipment performance, and utilising renewable energy sources where feasible, we are oriented to maximise energy efficiency.

ENERGY PERFORMANCE (GJ)



ENERGY INTENSITY (tCO2e)



*per polished carats sold (GJ/Cts (in '000s)) **per equivalent polished carats (GJ/Cts (in '000s)) - refer to Note 1 on p27 for more information

Note 1: The energy intensity is measured in terms of tonnes of CO₂e emitted per sale of each carat of polished diamonds (in thousands). In the last reporting year, we disclosed the intensity per carat of polished diamonds equivalent, where we included the sale of both rough diamonds as well as polished diamonds by converting the rough diamonds to polished diamonds in equivalent carats by applying the yield factor. Cognisant of the absence of a correlation between energy consumption and rough diamonds sold, we have updated our intensity per sale of each carat of polished diamonds (in thousands).

Note 2: At our Antwerp location, we received the updated electricity consumption details during the month of June, accordingly we have updated renewable energy data in CY 2021, which is reported as "0" in our previous report.

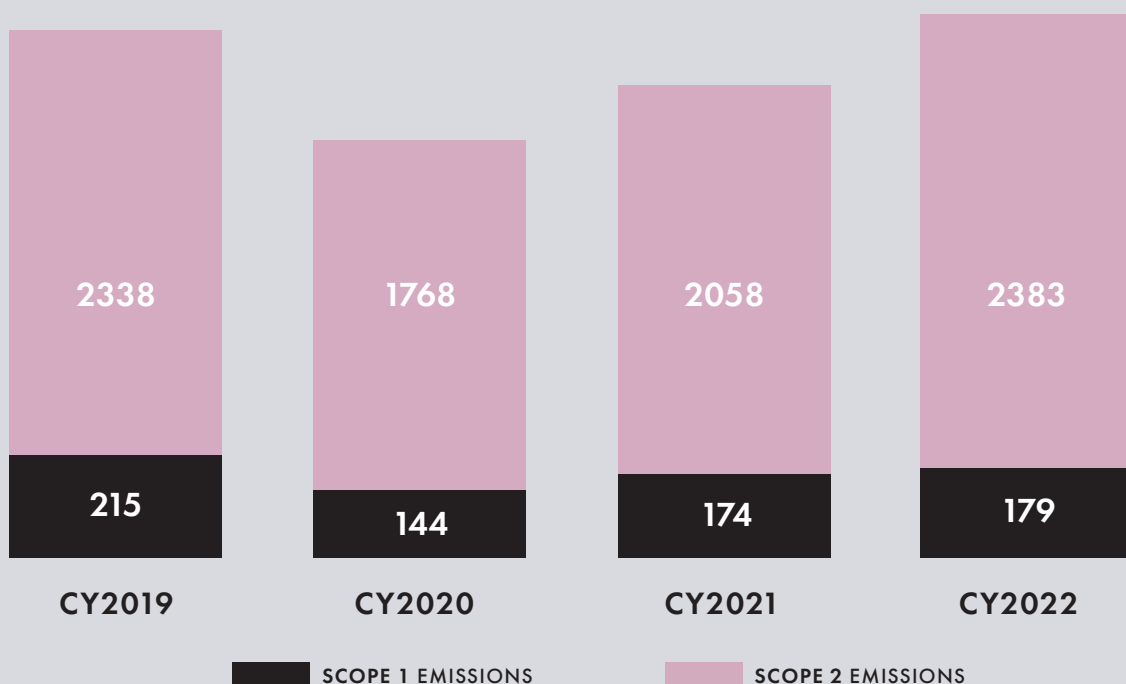
GHG EMISSIONS (KPI-1)

The paramount role greenhouse gases (GHG) emissions on global warming and driving climate change is well established. Committed to fulfilling our role in combating the consequences of temperature rise, we are taking steps to measure and monitor our GHG footprint arising from the use of conventional energy resources in operational activities and our value chain. We bear the responsibility to address those emissions by taking necessary actions and working towards creating a more sustainable and resilient future for all.

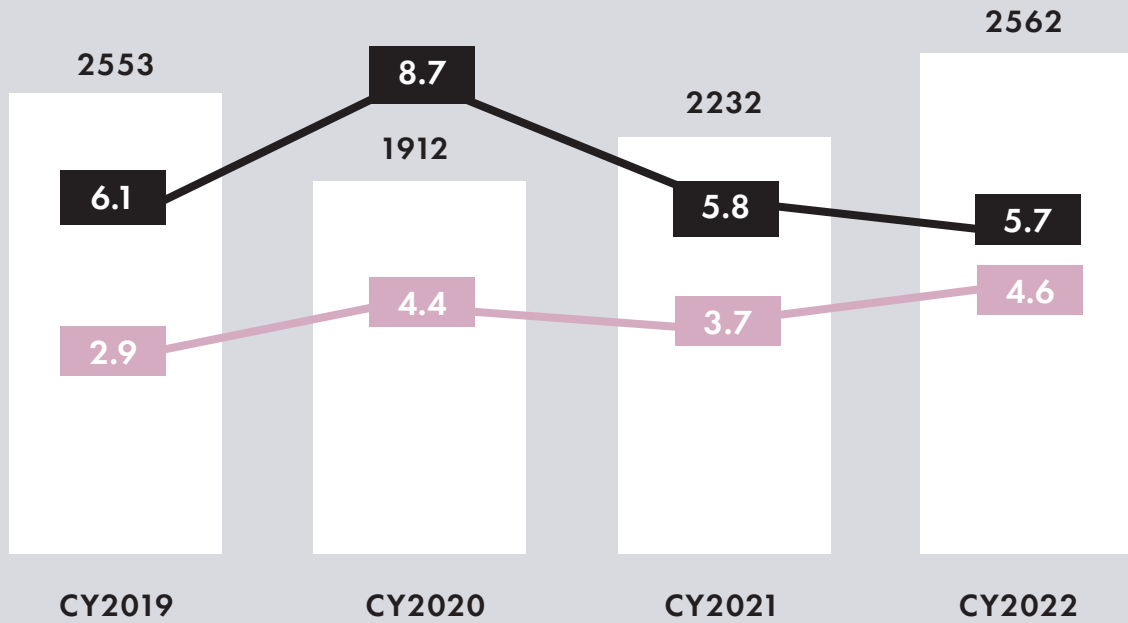
At Dimexon, we believe that what gets measured, gets managed. Hence, last year we started measuring and monitoring our Scope 1 and Scope 2 emissions in alignment with the guidelines of the World Resource Institute (WRI)/ World Business Council of Sustainable Development (WBCSD) GHG Protocol Corporate Standard.

Our Scope 1 emissions result from direct fuel consumption such as diesel in diesel generator sets, company-owned vehicles, petrol, Liquefied Petroleum Gas (LPG) in our canteen, and fuel oil in operations. The Scope 2 emissions result from indirect energy consumption of purchased grid electricity. Furthermore, we have undertaken Scope 3 category screening assessment to understand the relevance and significance of each category to Dimexon and we are in the process of accounting for the identified, relevant, and significant Scope 3 emissions categories, resulting from the upstream and downstream activities across our value chain.

EMISSION PERFORMANCE (tCO₂e)



EMISSION INTENSITY (tCO2e)



■ TOTAL EMISSIONS (SCOPE 1&2) (tCO2e)

■ EMISSION INTENSITY (PER POLISHED CARATS SOLD) (tCO2e CTS IN'000S)*

■ EMISSION INTENSITY (PER EQUIVALENT POLISHED CARATS SOLD) (tCO2e CTS IN'000S)*

* refer to Note 1 on p27 for more information

Note 3: The Scope 2 emissions at our Dubai, Antwerp and Hong Kong sites have been recalculated and updated in accordance with the updated grid emission sources as compared to the last reporting year due to which the Scope 2 emissions in both CY2020 and CY2021 have been reduced by 7 tCO2e respectively.

Note 4: The GHG emission intensity is measured in terms of tons of CO2e emitted per sale of each carat of polished diamonds (in thousands). See Note 1 for the changes in the adopted intensity calculation methodology.

TARGETS AND PERFORMANCE

Our commitment to continuous improvement extends to every aspect of our business operations, and we are dedicated to enhancing our disclosure practices to foster greater transparency. In pursuit of this goal, we are actively developing our capabilities and capacities to consistently monitor our emissions across scope 1, scope 2, and scope 3 categories in the short, medium, and long term as follows.

TARGETS

By CY2023

- Accounting, disclosing and monitoring of Scope 1 and Scope 2 Emissions

By CY2024

- Accounting, disclosing and monitoring of Scope 1 and Scope 2 Emissions
- Extending our reach in Scope 3 disclosure to other relevant Scope 3 categories

By CY2025

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

For the second consecutive year, we have accounted and enclosed our Scope 1 and Scope 2 emissions performance and undertaken Scope 3 screening assessment to identify the relevant and significant categories. From the assessment, we understood that out of the 15 Scope 3 categories following are relevant to Dimexon for which we are in the process of accounting and likely to disclose in our next report.

- 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

WAY FORWARD

Dimexon believes in creating the right channels for collating information and applying appropriate emission calculation methodologies. This approach will help us in ensuring robust GHG accounting for relevant Scope 3 categories. Our GHG accounting is further supported by the accurate data collection and management practices that we follow across the organisation. In addition to this, we are also aiming to get our GHG data assured through an independent assurance provider to maintain accuracy and make informed decisions.



CARBON NEUTRALITY (KPI-2)

At Dimexon, we understand the importance of working towards a low-carbon economy and the importance of limiting the global temperature rise to 1.5 °C as stressed by Intergovernmental Panel on Climate Change's (IPCC) 6th Assessment Report and many scientific communities. As a first step, we have analysed our carbon footprint from direct operations and identified the key hotspots of energy consumption and resultant emissions. Emissions from our manufacturing operations at the Coimbatore site account for most of our emissions. Deploying hotspot analysis, it has been determined that Heating, Ventilation, and Air Conditioning (HVAC) accounts for 60% of the energy consumption at the site. Our site team conducts energy audits every two months and comes up with ideas and solutions to reduce energy consumption as part of Kaizen initiatives.

Science Based Target

Science-based targets (SBTs) are ambitious goals to reduce greenhouse gas (GHG) emissions in line with the latest climate science. SBTs are designed to ensure that companies play a significant role in limiting global warming to well below 2 degrees Celsius or 1.5 degree Celsius above pre-industrial levels, as outlined in the Paris Agreement. The Science Based Targets initiative (SBTi) is a collaboration between CDP, the United Nations Global Compact, the World Resources Institute (WRI), and the Worldwide Fund for Nature (WWF) that helps companies set and achieve the science-based targets. By adopting science-based targets, companies demonstrate their commitment to addressing climate change and transitioning to a low-carbon economy.

As a responsible and climate cautious organization, Dimexon will be committing to the SBTi in the near future as a first step, will set targets in alignment with 1.5 degree Celsius and disclose the targets post validation by SBTi team.



TARGETS

By 2025

25.2% reduction in emissions till 2025 from the baseline of CY 2019

By 2030

To achieve Carbon Neutral Operations

Targets and Performance

To align with our carbon reduction targets, recent commitments linked to our membership of the Watch & Jewellery Initiative 2030, and SBTi, we have conducted decarbonisation assessment to understand the key emission hotspots or the activities that are responsible for most of our scope 1 and scope 2 emissions. Further, we are in the process of assessing techno-commercial feasibility of various decarbonisation levers like renewable electricity integration, replacing conventional fuels with renewables, usage of hybrid/electric vehicles across our operations and process improvements.

Way Forward

The outcomes of the decarbonisation assessment will be used in prioritising the decarbonisation levers followed by a roadmap to implement the levers, which will help us in achieving our carbon reduction commitments. In addition, we aim to explore the scope of carbon offsetting, purchasing carbon credits, and practicing afforestation to neutralise the emissions after achieving the intended decarbonisation.



CASE STUDY CROSS DUCT SOLUTION TO REDUCE THE ENERGY CONSUMPTION DUE TO COOLING REQUIREMENTS AT MANUFACTURING UNIT, COIMBATORE

At our manufacturing unit, we have effectively optimised our cooling system in the machine and planning area. Initially, we were using 3 air conditioning units, each with a capacity of 25 TR, resulting in a total estimated energy consumption of 365 kWh per day. However, we observed that the machine area required more cooling than the planning area. Instead of installing an

additional AC unit, we devised an innovative solution by implementing a cross-duct system. This involved interconnecting the AC ducts of both the machine and planning areas through a cross duct.

By implementing this cross-duct solution, we were able to meet the cooling requirements of the machine area with the existing installed capacity. Consequently, the overall cooling capacity needed was reduced to 300 kWh per day. This intervention has had a significant positive impact. Not only did it result in energy savings, but it also contributed to environmental sustainability. We estimate that this optimisation has helped us save approximately 30,000 kWh annually, significantly reducing our scope 2 emissions by 23.7 tCO₂. This achievement demonstrates our commitment to energy efficiency and reducing our carbon footprint.

