



SINCE 1905

ESG REPORT 2024

Inspired
to Shine
***Committed to
Sustainable
Natural
Diamonds***



ABOUT THE REPORT

KGK Diamonds is proud to present its inaugural Environmental, Social and Governance (ESG) Report for 2024, marking a significant milestone in its commitment to sustainability and responsible business practices. This report outlines the Company's efforts to integrate sustainable practices across its operations, emphasising transparency and accountability to stakeholders.

Reporting Period and Boundary

The report presents KGK Diamond’s sustainability performance and ESG activities undertaken from January 01, 2024 to December 31, 2024 covering all subsidiaries that have a material impact on the overall operations. These include:

KGK India Group

- KGK Diamonds (I) Pvt. Ltd.
- KGK Gems Pvt. Ltd.
- Marine Global Enterprises Pvt. Ltd.
- Alok Impex Pvt. Ltd.
- KGK Dia Processing Pvt. Ltd.
- Kothari Diamonds Industries Pvt. Ltd.

KGK International Group

- KGK Diamonds BV, Belgium
- Atlas EN Co, Belgium
- KGK Diamonds & Jewellery DMCC, UAE
- KGK Diamond DMCC, UAE
- KGK Diamonds Namibia (Proprietary) Ltd., Namibia
- KGK Diamonds SA (Pty) Ltd., South Africa
- Kothari Indústria de Lapidação de Diamantes, LDA
- KGK Diamonds Botswana Pty Ltd., Botswana
- KGK Diamonds (Israel) Ltd., Israel
- KGK Suisse SA, Switzerland
- KGK Diamonds USA - New York
- Belgium Diamonds, USA

Reporting Standards and Frameworks

The report presents our contributions towards the United Nations Sustainable Development Goals (UN SDGs). Our goal is to align with the Global Reporting Initiative (GRI) Standards for sustainability reporting to improve the consistency, comparability and quality of sustainability disclosures for our entities. While this report represents a significant step towards complete GRI compliance, we anticipate fully meeting the expanded requirements in future reporting cycles. The Indian Numbering System has been used in this report.

Materiality

We have undertaken a comprehensive materiality assessment to identify the issues that are most critical to its business and stakeholders. This exercise is crucial in ensuring that the Company's sustainability efforts are focused on the areas that have the greatest economic, environmental and social impact. The outcome of this assessment is a prioritised list of material issues that will guide KGK Diamonds' sustainability strategy and reporting. The insights gained from this exercise will inform the Company's decision-making processes and help it allocate resources effectively to address the most pressing sustainability challenges.

Management Assurance

At KGK, we take our responsibility toward ESG commitments seriously. We believe that the report addresses all material issues and presents KGK’s ESG performance in a transparent, fair, and accurate manner.

Feedback

We greatly value the feedback and perspectives of our readers and stakeholders on this inaugural ESG report. Your insights are crucial in assessing the effectiveness of our sustainability initiatives and identifying opportunities for improvement. We encourage you to share your thoughts on the report's content, clarity and relevance. Please feel free to provide your comments and suggestions at

ashish.chavan@kgkmail.com

Forward-looking Statements

This document contains forward-looking statements and commitments based on KGK’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, megatrends and other external factors. Thus, the actual results may differ from what we expect.



Inside the Report

01	ABOUT THE REPORT
02	INSPIRED TO SHINE: COMMITTED TO SUSTAINABLE NATURAL DIAMONDS
04	SUSTAINABILITY HIGHLIGHTS
06	ABOUT KGK GROUP: A LEGACY OF EXCELLENCE AND INTEGRITY <ul style="list-style-type: none">◊ KGK Group Structure◊ Overview of Our Businesses◊ Global Presence◊ Value Chain◊ Milestones over the Years
16	KGK DIAMONDS: INTEGRATED DIAMOND COMPANY <ul style="list-style-type: none">◊ Awards and Recognitions◊ Vision, Mission and Core Values
20	MESSAGES FROM THE LEADERSHIP <ul style="list-style-type: none">◊ Chairman: Navratan Kothari◊ Vice Chairman: Sanjay Kothari◊ Managing Director: Sandeep Kothari
28	CREATING LONG-TERM VALUE <ul style="list-style-type: none">◊ Aligning Our Strategy to Stakeholder Priorities◊ Materiality Assessment Process◊ Material Topics◊ Our Sustainability Framework◊ Traceability & Provenance
42	ENVIRONMENTAL STEWARDSHIP <ul style="list-style-type: none">◊ Emissions Management and Energy Efficiency◊ Water Stewardship◊ Waste Management◊ Biodiversity Conservation
50	SOCIAL EMPOWERMENT <ul style="list-style-type: none">◊ Community Engagement and Enrichment◊ Empowering Our People
64	ROBUST GOVERNANCE <ul style="list-style-type: none">◊ Corporate Governance Structure◊ Business Ethics◊ Risk Management◊ Industry Associations
72	TOWARDS A RESPONSIBLE FUTURE

Inspired to Shine: Committed to Sustainable Natural Diamonds

At KGK Diamonds, sustainability is at the core of everything we do. As a leading player in the diamond industry, we understand the importance of operating responsibly and ensuring that our practices contribute to a better future. "Inspired to Shine: Committed to Sustainable Natural Diamonds" reflects our commitment to balancing economic growth with environmental protection and social responsibility.

From responsible sourcing and ethical production processes to reducing our environmental footprint, we strive to uphold the highest standards of accountability and transparency. Our focus is on creating long-term value for our stakeholders.

We recognise that the diamond industry has a responsibility to lead by example in promoting sustainable practices.

Whether it is through adopting renewable energy solutions, minimising waste or empowering local communities, we are committed to making a meaningful impact. This report highlights our progress and reaffirms our dedication to sustainable development as a driving force behind our operations.

We are proud to share our journey toward sustainability. By embracing innovation and maintaining a clear focus on our goals, we are working to ensure that our diamonds are a symbol of not only beauty but also responsibility and care for the planet.

SUSTAINABILITY HIGHLIGHTS

Driving Positive Impact

During the year, we undertook several initiatives to minimise our environmental footprint while maximising our positive impact on the communities we serve.



¹This includes solar capacity installed at Botswana and Jasdán.

ENVIRONMENTAL STEWARDSHIP

Read more about our efforts towards reducing our environmental impact on page **42** of the report [➔](#)

777.32 tCO₂e
Emissions Avoided

3,00,902 kWh
Increase in renewable electricity consumption

Committed
To become Carbon Neutral by 2030

51%
Increase in renewable electricity over 2023

100%
Renewable electricity consumption at Angola manufacturing facility

712 kW¹
Total installed rooftop solar capacity

1,114 GJ
Low carbon fuel

SOCIAL EMPOWERMENT

Read more about our efforts towards community empowerment on page **50** of the report [➔](#)

72%
Workforce hired locally

30,000
Total employee training hours

100%
Employees trained in human rights

19%
Women in the workforce

11%
Increase in women employees since 2023

14%
Women among new hires

86%
Participation in health and safety trainings

ROBUST GOVERNANCE

Read more about how we run an ethical and transparent business on page **64** of the report [➔](#)

De Beers Sightholder
Since 1997

Recertified by the Responsible Jewellery Council (RJC)
For the third time in 2023

Zero complaints
Related to discrimination and harassment

Zero fines
Paid for non-compliance

Zero
Diamonds sourced from conflict areas



ABOUT KGK GROUP

A Legacy of Excellence and Integrity

More than a century ago, KGK Group embarked on its journey with a modest gemstone trading shop in India. This foundational venture expanded exponentially to establish a global footprint across the entire Gems and Jewellery value chain. Guided by a commitment to long-term growth and innovation, the Group has since diversified into multiple industries, building a legacy of resilience and responsible progress.

Today, KGK Group is a 18,000+ employees, multi-country conglomerate with a presence that spans across Gems and Jewellery, Real Estate, Hospitality and Healthcare. The business diversity fortifies us against market cycles and demand uncertainties, laying the foundation for solid progress.

18,000+
Employees across the globe

10,000+
Customers

Distribution network
Spread across the world

KGK Group

Structure



Overview of

Our Businesses



Gems and Jewellery

This is our core business that covers the full value chain, with a focus on diamonds and a strong presence in coloured gemstones.



Real Estate

Since 2010, the Group has created world-class properties spanning residential, commercial, industrial, entertainment and education sectors.



Hospitality

We have restored Jaipur's Jal Mahal and Mansagar Lake to their former glory via a public-private partnership. We also introduced Meraaki Kitchen and The White Sage, showcasing sustainable global cuisine in unique regional settings.



Healthcare

KGK Group started the Bhagwan Mahaveer Cancer Hospital in 1997. It is North India's sole super-speciality cancer hospital, delivering holistic care through detection, treatment and rehabilitation.

ABOUT KGK GROUP

Global Presence

KGK Group operates through self-owned and partner mines, gemstones and diamond processing centres, and jewellery manufacturing units. Our vast distribution network is spread across USA, Africa, Europe and Asia. Despite being a multi-country conglomerate, we remain committed to fostering local employment in every region where we operate. This approach not only strengthens our ties to regional economies but also generates livelihoods and builds trust and support among host communities.



Map not to scale, for illustration purpose only

ABOUT KGK GROUP

Value Chain

KGK Group manages its Gems and Jewellery operations across five verticals, forming a comprehensive value chain. Our presence across every layer of the Gems and Jewellery industry enables robust vertical integration and significant cost efficiencies. This gives us a comprehensive oversight over our production and marketing processes, helping us to ensure a traceable and ethically sourced product chain that consistently meets and often exceeds customers’ quality expectations.

Distribution

Our advanced global distribution network spans Belgium, China, Hong Kong SAR, India, Japan, South Africa, Thailand, Taiwan, UAE and the USA, enabling us to supply trusted brands and retail-ready collections to meet global market demands.

GEMSTONES

We manufacture three kinds of precious gemstones – emeralds, rubies and sapphires – and 8 kinds of semi-precious gemstones. These are processed at our manufacturing units in India and Thailand, where we utilise digitally controlled, automated production technology to process our gemstones with precision. Our gemstones are fully traceable and go through robust quality checks.

DIAMONDS

As our largest product vertical, natural diamonds are sourced from esteemed partners such as De Beers, SODIAM and Okavango diamond company. Our production process leverages proprietary technologies, such as DiaMark, Galaxy and water jet laser cutting, for uncompromising traceability, quality and optimisation. We further guarantee pipeline integrity through Sarine Digital Journey and Tracr’s traceability solutions, with end-to-end authentication verified by the Gemological Institute of America (GIA). Each diamond undergoes rigorous grading and valuation to maximise its cut, clarity and caratage.