CLIMATE RISK (KPI-3)

Climate risk analysis and risk identification have become increasingly important in the face of ongoing climate change. As the world grapples with the impacts of rising temperatures, extreme weather events, and changing precipitation patterns, it has become crucial for organisations to understand and mitigate the risks associated. Climate risk analysis involves assessing the potential impacts of climate change on direct operations and value chains and identifying the related vulnerabilities and exposure. By conducting thorough risk identification, we aim to develop strategies to enhance our climate resilience and adapt to the changing climate.

Given its reliance on activities within the value chain, such as the mining and transportation of rough diamonds, Dimexon understands the need for conducting climate risk assessment and is in the process of assessing the risks and opportunities associated with climate change.

Targets and performance

Dimexon is in the 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 to its direct operations and value chain in line with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). This study involves analysing both acute and chronic risk by studying historical climate data, projecting future climate scenarios, and assessing the vulnerabilities and exposure of manufacturing units. In acute risk analysis, the impact of extreme weather events such as cyclone, floods, drought and heat waves will be assessed, and chronic risks will be evaluated using Representative Concentration Pathways (RCP). RCPs are prescribed concentration pathways (used in IPCC AR5) for greenhouse gas and aerosol concentrations, together with land use change, that are consistent with a set of broad climate outcomes used by the climate modelling community. To realise the impact of identified risks for both best- and worst-case scenarios will be analysing RCP2.6 and RCP8.5 over short (2030) and long-term (2050) time horizons.

TARGETS

By 2023

Analysing climate risk and opportunities

By 2025

Alignment with TCFD recommendations

Way Forward

The findings from the assessment will be used in developing strategies to mitigate the identified risks and enhance climate resilience. Further, we will analyse the gaps and align our non-financial disclosures with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) by leveraging our strong governance structure.

Waste Management

Dimexon is committed to effective waste management practices. We prioritise reducing waste generation, promoting recycling and reuse, and ensuring responsible disposal. By implementing sustainable waste management strategies, we aim to minimise our environmental impact and contribute to a cleaner and greener future.

Waste Management Practices

Waste management practices at Dimexon align with the principles of the circular economy. We recognise the importance of reducing waste generation and maximising resource efficiency. To achieve this, we have implemented measures to minimise single-use plastic waste throughout our operations. We actively promote the use of sustainable alternatives and encourage recycling and reuse wherever possible. Our goal is to eliminate single-use plastic waste and transition to more environmentally friendly packaging options. Additionally, we endeavour for zero waste to landfill by implementing comprehensive waste segregation and recycling programs. By diverting waste from landfills and finding innovative ways to repurpose materials, we contribute to a circular economy model that focuses on reducing, reusing, and recycling. We remain committed to continuously improving our waste management practices minimising our environmental impact and promoting a sustainable future.

SINGLE-USE PLASTIC WASTE (KPI-4)

The littering of single-use plastic (SUP) items has significant negative impacts on both terrestrial and aquatic ecosystems. Recognising our responsibility to address the pollution issue, 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.

Targets and performance

We aim to eliminate single-use plastic usage at our sites by the end of 2023 and continue to be a single-use-plastic-free organisation. We have conducted a waste-assessment study with the objective to identify and understand the current SUPs in use. Based on the findings, we developed procedures to be followed by sites in alignment with the Three R principles (Reduce, Reuse, Recycle). This includes the replacement of plastic water bottles with glass bottles, and plastic packaging pouches with cloth bags for future implementation. Further efforts are undertaken to create an Information, Education and Communication (IEC) tool to enhance employee training regarding banned SUPs with an aim to provide comprehensive training that promotes awareness and compliance.

** Single-use 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 films around sweet boxes, invitation cards, plastic or PVC banners less than 100 micron, stirrers, carry bags less than 120 micron in thickness.

TARGET

By 2023

Zero single-use plastic waste

Way Forward

Through the waste assessment study, implementation of recommendations, and improved employee training, we are actively working towards our goal of eliminating SUPs and fostering sustainable practices within our operations by using alternative packaging material as well as reusing it.

ZERO WASTE TO LANDFILL (ZWL, KPI-5)

In our commitment to responsible waste management, we place great importance on identifying and managing different waste streams within our operations. We recognise the significance of waste segregation, as it enables us to efficiently sort and separate various types of waste materials. This process allows us to identify recyclable and reusable items, which we then send for proper disposal or recycling through authorised recyclers. By engaging with trusted vendors, we ensure that our waste is managed in an environmentally responsible manner, adhering to all relevant regulations and guidelines. Through these efforts, we aim to minimise the amount of waste sent to landfills and promote the sustainable use of resources, contributing to a more circular and eco-friendly approach to waste management.

We have a well-maintained scrap yard to segregate and store the waste before final disposal. Waste generated at Dimexon can be categorised into the following 4 categories and details of waste generated and disposed of are given below:

- (i) Hazardous (empty barrels and containers of acid, oily cotton, spent oil)
- (ii) E-waste
- (iii) Non-Hazardous (metal, paper, plastic, cotton)
- (iv) Wet waste (food and horticulture)

Waste Generated (in metric tonnes)

Years	Non-Hazardous	Hazardous	E-Waste	Total
2018	16.588	0.38	00	16.968
2019	47.924	0.37	0.56	48.854
2020	17.178	0.00	0.028	17.206
2021	17.571	0.38	0.078	18.029
2022	16.65	0.96	1.5	19.11

Note 5: Additionally, we started the collation of wet waste data from CY 2022 onwards and in the reporting year a total of 106.57 MT of wet waste is repurposed as cattle feed.

Waste Disposed in CY2022 (in metric tonnes)

Type of Waste	Disposal Methodology	Quantity
Non-Hazardous	Recycled	16.65
Hazardous	Recycled	0.96
E-Waste	Recycled	1.5

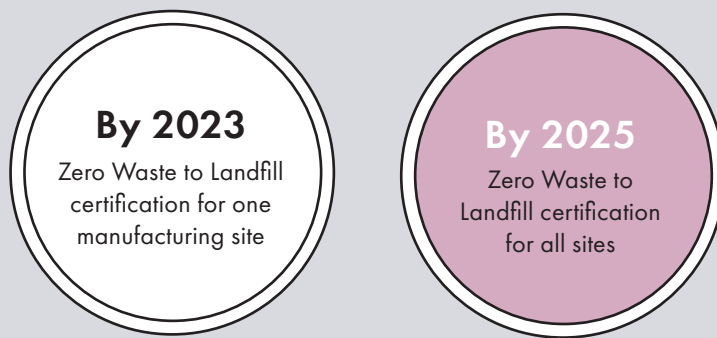
At Dimexon, as per applicable regulations and compliance requirements, all hazardous waste generated by our operations is sent to authorised recyclers. The hazardous waste like spent oil is recycled and oily cotton waste is used as an alternative fuel by end recyclers. Our approach to electronic waste (e-waste) involves partnering with authorised recyclers that specialise in handling such materials and associate with them under the take-back program. Furthermore, in our efforts to reduce organic waste, our wet waste is repurposed as cattle feed. This not only diverts the waste from landfill but also contributes to sustainable practices by converting it into a valuable resource for agricultural purposes.

Targets and Performance

We aim to achieve Zero Waste to Landfill certification at all our manufacturing sites by 2025. This will help us in nullifying our impact on landfill.

To streamline our waste management practices, we conducted a comprehensive waste assessment study to identify the sources and composition of our waste streams. This study enabled us to pinpoint areas where improvements could be made and identify any gaps in our current waste management processes. Based on these findings, we have devised standardised operating procedures (SOPs) that outline the best practices for waste segregation, disposal and diversion from landfill. To ensure the effective implementation of these SOPs, we have initiated an awareness program and engaged with our site teams to provide them with the necessary knowledge and training.

TARGETS

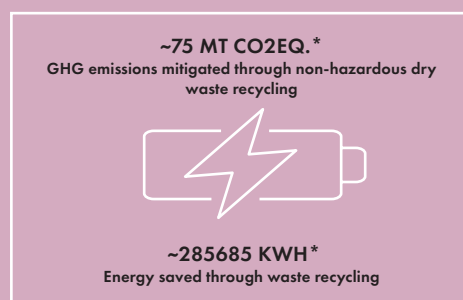


CASE STUDY BEYOND COMPLIANCE INTEGRATING PRINCIPLES OF WASTE MANAGEMENT HIERARCHY & CIRCULAR ECONOMY

Economic development is directly correlated to waste generation, and it is inevitable. What's important is sustainable management of waste, a cautious effort to ensure that one does not add to existing landfills and uses the earth's resources judiciously. India's Prime Minister envisions 'Garbage Free' cities under the Swachh Bharat Mission 2.0. We are committed to going beyond the statutes and contributing to the national commitment to improve solid waste management.

Reuse and Reduce

Our parcel papers are integral to the packaging of diamonds for internal transfers within the manufacturing unit. It carries vital information on diamonds used by multiple departments. We launched an initiative to collect the parcel paper at the end of day. The other side of paper is reused to reduce our paper demand and generation of waste. We have joined ITC Limited's Paper Boards & Speciality Paper Division under the nationwide recycling initiative WOW - Well Being Out of Waste, and have contributed more than 5,000 kgs of waste paper for recycling.



Way Forward

We will be actively working on implementing the recommendations from the waste assessment study, including documentation and records maintenance of compliances of our vendors, and aligning it with our waste management goals. By collaborating with these vendors to ensure that our waste materials are properly recycled or reused, rather than ending up in landfill. Our goal is to achieve zero waste to landfill, with all waste generated within our operations diverted towards more environmentally friendly disposal methods.

We will achieve our aim of ZWL through the following waste management system:

- **Reduce:** Ensuring responsible use of packaging material, option paperless activities.
- **Reuse:** Utilising hazardous waste generated in operational activities and encouraging the reuse of wastepaper and cloth waste.
- **Recycle:** Recovering usable items from waste generated, encouraging recycling of packaging material, optimising packaging waste by using appropriate materials. We also encourage and support our suppliers to adopt sustainable practices of recycling.

WATER MANAGEMENT

We take great pride in our comprehensive approach to water management. We prioritise water efficiency through the installation of state-of-the-art water-efficient faucets and taps that minimise water consumption. We have embraced sustainable water sourcing methods such as rainwater harvesting to recharge groundwater resources. As a socially responsible company, we are committed to ensuring that our operations have no adverse effects on the availability and quality of water for nearby communities. We strongly believe in the mantra 'save blue, live green'. At Dimexon, our aim is to reduce freshwater withdrawal and to reduce overall consumption.

To support our water management strategy, we have implemented rainwater harvesting and a sewage treatment plant to ensure that our premises utilise and manage water resources efficiently.

Zero Liquid Discharge

Dimexon Coimbatore site is a certified Zero Liquid Discharge (ZLD) system, which involves treating water within our premises through Sewage Treatment Plant (STP) capable of treating 50 KL/day of sewage. The treated water meets the standards set by the Pollution Control Board and is utilised for gardening and domestic needs. The ZLD system focuses on recycling and reusing treated water, minimising water wastage and preserving this precious resource. By adopting such sustainable water management practices, Dimexon actively contributes to water conservation efforts and promotes water stewardship.



CASE STUDY REPLENISHING WATER: DIMEXON'S APPROACH TO REDUCING OUR WATER FOOTPRINT

At our Coimbatore facility, as part of our water conservation strategy, we have successfully implemented a rainwater harvesting system with a daily capacity of 24 KL. During the rainy season, we collect rainwater, which serves two purposes: recharging the groundwater and storing a portion in underground tanks. Before being recharged, the collected water undergoes rigorous testing to ensure its quality. Our rainwater harvesting system stands as a testament to our commitment to water conservation, prioritising the prevention and control of water pollution.

SOURCE WISE WATER WITHDRAWAL (IN KL)

Years	Ground Water	Third-Party	Total
2018	18,468	3,975	22,443
2019	18,346	4,956	23,302
2020	17,291	3,731	21,652
2021	18,468	4,161	22,629
2022	20,944	4,202	25,146

**WASTEWATER RECYCLED & REUSED
(IN KL)**

Years	Waste water Recycled and Reused
2018	12,238
2019	13,265
2020	8,697
2021	12,172
2022	13,431

**TOTAL WATER CONSUMPTION
(IN KL)**

Total	Water consumption
2018	10,205
2019	10,037
2020	12,955
2021	10,457
2022	11,715

*Excluding rainwater harvesting & recycled/reused water

Way Forward

As a growing company, we are committed to strictly following environmental rules and regulations. We understand improving our environmental compliances will build trust with regulatory bodies, open more business opportunities, and enable a smooth roadmap towards sustainable business and deliver long term value.

Zero Non-Compliance

Dimexon is proud to say that its manufacturing facilities have valid authorisation of water, air and waste management and is in full compliance with the regulations laid out by the Pollution Control Board (PCB).

IN DEPTH: PILLAR 2

PRODUCT INTEGRITY

Our approach to product stewardship revolves around the core value of product integrity. We prioritise responsible procurement by meticulously selecting ethically sourced diamonds of the highest quality. Our commitment to traceability ensures that we can track our diamonds from the point of sourcing all the way to delivery, with every step recorded and, if necessary, transparently communicated to our customers.

This transparency plays a dual role of educating our customers about the diamond supply chain in addition to building trust in our practices. To further support our responsible sourcing efforts, we forge partnerships with suppliers who align with our supplier code of conduct. We deploy rigorous supply chain due diligence, to ensure that every partner shares our commitment to ethical practices. Our dedication to these principles translates into enhanced customer satisfaction, making Dimexon the preferred choice for customers. By placing a strong emphasis on product stewardship, Dimexon paves the way for sustainability in the diamond industry, solidifying our position as a responsible and sustainable company.

HIGHLIGHTS



Material Topics

- Transparency and Traceability
- Responsible Sourcing
- Product Provenance and Naturality

SDGs Alignment

- SDG 12** – Responsible Consumption and Production
- SDG 17** – Partnership for the Goals

KPIs

- Traceability
- Responsible Procurement
- Supplier Due Diligence
- Customer Satisfaction Survey

STRENGTHENING OUR VALUE CHAIN

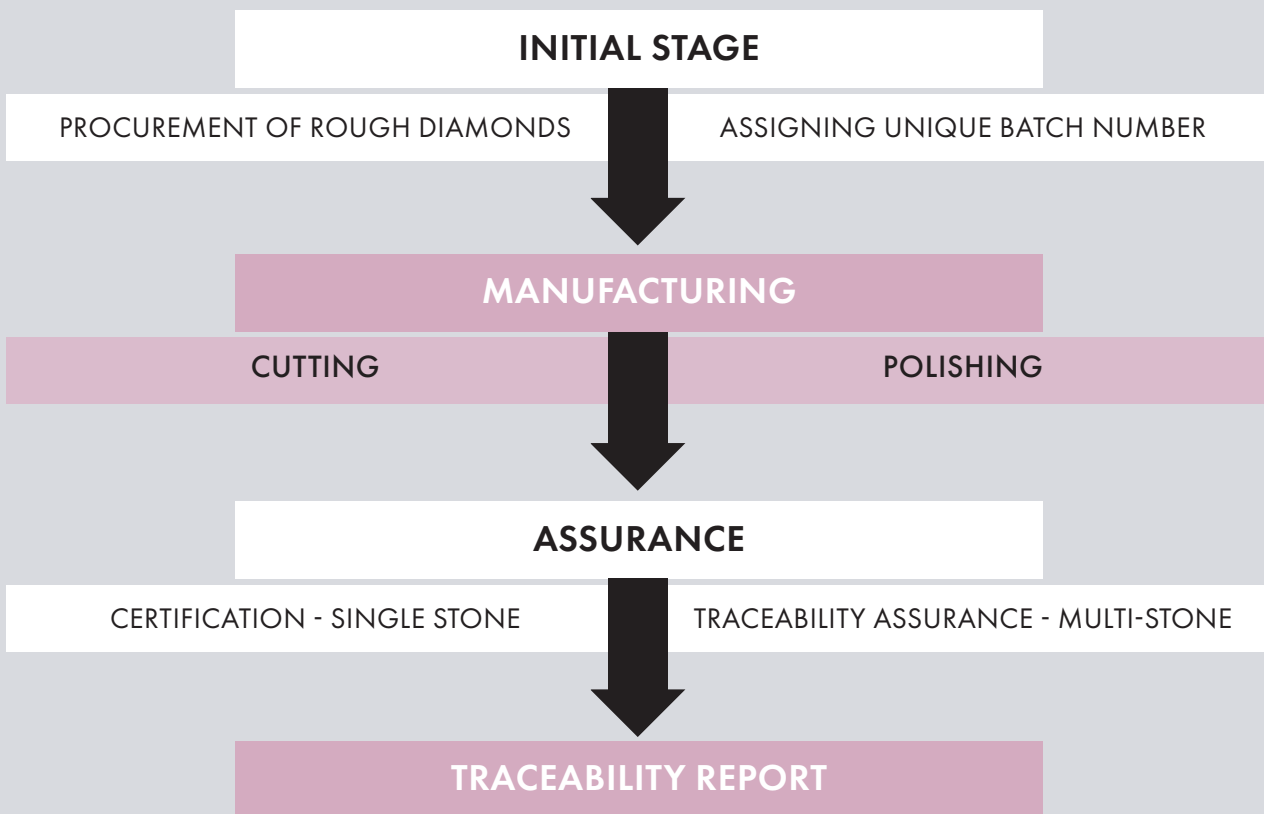
We are committed to constantly strengthening our value chain by streamlining operations, optimising processes, and integrating technology. Our efforts to enhance efficiency, reduce costs, and deliver superior quality products to our customers ensure our competitiveness in the market and earn the trust of our stakeholders.

TRACEABILITY (KPI-1)

At Dimexon, provenance plays a crucial role in traceability as it adds a layer of significance and trust for our customers. It further helps with strengthening and improving our processes by judicious identification of issues and effectively addressing them. Thus, highlighting our commitment to fair and transparent practices of sourcing, processing, manufacturing and packaging, as well as our dedication to delivering high-quality diamonds.

To ensure traceability, we have established auditable processes and systems that meticulously track the journey of every diamond parcel we procure. This tracking begins from the moment the rough diamonds are acquired and continues throughout the cutting and polishing processes until distribution to our customers. Our tracking system is powered by our best-in-class SAP integration, which covers all our locations and operations.

DIMEXON’S APPROACH TO TRACEABILITY



At the initial stage of procuring the rough diamonds, each purchase is assigned a unique batch number that captures various details of the rough diamonds, including the origin such as mining company, country and region. This information flows through the system, along each stage of the cutting and polishing process, as these rough diamonds are transformed into polished diamonds at our factories.

During the initial stage of procuring rough diamonds, each purchase is assigned a unique batch number. This batch number captures various details about the rough diamonds, including their origin. This information seamlessly flows through our system, accompanying the diamonds at every stage of the cutting and polishing process in our factories.

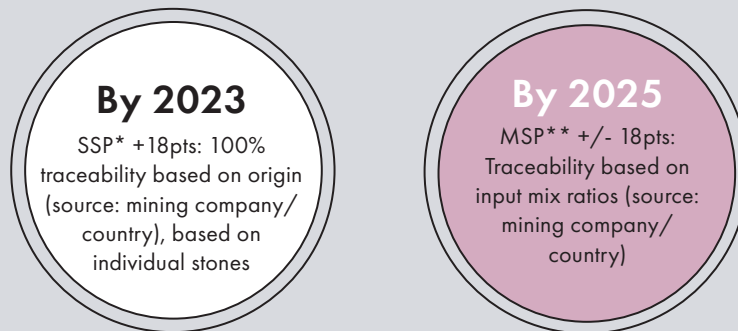
To ensure the integrity of our traceability measures, we have implemented stringent controls in both physical processes and within the SAP system. These controls guarantee that each numbered batch undergoes a unique processing journey throughout the cutting and polishing operations. As a result, we are confident in our ability to provide traceability details for every polished diamond at the conclusion of the manufacturing process.

Once the manufacturing process is complete and we obtain the polished diamond, it follows one of two paths:

- **Single Stone (Certified):** If the polished diamond is intended to be distributed as a single-stone diamond and requires certification, it is sent to an accredited laboratory for certification. Throughout this process, the origin details of the diamond are maintained to ensure traceability.
- **Multi-Stone Parcels (Uncertified):** When distributing polished diamonds as a parcel containing multiple stones that may have originated from different sources. For this, we adopt a distinct approach. We carefully combine diamonds with similar characteristics, such as cut, colour, clarity, and size, to ensure a consistent offering. In these instances, where polished diamonds from multiple origins are blended to provide consistent quality in larger volumes. We offer our customers traceability assurance based on input- mix, enabling us to provide them with detailed information about the specific parcel and with information capturing details on the various sources that contributed to its composition.

Regardless of whether our traceability report pertains to a single stone or a multi-stone parcel, our processes and systems have undergone external audits. These audits, conducted by independent agencies, further reinforce our commitment to providing our customers with the assurance of provenance. We want our customers to have vital information about the origin of the diamonds supplied by Dimexon, giving them the confidence of knowing where the diamonds come from. Furthermore, we continue to upgrade our systems and improve our capabilities through building more secure systems and processes through regular checks and audits and integration of best-in-class processes.

TARGETS



*SSP - Single Stone Parcels **Multiple Stone Parcels

Dimexon has achieved 100% traceability based on origin for all the +18pts SSPs and for MSPs (+/- 18pts) manufactured in-house by Dimexon. Our traceability is based on our input mix ratios and is being tracked for MSP (+/- 18 pts) to address the specific needs of our customers. We are constantly striving to improve the transparency and reporting of traceability across different parameters.

Way Forward

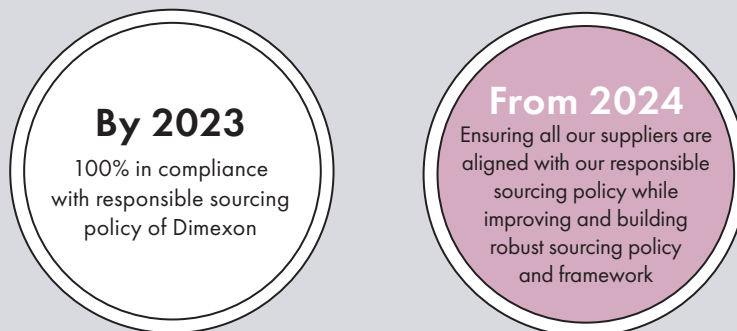
As provenance takes a central role in Dimexon’s approach, we are continuously intensifying our focus on traceability solutions. Our strategic approach encompasses the principles of transparency, ethical conduct, openness, honesty, and trust throughout the supply chain. Our aim is to set a benchmark for transparency in sourcing operations, positioning ourselves as industry leaders. To achieve this, we are actively conducting periodic audits and working towards integrating our tracking systems with clients’ IT systems. This will enhance our traceability capabilities, enabling seamless information sharing and adoption of best practices. Through constant evolution, we ensure that every stage of the supply chain reflects our promise of transparency.

RESPONSIBLE PROCUREMENT (KPI-2)

Responsible procurement is the cornerstone 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. This policy is designed to ensure that the diamonds we source are entirely devoid of any connection to conflicted regions, human rights abuses, or environmental harm. As part of our responsible procurement efforts, we adhere to internationally recognised frameworks and guidelines, such as the Kimberley Process Certification Scheme, the World Diamond Council’s System of Warranties and OECD Due Diligence Guidance for Responsible Supply Chains. These systems provide a robust framework for ensuring that diamonds are sourced responsibly and do not contribute to any negative impacts.

We conduct thorough due diligence on our suppliers, verifying their compliance with our responsible sourcing policy and implementation of it with defined processes and practices that require our suppliers to provide relevant certifications and documentation that demonstrate their commitment. Our aim is to build long-term partnerships with suppliers that share our values and actively work towards sustainable and ethical diamond sourcing. By implementing these measures, we differentiate ourselves as a company committed to responsible procurement, solidifying our reputation as a trusted and sustainable player in the diamond industry.

TARGETS



Way forward

Dimexon is fully committed to enhancing our responsible sourcing policy and practices, integrating them comprehensively throughout our business operations. We understand the significance of continuous improvement and are actively engaged in capacity-building initiatives to strengthen our ESG performance in collaboration with our suppliers. Our primary focus is on establishing strong partnerships by fostering open communication and offering guidance to acquaint them with our responsible sourcing approach and objectives. This collaboration enables us to align their practices with our high standards, ultimately creating shared value. In addition, we are raising awareness among our suppliers about the importance of responsible sourcing through education and training programs. Simultaneously, we persistently strive to develop and improve our robust framework that effectively monitors supplier compliance with our policy while ensuring our own adherence to regulations.

SUPPLIER DUE DILIGENCE (KPI-3)

We understand the significance of thoroughly assessing our suppliers to ensure they align with our values and meet the strict standards defined by us. Supplier due diligence involves a comprehensive evaluation of potential and existing suppliers to mitigate risks and maintain transparency throughout our supply chain. At Dimexon, we implement a robust supplier due diligence process that involves multiple steps. We begin by conducting extensive background checks to verify the legitimacy and reliability of suppliers. This includes assessing their financial stability, legal compliance, and adherence to social and environmental regulations.

We also place a strong emphasis on responsible sourcing practices. We evaluate the ethical standards of our suppliers, which includes their commitment to human rights, labour practices, and environmental sustainability. This assessment ensures that our suppliers share our values and meet internationally recognised standards.

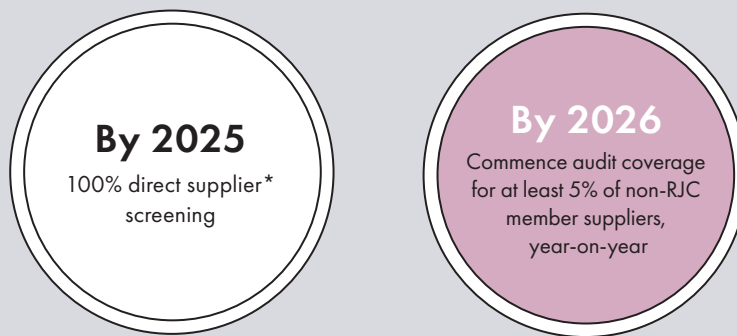
Moreover, we establish open lines of communication with our suppliers to foster a collaborative relationship. Regular audits and site visits are conducted to assess their facilities and operations. These visits provide us with first-hand insights into their practices, allowing us to identify areas for improvement and ensure compliance with our stringent requirements. By conducting thorough supplier due diligence, Dimexon aims to minimise risks associated with unethical sourcing practices, protect our reputation, and deliver high-quality products to our customers. We are committed to upholding the highest standards of integrity, transparency, and responsible business practices throughout our supply chain.