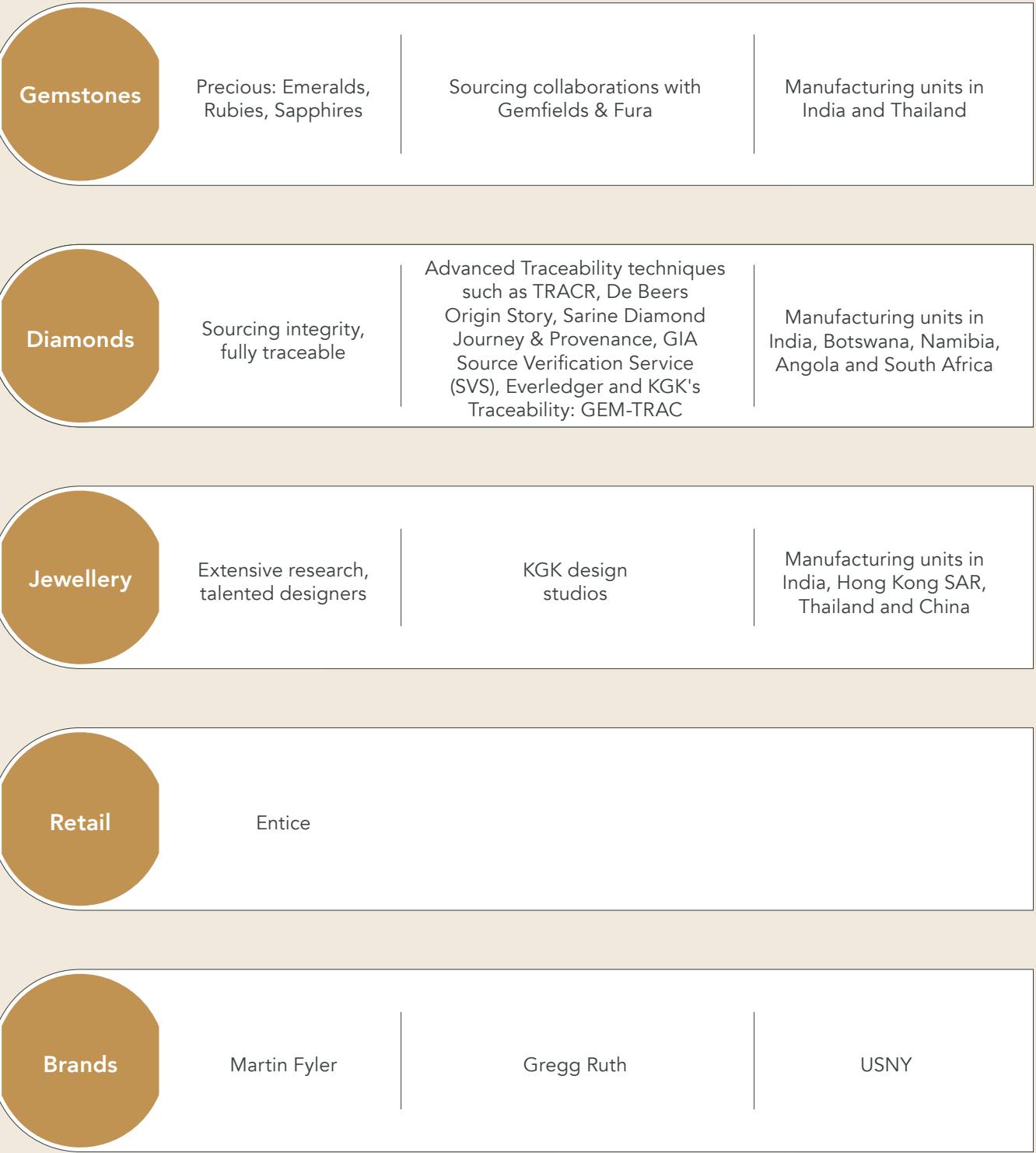
JEWELLERY

KGK boasts unparalleled end-to-end expertise in gems and jewellery, from processing to design and manufacture. Our global manufacturing presence spans Hong Kong SAR (luxury), China, India and Thailand (mid-range), catering to diverse markets and customer segments.

RETAIL

Our jewellery portfolio includes the premium Entice label (available in flagship stores across Mumbai, Jaipur, and Hong Kong SAR) and retail-ready brands Martin Flyer, Gregg Ruth and Usny (sold through renowned international retailers). Our in-house design team ensures our Jewellery stays on-trend, catering to diverse market segments through various sales channels.

KGK's ethically assured value chain



ABOUT KGK GROUP

Milestones over the Years

1905

Shri Keshrimal Kothari began trading Gemstones between India and Burma



1915

KGK started trading coloured Gemstones in Chennai



1932

Ghisilal Ji Kothari joined KGK Group



1960

Navratan Kothari joined KGK Group



1962

Operations established in Hong Kong SAR



1972

Launched coloured Stone operations in USA



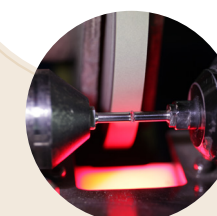
1975

Diamond operations launched in Mumbai



1986

Diamond processing operations established in Mumbai



1996

Jewellery manufacturing facility opened in Seepz, Mumbai



2010

Launched KGK Realty



2007

Diamond manufacturing facility opened in Jasdan, India



2004

Fine Jewellery flagship brand Entice launched in Hong Kong SAR



2002

Wholesale Jewellery operations launched in India



2000

Diamond manufacturing facility opened in Surat, India



1999

Jewellery manufacturing unit established in Panyu, China



1997

KGK awarded Sightholders status by De Beers



1997

BMCHRC opens in Jaipur



1996

Diamond manufacturing facility opened in South Africa



2012

New KGK office opens in the Bharat Diamonds Bourse, Mumbai



2014

KGK opened diamond manufacturing facility in Botswana, Africa



2015

Jewellery manufacturing facility opened in Bangkok, Thailand



2016

Launched a new corporate identity and website



2017

KGK opened diamond manufacturing facility in Namibia, Africa



2019

KGK opened diamond manufacturing facility in Angola, Africa



2020

Jewellery manufacturing facility opened in Jaipur, India



2021

Diamond manufacturing facility opened in Saurimo, Angola



2023

Jewellery manufacturing facility opened in Gaborone, Botswana





KGK DIAMONDS

Integrated Diamond Company

KGK Diamonds, our largest vertical, specialises in sourcing and processing diamonds, earning the trust of top global brands. Our traceable products are designed to meet the needs of all consumer segments. Through our integrated global business model, we ensure agility, cost-efficiency and ethical, transparent supply chains, delivering a diverse range of products to a wide customer base.

With a workforce of over 5,000 employees, we strongly emphasise their well-being and professional growth while actively investing in community development initiatives.

B2C Outreach: Enhancing Customer Experience

We recently launched our new website

www.kgkdiamonds.com

and the KGK Diamonds mobile app. In just three months since the launch, our e-commerce revenue has significantly increased.

KGK DIAMONDS

Vision

To be a global leader in the diamond industry, recognised for our core values and commitment to sustainability.

Mission

To create exceptional diamonds for a global clientele, driven by innovation, transparency, and a commitment to excellence, while fostering sustainable growth and uplifting the communities we touch.

Awards and Recognitions

Navratan Kothari, the esteemed Chairman of the KGK Group, was honoured with the prestigious 'Extraordinary 40' award at the Informa Markets' Jewellery World Awards for his path-breaking and seminal contributions to the gems and jewellery industry.



In addition, Switzerland-based leading industry body, The World Jewellery Confederation (also known as Confédération Internationale de la Bijouterie, Joaillerie, Orfèvrerie des Diamants, Perles et Pierres (CIBJO)), as well as the Gems and Jewellery Export Promotion Council of India, recognized Navratan Kothari, for his lifelong service to the industry's growth and expansion.





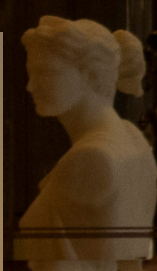
MESSAGES FROM THE LEADERSHIP

Responsible Legacy of Sustainable Natural Diamonds

At KGK Diamonds, our commitment to ethical practices, sustainable innovation, and transformative community engagement reflects the visionary leadership guiding our journey. As a global leader in the diamond industry, we focus on business excellence, environmental stewardship, and societal progress across the entire diamond value chain.

In the messages, our leaders share insights on how KGK Diamonds is driving positive change and setting new benchmarks.

From our chairman's reflections on our century-long journey to the vice chairman and managing director's outlook on innovation and sustainability, these messages reaffirm our dedication to ethical leadership and a brighter future for all.





MESSAGES FROM THE LEADERSHIP

Chairman



As President of Subodh Siksha Samiti, I take immense pride in our efforts to educate over 33,000 students, empowering the next generation to reach their full potential.



For more than a century, the KGK Group has been a symbol of excellence in the Gems and Jewellery industry, driven by a vision beyond our Gemstones' sparkle. I take pride in reflecting on our journey—one marked by not just remarkable business achievements, but also a steadfast dedication to sustainability, ethical practices and community empowerment.

With operations spanning 15 countries and a presence across the entire diamond value chain – from sourcing and manufacturing to distribution and retail – our journey has taught us a valuable lesson: true success is not measured by carats and profits, but by the transformative change we bring in the world. For us, diamonds represent more than a commodity; they symbolise a solemn promise to future generations. This belief drives our commitment to developing scalable, sustainable models that maximise societal value while fostering an inclusive, people-centric culture that is a testament to our values.

At the heart of KGK's ethos is the unshakeable conviction that the well-being of all our stakeholders is paramount. In a competitive business landscape, we remain committed to staying strong and adaptable, while firmly upholding ethical practices and rejecting any actions that compromise the integrity of our business practices.

Our philosophy emphasises that true sustainability stems from genuine care for people and that real fulfilment arises from a socially conscious approach. This commitment is evident in our diverse initiatives across Education, Healthcare, Skill Development and Heritage Conservation—each designed to uplift lives and benefit communities. Initiatives such as the Bhagwan Mahaveer Cancer Hospital and Research Centre exemplify our dedication to providing quality Healthcare to underserved populations. Additionally, as President of Subodh Siksha Samiti, I take immense pride in our efforts to educate over 33,000 students, empowering the next generation to reach their full potential.

We are dedicated to building a legacy founded on positive impact, a steadfast commitment to sustainable practices and the pursuit of a brighter, more prosperous future for all. With a firm belief that the choices we make today will shape a tomorrow filled with opportunity, compassion and shared success, we move forward determined to create lasting value for generations to come.

Best wishes,

NAVRATAN KOTHARI

MESSAGES FROM THE LEADERSHIP

Vice Chairman and Managing Director

SANJAY KOTHARI



SANDEEP KOTHARI



Dear Stakeholders,

KGK's journey began with an ambitious vision to redefine the diamond industry, a vision that has matured into a steadfast commitment to ethical and sustainable practices that reach beyond business achievements. Positioned at the intersection of tradition and innovation, our mission goes beyond producing exceptional diamonds. We take pride in serving as leaders committed to driving positive transformation, safeguarding environmental sustainability, and fostering community development. This dedication informs every strategic decision, creating enduring value for our stakeholders and safeguarding a sustainable future for our planet.

Driving environmental excellence through innovation

A series of innovative initiatives across global operations have shaped our journey toward environmental leadership. In our manufacturing facilities, we consistently adopt cleaner, more efficient technologies to minimise our environmental impact. For instance, in Botswana, we sustainably source majority of our energy from solar panels, significantly reducing carbon emissions. Similarly, our Angola operations are fully powered by solar energy, establishing new benchmarks for renewable energy integration in the industry.

Additionally, we have implemented sustainability practices such as zero-waste canteens and horticulture gardens, promoting food security and providing fresh, nutritious meals for our employees. Our water conservation efforts, including rainwater harvesting and wastewater recycling, have reduced our overall water consumption, reinforcing our commitment to resource efficiency.

As part of our ongoing efforts, we are working towards obtaining green building certifications for our facilities and rolling out carbon reduction initiatives across all operations. These actions reflect our broader goal of reducing our carbon footprint while setting new industry environmental responsibility benchmarks.

MESSAGES FROM THE LEADERSHIP

Through our partnership with the Botswana Society for the Deaf, we train and employ talented hearing-impaired individuals in diamond-cutting and polishing roles.



Prioritising employee well-being and development

Diversity and empowerment are integral to our business ethos, and we prioritise investing in our most valuable asset—our people. Our initiatives reflect our ongoing dedication to creating a supportive and empowering environment for all employees, particularly women. The KGK Kids initiative is one such example, offering free, safe and educational daycare at select manufacturing facilities, providing working mothers with peace of mind while staying close to their children. Through our partnership with the Botswana Society for the Deaf, we train and employ talented hearing-impaired individuals in diamond-cutting and polishing roles. We have also introduced sign language courses and placed communication posters across our facilities, ensuring all employees have equal access to information and training regardless of ability.

These initiatives are just the beginning of our broader mission to foster an environment where diversity and empowerment are not just values, but integral parts of our day-to-day operations.

Empowering our communities

At KGK, we recognise that true business success goes hand in hand with community upliftment. With 72% of our workforce hired locally, our commitment to communities is reflected in our hiring practices and a broad spectrum of impactful initiatives. In India, our support for the Khilti Pari Foundation and Ekal Vidyalaya Foundation extends educational opportunities and health awareness, empowering young girls and strengthening rural education. Preservation efforts such as the restoration of Jal Mahal and Mansagar Lake underscore our dedication to cultural heritage, safeguarding these landmarks for future generations. These initiatives reflect our belief that a thriving business and empowered communities are inseparable, creating shared value and a lasting impact wherever we operate.

With 72% of our workforce hired locally, our commitment to communities is reflected in our hiring practices and a broad spectrum of impactful initiatives. In India, our support for the Khilti Pari Foundation and Ekal Vidyalaya Foundation extends educational opportunities and health awareness, empowering young girls and strengthening rural education.



Leading in responsible governance and ethical excellence

At KGK, responsible governance is central to our mission of building sustainable value and raising ethical standards in the diamond industry. We mandate full traceability and transparency for every diamond, consistently upholding the highest levels of accountability and integrity throughout the supply chain.

The diamond industry is at a transformative juncture, facing significant shifts from the growth of lab-grown diamonds and the impact of COVID-19 to post-pandemic revitalisation. With limited natural diamond supply and an evolving market landscape, this moment presents a unique opportunity. By engaging stakeholders across the value chain, we can renew the allure of natural diamonds, open doors to emerging markets, and connect with new consumer demographics. This pivotal time calls for a unified strategy that embraces tradition and forward-thinking approaches, setting the course for a vibrant future in natural diamonds.