Targets and Performance

We intend to screen all our direct suppliers and extend the screening criteria to non-RJC members by evaluating 5% of such suppliers every year.

Dimexon has successfully initiated the due diligence process for direct suppliers, encompassing a notable 35% of our supplier base. This encompassing group comprises 42% of suppliers from whom we procure polished diamonds and 18% of suppliers from whom we acquire rough diamonds. Furthermore, it is important to emphasise that all of our suppliers diligently align with our established sourcing policy.

TARGETS



*Direct suppliers are diamond suppliers

Way Forward

Dimexon will build upon its commitment to ESG practices by further strengthening its supplier evaluation criteria. We will continue conducting training and capacity building sessions to raise awareness among suppliers about the screening criteria and assist them in implementing sustainable actions throughout the supply chain. Our goal is to develop and implement a comprehensive follow-up action plan in the event of any supplier failing to meet the minimum ESG criteria required for conducting business. Additionally, we plan to modify and update the existing ESG criteria to extend its applicability to non-RJC members, starting from 2026 onward.

Joint Improvement Program

We prioritise cultivating strong, enduring partnerships with our suppliers, fostering collaborative growth. We implement various initiatives to assist our suppliers in identifying areas for improvement, streamlining processes, and enhancing product quality. Through open communication, sharing best practices, and providing necessary support, we strengthen our relationships with suppliers. Together, we strive for operational excellence, innovation and sustainable practices, ensuring the highest standards are met and our customers receive exceptional products and services. Our commitment to this joint improvement approach reinforces our shared success and enhances our overall value chain.

CUSTOMER CENTRIC APPROACH

At Dimexon, we embrace a customer-centric approach, placing our customers at the core of everything we do. By understanding their needs, preferences and expectations, we tailor our products and services to deliver exceptional experiences. Our commitment to customer satisfaction drives our continuous improvement and ensures long-term relationships based on trust and loyalty.

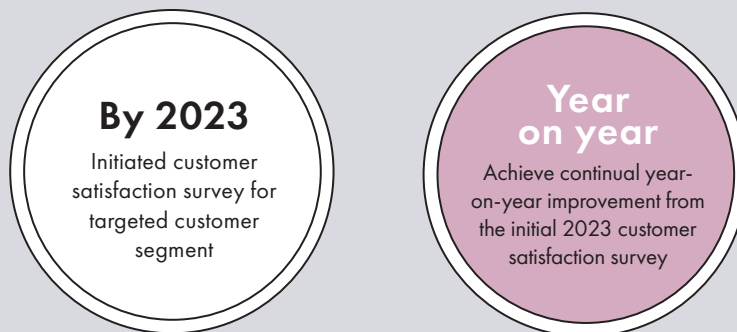
CUSTOMER SATISFACTION SURVEY (KPI-4)

Customer satisfaction is a crucial indicator of value creation for any business, and at Dimexon it holds significant importance in shaping our strategies and driving business excellence. We are committed to delivering exceptional products and services that not only meet but exceed our customers’ expectations, fostering trust and cultivating long-lasting relationships.

To achieve customer satisfaction, we are placing a strong emphasis on open communication and actively listen to our customers’ needs and preferences. We are set to conduct customer satisfaction surveys and engage in regular dialogue to gain a deep understanding of their requirements. This will enable us to further tailor our offerings to different customer segments, ensuring that we meet their specific demands effectively. Based on the results, we will work on improving our products and services. By actively seeking their input and incorporating it into our processes, we aim to consistently enhance the value we provide.

At Dimexon, we understand that customer satisfaction is not a one-time achievement but an ongoing commitment. We are dedicated to continuously improving our performance, optimising our processes, and refining our offerings to ensure that our customers receive exceptional value and experiences throughout their journey with us.

TARGETS



Way forward

We are committed to enhancing our customer engagement efforts to identify areas for improvement in our products and services, ultimately striving for high customer satisfaction. Furthermore, our focus remains on delivering best-quality products to our customers while ensuring that our operations adhere to ethical standards and deliver our products responsibly.

IN DEPTH: PILLAR 3

SOCIAL STEWARDSHIP

At Dimexon, our employees are crucial to our mission of promoting social progress. We place a high value on their personal growth, wellbeing and professional development, recognising that they are the primary force behind our success. We cultivate an environment of inclusivity, diversity and continuous learning, providing our employees with opportunities to flourish personally and professionally.

Technology is a powerful tool that enables us to connect, engage and make a positive social impact on a large scale. We employ technological advancements as a foundation for our initiatives, utilising digital platforms, data analytics and innovative solutions to optimise our efforts and maximise their effectiveness.

We take pride in our commitment to social progress at Dimexon and the tangible difference we are making in communities and individuals. Through our customer-centric approach, community involvement, partnerships, employee empowerment and technology utilisation, we strive to drive positive change and create a more sustainable future for all.

APPROACH: ENABLING INDIVIDUALS FOR A SUSTAINABLE FUTURE

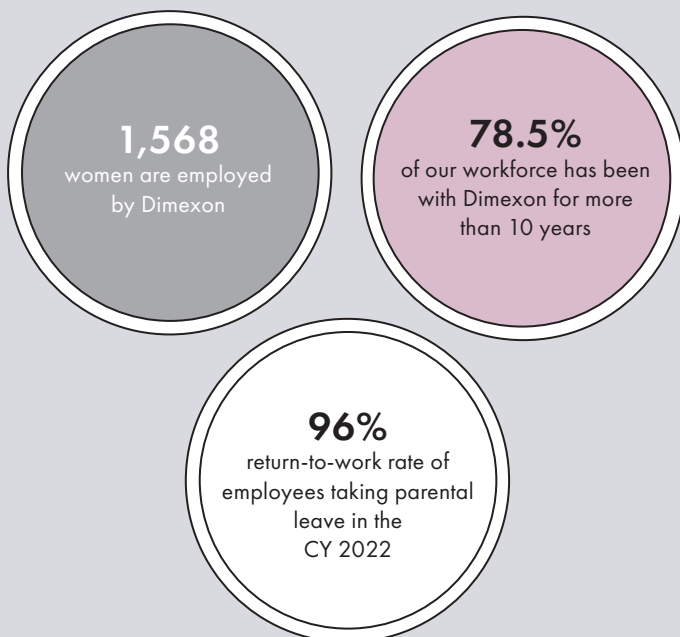
At Dimexon, we recognise the importance of cultivating collaborative relationships between workforce and management to establish a harmonious and productive workplace. Our dedication to fostering these relationships is a fundamental principle of our organisational values. We acknowledge that a strong and cooperative partnership between workforce and management is critical for sustainable growth and the attainment of our shared objectives. We actively encourage open and transparent communication channels, promoting constructive dialogue and feedback from both parties.

By engaging in frequent communication, we make it a priority to comprehend the needs and ambitions of our workforce, ensuring that their opinions are acknowledged and respected. We understand the significance of addressing their concerns, upholding their rights, and ensuring fair and unbiased treatment for every employee. To enhance labour-management relations even further, we have implemented

KPIs

- Traceability
- Diversity & Inclusion Index
- ESG Training
- Employee Satisfaction
- Need and Impact Assessment

HIGHLIGHTS



SDGs Alignment

- SDG 3** – Good Health and Wellbeing
- SDG 5** – Gender Equality
- SDG 10** – Reduced Inequalities
- SDG 11** – Sustainable Cities and Communities

Material Topics

- Human Rights
- Health, Safety and Employee Wellbeing
- Industrial Partnerships
- Labour/Management Relations
- Diversity & Inclusion
- Community Relations and Retention
- Talent Attraction and Retention

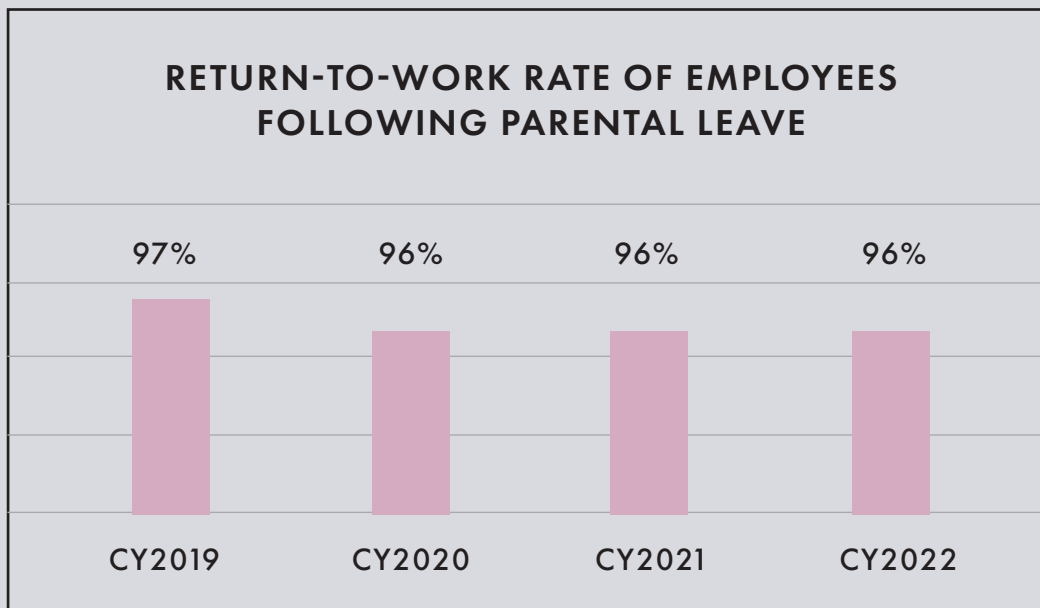
strong mechanisms for resolving disputes and engaging in collective bargaining. These frameworks enable us to engage in constructive negotiations and find mutually advantageous resolutions that safeguard the interests of both sides.

EMPLOYEE WELLBEING

We are committed to fostering a work environment that prioritises the physical, mental and emotional health of our workforce. Employee wellbeing is at the core of our Environmental, Social and Governance (ESG) initiatives, aligning seamlessly with our commitment to sustainable and responsible business practices. By prioritising employee wellbeing, we create a supportive and inclusive work environment that promotes physical, mental and emotional health. Through our ESG framework, which has a robust policy environment focused on human capital, we aim to ensure the holistic wellbeing of our employees while upholding our sustainability goals and ethical business principles.

We understand the importance of work-life balance in maintaining employee wellbeing. We have a well-defined Working Hour Policy that enables employees to effectively manage their personal and professional lives. We encourage open communication and provide resources for a healthy work-life balance for our employees.

In addition, we recognise the significance of parental leave to have a harmonious work-life balance. We have implemented a robust policy that actively encourages and fully supports our employees when they choose to apply for leave to focus on the health and wellbeing of their newborns. We understand the importance of this precious time and are committed to fostering a supportive environment for our growing families.



TALENT MANAGEMENT PROGRAMMES

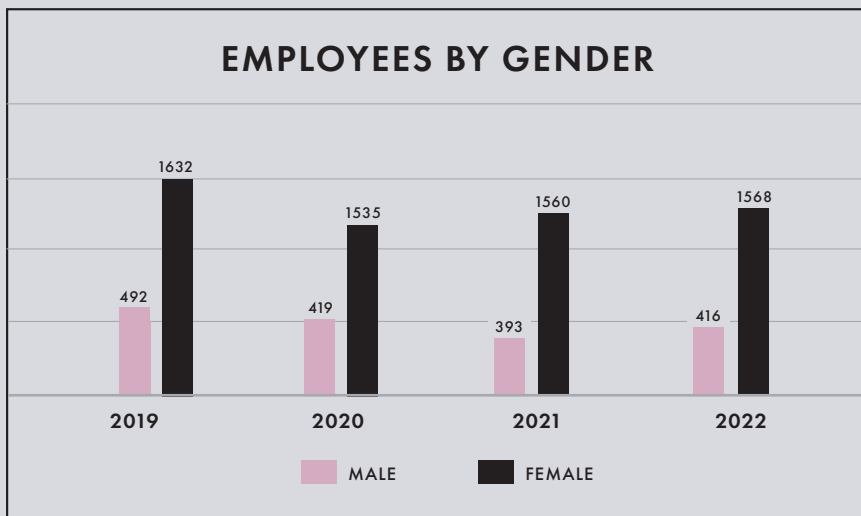
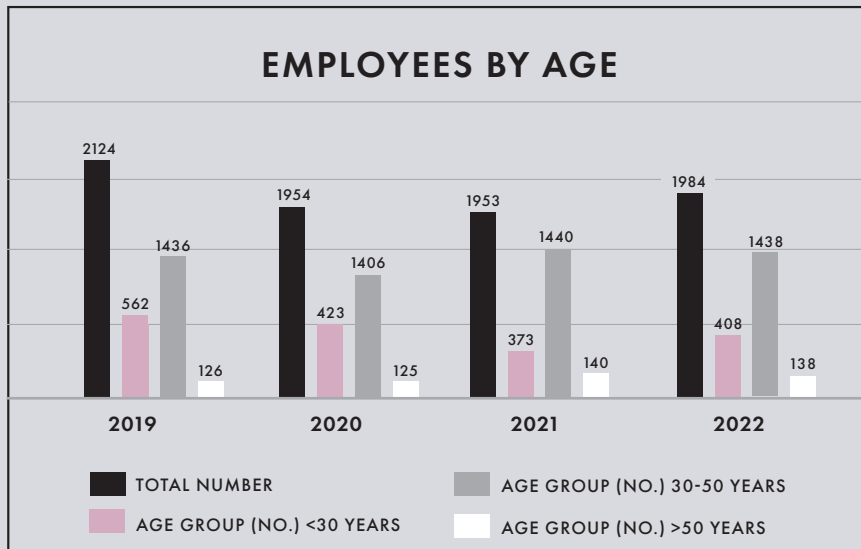
As a leading diamond company, we prioritise the development, engagement and wellbeing of our workforce. Our Talent Management Programmes are designed to attract, retain and nurture top talent, aligning with our commitment to ESG principles. These programs contribute to the long-term sustainability and success of our organisation.

We strive to hire diverse talent from different backgrounds, fostering an inclusive and dynamic workforce. During the onboarding process, new employees are introduced to our policies and procedures along with our ESG initiatives to ensure they understand our commitment to sustainability and responsible business practices.

Dimexon has established a robust performance management system. Performance evaluations provide constructive feedback and identify areas for improvement. We also recognise and reward employees who demonstrate exceptional commitment to the Dimexon's principles, encouraging a culture of sustainability and accountability.

DIVERSITY AND INCLUSION INDEX (KPI-1)

We take pride in cultivating a workforce that embraces diversity, encompassing a wide array of talent, employees with varied experiences, and backgrounds. In 2022, Dimexon developed the D&I policy that is conducive to creating a diverse culture in an organisation. We will be conducting a third-party survey in CY23 and will be publishing results in the consecutive report.



TARGETS

By 2024
Conduct a third-party D&I survey

By 2027
Participate in the index survey every three years with the objective of increasing the previous rating

Employing People with Disabilities

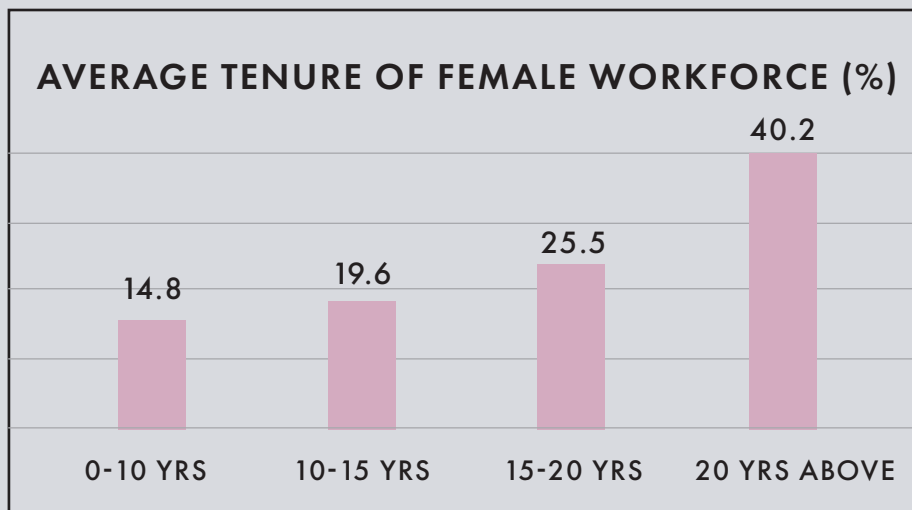
At Dimexon, we are dedicated to fostering diversity and providing equal opportunities at our workplace. We strive to create an inclusive environment that supports employees with disabilities. We have 17 employees with disabilities in our organisation, including people with disabilities that relate to speech, hearing, functionality of the hands, and long-term effects of polio. These employees work in our factory in Coimbatore in roles within our Central Rough Assortment, Maintenance, and Cutting and Polishing departments.



Empowerment of Women: Our DNA

At Dimexon, we are committed to promoting the empowerment of women within our organisation. We recognise the immense value and potential that women bring to the workforce. We strive to create a gender-inclusive workplace where women are given equal opportunities to grow, lead and succeed. Through various initiatives, we actively support the professional development of women, providing them with mentorship programmes, training opportunities, and leadership development programmes. By fostering a supportive and inclusive environment, we empower women to achieve their goals, excel in their careers, and contribute to the overall success of Dimexon.

We are proud of the diverse and talented women within our workforce and are dedicated to nurturing their talents, celebrating their achievements, and creating a pathway for future generations of empowered female leaders.



CASE STUDY INTERNATIONAL WOMEN'S DAY CELEBRATION

Dimexon celebrated International Women's Day with enthusiasm and gratitude, emphasising the theme of 'Accelerate Equality'. Management distributed chocolates and heartfelt cards, expressing admiration for the women's remarkable contributions. The event fostered unity, reflection, and a commitment to an inclusive work environment. It provided a platform for women to share their experiences and perspectives, underscoring the importance of empowering their voices. The company extended heartfelt wishes to all women, recognising their dedication and role in driving the organisation's success. The celebration inspired ongoing support for gender equality and a determination to create an inclusive work culture for all. Dimexon remains committed to empowering women and fostering an environment where everyone can thrive.

Sexual Harrassment

Dimexon has established a dedicated Women's Wing and a sexual harassment committee, consisting of representatives from the SPOCs, female employees, and management. This committee convenes on a quarterly basis to address any concerns or grievances. All employees are well informed about the committee's existence and are encouraged to approach it in case of any issues. This initiative ensures a safe and supportive workplace for all employees, promoting a culture of respect and fairness within the organisation.

Way Forward

This year, we will conduct a third-party Diversity and Inclusion (D&I) survey to gain valuable insights into the levels of job satisfaction within our workforce. This survey will provide us with a fair understanding of their experiences and help us create a more inclusive workplace. As part of our commitment to inclusivity, we will also be publishing a separate D&I policy on our website, outlining our values and practices in promoting diversity and ensuring equal opportunities for all.

ESG TRAINING: UNLOCKING POTENTIAL THROUGH LEARNING AND DEVELOPMENT (KPI-2)

At Dimexon, we understand the rising importance of ESG issues and their role in creating value for all stakeholders. As a sustainable diamond company, we prioritise setting and achieving targets that align with our ESG objectives. To achieve these targets, we conduct training to increase awareness and enhance their skills in ESG. These trainings empower our employees with the knowledge and skills, to navigate ESG-related challenges effectively and drive positive change to achieve the set targets and goals at Dimexon.

TARGETS

By 2023

Average of minimum
4 hours of ESG-related
training per employee
per year

By 2025

Average of minimum 8
hours of ESG-related
training per employee
per year

Dimexon conducted a wide range of training programs during the CY2022 to enhance employee knowledge and skills. Employees received comprehensive training on various policies, including Anti-bribery & Facilitation Payments, Disclosure of Diamonds, Employment – Remuneration, Working Hours, Human Rights, Child Labour, Forced Labour, Sexual Harassment, Grievance Redressal, Health & Safety and Environment.

At our manufacturing site, we arranged RJC-BPP Training for employees, covering various topics such as Human Rights Policy, Child Labour, Forced Labour Policy, Non-Discrimination and Non-Retaliation, Working Hours and Remuneration, General Employment Terms, Product Security, Product Disclosure, Discipline and Grievance procedures, Environmental Protection, Usage of Energy and Natural Resources, Wastes and Emissions, Freedom of Association and Collective Bargaining, Policy on Prevention of Sexual Harassment, Health and Safety Policy, Human Rights based on the UN Declaration, Handling of Goods, Health and Safety at the workplace, Usage of PPEs, Handling of Fire Extinguishers, and Protection of Environment. We also arranged training for RJC-BPP compliance, covering AML-CFT, Kimberley Process, System of Warranties, and Anti-Bribery Policy. Additionally, training was provided to help employees understand Forevermark-related aspects of diamonds.

In terms of safety, employees underwent thorough training on fire safety, emergency preparedness, and first aid. This training covered essential areas such as protocols, operating procedures, and response techniques to ensure employees are well-prepared in handling emergency situations.

The comprehensive training initiatives are aimed to equip employees with the necessary knowledge and skills to comply with policies, promote ethical practices, maintain a safe work environment, and effectively respond to emergencies. We also organised interactive sessions to address participant queries, and collect feedback, assessing the effectiveness of the training.

Last year, we set a short-term target for CY2023 to ensure that each employee receives a minimum of 4 hours of ESG-related training annually. We are delighted to share that we have made significant strides towards achieving this goal. Our dedicated training programs have equipped our employees with the necessary knowledge and skills to effectively contribute to our ESG initiatives. Through a comprehensive range of training modules, workshops, and e-learning resources, we have enabled our workforce to understand the importance of ESG principles and integrate them into their daily work practices.

Way Forward

We remain focused on our long-term goal of providing a minimum of 8 hours of ESG-related training per employee annually by CY2025. To achieve this, we will enhance our training programmes, leveraging technology and collaboration with industry experts. Our ESG training covers environmental stewardship, resource efficiency, waste management, responsible sourcing, human rights, labour practices, employee wellbeing, and ethical governance. We track the impact of our programme, evaluate employee progress, and collect feedback to drive continuous improvement. Our aim is to align our training with strategic goals, address emerging sustainability trends, and create positive change within and beyond our organisation. We eagerly anticipate sharing our progress in next year's ESG report as we work collectively toward making a lasting difference in the diamond industry.

EMPLOYEE SATISFACTION (KPI-3)

At Dimexon, we recognise that our employees are the backbone of our success, and their satisfaction is crucial to our overall ESG performance. We are committed to creating a work environment that promotes employee wellbeing, engagement, and satisfaction.

Some of the key initiatives we have implemented to enhance employee satisfaction are providing work-life balance, professional development, rewards and recognition, transparent communication, and employee engagement, amongst others.

Employee Engagement Programmes

We are committed to strengthening our relationship with our employees. Our goal is to create a united team

that is dedicated to delivering the best products and services to our customers. To foster this bond, we organise various programmes that serve as a platform for connecting and improving interpersonal and professional relationships among our employees. These initiatives also provide an opportunity for open communication of ideas and concerns with upper management.

During CY2022, we celebrated festivals Navratri and Ayudha Pooja with our employees to show our commitment to unity and joy. This acted to strengthen team bonds and create a positive workplace. Embracing diversity and appreciating different cultures, these celebrations contribute to a unified and thriving workforce. We look forward to more joyous occasions that bring us closer together.

At our Antwerp office, employees regularly take part in team-building activities. A highlight of 2023 was the Baloise Antwerp 10 Miles run, which 14 of our employees took part in. This required them to train together to prepare for the event, fostering a deep connection between those competing.

Targets and performance

We will be conducting a comprehensive third-party employee survey in CY2023 to gather valuable insights. The results of the survey will be published in the following year (CY2024), enabling us to share and act upon the feedback received from our employees. This will reflect our commitment to transparency, continuous

TARGET



Way Forward

Our goal is to achieve industry-leading scores in the upcoming year (CY2023) by prioritising maximum employee participation and implementing innovative initiatives. We strive to create a workplace where every employee feels empowered and valued, fostering a culture of continuous improvement and excellence. By actively engaging our workforce and embracing new strategies, we aim to set a benchmark for industry excellence and create an environment that attracts and retains top talent.

NURTURING COMMUNITY: NEED AND IMPACT ASSESSMENT (KPI-4)

As a responsible organisation, we recognise the importance of promoting inclusive growth, sustainable development, and nation building. We acknowledge the significance of identifying the essential requirements of the community and making a substantial difference in their lives. As we believe in mutual development, it is important to consider the potential impact of our decisions and actions on the community.

At Dimexon, need and impact assessment is a crucial process in order to ensure sustainable and responsible procuring practices. For a sector like ours it is really important to conduct a thorough assessment that enables us to identify the impact of our operations on our society, and opportunities for improvement, and to mitigate negative impacts while maximising positive outcomes.

Fostering Community Development

At Dimexon, we recognise the importance of identifying the primary requirements of the community and making a meaningful impact on their lives. To evaluate the efficacy of our initiatives, we prioritise conducting needs and

impact assessments. These assessments enable us to navigate unforeseen challenges while implementing our community development programs. As part of our CSR endeavours, we have undertaken various initiatives for community development, including educational activities that fall under Schedule VII of the Companies Act, 2013. Additionally, we have implemented a Go Green Initiative, focusing on environmental conservation efforts. We constantly work on facilitating effective communication and building strong relationships between our staff and the community. All these efforts serve as a testament to Dimexon's aptitude and steadfast dedication to promoting social progress.