Building a legacy of sustainable leadership

Our legacy is built on achieving our aspirations with integrity, innovation and sustainable growth. Every diamond we craft, every life we touch and every practice we implement fortifies this commitment. As we move forward, our proven leadership and responsibility to future generations inspire us to set new industry standards.

We envision a world where business excellence seamlessly aligns with environmental stewardship, social progress drives economic growth and every action contributes to a more sustainable and equitable future. Let us move forward confidently, ensuring our practices reflect the highest standards of excellence, with growth that mirrors the progress we foster in our communities.

Best wishes,

SANJAY AND SANDEEP KOTHARI



CREATING LONG-TERM VALUE

Collective Journey towards Sustainability

At KGK Diamonds, our value creation strategy is rooted in robust stakeholder engagement and a deep understanding of priority issues for both the company and its stakeholders. By actively addressing these concerns, we have developed a comprehensive sustainability framework that integrates Environmental, Social, and Governance (ESG) principles alongside economic factors. This approach ensures that we deliver meaningful, long-term value to all those connected with KGK Diamonds.

Our commitment to sustainability and stakeholder-centric decision-making not only shapes our strategic direction but also strengthens our business model, aligning growth with responsible practices that benefit communities, partners and the planet.

CREATING LONG-TERM VALUE

Aligning Our Strategy to Stakeholder Priorities

At KGK, we recognise that our actions impact various stakeholders, from employees and customers to partners and local communities. Our stakeholder engagement framework reflects our commitment to transparency, collaboration and responsible business practices. By fostering open dialogue and addressing stakeholder needs, we create shared value, mitigate risks and drive positive change across our operations.



Stakeholder Engagement Approach



How We Engage with Our Stakeholders

Our Stakeholders	Engagement Topics	Engagement Channels	Engagement Frequency	Linkage with Material Topics*
<div></div> <div>Employees</div> <div>Our workforce is the backbone of our operations, driving innovation and productivity.</div>	<ul style="list-style-type: none">Employee well-being and satisfactionWorkplace safetyCareer development opportunitiesCompensation benefits and performance appraisalCompany strategyDiversity and inclusion	<ul style="list-style-type: none">Daily team meetingsEmail newslettersGrievances and suggestion boxesCultural eventsTrainingsNotice boardRewards & Recognition	Ongoing	<ul style="list-style-type: none">Business EthicsTalent Attraction and RetentionDiversity and InclusionEmployee Health, Safety, and WellnessHuman and Labour Rights
<div></div> <div>Suppliers</div> <div>Supplier practices directly influence the ethical sourcing of materials and the overall environmental impact of our company, making them vital to our supply chain.</div>	<ul style="list-style-type: none">Environmental impactSocial practicesEthical practicesQuality standardsInnovationSustainability requirements	<ul style="list-style-type: none">In-person meetingEmailsTelephonicTrade showsSocial mediaWebsite	Regularly, as needed	<ul style="list-style-type: none">Supply Chain ManagementTransparency and TraceabilityBusiness EthicsResponsible SourcingRegulatory ComplianceHuman and Labour Rights

*For more details on our material topics and materiality assessment process please refer next section



CREATING LONG-TERM VALUE

Our Stakeholders	Engagement Topics	Engagement Channels	Engagement Frequency	Linkage with Material Topics*
 Customers Customer preferences and expectations drive us to innovate and enhance our services, ensuring that we meet their needs while upholding our commitment to sustainable practices.	<ul style="list-style-type: none"> • Product quality • Ethical sourcing • Sustainability practices • New product development 	<ul style="list-style-type: none"> • In-person meeting • Emails • Telephonic • Trade shows • Social media • Website 	Regularly, as needed	<ul style="list-style-type: none"> • Transparency and Traceability • Customer centricity • Regulatory Compliance
 Governments and Regulators They set the policies and regulations that shape our operations. Their frameworks ensure compliance and guide our practices, enabling us to adapt proactively to changes and contribute to sustainable industry development.	<ul style="list-style-type: none"> • Regulatory compliance • Taxation • Financial and non-financial performance • Environmental permits • Labour laws • Industry standards 	<ul style="list-style-type: none"> • Annual and Compliance reports • Formal consultation • Industry forums • Direct meetings 	As and when required	<ul style="list-style-type: none"> • Transparency and Traceability • Business Ethics • Regulatory Compliance • Human and Labour Rights • Corruption and Bribery

*For more details on our material topics and materiality assessment process please refer next section

Our Stakeholders	Engagement Topics	Engagement Channels	Engagement Frequency	Linkage with Material Topics*
 Local Communities Community support and engagement foster positive relationships and mutual benefits.	<ul style="list-style-type: none"> • Environmental impact • Local employment opportunities • Community investment • Upskilling opportunities • Cultural heritage preservation 	<ul style="list-style-type: none"> • Community development and awareness programs • Local liaison offices • Social media 	Ongoing	<ul style="list-style-type: none"> • Transparency and Traceability • Social Impact & Communities • Human and Labour Rights
 Industry Associations Industry associations play a key role in establishing standards within the diamond sector, fostering collective action to address shared challenges and maintaining the industry's reputation.	<ul style="list-style-type: none"> • Industry standards • Collective challenges • Technological advancements • Market dynamics 	<ul style="list-style-type: none"> • Memberships • Annual conferences • Joint projects 	As and when required	<ul style="list-style-type: none"> • Risk Management • Supply Chain Management • Transparency and Traceability • Business Ethics • Responsible Sourcing • Regulatory Compliance

*For more details on our material topics and materiality assessment process please refer next section

CREATING LONG-TERM VALUE

Prioritising What Matters Most

Our commitment to responsible business practices is guided by a thorough understanding of the most pressing ESG issues. To ensure our inaugural ESG report accurately reflects the concerns of our stakeholders and aligns with industry standards, we conducted a detailed materiality assessment. This process helped us identify the key ESG topics with the highest impact on our stakeholders and business.

Approach to Materiality

Our approach to materiality is rooted in identifying and prioritising issues critical to sustainable value creation. By aligning with globally recognised standards and incorporating stakeholder perspectives, we ensure that our ESG strategy addresses the most relevant and impactful topics. The materiality matrix developed through this process will guide our ESG initiatives and help us focus on areas where we can create the most value and manage risks effectively.

MATERIALITY ASSESSMENT PROCESS

Our materiality assessment was done through a multi-step approach designed to capture the most significant ESG issues for our business and industry. The process involved the following steps:

1 SECTOR AND STANDARD IDENTIFICATION

We began by identifying our sector according to the relevant ESG standards and leveraged the materiality maps of SASB, MSCI and DJSI to establish a baseline for our materiality assessment.

2 PEER EVALUATION

We analysed ESG disclosures from three of our closest peers. This allowed us to incorporate a wider range of material issues, assess industry trends and benchmark our approach against leading companies in the diamond sector.

3 COMPANY ANALYSIS

We thoroughly reviewed our Company's existing reports and public communications to reiterate our current ESG approach. This step highlighted our existing focus areas and allowed us to build upon our foundational efforts in sustainability.

4 STAKEHOLDER CONSULTATION

We engaged with our stakeholders to gather their insights on ESG issues. Their feedback was instrumental in helping us understand their expectations and concerns regarding the Company's performance on sustainability issues.

5 DEVELOPING THE MATERIALITY MATRIX

After gathering data from standards, peers and stakeholders, we compiled a comprehensive list of potential material topics. The final step involved developing the materiality matrix, which mapped the material issues based on their significance to our stakeholders and their impact on the business.

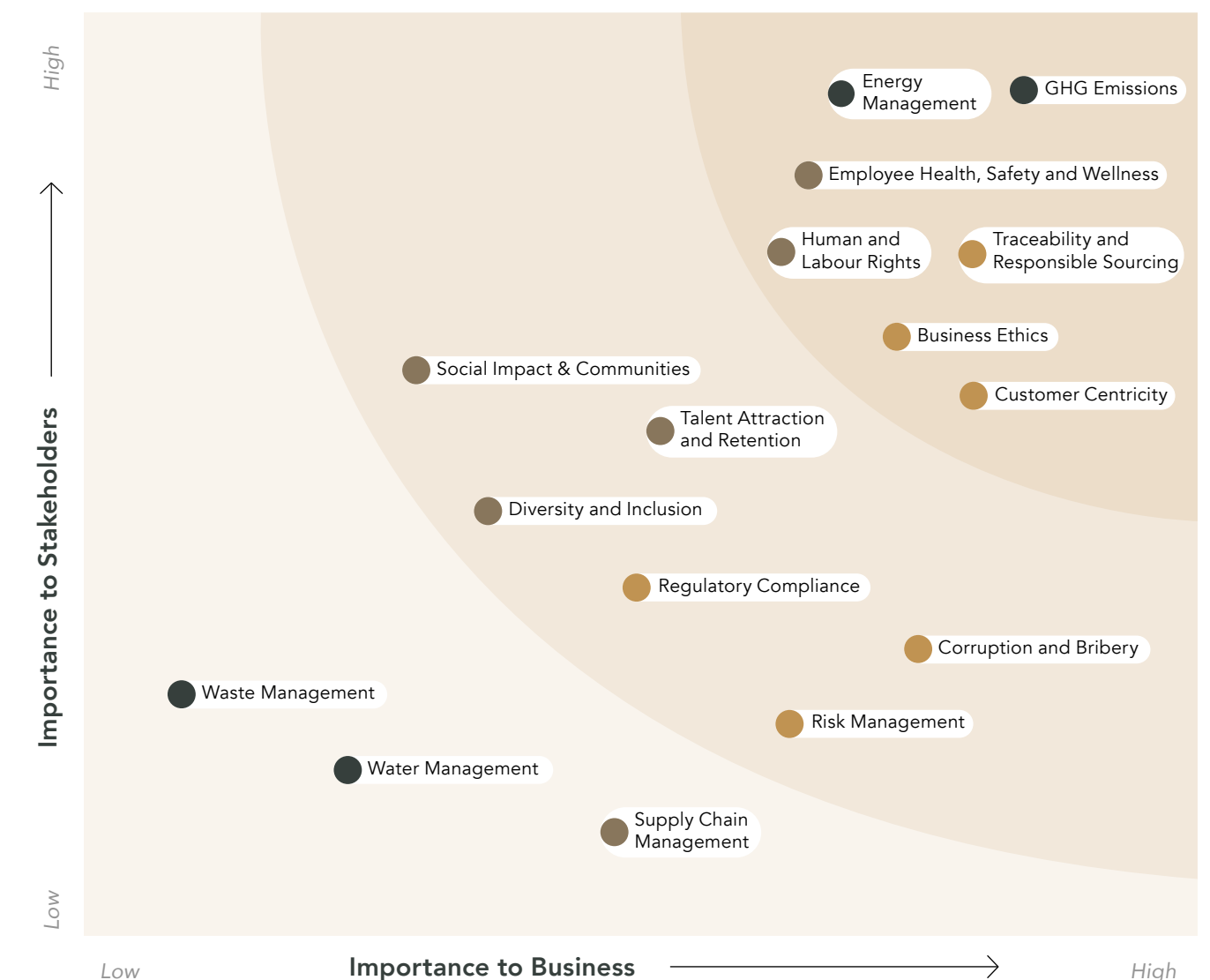
Material Topics

Through this rigorous assessment, we have identified 16 material topics that will shape our ESG strategy. These topics cover a range of Environmental, Social and Governance issues, crucial to our long-term sustainability strategy and performance.

Our comprehensive policies provide a robust framework for managing material matters effectively, from responsible sourcing to environmental impact. This approach mitigates risks and maximises our positive impact, positioning us for sustainable growth in an evolving industry landscape. As we proceed, we stay committed to regularly assessing our material issues, adapting our strategies and transparently reporting our progress to all our stakeholders.