CASE STUDY BEYOND GO GREEN INITIATIVE AND ENVIRONMENT CONSERVATION

The Go Green Initiative and Environment Conservation was undertaken at Dimexon in collaboration with the Biotasoil Foundation, and was aimed to promote community development and corporate social responsibility (CSR) through afforestation and the creation of self-sustaining forest ecosystems.

The objective was to contribute to environmental conservation and raise awareness about sustainable practices. By partnering with the Biotasoil Foundation, we sought to support afforestation efforts, promote rainwater harvesting, manage solid waste effectively, provide environmental education, and encourage the use of eco-friendly products and services.

Our Activities & Achievements

Afforestation by Miyawaki Method

This method helps restoration of biodiversity, mitigation of microclimatic changes, and replenishment of groundwater levels. By transforming barren lands into thriving green forests, it effectively contributes to the ecological restoration of areas requiring attention.

Rainwater Harvesting

The rainwater harvesting activity extends a helping hand to individuals and communities, offering assistance and support.

Seed Collection and Sapling Production

Training programs were conducted to educate individuals and communities on seed collection

techniques, sapling production, and the preservation of rare species which helps in organic farming.

Solid Waste Management

The waste management training programs help communities to emphasise composting and waste utilisation from farm and household sources. Thus, reducing the burden on landfills, promoting a cleaner environment, and fostering sustainable waste management practices.

Environmental Education Programmes

Awareness programmes related environmental responsibility for young children, focusing on tree plantation, rainwater harvesting techniques, and the distribution of free saplings in public places.

Promotion of Eco-friendly Products and Services

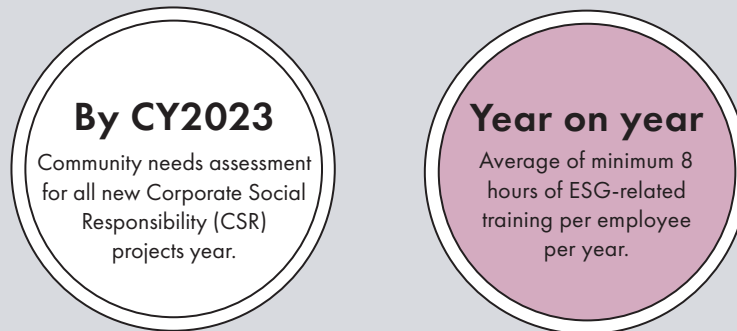
The Biotasoil Foundation promotes eco-friendly products and services that create a network among professionals and organisations involved in environmental conservation, fostering collaboration and the sharing of sustainable practices.

The collaboration between Dimexon and the Biotasoil Foundation exemplified the importance of community development and environmental conservation through our combined efforts in corporate social responsibility. Together, we strive to make a positive impact and contribute to sustainable practices for the betterment of the community and the environment.

Addressing Grievances

Dimexon deeply values corporate responsibility and considers it to be a fundamental aspect of our business philosophy. To reinforce our values and improve our connections with the local community, we have implemented several workforce committees. In particular, the Grievances Redressal Committee is actively working to address any concerns or problems brought forward by our stakeholders.

TARGETS



Way Forward

We are committed to actively engaging with nearby communities and conducting needs assessments to gain a comprehensive understanding of their unique challenges. By doing so, we aim to identify effective solutions and build stronger bonds, ultimately working towards uplifting these communities.

HEALTH AND SAFETY

Occupational Health and Safety (OHS) is paramount to Dimexon's operations, and we remain steadfast in our commitment to maintaining a safe and healthy work environment for all employees and workers.

Dimexon has established a comprehensive OHS Policy that serves as a guiding framework for our commitment to workplace safety. This policy emphasises our responsibility to provide a safe and healthy work environment, prevent occupational hazards, comply with applicable regulations, and continually improve our OHS performance.

To effectively manage and monitor OHS initiatives, Dimexon has implemented a robust OHS Management System. This system includes procedures, protocols and guidelines that ensure the identification and mitigation of workplace risks, regular safety inspections, incident reporting and investigation, and continuous improvement in our OHS practices.

Dimexon has also established a dedicated Safety Committee comprising representatives from various departments and levels within the organisation. This committee plays a crucial role in promoting and overseeing OHS activities.

As we understand the importance of equipping our employees with the necessary knowledge and skills to prioritise their safety and the safety of their co-workers, we conduct regular safety training and awareness programs across all levels of our organisation. These trainings cover various topics such as hazard identification, emergency response, fire safety training, first aid training, proper use of Personal Protective Equipment (PPE), and best practices for accident prevention.

Goals and Highlights

At Dimexon, we are committed to providing a safe and secure work environment that protects the wellbeing of our workforce:

- Our primary goal is to achieve zero harm, aiming for a workplace where accidents and incidents are completely eliminated.
- We strive for continuous improvement in our occupational health and safety practices, ensuring that we adapt and implement the latest industry standards and best practices.

- We also aim to actively involve our employees in health and safety initiatives, fostering a culture of shared responsibility and promoting their active participation in maintaining a safe work environment.

Through our untiring commitment to occupational health and safety, we aim to create a workplace where our employees can thrive without compromising their wellbeing. We are proud of our achievements in this area and remain dedicated to continually improving our health and safety performance.

SAFETY DASHBOARD

S. No.	KPI	CY 2022
1	Lost Time Injury (LTI) Cases Evaluating the significant Scope 3 categories for accounting and disclosing	0
2	Fatality	0
3	First-Aid Cases	7
4	Near-miss Cases	0
5	Man-hours worked	3,739,206
6	Number of employees covered under Health & Safety training programmes	342

A training program is conducted that covers important topics essential for maintaining a safe and responsible working environment. In CY2022, a total of three training sessions focused on health and safety were conducted at our manufacturing facility, with the participation of 299 employees. The program covers a range of subjects including policies and procedures, handling of goods, health and safety protocols, proper usage of Personal Protective Equipment (PPE), proper handling of fire equipment, and the protection of the environment.

Dimexon is dedicated to continuously improving our OHS performance. We regularly review our safety procedures, conduct internal audits, and monitor key OHS performance indicators to identify areas for improvement. Through this process, we strive to implement effective controls, enhance safety protocols, and proactively address emerging risks.



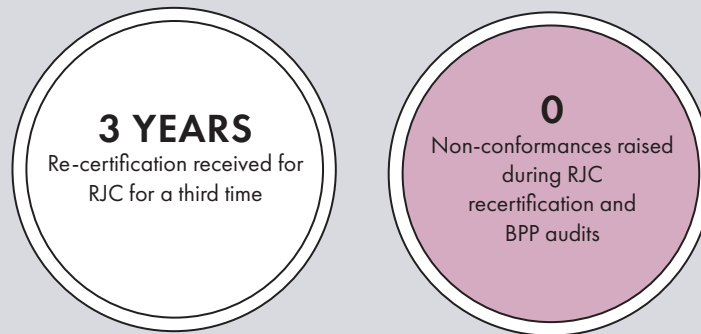
IN DEPTH: PILLAR 4

RESPONSIBLE BUSINESS CONDUCT

Dimexon pro-actively focused on corporate governance and streamlined our business operations from the onset. Our aim has been to establish a sustainable and enduring organisation capable of navigating the ever-changing market dynamics and providing confidence for all stakeholders. To achieve this, we have fortified our governance framework. In addition, we have diligently enhanced our policies, procedures and practices to align them with our core business philosophy, ethical principles, and international standards and frameworks.

Since 1976, we have proudly held the prestigious title of De Beers Global Sightholder, surpassing the stringent ethical standards, financial prudence, and compliance requirements set forth by De Beers and the Kimberley Process. Furthermore, we are honoured to be recognised as a Rio Tinto Select Diamantaire and have been an esteemed member of the Responsible Jewellery Council (RJC) since 2011, certifying our commitment to responsible and sustainable practices in the industry.

HIGHLIGHTS



SDGs Alignment

- **SDG 8** – Decent Work and Economic Growth
- **SDG 16** – Peace, Justice, and Strong Institutions

KPIs

- Due Diligence & Compliance
- ESG Communications

Material Topic

- Responsible Business Practices

GOVERNANCE

Dimexon's commitment to governance is deeply ingrained in our business operations, setting us apart in the jewellery industry. We go beyond industry norms, adhering to a rigorous code of conduct, ethical principles, and prudent financial practices. Our certification and alignment to international standards and frameworks, such as our Sightholder relationship with De Beers and our exclusive status as a Select Diamantaire for Rio Tinto, exemplify our dedication to excellence.

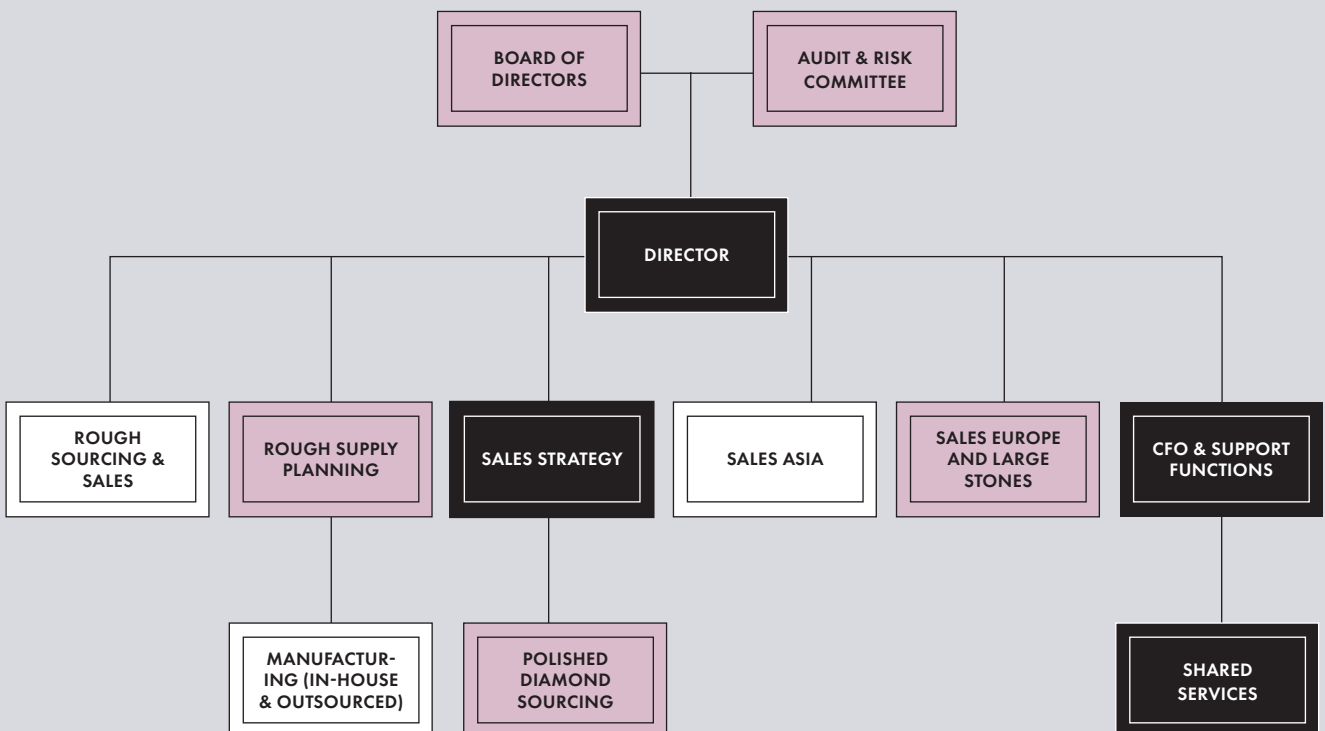
Certified by the Responsible Jewellery Council (RJC), we prioritise responsible practices throughout our supply chain. Full compliance with Anti-Money Laundering (AML) regulations underscores our commitment to financial transparency. Furthermore, our early adoption of the International Financial Reporting Standards (IFRS), as early as 2006, solidifies our reputation for setting industry benchmarks.

We not only lead by example but also inspire other organisations within the diamond industry to follow suit. Our governance framework serves as a foundation for informed decision-making and sustainable operations. By continually raising the bar, we strive to make a lasting impact, drive positive change, and reinforce our position as an industry leader in governance and responsible business practices.



BOARD OF DIRECTORS

The Board of Directors is entrusted with the responsibility of formulating business strategies, identifying new project opportunities, and effectively addressing stakeholders’ concerns. They play a crucial role in shaping the organisation’s direction and ensuring a forward-thinking approach. By actively engaging with stakeholders and considering their perspectives, the Board of Directors strives to build a stronger foundation for meaningful relationships.



ESG COMMITTEE

We acknowledge the significance of a robust governance framework in facilitating the effective implementation of our ESG strategy and enabling us to generate substantial impact. To this end, we have established a comprehensive cross-functional ESG governance framework that serves as the foundation for our responsible operations and aligns with our overarching vision. This framework ensures that our actions are guided by responsible practices, allowing us to maximise our positive contributions and create meaningful change at a significant scale.

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 LEADER / CSO

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



ESG WORKING GROUP

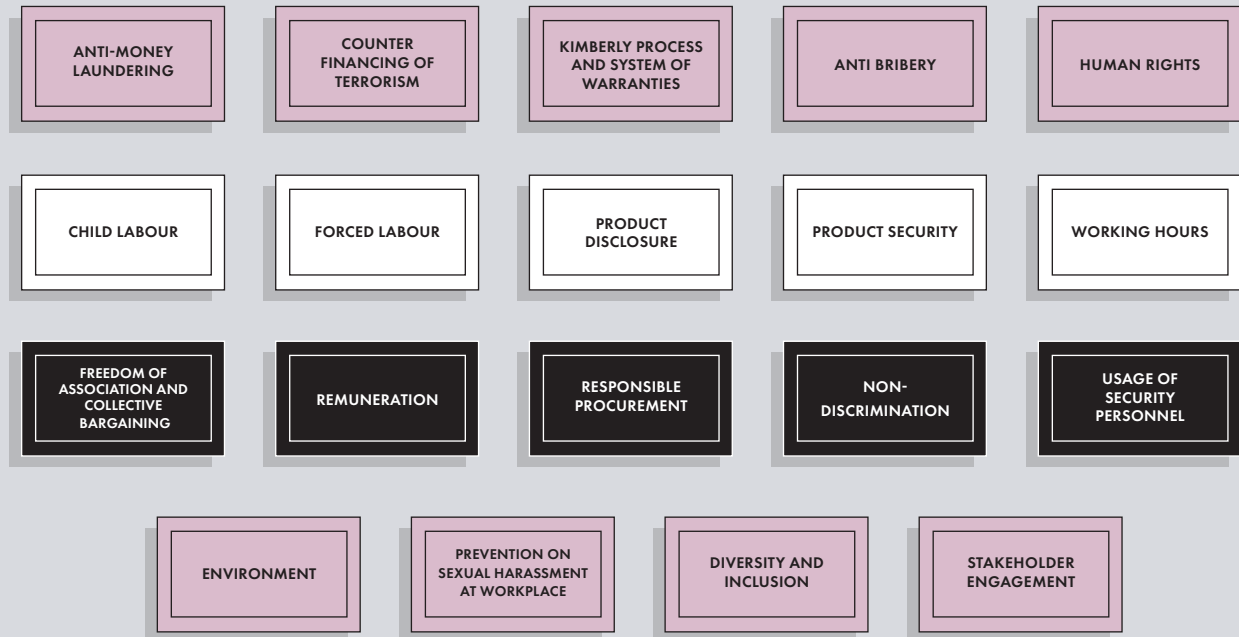
The ESG Working Group is led by the ESG Programme Manager, who coordinates and works with cross-functional teams across the locations. The ESG Working Group is responsible for identifying, and implementing programmes, initiatives and activities. The Working Group shares the feasibility reports of the 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.

Note 1: The organisation's ESG Governance will be restructured as the company evolves.

POLICIES AND CONTROL

Our commitment to responsible business is reinforced by our robust corporate policies and processes that ensure our business sustainability. We refer and strive to adopt best-in-industry practices and conduct our business at Dimexon in an ethical and responsible manner.

OUR POLICY LANDSCAPES



RISK AND OPPORTUNITIES

We understand the significance of effectively managing risks while embracing opportunities. Through proactive identification and mitigation of potential risks, we ensure the protection of our operations and stakeholders. Simultaneously, we keep a keen eye in search of opportunities, enabling us to capitalise on favourable circumstances and drive growth in the dynamic jewellery industry. By balancing risk management and seizing opportunities, we aspire for sustained success and advancement at Dimexon.

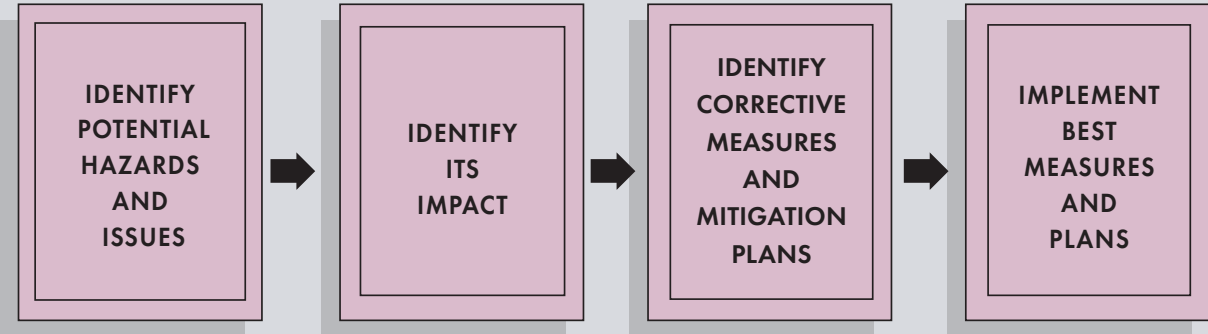
Risk Management Process

We prioritise effective risk management to protect our operations and stakeholders. Our risk management process follows a systematic approach, starting with identifying potential hazards and issues in specific areas or activities. We create a comprehensive list of associated risks, considering the potential harm and damage they can cause.

We then evaluate the corrective measures already in place, including policies, procedures, and available resources aimed at preventing or reducing the impact of risks. For risks requiring additional attention, we develop specific mitigation strategies. These can involve deflection by transferring risk handling to third parties, implementing control measures to minimise risks, or accepting certain risks with no considerable threats.

Our risk management process ensures a proactive and comprehensive approach to identify, assess and address potential risks. By fostering a resilient culture, we uphold our commitment to responsible and sustainable business practices at Dimexon. Safeguarding our operations and stakeholders remains a top priority, allowing us to navigate challenges effectively and secure long-term success.

RISK MANAGEMENT PROCESS



Risk Governance

Dimexon places a strong emphasis on risk governance, overseen by the Audit & Risk Committee of our Advisory Board. Our well-established Enterprise Risk Management framework utilises a combination of top-down and bottom-up approaches to identify significant risks that may impact our business objectives. Each risk is thoroughly assessed, considering its potential impact and likelihood of occurrence. This assessment informs the implementation of robust internal controls and appropriate mitigation actions across all functions. Dimexon continuously monitors and manages these risks to ensure proactive risk mitigation and compliance. The table in the risk register section illustrates our understanding of the most relevant risks to our business and the corresponding management and mitigation processes in place. Through diligent risk governance, we safeguard our operations and protect the interests of our stakeholders.



RISK REGISTER

Description of Risk	Potential Impact and Associated Risk Management Processes
<p>Demand Volatility As a participant in the luxury sector, Dimexon's earnings are tied to consumer expenditure in various regions and the ever-changing consumer preferences.</p>	<p>Dimexon proactively engages with customers in various segments and regions to understand their evolving needs and preferences. This valuable customer feedback is essential in shaping the company's supply-chain planning.</p> <p>Dimexon utilises a formal demand forecasting system and conducts regular customer segmentation analysis to ensure that emerging demands are effectively incorporated into its strategic decision-making processes.</p>
<p>Inventory Margins & Price Volatility In recent times, there have been volatility in the prices of diamonds.</p>	<p>Any decrease in diamond prices can have a negative effect on the recorded values of inventory, consequently impacting the financial performance in terms of gross margins.</p> <p>Dimexon conducts Sales and Operations Planning process (SOP) to monitor inventory levels throughout its supply chain, comparing them to established standards. The SOP team is responsible for inventory management and order fulfilment, taking corrective measures if inventory levels surpass the defined norms.</p> <p>Moreover, Dimexon has set margin guidelines for the transformation of rough diamonds into polished diamonds, implementing and overseeing controls on rough diamond purchases and manufacturing levels in accordance with these norms.</p>
<p>Credit Risk This risk pertains to the exposure associated with trade receivable</p>	<p>Credit risk refers to the possibility of a counterparty defaulting on their payment obligations for the goods or services we provide.</p> <p>Dimexon has established formal procedures to assess and approve trade with new customers, including determining credit limits and terms. For existing customers, we regularly review the receivable portfolio and adjust credit limits and payment periods as needed. This process is overseen by our Credit Management Process and authorised by the Credit Committee.</p>

RISK REGISTER (CONT.)

Description of Risk	Potential Impact and Associated Risk Management Processes
<p>Liquidity and Covenants risks This risk relates to the potential unavailability of funds to meet the organisation's working capital needs.</p>	<p>The unavailability of sufficient funds can lead to Dimexon's inability to meet its financial commitments. To mitigate this risk, the company follows a regular process of Cash Forecasting and Funding Facilities review. This involves analysing cash flow projections at each entity level and planning for appropriate funding. Dimexon also conducts periodic reviews of the financial ratios agreed upon with banks to ensure compliance with the agreed-upon covenants. By doing so, the company ensures the continuity of its available funding facilities.</p>
<p>Environment Risk Taking action to address the potential impacts of climate change</p>	<p>As an organisation, it is crucial for us to acknowledge environmental risks and take steps to mitigate any negative effects on the ecosystem. We understand the risks posed by climate change and the importance of minimising the increasing impact of global warming. Addressing these climate-related threats is vital for our business, as they can affect our mining operations and the availability of rough diamonds. Additionally, we are actively working towards implementing the recommendations outlined by the Task Force on Climate-related Financial Disclosures (TCFD). This demonstrates our commitment to addressing climate change and ensuring transparency in our financial reporting processes.</p>
<p>Human Rights Risk Ensuring compliance with human rights laws</p>	<p>Human rights risks have the potential to affect employee attraction and retention within the organisation and may also expose the group to legal consequences. At Dimexon, we strictly adhere to relevant local regulations and follow the Code of Practices (COPs) recommended by the Responsible Jewellery Council. These COPs establish ethical, human rights, social, and environmental practices that all certified RJC members, including we, must comply with. Moreover, we maintain a zero-tolerance policy towards forced labour and child labour throughout our operations and supply chain.</p>

DUE DILIGENCE & COMPLIANCE (KPI-1)

Dimexon places great emphasis on due diligence and compliance in our operations. By undertaking thorough investigations and assessments, we identify and address risks related to conflict-affected and high-risk areas, human rights violations, illicit activities, and more. This commitment ensures ethical and responsible practices, safeguarding Dimexon's reputation and fostering trust with stakeholders.

Responsible Jewellery Council (RJC) Certification

The RJC Code of Practices (COP) serves as the pre-eminent worldwide benchmark within the jewellery and watch industry, prioritising business ethics and accountable supply chains. Encompassing key minerals and metals employed in jewellery production, including gold, silver, platinum, diamonds, and coloured gemstones, the COP signifies the RJC's commitment to rigorous certification procedures. These procedures undergo independent audits and hold accreditation from the International Social and Environmental Accreditation and Labelling (ISEAL), reflecting adherence to elevated standards.

RJC COP COVERAGE

HUMAN RIGHTS

- Child Labour
- Health and Safety
 - Security
- Artisanal Mining

ENVIRONMENTAL PERFORMANCE

- Hazardous Substances
 - Energy use
 - Biodiversity

BUSINESS ETHICS

- Anti-Bribery
- Kimberly Process
 - Synthetic
 - Diamonds

MANAGEMENT PRACTICES

- Impact Assessment
 - Closure Planning
 - Reporting

In order to guarantee adherence to the Code of Practices, all members are obligated to obtain third-party accreditation. As part of the routine certification process for the Code of Practice (COP), the RJC conducts audits to evaluate the efficacy of Dimexon's due diligence practices. RJC auditors assess our ongoing commitment to implementing COP requirements through a continuous improvement framework, ensuring reasonable and good faith efforts. The COP mandates companies to provide annual reports on their due diligence endeavours, instilling confidence among customers, investors, and stakeholders that raw material sourcing is conducted in accordance with OECD Guidance and a robust due diligence approach.

DIMEXON'S ALIGNMENT WITH WATCH & JEWELLERY INITIATIVE 2030 (WJI2030)

The global jewellery and watch industry have been coming together to create a positive impact through an ambitious initiative to promote sustainable practices. The initiative focuses on ethically sourced materials, responsible manufacturing, and reducing carbon footprint. It plans to reach its goals through cross-industry collaboration.

WJI 2030 THREE KEY PILLARS

1

**BUILDING
CLIMATE
RESILIENCE**

2

**PRESERVING
RESOURCES FOR NATURE
AND COMMUNITIES**

3

**FOSTERING
INCLUSIVENESS ACROSS
OUR VALUE CHAINS**

Our Alignment with WJI2030 pillars*WJI2030 Pillar 1: Building Climate Resilience*

We are monitoring, calculating, and finding measures to reduce our GHG emissions and energy consumption. We are also strengthening our climate risk mitigation measures and building a climate action plan to improve our business resilience. Furthermore, we are working towards laying down our ESG Roadmap to achieve net zero target emissions and energy reduction.

WJI2030 Pillar 2: Preserving Resources

Dimexon is constantly working towards building awareness of towards protection of nature and biodiversity and we do so by actively engaging with our stakeholders, through our different initiatives and programs which are carried out for the upliftment and development of the nearby communities, supporting our suppliers and overall, our value chain partners. These efforts enable us to reduce our water and resource consumption, thus leading to reduced wastewater and solid waste generation. In addition, we have committed and working towards zero waste to landfill and ceasing the use of single-use plastics in order to reduce our waste generation. Furthermore, we strive to towards integrating circularity in our operations wherever possible to reduce our consumption of resources, thus allowing us to align ourselves to the pillar.