Materiality Matrix

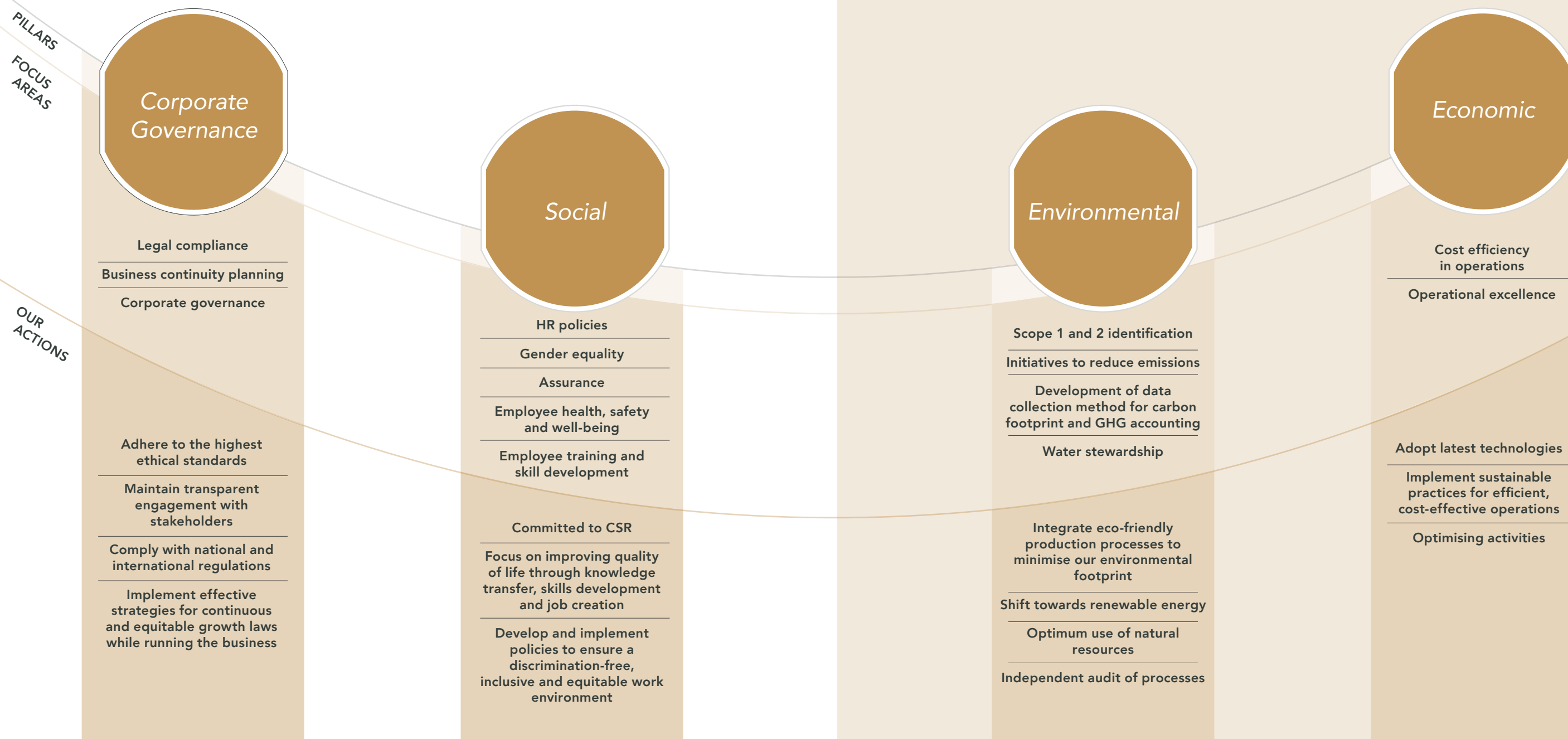
● Environmental stewardship
● Social empowerment
● Robust governance



CREATING LONG-TERM VALUE

Our Sustainability Framework

At KGK Diamonds, we are committed to redefining the luxury diamond industry through our unwavering dedication to sustainability. Our approach to sustainability is deeply ingrained in our values and business practices, reflecting our passion for responsibly sourcing the world's most exquisite diamonds. We have deployed a comprehensive framework to minimise our environmental footprint, promote fair labour practices and ensure a sustainable future for generations to come. This framework embodies our ethos of being "inspired to shine" today while working towards a sustainable tomorrow and is built on the four pillars of environmental, social, governance and economic, which guide our efforts in creating a lasting positive impact.



Our commitment

We are committed to reporting our sustainable development policies and practices annually starting in 2026. This initiative follows the alignment with the Sustainable Development Goals (SDGs) and the implementation of ESG and sustainability frameworks. We will base our reporting on established frameworks such as the Global Reporting Initiative (GRI), Business Responsibility and Sustainability Reporting (BRSR) and Sustainability Accounting Standards Board (SASB). This commitment underscores our dedication to transparency and accountability in environmental, social and governance matters.

Learn more about our commitment to building a sustainable business by exploring the **Environment**, **Social** and **Governance** sections of this report.

CREATING LONG-TERM VALUE

Traceability & Provenance

At KGK Diamonds, we employ advanced traceability technologies to ensure the authenticity and ethical sourcing of our diamonds. Utilising blockchain and other digital tools, we track each diamond from mine to market, documenting every stage including mining, cutting and polishing. This creates an immutable record that verifies the diamond's journey, adhering to international standards for ethical and environmental responsibility.

WHAT IS TRACEABILITY?

In the diamond industry, traceability refers to the ability to track the journey of diamonds from their source to their destination, ensuring they are responsibly sourced and ethically traded. This process helps verify the authenticity and origin of diamonds, preventing conflict diamonds from entering the market. It is crucial for maintaining consumer trust and meeting regulatory and ethical standards.

KGK's integrated presence in the midstream and downstream diamond value chain enhances control over product quality and compliance with labour standards. We use the Sarine Digital Journey solution suite for comprehensive tracking, from birth registration to final grading, ensuring 100% traceability. Additionally, independent audits by SGS and the Gemological Institute of America (GIA) validate the process, reinforcing trust in our diamonds.

Our Enterprise Resource Planning (ERP) software integrates all processing data, optimising operations and maintaining high standards in labour and human rights, thereby meeting consumer expectations for transparency and regulatory compliance.

Ensuring Traceability from Sourcing to Processing

We ensure diamond provenance through the Kimberley Process Certificate (KPC) and De Beers' Responsible and Ethical Sourcing Assurance. As a De Beers Sightholder, we leverage De Beers' Tracr technology, which integrates the Internet of Things (IoT), Artificial Intelligence (AI) and blockchain to create a secure, immutable record of each diamond from source to sale, enhancing transparency and consumer trust. Additionally, we employ various traceability technologies, such as the Sarine Diamond Journey and Provenance Proof, and synthetic diamond testing equipment, such as AMS Micro and AMS 2 by De Beers and D-Tect, to provide comprehensive visibility across the diamond's lifecycle. These tools collectively assure consumers of the diamond's origin and ethical processing while maintaining high standards of quality and production value. This multi-layered approach not only meets but exceeds industry standards for traceability and ethical sourcing.

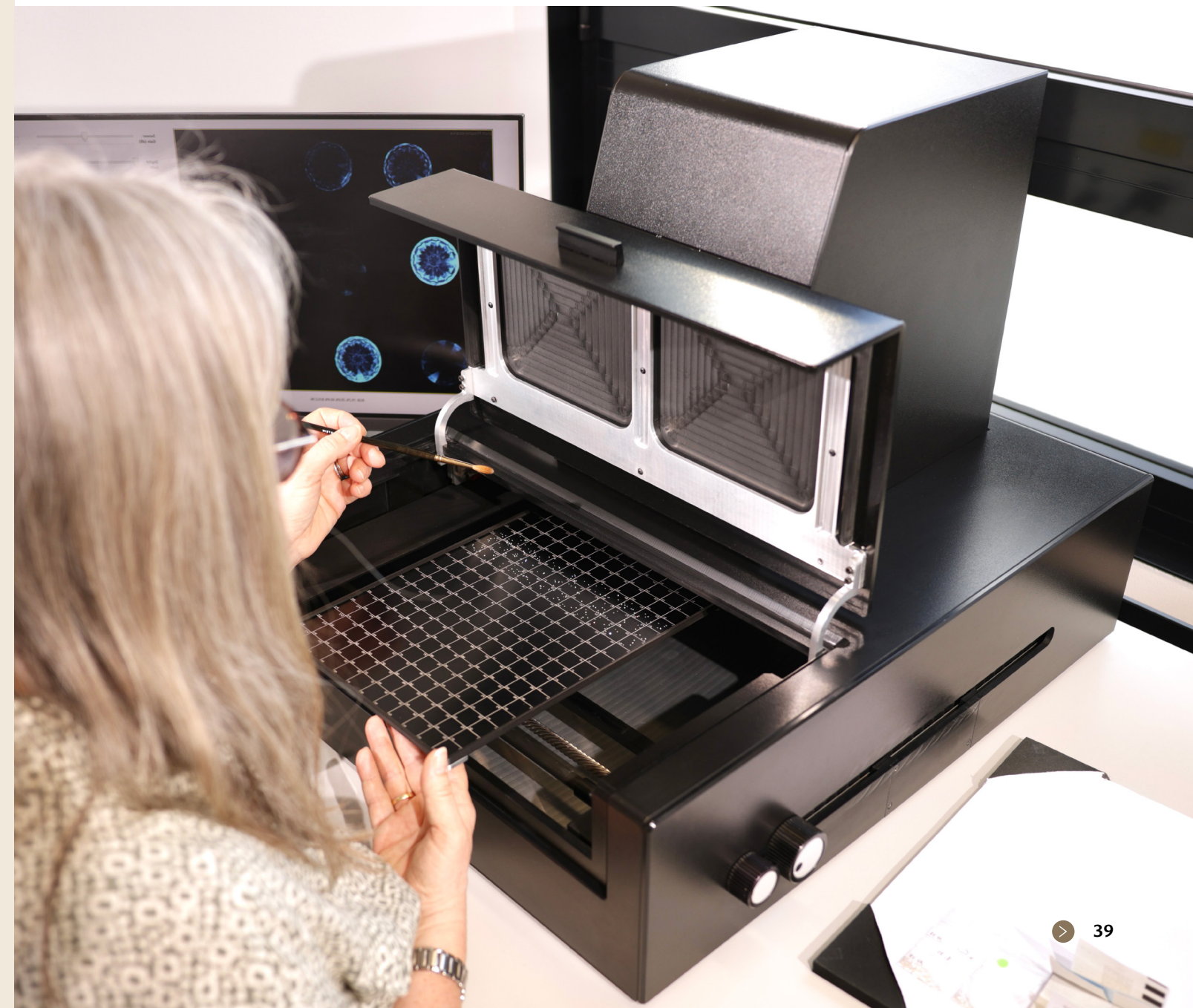


Strategic Partnership with Provenance Proof

KGK Suisse SA formed a strategic partnership with Provenance Proof, a Swiss traceability technology provider. This platform utilises blockchain to create a digital ledger that traces the journey of each gemstone from rough to finished product. As the first diamond supplier to adopt this technology, KGK Suisse SA has introduced groundbreaking nanomarker (nanolable) technology, achieving the highest level of traceability for diamonds smaller than 0.30 carats in the industry.

WHAT IS NANO MARKER TECHNOLOGY

In Nano Marker technology, diamonds are tagged with DNA-based nanoparticles that serve as physical tracers. Despite their small size, these nanoparticles pack a powerful punch when it comes to identification and tracking. They're completely invisible, even under the most powerful optical microscope, and they don't induce any optical effects on the gemstones they're applied to. This makes them the ideal solution for those looking to tag and track their precious gemstones without affecting their appearance or value. With this innovative DNA-based nanoparticles, you can enjoy unparalleled peace of mind knowing that your *melée* diamonds are protected, traceable, and easy to authenticate.



CREATING LONG-TERM VALUE

DETECTING SYNTHETIC DIAMONDS

We leverage cutting-edge technology to distinguish between synthetic and natural diamonds, supported by our investment in advanced testing equipment. Additionally, we collaborate with the world's leading laboratories to monitor technological advancements, ensuring our testing procedures are always up to date.

100%
Of all sold
diamonds are
tested

Testing equipment

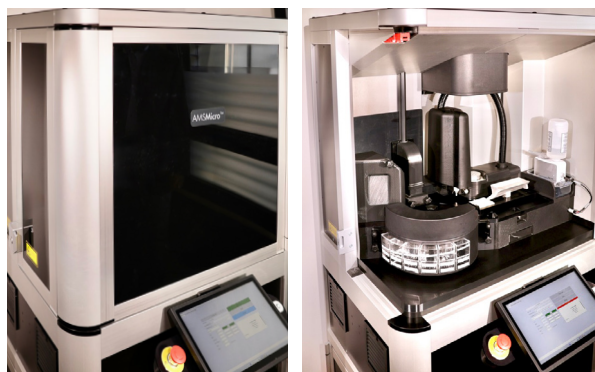
AMSMicro

(Automated Melee Screening Micro)

The AMSMicro is an automated melee screening instrument for diamonds ranging from 0.001ct to 0.0033ct. It efficiently screens large quantities of loose, colourless and near-colourless round-brilliant melee at speeds up to 2100 per hour. The instrument separates natural diamonds, lab-grown diamonds and simulants with a natural diamond referral rate of less than 3%.

AMS2™

The AMS2™ leverages advanced diamond research and measurement techniques to achieve low referral rates. It processes up to 3,600 stones per hour and accommodates various sizes and shapes, including round brilliants and fancy cuts.

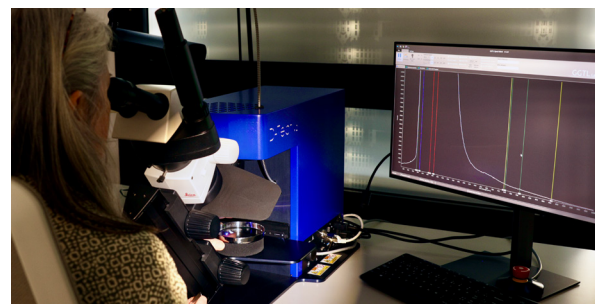
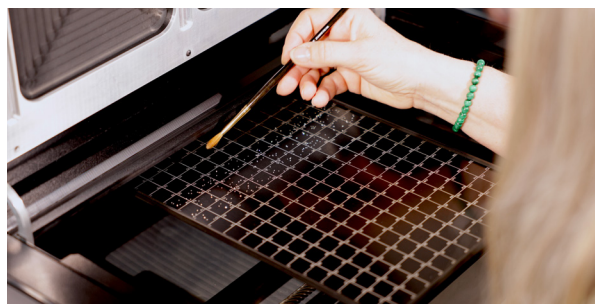


Synthdetect™

Synthdetect™ is designed to test both mounted and loose diamonds, ranging from colourless to near-colourless, including the smallest sizes. Device can test different types of jewellery, such as rings, earrings, bracelets, brooches and necklaces. Using time-resolved photoluminescence, the device displays an automated result that indicates whether the diamond is natural or requires further review.

D-Tect

The D-Tect is a non-automated screening device based on UV luminescence imaging and photoluminescence spectroscopy for mounted or loose diamonds (D-to-Z) of all sizes and shapes. The results provided by the D-Tect deliver a definitive evaluation concerning the nature of your stones, whether natural, laboratory grown diamonds or simulants.



Advancing Traceability through Sarine Diamond Journey and Tracr

Sarine and Tracr have established a strategic partnership to enhance diamond traceability through the development of an integrated solution. By uniting Sarine's comprehensive diamond journey data with Tracr's blockchain-based verification technology, this collaboration provides a sophisticated framework for verifying the origin and traceability of diamonds as they enter diverse markets. This integrated platform adopts a multi-layered approach that surpasses prevailing industry benchmarks, enabling KGK to deliver detailed provenance information.



SARINE DIAMOND JOURNEY

We employ Sarine's Diamond Journey technology, which provides a transparent record of a diamond's journey, from its origin to the final consumer. This system captures data at each stage, including rough birth registration, planning, sawing, shaping, polishing and grading. Sarine's advanced scanning and AI validation tools provide real-time data, ensuring precise tracking of each diamond within KGK's production process.

TRACR

As a De Beers Sightholder, we leverage their blockchain-based platform, Tracr, to ensure end-to-end traceability for our diamonds. Tracr creates an immutable record of a diamond's journey, ensuring its authenticity and ethical sourcing. The platform enables stakeholders across the diamond value chain to access and verify information about a diamond's origin, characteristics and ownership history. Tracr's integration with other technologies, such as artificial intelligence and the Internet of Things (IoT), further enhances its capability to track diamonds from mine to market. This comprehensive traceability solution addresses the growing consumer demand for transparency and ethical sourcing in the diamond industry.





ENVIRONMENTAL STEWARDSHIP

Pioneering a Greener Future

At KGK, we recognise the critical importance of balancing industrial progress with environmental preservation. We have strategically integrated sustainable practices into the core of our operations, implementing a comprehensive suite of initiatives designed to minimise our environmental impact, optimise resource utilisation and foster sustainability within our broader ecosystem.

Our multifaceted approach emphasises resource conservation and responsible environmental management. We have implemented energy-efficient solutions, including solar power adoption and innovative water management strategies such as rainwater harvesting and wastewater recycling.

These initiatives have provided us with an understanding of our current sustainability position, our key priorities and the actions needed on our part to contribute effectively to the fight against climate change. As we embark on this journey of transparent ESG reporting, we continue to reaffirm our commitment to driving sustainable practices in the diamond industry and beyond.

MATERIAL TOPICS

- GHG Emissions
- Energy Management
- Waste Management
- Water Management

KEY HIGHLIGHTS

Angola's operations are 100% powered by solar energy.

A total of 712 kW of solar capacity has been installed across our operations.

SDGs ALIGNED



ENVIRONMENTAL STEWARDSHIP

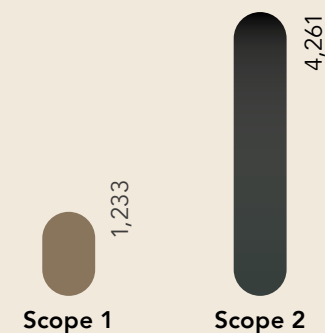
Emissions Management and Energy Efficiency

Our commitment to reducing our carbon footprint is driven by strategic renewable energy initiatives. We have successfully decreased GHG emissions across our major manufacturing facilities through solar energy adoption, with solar panel installations at our Botswana and Jasdan locations leading the way. While continuing to explore innovative energy-efficient technologies, we plan to expand these successful sustainability measures across all our operations.

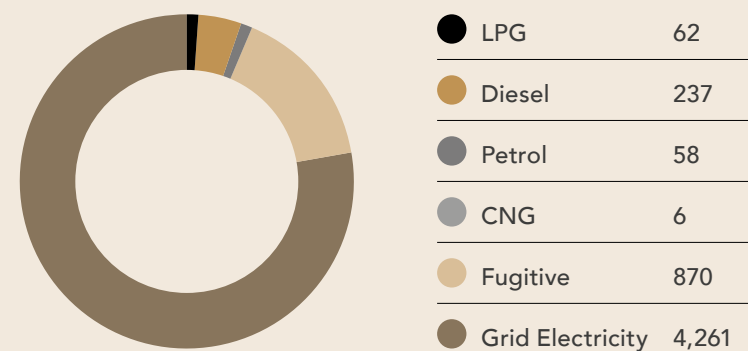
We are actively working towards establishing a net-zero target by developing strategic initiatives and prioritising green energy solutions, enabling us to align our operations with global reporting standards and climate action frameworks to build a more sustainable future for our Company. In line with these efforts KGK Diamonds is committed to become Carbon neutral by 2030.



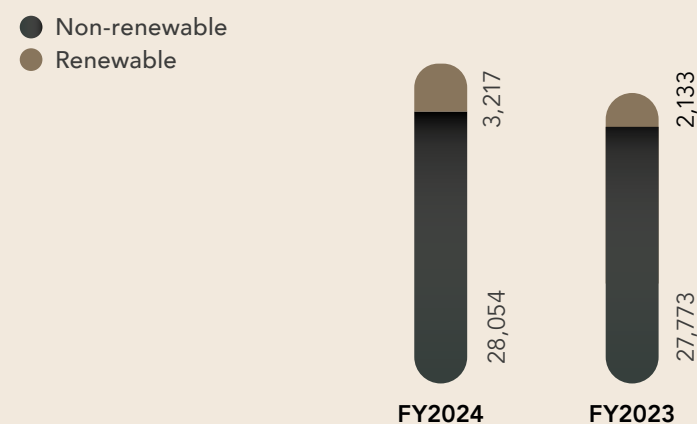
Total Emissions (tCO₂e)



Emissions through Non-renewable Sources (tCO₂e)



Total Energy Consumption (GJ)



CASE STUDY

Harnessing the Power of the Sun in Gaborone

In April 2022, we implemented a 462 kW solar power electricity system at our KGK Botswana factory. The system comprised photovoltaic (PV) panels strategically distributed across various roof surfaces to maximise energy capture throughout the day. Energy generated is consumed on-site or exported to the grid, with continuous performance data logging, ensuring accurate monitoring.

The solar installation has shown remarkable performance improvement over its first two years.

Our year-over-year solar energy generation increased by 19.4%, demonstrating improved system efficiency and marking significant progress toward our sustainability goals.

This initiative is crucial to KGK's strategy to reduce carbon emissions and promote renewable energy. Guided by our vision to power all operations entirely with solar energy in the future, the successful implementation of this project stands as a model for subsequent renewable energy initiatives. It also reinforces our commitment to balancing industrial progress and ecological responsibility.

5,61,241 kWh

Energy generated

266.6 tonnes

CO₂ avoided

April 2022 to
March 2023

6,70,103 kWh

Energy generated

318.3 tonnes

CO₂ avoided

April 2023 to
March 2024



Supporting Reforestation

We have partnered with Tree-Nation to offset carbon emissions by supporting reforestation projects worldwide. The detailed metrics highlight the number of trees planted, the resulting CO₂ offset, and the specific environmental benefits of these efforts, such as enhanced biodiversity and climate change mitigation. Find more information on this initiative at

www.kgkdiamonds.com

ENVIRONMENTAL STEWARDSHIP

Water Stewardship

Understanding our impact on water resources, we recognise the long-term value of a comprehensive water management strategy. At one of our facilities, we have successfully implemented a rainwater harvesting system that channels rainwater to irrigate the kitchen garden, alongside a wastewater recycling system that enables water reuse for irrigation, reducing our reliance on municipal supply. Further, we are evaluating water usage across our locations to expand practices similar to those of other facilities.

In FY 2024, we achieved a slight reduction in water consumption, using 62,760.6 kL compared to 65,205 kL in 2023. We remain dedicated to adopting advanced water treatment and utilisation technologies to continue optimising water use throughout our operations.



CASE STUDY

KGK Botswana's Sustainable Rainwater Harvesting for Resource Conservation

In 2021, we launched a rainwater harvesting and drip irrigation project to aid sustainable water management in a semi-arid climate. The rainwater harvesting system serves a 780 m² backyard vegetable garden within the KGK factory compound. It comprises a 10,000-litre underground tank collecting rainwater from a 2,752 m² roof area, a 1,50,000-litre storage tank, pumps, and a drip irrigation network. This integrated approach addresses the challenges of erratic rainfall and frequent droughts in Botswana while supporting KGK's sustainability goals.

Key advantages of this system include:

- Reduced reliance on municipal water sources
- Decreased energy consumption associated with water supply
- Long-term cost savings on water expenses
- Prevention of soil erosion and flooding through controlled water use
- Improved plant growth with untreated rainwater, free of chemicals
- Higher crop yields due to efficient drip irrigation with minimal water usage
- Enhanced sustainability through vegetable production in the Company's backyard garden
- Lower need for fertilisers and pesticides due to precise water distribution

As climate change affects water availability globally, this initiative showcases the tangible benefits of integrating rainwater harvesting with efficient irrigation techniques.



CASE STUDY

Redefining Water Usage with KGK's Zero-Waste Approach to Wastewater

In November 2021, we launched a wastewater recycling initiative by implementing a comprehensive Wastewater Treatment (WWT) Plant at our Botswana facility. The plant is capable of recycling up to 20,000 litres of wastewater daily. It employs a sophisticated three-phase treatment process that deploys a state-of-the-art treatment system comprising anaerobic, anoxic and aerobic phases to handle both "black" (toilet) and "grey" (washing, showering) water. This design ensures optimal reduction of organic matter, nitrogen and pathogens in the wastewater. The plant's robust design allows it to tolerate variable inflows and withstand power outages, ensuring continuous operation even under adverse conditions.

Safety is paramount, with strict protocols for all personnel involved in the plant's operation, including proper isolation procedures during maintenance and guidelines to avoid contact with untreated effluent. Further, the plant adheres to a rigorous maintenance schedule outlined in its Operational and Maintenance Manual to maintain peak performance. This includes daily checks of aeration pumps and grease traps, weekly monitoring of bioreactor pumps, monthly de-sludging of the clarifier and yearly servicing of all components.

Since its commissioning, the plant has successfully treated and recycled 18 million litres of wastewater. The plant's low-maintenance, high-efficiency design showcases how modern technology can effectively address environmental challenges while enhancing operational sustainability in the industrial sector.



ENVIRONMENTAL STEWARDSHIP

Waste Management

At KGK, we have envisioned a comprehensive and innovative waste management strategy to handle waste effectively.