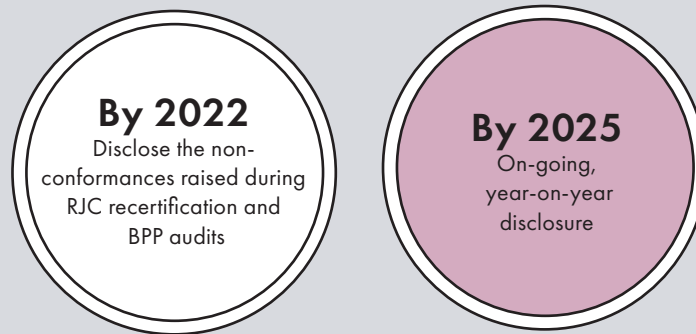
WJI2030 Pillar 3: Fostering Inclusiveness

We have implemented various initiatives, such as the development and implementation of a robust Diversity and Inclusion (D&I) policy. Furthermore, we actively seek to empower and employ individuals with disabilities, ensuring equal opportunities for everyone within our organisation. Through these efforts, we strive to cultivate a workplace that embraces diversity, promotes inclusivity, and provides a supportive environment for all employees.

DE BEERS BEST PRACTICE PRINCIPLES (BPP) AUDITS

Dimexon proudly upholds the highest ethical and professional standards in the diamond industry, as demonstrated by our participation in De Beers' Best Principles Audits. These audits are an essential part of De Beers' mandatory code of ethical business practices, ensuring consumer trust in diamond jewellery. The Best Principles Audits encompass stringent requirements, such as recording Kimberley Process Certification Scheme (KPCS) certificates and System of Warranty invoices to prevent the involvement of conflict diamonds. We are a BPP Compliant De Beers Sightholder since 2005, conduct our own reviews and audits of non-certified business partners to ensure compliance with the Responsible Jewellery Council (RJC) Code of Practices (COP) and OECD guidelines. Through this commitment, Dimexon actively promotes industry-leading practices and fosters a sustainable and trustworthy diamond ecosystem.

TARGETS



We are transparently disclosing and communicating about any of our non-conformances raised during the RJC certification and BPP audits.

Way Forward

We remain dedicated to developing and executing action plans aimed at resolving non-conformities or audit findings that arise during the certification and auditing process. Furthermore, an essential area of investment will involve raising awareness among our workforce about best-practice principles, thereby enhancing performance throughout our value chain. These initiatives will foster a deeper understanding of the challenges and risks associated with non-compliance or suspicious activities, enabling us to cultivate stronger relationships with jewellery councils and communities worldwide. By doing so, we can reinforce our commitment to spreading awareness-based programs that combat the production and distribution of illegal and counterfeit products.

RESPECTING HUMAN RIGHTS

Dimexon is committed to respecting and promoting human rights throughout our operations and supply chains. We provide a safe and inclusive working environment, free from discrimination, forced labour, or any form of human rights abuse. By adhering to internationally recognised human rights frameworks, we aim to ensure the well-being and dignity of all individuals involved in our business activities, contributing to a responsible and sustainable global jewellery industry.

RESPONSIBLE CONDUCT

At Dimexon, responsible conduct is at the core of our operations. We go beyond compliance by actively seeking opportunities to make a meaningful difference. Our responsible conduct encompasses fair labour practices, responsible sourcing of materials, and reducing our environmental footprint. By continuously improving our policies and engaging with stakeholders, we aim to foster trust and inspire industry-wide change to a better future.



ESG COMMUNICATION (KPI-2)

Dimexon recognises the critical importance of effective ESG communication in fostering trust and showcasing our dedication to responsible business practices. We firmly believe in adopting a comprehensive approach to ensure that our ESG communication is transparent, meaningful, and provides valuable insights into our initiatives, policies, and value-creation strategies.

We actively engage with our stakeholders to address their concerns, expectations, and priorities, thus ensuring a balanced and collaborative approach to achieving profitable and sustainable growth. Additionally, we actively participate in industry initiatives, conferences, and events to stay informed about the latest best practices and regulatory requirements. These engagements help us align our operations with the highest standards of compliance and industry norms.

By prioritising transparent and effective ESG communication, Dimexon aims to not only demonstrate our commitment to responsible business practices but also inspire other organisations within the diamond industry to follow our lead. We believe that by setting a positive example, we can collectively drive positive change and contribute to a more sustainable and responsible future.

To achieve this, we regularly publish ESG reports that provide stakeholders with comprehensive updates on our progress and performance. These reports serve as a transparent account of our efforts in promoting sustainability and responsible practices. In addition, we regularly update our ESG news on our website dimexon.com.

Way Forward

We continue conducting annual training on ESG and we are currently in the process of implementing self-training modules that will be followed by assessments to enhance the knowledge and skills of our leadership regarding ESG practices. Furthermore, we are actively enhancing our communication channels with stakeholders to effectively communicate our ESG initiatives and progress. As we strive to provide comprehensive reports in the future, we are committed to aligning our coverage with various ESG ratings, standards and frameworks such as the Dow Jones Sustainability Index (DJSI), Morgan Stanley Capital International (MSCI), the Carbon Disclosure Project (CDP), Sustainability Accounting Standards Board (SASB) and the World Economic Forum (WEF). These standards and frameworks will enable us to assess our performance, identify areas for improvement, and measure our progress on an annual basis.

GRI Index

GRI REFERENCE	INDICATOR DETAIL	CHAPTER NAME	PAGE NUMBER	SDG
GENERAL DISCLOSURE				
2-1	Organisational details	Dimexon at a glance	10	16
2-2	Entities included in the organisation's sustainability reporting	Reporting Scope and Boundary	9	-
2-3	Reporting period, frequency and contact point	Reporting Period, Reporting Scope and Boundary and Feedback	9	-
2-6	Activities, value chain and other business relationships	Group Structure and Supply Chain	12, 14	-
2-7	Employees	Employee Wellbeing	43	8, 10
2-8	Workers who are not employees	Diversity and Inclusion Index	44, 45	8
2-9	Governance structure and composition	Governance	52	5, 16
2-11	Chair of the highest governance body	Governance	52	16
2-12	Role of the highest governance body in overseeing the management of impacts	Governance	52	16
2-14	Role of the highest governance body in sustainability reporting	ESG committee	54	-
2-15	Conflict of interest	Policies and control	55	16
2-16	Communication of critical concerns	ESG committee	54	-
2-19	Remuneration policies	Policies and control	55	-
2-22	Statement on sustainable development strategy	ESG strategy	19	-
2-23	Policy commitments	Policies and control	54	16
2-27	Compliance with laws and regulations	Risk Governance	56	-
2-28	Membership associations	Stakeholder Engagement	14, 15	-
2-29	Approach to stakeholder engagement	Stakeholder Engagement	14, 15	-
2-30	Collective bargaining agreements	Policies and control	54	8
3-1	Process to determine material topics	Materiality	16, 17	-
3-2	List of material topics	Materiality	16, 17	-
3-3	Management of material topics	Materiality	16, 17	-

205-2	Communication and training about anti-corruption policies and procedures	Policies and control	54	16
206-1	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	Policies and control	54	16
ENVIRONMENT				
302-1	Energy consumption within the organisation	Energy & Emission	24-28	7, 8, 12, 13
302-2	Energy consumption outside of the organisation	N/A	-	7, 8, 12, 13
302-3	Energy intensity	Energy Management	25-28	7, 8, 12, 13
302-4	Reduction of energy consumption	Energy Management	25-28	7, 8, 12, 13
303-1	Interactions with water as a shared resource	Water Management	34-35	6, 12
303-2	Management of water discharge-related impacts	Water Management	34-35	6
303-3	Water withdrawal	Water Management	34-35	6
303-4	Water discharge	Water Management	34-35	6
303-5	Water consumption	Water Management	34-35	6
305-1	Direct (Scope 1) GHG emissions	GHG Emission	26, 27	12-15
305-2	Energy indirect (Scope 2) GHG emissions	GHG Emission	26, 27	3, 12-15
305-3	Other indirect (Scope 3) GHG emissions	GHG Emission	26, 27	3, 12-15
305-4	GHG emissions intensity	GHG Emission	26, 27	13, 14, 15
305-5	Reduction of GHG emissions	GHG Emission	26, 27	13, 14, 15
305-6	Emissions of ozone-depleting substances (ODS)	GHG Emission	26, 27	3, 12
306-1	Waste generation and significant waste-related impacts	Waste Management	31-33	3, 6, 11, 12
306-2	Management of significant waste-related impacts	Waste Management	31-33	3, 6, 8, 11, 12
306-3	Waste generated	Waste Management	31-33	3, 6, 11, 12, 15
306-4	Waste diverted from disposal	Waste Management	31-33	3, 11, 12
306-5	Waste directed to disposal	Waste Management	31-33	3, 11, 12, 15
308-1	New suppliers that were screened using environmental criteria	Supplier due diligence	39, 40	-
SOCIAL				
401-1	New employee hires and employee turnover	Talent Management Programs	43	8, 10

401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	N/A	-	3, 5, 8
401-3	Parental leave	Employee Wellbeing	43	5, 8
403-1	Occupational health and safety management system	Health and Safety	50, 51	3, 8, 16
403-2	Hazard identification, risk assessment, and incident investigation	Health and Safety	50, 51	8
403-3	Occupational health services	Health and Safety	50, 51	8
403-4	Worker participation, consultation, and communication on occupational health and safety	Health and Safety	50, 51	8, 16
403-5	Worker training on occupational health and safety	Health and Safety	50, 51	8
403-6	Promotion of worker health	Employee Wellbeing	43	3
403-8	Workers covered by an occupational health and safety management system	Health and Safety	50, 51	8
403-9	Work-related injuries	Health and Safety	50, 51	3, 8, 16
403-10	Work-related ill health	Health and Safety	50, 51	3, 8, 16
404-1	Average hours of training per year per employee	ESG training	46, 47	4, 5, 8, 10
404-2	Programs for upgrading employee skills and transition assistance programs	ESG training	46, 47	8
404-3	Percentage of employees receiving regular performance and career development reviews	Talent Management Programme	43	5, 8, 10
405-1	Diversity of governance bodies and employees	N/A	-	5, 8
405-2	Ratio of basic salary and remuneration of women to men	N/A	-	5, 8, 10
406-1	Incidents of discrimination and corrective actions taken	Supplier due diligence	39, 40	5, 8
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Supplier due diligence	39, 40	8
408-1	Operations and suppliers at significant risk for incidents of child labour	Supplier due diligence	39, 40	5, 8, 16
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	Supplier due diligence	39, 40	5, 8
410-1	Security personnel trained in human rights policies or procedures	N/A	-	16
413-1	Operations with local community engagement, impact assessments, and development programs	Community	48, 49	-
413-2	Operations with significant actual and potential negative impacts on local communities	Community	48, 49	1, 2
414-1	New suppliers that were screened using social criteria development programs	Supplier due diligence	39, 40	5, 8, 16
416-1	Assessment of the health and safety impacts of product and service categories	N/A	-	-
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	N/A	-	16

GLOSSARY

AML	Anti-Money Laundering	MSP	Multi Stone Packet
BPP	Best Practice Principles	NGRBC	National Guidelines on Responsible Business Conduct
CAHRAs	Conflict-Affected and High-Risk Areas	OECD	The Organisation for Economic Co-operation and Development
CDP	Carbon Disclosure Project	OHS	Occupational Health and Safety
CO₂e	Carbon Dioxide Equivalents	PCB	Pollution Control Board
COPs	Code of Practices	PPE	Personal Protective Equipment
CSR	Corporate Social Responsibility	PVC	Polyvinyl Chloride
CY	Calendar Year	RCP	Representative Concentration Pathways
D&I	Diversity and Inclusion	RJC	Responsible Jewellery Council
DJSI	Dow Jones Sustainability Index	SASB	Sustainability Accounting Standards Board
ESG	Environmental, Social and Governance	SBTi	Science Based Targets initiative
GHG	Greenhouse Gases	SOP	Standardized Operating Procedures
GRI	Global Reporting Initiative	SSP	Single Stone Packet
GRP	Guidelines for Reducing Plastic Waste	SDTC	Szwarcfurt Diamond Trading Co.
HR	Human Resource	STP	Sewage Treatment Plant
IEC	Information, Education, and Communication	SUP	Single Use Plastic
IFRS	International Financial Reporting Standards	TCFD	Task Force on Climate-related Financial Disclosures
IPCC	Intergovernmental Panel on Climate Change	UN SDGs	UN Sustainable Development Goals
ISEAL	International Social and Environmental Accreditation and Labelling	UN WEP	UN Women Empowerment Principles
KPCS	Kimberley Process Certification Scheme	WBCSD	World Business Council of Sustainable Development
KPI	Key Performance Indicator	WDC	World Diamond Council
LPG	Liquefied Petroleum Gas	WEF	World Economic Forum
MoEFCC	Ministry of Environment, Forests and Climate Change	WJI2030	Watch & Jewellery Initiative 2030
MSCI	Morgan Stanley Capital International	WWF	Worldwide Fund for Nature
		WRI	World Resource Institute
		ZWL	Zero Waste to Landfill