Our Botswana facility operates under a zero-waste policy, undertaking initiatives to compost organic waste and reduce food waste. We have implemented a meticulous waste segregation system, ensuring that recyclable materials are systematically sorted and processed. Further, on-site composting facilities convert kitchen and garden waste into nutrient-rich soil amendments.

Through regular employee training on waste management best practices, we are actively cultivating a circular economy model within our operations. We are committed to making ongoing progress toward our waste management goals and strengthening our disclosures in the future.

Looking ahead, we will explore partnerships with technology providers and local waste management authorities to enhance resource recovery and recycling efficiency. We are also evaluating opportunities to implement closed-loop systems across our operations to ensure that materials used in manufacturing and packaging are reintroduced in the value chain wherever possible.



Biodiversity Conservation

We are committed to preserving biodiversity and embedding sustainable practices into our core operations through a comprehensive, proactive approach. This includes extensive monitoring programmes, collaboration with local environmental organisations, awareness campaigns and training programmes to educate and empower our team to become active environmental stewards.

Restoration of Jal Mahal and Man Sagar Lake in Jaipur

As part of our commitment to biodiversity conservation, we spearheaded the restoration of Jaipur's iconic Jal Mahal and Man Sagar Lake, transforming a polluted water body into a thriving ecosystem. The extensive cleanup removed over two million tonnes of toxic silt, installed water treatment systems and revived the lake's ecological balance.

Complementing these efforts, we established a nursery with 80,000 plants spanning 150 varieties and transplanted 40 ancient peepal and banyan trees, each over 250 years old, to enrich the site's greenery. Till date, 70 Champa trees, 1,000 Inasmi trees, and numerous Ficus Panda, Ashoka, Cicus Palm, and China Palm have been planted. Additionally, native Aravalli species such as Roheda, Gullar, Sheesham, and Ronjh have been introduced, further enhancing the habitat.

These efforts have turned the lake and its surrounding wetlands into a sanctuary for diverse species, including 189 bird species (133 resident and 52 migratory) and 60 reptile species. Native vegetation, including flowering and fragrant plants, has also been revitalised, supporting pollinators and fostering a vibrant habitat. This restoration underscores our unwavering dedication to preserving and enhancing biodiversity.

Read more on our Jal Mahal and Man Sagar Restoration project on page 57



SOCIAL EMPOWERMENT

Promoting Progress for People and Society

Embedded in the core of KGK Group's legacy is a steadfast commitment to the upliftment and empowerment of the communities we serve. We recognise that our success is inextricably linked to the well-being and progress of the people and societies we impact.

Through a diverse portfolio of social responsibility initiatives, we have made it our mission to create lasting, positive change. From providing access to quality Healthcare and education to fostering entrepreneurship and economic opportunities, our efforts are driven by a deep-rooted belief that business excellence and social development must go hand in hand.

By investing in the holistic growth of our stakeholders, we aim to unlock the transformative potential within each community, ultimately contributing to a more equitable and prosperous world.

MATERIAL TOPICS

- Supply Chain Management
- Talent Attraction and Retention
- Social Impact and Communities
- Diversity and Inclusion
- Employee Health, Safety and Wellness
- Human and Labour Rights

KEY HIGHLIGHTS

We have 5,000+ employees across the globe.

The compensation offered to our people is above minimum wage levels

The average local employment rate is 72% (for our operations outside India).

We restored the 300-year-old Jal Mahal Water Palace and Mansagar Lake in Jaipur, India spending INR 300 millions, over a period of six years.

Over 33,000 students were supported in Rajasthan, India, from kindergarten to post-graduate and in vocational training institutes.

SDGs ALIGNED



SOCIAL EMPOWERMENT

Community Engagement and Enrichment

KGK's century-old legacy has ingrained in us the importance of giving back to society and collaborating in efforts to advance and enrich it. We actively undertake community development efforts in the areas of education, healthcare and restoration of historical landmarks.

Educational Initiatives

At KGK, we are investing in the education of youth, cutting across age groups and domains, to maximise their reach and access to education. In Rajasthan, India, we work with the SS Jain Subodh Shiksha Samiti, which supports more than 33,000 students, right from children attending kindergarten/ playgroups to young adults attending undergraduate or post-graduate colleges, or vocational training institutes, across specialities such as teachers' training, Master of Business Administration (MBA) and Master of Computer Applications (MCA) and law.



Learn more at

www.subodhshikshasamiti.org

1

Khilti Pari Foundation

We undertake various initiatives that focus strongly on the education and empowerment of women. In India, we support the Khilti Pari Foundation, an NGO established by the KGK Group to support marginalised girl children in the state of Rajasthan. The Foundation is active in several areas – from provision of education to girl children and increasing digital literacy, to creating awareness about menstrual health and hygiene, puberty, sexual maturity and sexual exploitation. Our support covers the sponsorship of education for 50 girls. We also support the provision of supplementary classes and special coaching to ensure that the girls understand their school lessons and perform well academically. Additionally, the Khilti Pari Foundation also provides optometric testing support to students. Further, we undertake livelihood generation activities for women to enable village women to become financially independent and improve their position within the family and society.



Learn more at

www.khiltipari.org

2

Upskilling Local Talent and Generating Employment

The KGK Academy in Surat, India and Gaborone, Botswana aims to upskill our workforce by offering courses in diamond and coloured Gemstone processing, polishing, grading and quality control. The Academy offers both free and reasonably priced paid courses to ensure maximum number of students can benefit from them. To enhance the global standing of the diamond and gem processing industry, our Indian and Botswanan academies are focused on cultivating top-tier talent. These countries already have a strong foundation in these areas, and our efforts aim to build upon this existing expertise, further bolstering the industry's capabilities.

Since FY 2014, the KGK Academy has trained and skilled more than 1,200 students, a large majority of whom are also employed with KGK. Further, there has been a steady increase in the number of graduating students, which demonstrates the popularity and demand for these courses. We remain committed to providing employment to the graduates from our Academies and our leaders have reiterated this assurance at the



Watch the video to know more

annual graduation ceremonies. KGK Academy graduates are fully trained in industry needs and on the latest technologies, which makes them 100% employable. We also offer skill trainings at our Mumbai facilities absolutely free-of-cost. Youth above 18 years, who may or may not be graduates, are eligible for these courses, thus opening opportunities to more people. For outstation students, we offer free accommodation. KGK also provides a stipend to all trainees.

The KGK Academy in Botswana is the only government-accredited private facility that provides training in diamond cutting, polishing and Jewellery manufacturing. It also offers technical education and personal development workshops. Further, several cutting-edge processing technologies such as Optimus have been introduced to improve skill levels and employability options. These valuable skills and certifications will vastly increase the prospects of the local youth as diamond mining and processing is Botswana's primary industry.

3

Collaboration with the Ekal Vidyalaya Foundation

Our support for primary education is channelled through the Ekal Vidyalaya Foundation which works exclusively in rural India to catalyse integrated development. During the reporting year, we sponsored 629 schoolchildren across 21 villages in Rajasthan. These primary schools follow a unique single-teacher model and are effective means of bringing literacy to remote, often tribal-dominated areas, by locating the school within the village. KGK's partnership with the Foundation helps us fulfil our goal of spreading education amongst first-time learners.



Learn more at

www.ekal.org/us

SOCIAL EMPOWERMENT

In the African continent, KGK targets recruiting more than 1,000 youth in the near future. Currently, we employ 739 local persons across our facilities in Namibia, Botswana, South Africa and Angola, with an average of 72% of our employees across Africa being locals.

To integrate ourselves deeper into the skill development system, we have also tied up with Botho University, one of Botswana's leading tertiary education providers, to offer internships. Our recently opened Jewellery manufacturing facility in Botswana already employs around 45 people and plans to scale up to 500 soon.

We also involve smaller community groups, the specially abled and the critically ill in our vocational training outreaches. Further, we support Diamonds for Hope, a not-for-profit that works with cancer patients for their productive employment.

Local employment

83
In Angola

348
In Botswana

152
In Namibia

156
In South Africa



KGK promotes a variety of local talent with the intent of creating role models. We provided financial assistance to Casia Sharpley, Miss Universe Namibia 2022's Honeycomb Haven Foundation Project.



Page 20

Miss Botswana is the Face of KGK Diamonds

- Chombo's gaze is set on that blue Miss World crown in May
- Will kick off her Beauty With A Purpose project in Malolwane on Saturday

GAZETTE REPORTER

Miss Botswana 2023 has kicked off the new year with an official announcement that she is the Face of KGK Diamonds. Alongside Botswana's king of the tracks Nigel Amos, Lesego Chombo was a showstopper at the official inauguration of KGK Diamonds and Entice launch in Gaborone last week where President Mokgweetsi Masisi and the First Lady Neo Masisi were in attendance.

The relationship between Miss Botswana and KGK Diamonds dates back to the creation of the new official Miss Botswana crown that was gifted to Chombo at the Miss Botswana grand finale in October last year.

A great year ahead
"As the Miss Botswana Organisation, we look forward to a great year with our partner KGK Diamonds and are grateful for their impact on Chombo's reign," said Miss Botswana Organisation's PR and Communications Executive, Tshepo Solomon.

Beauty with a Purpose
The Maun native will officially go out onto the street to launch her Beauty With A Purpose project in Malolwane on Saturday 27 January 2023.

Chombo on her project
The Project aims to create a conducive environment for the benefit of economically-disadvantaged children through a developmental programme that will equip their parents with the

skills and behavioural attributes that they need to promote their children's emotional, social and cognitive well-being. The project ultimately aims to bridge the gap between the environment that children in rural and poverty-stricken homes grow up in versus those in urban and economically stable homes. The programme is co-facilitated by stakeholders such as psychologists, teachers, pediatricians

and social welfare professionals whose role is to impart accurate and sustainable knowledge on such parents. Said Chombo: "As part of my project, I am also hosting developmental outings for economically-disadvantaged children comprising specialist medical checks, educational activities and introduction to artistry, the goal of which was to expose the children to a conducive environment



Former Miss Botswana title winner, has been a brand ambassador for KGK. KGK Manufactured the Crown that the Miss Botswana 2023 adorned at the crowning ceremony.

Encouraging Sports among Young Adults

KGK Botswana collaborates with sports associations, such as the Botswana Table Tennis Association, to offer skills development and job opportunities to young athletes. This allows athletes to pursue careers beyond sports and to gain greater financial security. Similarly, we have partnered with the Botswana Society for the Deaf since 2022, to offer training and employment.

Acting on our commitment to create employment for the specially abled, we partner with the Botswana Society for the Deaf to train and upskill hearing impaired persons. Currently, 20 such persons are employed with us and we are developing aids to better integrate them into the work environment. A specially designed sign language manual is one such effort.



SOCIAL EMPOWERMENT

Healthcare Initiatives

Rising cancer rates along with very low detection rates have been increasing the cancer burden in India. Realising this problem early, in 1997, the KGK Group established the Bhagwan Mahaveer Cancer Hospital and Research Centre (BMCHRC) in Jaipur, Rajasthan. The 350-bedded BMCHRC is the only super speciality cancer treatment hospital in North India that is exclusively dedicated to oncology care. Over the last 27 years, the hospital has provided medical care to more than 2,20,000 patients from all across Rajasthan and neighbouring states. The end-to-end oncology care services offered ensure that patients and their families face minimal problems in tackling this complex disease. This NABH-accredited hospital is equipped with the latest facilities and has received multiple accolades over the years. We have also installed 220kW solar capacity on the rooftop of the hospital as a part of our renewable energy adoption initiative.

At our Botswana and Namibia facilities, regular blood donation drives are organised for employees and community members.

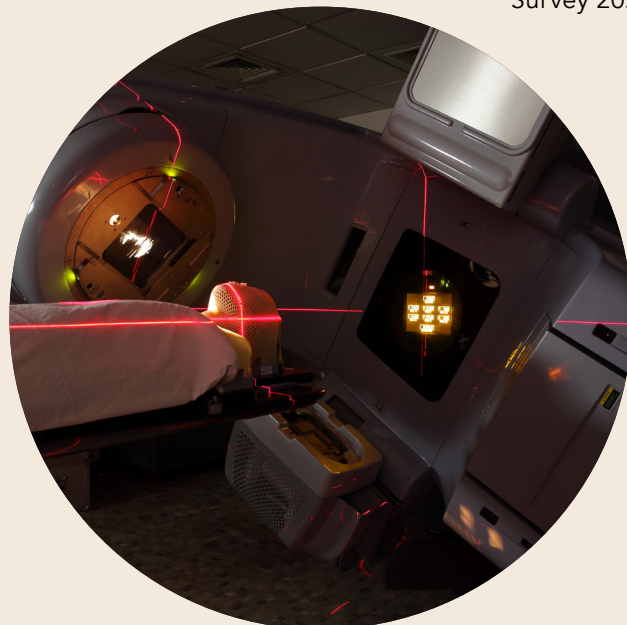


Awards Received by BMCHRC in 2024

Recognised as the Best Single Specialty Hospital at the National Awards for Excellence in Healthcare in July 2024.

Honoured in 2024 with the Outstanding Contribution Award at H.O. Con 2024, India's first-ever Healthcare Owners Conclave.

Ranked as the No. 1 Single Specialty Hospital in the North Zone and No. 8 nationally by the Times Health Survey 2024.



Over 100 units

Every year, KGK donates more than over 100 units of blood to Botswana's National Blood Transfusion Laboratory.



Restoring Jaipur's Jal Mahal Palace:

Reinstating a Proud Legacy and Our Cultural Identity

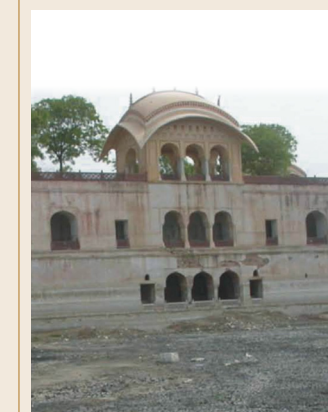
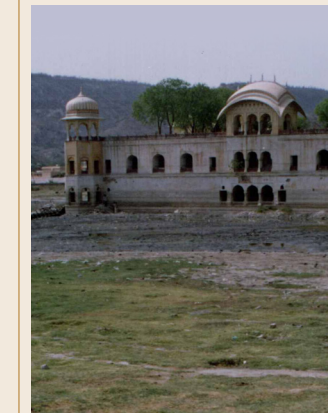
Jaipur's Jal Mahal Palace situated in the midst of the serene Man Sagar Lake, was conceived as a beautiful and indulgent retreat. Overlooking the ancient Aravalli range, it was built in the late 17th -early 18th century during the reign of Maharaja Jai Singh II. The water-bound palace had been a pleasure pavilion for generations of Jaipur's royal families, hosting private ceremonies and lighting up for musical and dance soirees and fireworks displays.

However, with royal patronage long gone, this architectural jewel had fallen into disrepair. The Man Sagar Lake had turned into a dumping ground of sorts as Jaipur's urban sprawl expanded and had become clogged with sewage. The palace walls suffered extensive seepage, with its many arches and chatris damaged and broken, losing their natural colours after long exposure to the elements. The crowning glory of the palace – Chameli Bagh, the terrace garden atop the three-storeyed structure – was dilapidated and stripped of its vegetation and adornments.

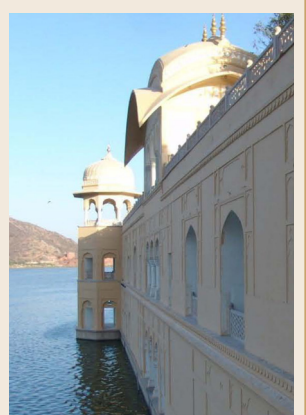
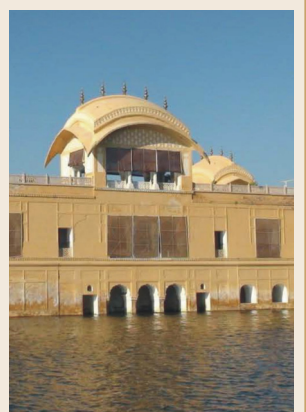
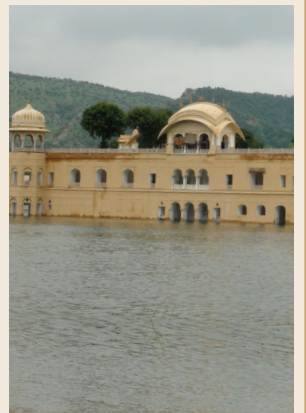
The Rajasthan government invited private participation for the restoration of the palace and the 310-acre lake and the KGK Group came forward. The company put together a team of professionals from India and abroad that included engineers, architects, historians, ecologists, traditional master craftsmen and experts in art, culture and design. The intent was to rebuild and restore this historical icon in a way that it could integrate fluidly with the old cities of Jaipur and Amber in terms of art and design while remaining hospitable for native flora and fauna, and accessible for modern visitors. Six years of painstaking effort went in as every aspect of the project was reviewed, designed, planned and executed, in detail.

The lake underwent a massive transformation. Since the 1960s, Jaipur's drainage consisting of raw sewage and industrial effluents has been emptied into this lake. This resulted in the deposition of two million tonnes of toxic silt. This was dredged and a water treatment system was installed to treat the water. Following the cleanup, local vegetation, fishes and migratory birds returned to the lake and its surrounding wetlands.

BEFORE



AFTER



SOCIAL EMPOWERMENT

Empowering Our People

At KGK, we place immense value on our employees by fostering a supportive and inclusive work environment that encourages personal and professional growth. We invest in employee development through training programmes, skill enhancement and career advancement opportunities. Recognising the importance of work-life balance, we ensure a healthy and positive workplace culture. We undertake a range of initiatives to celebrate their achievements, acknowledge their contributions and empower them to succeed.

Employee Health and Wellbeing

Employees form the foundation of our business and the path to our future. Taking measures to promote their health and well-being – both physical and mental – is an essential aspect of our organisational harmony. Since our operations are spread across multiple countries, we take cognisance of the unique needs and priorities of our local employees in designing and rolling out health and wellbeing programmes. This helps us develop a deeper connection with our workforce.



1

Ergonomically Designed Workspaces

Diamond processing is a sedentary task requiring focused attention and precise, careful movements. It primarily involves the use of the eyes, hands, and upper torso, which can lead to specific health issues. Taking a proactive and progressive stance towards these work characteristics, KGK commissioned an ergonomics assessment of its Surat work facilities in November 2023, aligning with the Occupational Health and Safety Administration (OSHA), the American Conference of Governmental Industrial Hygienists (ACGIH) and National Institute of Occupational Safety & Health (NIOSH). The findings revealed that all 12 surveyed activities were safe and carried minimal risk. The work environment was fully compliant, with proper lighting and worker comfort adequately ensured.



2

Employee Health and Safety Practices

KGK is committed to maintaining a safe and healthy workplace that prioritises the well-being of its people. All our facilities are equipped with standard safety equipment such as smoke detectors, fire extinguishers and emergency kits with clear marking of entry and exit routes and assembly points. All our employees are provided with regular health and safety training and we have dedicated staff trained in handling emergencies. This helps them to stay updated with best practices related to emergency handling. We follow established safety protocols in all our daily operations to minimise any safety risks. Further, our plants have health centres to ensure employee well-being and to address emergency or minor health complaints.



SOCIAL EMPOWERMENT

3

Efforts to Lower the Incidence of Terminal Illnesses

Dedicated to saving lives in the fight against cancer, KGK organises breast cancer awareness and detection camps across its facilities in India and Africa. To spread awareness about cancer detection and cure, we collaborate with well-known personalities such as Miss Millennium Botswana 2023 and Betty Mbaembae, a model and breast cancer survivor. Free breast cancer screenings are organised for our women employees aged over 40 years, across Africa and India. In India, these camps are held in partnership with institutions such as BMCHRC. Such initiatives promote early detection and healthier lifestyles within the community and highlight our focus on promoting a women-friendly workplace and providing the support they need to maintain good health.



4

Promoting Sports for a Healthier Lifestyle

To encourage our employees to adopt an active lifestyle, we promote and sponsor a host of sports activities. These include annual sponsorships of football, netball and cricket teams across our operations. We also host annual sports days that see enthusiastic participation from our employees. This commitment to nurturing employees was recently rewarded when Kealeboga Moremi and Bonolo Majoni from KGK Botswana won laurels at the BDMA Football League, with Moremi being named the Best Goalkeeper. It has always been our endeavour to nurture the different talents that our employees have, and this success has been very heartening for us.

KGK Diamonds Botswana's sponsorship of the Botswana Table Tennis Association provides young athletes with both skilling opportunities and job placements, promoting financial security and national sports development. To date, this initiative has positively impacted nearly 25 promising players.



5

Engaging with Our People

At KGK, we focus on ensuring high productivity and employee engagement through a judicious mix of rewards and recognition, engaging activities, upskilling and employee support. Notably, nearly three-fourths of our workforce are permanent employees, a testament to our commitment to long-term employee growth in an industry where contractual labour is prevalent.

As a high-growth organisation, we regularly recruit in significant numbers from the areas where we run operations. For instance, at our Mumbai operations, we had a 20% new hire rate during the year, while at our South Africa and Namibia operations, the new hire rates were 19% and 24% of the total workforce, respectively.

A highly engaged workforce leads to higher productivity, lower attrition and greater workplace camaraderie and we try to achieve this through a number of creative initiatives. At our India facilities, Mother's Day was celebrated with great enthusiasm, with more than 100 mothers who are part of the workforce, participating in the day's activities. We recognise and celebrate the immense contributions of mothers who balance professional commitments with family care.

Another unique, fun-filled event was held on April 1, at our India facilities, as we embraced the playful spirit of April Fool's Day with an event that was filled with fun pranks, humorous activities and surprises. Such events help to turn the workplace into a vibrant and joyful place for all our employees.

Market-competitive remuneration commensurate with employees' skills and abilities is a basic requirement for high employee engagement and productivity. We provide fair pay to all our employees. We also recognise and reward high performers with special accolades and incentives. Our reward and recognition programmes across operations include Employee of the Month in each department, Manager of the Month and Best Newcomer, among others. Each award recipient is celebrated for their exceptional performance, leadership, innovation and positive impact on the organisation. To show our appreciation towards our committed employees and to reduce attrition, we also reward long-standing employees who have been with the Company for over four years with gift hampers and cash prizes.



100%
Return-to-work rate from maternity leave

SOCIAL EMPOWERMENT

Diversity and Inclusion

KGK is an equal opportunity employer and remains fully compliant with all relevant international, national and local laws related to equal opportunity for our employees, and contractual staff. We are dedicated to implementing fair employment practices that foster a diverse workplace. Our practice is to nurture and promote talent solely based on merit and performance. Our employment decisions are made without discrimination, considering only job-related criteria and individual skills and experience, regardless of race, colour, religion, creed, sex, sexual orientation, age, nationality, citizenship, physical disability, marital status or any other legally protected status. This policy applies to all aspects of employment, including hiring, placement, promotion, demotion, transfer, compensation, benefits and training.

Training and Development

We conduct extensive training for all levels of our employees. At those locations where there is a higher percentage of entry-level workers, the training focus shifts to delivering extensive training on upskilling. For instance, at our Mumbai location, 506 employees underwent training during the year, with an average of 19 hours of training provided during the year.

86% Participation in Health & Safety trainings	6 hours Average training hours per employee	30,002 Total training hours across KGK	100% Employees received performance appraisal
--	---	--	---

Human Rights

KGK is deeply committed to upholding human rights in all its operations. Given the sensitivities and complexities surrounding human rights compliance within the diamond industry, we implement rigorous measures to ensure our commitment. All employees undergo mandatory human rights training and regular assessments to raise awareness and promote ethical practices. This includes understanding and respecting the rights of workers, communities and the environment. Additionally, we maintain open communication channels to address any concerns or issues related to human rights, demonstrating our dedication to continuous improvement and transparency.

Breaking Barriers: Equal Opportunities for the Deaf Community

Acting on our commitment to build a diverse workforce that embraces differences to forge new strengths, our engagement with the Botswana Society for the Deaf has enabled us to train and recruit talented hearing-impaired individuals. So far, 20 hearing-impaired people are employed in various diamond cutting/polishing roles. We have also developed a manual in sign language for them to address common queries and help them do their daily work more easily. We are also sponsoring a school for the deaf in Ramotswa.



TESTIMONIALS FROM OUR HEARING-IMPAIRED WORKFORCE

"You can see people who can hear working on diamonds everywhere. There are no deaf workers. I want to be treated equally."

"After 6 months of training here, you can transition into a real career in the field. Nobody is thrown out of here. If you can't complete the training at one go, you get a chance again."



Watch the video to know more

Encouraging and Empowering Our Women Employees

We are committed to supporting our women employees by providing facilities that allow them to work comfortably and at peak productivity. Eligible women employees can avail 26 weeks of maternity leave. The UN Millennium Project Task Force on Education and Gender Equality has already suggested that small, practical steps can reduce gender-based inequalities, thereby reducing poverty and enhancing community well-being. Some of our manufacturing facilities provide free creche and daycare facilities called KGK Kids. The KGK Kids initiative provides a safe, comfortable environment for children, offering working mothers peace of mind and flexibility. These creches cater to children's learning needs while allowing mothers to visit and check on them during work hours. Currently, 27 children benefit from our creche and daycare facilities in Botswana.

TESTIMONIAL

"Since my child started attending KGK Kids, I have noted a great difference in terms of discipline, confidence, and general well-being. At another level, the crèche has greatly impacted my life in terms of mental health, finances and overall performance. Because I am not anxious about my child's school fees or what is happening to him when I am at work, I am relaxed and free to multitask and work optimally."

GOITSEONE SEGAISE
An Accounts and Compliance Officer at KGK-Botswana





ROBUST GOVERNANCE

Building an Ethical Business



At KGK Diamonds, we are committed to operating our business in an ethical, transparent and responsible manner. Robust corporate governance is a critical component of our operations. It enables us to maintain the trust and confidence of our stakeholders, including our investors, customers, employees, suppliers and the broader community, while mitigating risks and seizing opportunities.

Our corporate governance framework ensure that our Company is governed by high standards of integrity, accountability and efficiency, which in turn supports our long-term sustainability and competitiveness.

MATERIAL TOPICS

- Risk Management
- Traceability and Responsible Sourcing
- Business Ethics
- Customer Centricity
- Regulatory Compliance
- Corruption and Bribery

SDGs ALIGNED



ROBUST GOVERNANCE

Corporate Governance Structure



NAVRATAN KOTHARI
Chairman



SANJAY KOTHARI
Vice-Chairman



SANDEEP KOTHARI
Managing Director



SUNIL AGARWAL
Chief Financial Officer (EMEA)



KELLY ATLASS
Partner
(Atlass EN Co, Belgium)



ASHISH CHAVAN
Lead ESG & Sustainability



NITIN DHADDA
Chief Manufacturing Officer



AMIT GHIYA
Chief Financial Officer (India)



NEERAJ JAIN
Sales Director - Thailand



RAJESH JAIN
Rough Procurement
(International)



DINESH KOTHARI
Chief Commercial Officer
(India)



SONU KOTHARI
Partner (USA)



VIVEK MEHTA
Sales Director - China HK



HASMUKH RAMANI
Chief Commercial Officer
(International)



PATRIK SCHAEFER
Partner (Switzerland)



RADHIKA VAIUDE
Company Secretary

Responsibilities of the Board

The Board of Directors play a crucial role in guiding the Company's strategic direction and ensuring robust governance. Their responsibilities include overseeing the management team, making key decisions on corporate policies and ensuring compliance with legal and ethical standards. The Board also safeguards the interests of stakeholders by evaluating financial performance, risk management and sustainability initiatives. They actively address sustainability-related matters by integrating environmental and social considerations into business strategies and operations. Through their leadership and oversight, the Board ensures that KGK Diamonds operates with transparency, integrity and accountability, fostering long-term growth and success.

Business Ethics

We uphold the highest standards of business ethics across all geographies of our operations. We adhere to strict codes of conduct that promote fair and equitable practices. We promote transparency and respect in our relationships with suppliers, partners and customers, encouraging employees to report any unethical concerns. Additionally, we conduct regular audits and monitoring to ensure compliance with local laws and regulations, and we remain vigilant in our efforts to prevent corruption.

We prioritise stakeholder interests in all business decisions, considering the impact on stakeholders, customers, employees, suppliers, business partners and local communities. To ensure consistent compliance with regulations, we have implemented a sophisticated monitoring system, including a detailed Compliance Register and dedicated Compliance Officials at both group and entity levels. They maintain current knowledge of regulatory requirements through regular consultation with statutory auditors, trade associations and regulatory agencies, while engaging external consultants to stay informed about new regulations and amendments.

Code of Conduct

The KGK Group Code of Conduct is a fundamental framework that guides the ethical and responsible behaviour of all KGK companies, including KGK Diamonds. It embodies our commitment to uphold human rights, fair labour standards, environmental stewardship and anti-corruption practices. This Code applies to all employees, ensuring that our operations are conducted with integrity and respect across all levels of the organisation. Any violations of the Code are taken seriously and dealt with strictly to maintain the highest ethical standards. By adhering to these principles, we foster a culture of transparency and accountability in every aspect of our business.

Policies

We have established comprehensive policies that provide clear guidelines and expectations for ethical behaviour, compliance and operational excellence across the organisation. These policies help create a consistent framework for decision-making, ensuring that all employees understand their roles and responsibilities. They also enable us to proactively address challenges and opportunities in a dynamic business environment.

- **ESG and Sustainability Policy:** This policy enables us to operate ethically and responsibly, with a focus on minimising environmental impact, respecting human rights and employee well-being, and contributing positively to the communities where we operate, while maintaining strong corporate governance.
- **Prevention of Sexual Harassment (POSH) Policy:** Our POSH Policy outlines our commitment to prevent sexual harassment through clear guidelines, reporting procedures and enforcement mechanisms to ensure a safe workplace.
- **Responsible Sourcing Policy:** We follow the Organisation for Economic Co-operation and Development (OECD) guidelines and implement strict due diligence in sourcing, ensuring all diamonds are conflict-free and suppliers maintain ethical practices aligned with international standards.
- **Human Rights Policy:** Our human rights policy is founded on the UN Universal Declaration of Human Rights, ensuring all our employees are treated with dignity and respect. We conduct human rights due diligence, prohibit harassment and discrimination, and train our security personnel to respect human rights and use minimal force.
- **Anti-bribery and Anti-corruption Policy:** We prohibit bribery and corruption in all our business dealings, refusing to offer, accept or condone any inducements that compromise fair competition or influence decision-making. We actively monitor bribery risks, encourage reporting and have a zero-retaliation policy towards employees who report corrupt practices.
- **Health and Safety Policy:** We maintain comprehensive workplace safety through regular risk assessments, employee health monitoring and strict implementation of Health, Safety and Environment (HSE) protocols guided by detailed safety manuals and training programmes.
- **Non-discrimination Policy:** We strictly prohibit discrimination in all employment practices, including hiring, promotion and training, based on factors such as race, gender, religion or health status. We protect employees against retaliation for reporting violations and ensure fair treatment for all.

Risk Management

At KGK Diamonds, we recognise that internal and external risks ranging from market fluctuations and supply chain disruptions to operational challenges and regulatory compliance can impact our operations. We employ a comprehensive risk management process that involves identifying, assessing and mitigating potential risks across our operations. We integrate risk management into our strategic and operational planning, ensuring that risks are proactively addressed to minimise impact.

RISK MITIGATION

We have implemented comprehensive risk mitigation strategies to safeguard our business and maintain our commitment to quality and customer satisfaction. We have identified key risks and developed comprehensive mitigation measures to address them. Undisclosed synthetics in rough diamonds while receiving as well as during the internal movement of diamonds, pose significant challenges. To mitigate the risks, we undertake robust product security measures and implement stringent policies and procedures for supplier verification, diamond testing and screening, traceability and internal factory controls. Additionally, regular training programmes are provided to employees to enhance their ability to identify synthetic diamonds, adhere to ethical practices and understand the importance of full disclosure.



Furthermore, we address risks associated with sourcing from Artisanal and Small-Scale Mining (ASM) through the monitoring of site conditions and practices. We provide training, technical assistance, advice to improve working conditions, reduce environmental impacts and enhance health and safety standards. These measures reflect our commitment to implementing strong and effective mitigation strategies across our operations.

ROBUST GOVERNANCE

Industry Associations

To ensure responsible sourcing and ethical practices within the diamond industry, we have partnered with several prominent organisations:

- Responsible Jewellery Council (RJC)
- Kimberley Process Certificate Scheme (KPCS)
- The Gem and Jewellery Export Promotion Council
- Federation of Indian Chambers of Commerce and Industry - Delhi
- Rapaport USA INC
- Botswana Diamond Manufacturers Association
- Bharat Diamond Bourse
- Diamond manufacturing association of Namibia
- Federation of Indian Export Organisations
- Legal Entity Identifier India Ltd.
- The Jewellery Council of South Africa
- South Africa Diamond Manufacturers Association
- The Rough Diamond Dealers Association of South Africa

De Beers BPP Audits

At KGK Diamonds, we meticulously track each diamond from rough Stone to polished diamond to maintain tight supply chain control and deliver consistent quality. Due to our commitment to quality and ethical standards, we have been a De Beers Sightholder since 1997.

Since its launch in 2005, we have been adhering to the De Beers Best Practice Principles (BPP), demonstrating our commitment to ethical business practices and corporate responsibility. By complying with the BPP, we ensure all aspects of our operations meet high standards of integrity, accountability and transparency. This compliance reinforces consumer trust in the diamond industry and enhances our reputation for maintaining ethical standards.

A dedicated BPP Coordinator ensures the implementation and adherence to BPP across all entities. Detailed policies and procedures guide our operations on a wide range of ESG topics, including ethical standards, anti-bribery, financial integrity, responsible sourcing and human rights. We mandate strict compliance with national and international laws, particularly regarding money laundering, terrorism financing and labour practices. We are committed to full transparency in our supply chain and product information, openly communicating our ESG policies. To ensure effectiveness, our governance systems are continuously reviewed, and regular audits and risk assessments are conducted to identify areas for improvement.

Responsible Jewellery Council

We are a Certified Member of the Responsible Jewellery Council (RJC) and adhere to the RJC's Principles and Code of Practices. We commit to maintaining high standards in human rights, labour practices and environmental stewardship. This association ensures that our operations are conducted with integrity and respect for all stakeholders, promoting a positive impact on society and the environment. We continuously strive to align with the evolving RJC guidelines, fostering transparency and accountability across our supply chain.

Adherence to the Organisation for Economic Co-operation and Development (OECD) guidelines

At KGK Diamonds, we maintain rigorous standards for responsible sourcing and product security through a comprehensive framework aligned with the Organisation for Economic Co-operation and Development (OECD) guidelines. We prioritise product security through robust measures protecting against theft, damage or substitution within our premises and during shipments.

Additionally, we ensure employee and visitor safety while maintaining strict compliance with product health and safety regulations for all diamond and gold Jewellery products sold to consumers. Our Responsible Sourcing Policy includes immediate termination of relationships with suppliers found to be involved in any violations or unethical practices.

Melee Assurance Protocol (MAP)

The BPP Melee Assurance Protocol (MAP) by De Beers is a specialised framework designed to maintain the integrity of small diamonds (0.08 carats or below), commonly known as melee diamonds, in the supply chain. This protocol aims to prevent contamination of natural diamonds with laboratory-grown or treated diamonds.

KGK Diamonds demonstrates strict adherence to MAP through comprehensive measures including separate pipeline risk assessments for potential contamination points and implementation of documented policies and procedures. We enforce tamper-evident packaging and maintain detailed training materials and records. Additionally, we require all offsite contractors working with melee diamonds to participate in our Business Practice Principles (BPP) programme, regardless of threshold limits.

Kimberley Process Certificate Scheme (KPCS) and World Diamond Council (WDC) System of Warranties

We demonstrate our commitment to ethical diamond trading through our strong alliance with the Kimberley Process Certification Scheme (KPCS) and the World Diamond Council's System of Warranties.

We strictly adhere to the internationally recognised definition of 'Conflict Gemstone Diamonds' and include mandatory warranty declarations on all invoices, ensuring our diamonds are sourced from legitimate, conflict-free sources in compliance with UN resolutions and national laws. Any violation of these principles, whether intentional or unintentional, is treated as a serious breach of our business ethics, with all personnel required to understand and implement these regulations in their operations. We have also deployed a risk-based due diligence process for sourcing minerals from conflict-affected and high-risk areas, strictly adhering to the KPCS.

Towards a Responsible Future

At KGK Diamonds, we are committed to using our business as a force for good, crafting high-quality diamonds while minimizing our environmental and social impact. We are steadily advancing toward a net-zero carbon footprint through strategic renewable energy adoption. Simultaneously, we are reducing our water footprint by implementing rainwater harvesting and wastewater recycling. Beyond our environmental efforts, we are deeply invested in community empowerment through large-scale initiatives in education, skilling, healthcare, and biodiversity conservation.

Guided by our vision, "Inspired to Shine: Committed to Sustainable Natural Diamonds," we remain focused on environmental stewardship, community development, and workforce empowerment. By embedding sustainability into our growth, we aim to create lasting value for our stakeholders, communities, and the planet. Proud of our progress, we look forward to building a more sustainable future.



SINCE 1905

KGK DIAMONDS

INSPIRED TO SHINE

www.kgkdiamonds.com

