

ESG REPORT

2023





From the inception of NIRU Group, sustainability has always been embedded, guided by our top management values and rooted in every facet of our operations. With the release of our first ESG report, we formalize our commitment, marking a pivotal step in our journey towards sustainable excellence. This document symbolizes our dedication to transparency, accountability, and continuous communication, setting a new benchmark for ourselves and the industry. It is a declaration of our holistic approach to sustainability, ensuring our legacy aligns with the well-being of our ecosystem.



RAKESH BARMECHA
PRESIDENT



Spreading Happiness

President Message

“ I vividly recall the day my daughter received a precious gift from my grandmother—a Swiss watch that had been passed down through generations. As my daughter opened the box, her eyes lit up with pure joy, and in that moment, I knew this was more than just a gift. It was a bridge between the past and the present, a symbol of love and tradition that would forever be cherished. My grandmother, who had received the watch nearly 60 years ago, gave it with a deep sense of love, and my daughter could feel that connection every time she wore it. The love from her great-grandmother was now a part of her daily life, ticking alongside her own memories and experiences.

Witnessing this beautiful exchange reminded me of the profound impact our industry has on people's lives. We are fortunate to be part of a world where stories and memories are intricately woven into the products we create. The joy that this watch brought to my daughter reaffirmed our purpose—to spread happiness.

This commitment shapes everything we do as a company. We believe that the development of people and a people-centric approach are the pillars upon which our success is built. I often reflect on the wisdom my father shared with me when I first joined the business. He said, “As a leader, your job is to recognize and nurture each person's strengths. If someone isn't meeting expectations, the responsibility lies with leadership to identify how to support their growth, not to blame the individual.” His words have guided us to create an environment where individuals can flourish, allowing them to grow and, in turn, spread happiness to others.





















Just as Earth's ecosystem provides the nutrients in the soil to nourish our bodies, the precious materials formed deep within our planet over millions of years nourish our souls with emotions of enduring love and happiness. This lengthy formation process imparts a unique significance to materials like gold, diamond, and colored gemstones, making them symbols of timeless beauty and emotional connection. When we craft luxury watches and jewellery, we carry forward this inherent value, embedding the story of their formation into each piece. This is why these products hold such deep emotional value and are often passed down through generations.

To honor this connection, we are committed to acting responsibly in all aspects of our operations. This involves more than just minimizing our environmental footprint. We actively engage with partners who share our dedication to positively impacting the world. Our commitment extends to enhancing the well-being of all stakeholders involved, from local communities to global partners. We continually seek innovative ways to reduce our environmental impact, support social initiatives, and drive positive change, all while staying true to our core values.

As we journey forward, we are filled with excitement and gratitude. We are thrilled to be part of this purpose to spread happiness, knowing that each piece we create carries a story, evokes emotion, and celebrates the timeless beauty of our precious materials.”

Rakesh Barmecha

ESG Highlights 2023

INDUSTRY STANDARDS	SOCIAL		ENVIRONMENT	PRODUCT
<div><div>RESPONSIBLE JEWELLERY COUNCIL</div></div> <p>Our whole group RJC COP CERTIFIED SINCE 2013</p>	<div><div>77% OF WOMEN</div></div>	<div><div>25</div><div>NATIONALITIES</div></div>	<div><div>Carbon emissions measured since 2021, including Scope 3</div></div>	<div><div>97% of our diamond stock has ORIGIN TRACEABILITY in 2023</div></div>
<div><div>Proud member of the WATCH AND JEWELLERY INITIATIVE 2030</div></div>	<div><div>12% of our workforce comes from MINORITY GROUPS</div></div>	<div><div>29</div><div>AVERAGE AGE</div></div>	<div><div>Our solar panels produce green energy equivalent to 38% of our largest entity's electricity needs</div></div>	<div><div>100% of our rough stone purchases are MANUFACTURED IN-HOUSE, without any subcontracting</div></div>
<div><div>WE SUPPORT</div><div>Signatory of UNITED NATION'S GLOBAL COMPACT</div></div>	<div><div>700 JOB CREATIONS in Sri Lanka and Thailand for the past 2 years</div></div>	<div><div>89%</div><div>NIRU ACADEMY TRAINED OF OUR WORKFORCE IN-HOUSE for a new profession</div></div>	<div><div>Flagship diamond manufacture certified Gold “LEED Green Building”</div></div>	<div><div>100% of our GOLD IS SUSTAINABLE (grandfathered or recycled) and sourced from RJC suppliers</div></div>
<div><div>In support of</div><div>WOMEN'S EMPOWERMENT PRINCIPLES <small>Established by UN Women and the UN Global Compact Office</small></div><div>Signatory of UNITED NATION'S WEPs</div></div>	<div><div>The average employee-level NIRU salary is</div><div>29% ABOVE THE LOCAL LIVING WAGE in Sri Lanka and Thailand</div></div>	<div><div><div>OUR MANUFACTURING ENTITIES (Sri Lanka, Thailand, Switzerland) certified GPTW</div></div></div>	<div><div><div>SCIENCE BASED TARGETS Defined SBTi near-term targets</div></div></div>	<div><div><div>Naturality & Traceability reports available since 2020</div></div></div>



ALEXANDRA USKOKOVIC

GLOBAL SUSTAINABILITY & COMMUNICATION DIRECTOR

Our 2025-2030 ESG Strategy

“ At NIRU, social responsibility has been at the heart of our business for decades—long before it became a global priority. Our owners' values have always guided us in making a positive impact on the communities we serve. One of the most compelling examples is how, in the 1990s, our founder Ranjeet Barmecha prioritized recruiting women in our growing Sri Lankan entity, empowering them and shifting paradigms in a traditionally patriarchal society. Our actions have always been guided by a genuine commitment to making a meaningful difference in people's lives. While our efforts were not formally documented, they were wholeheartedly focused on creating a lasting impact.

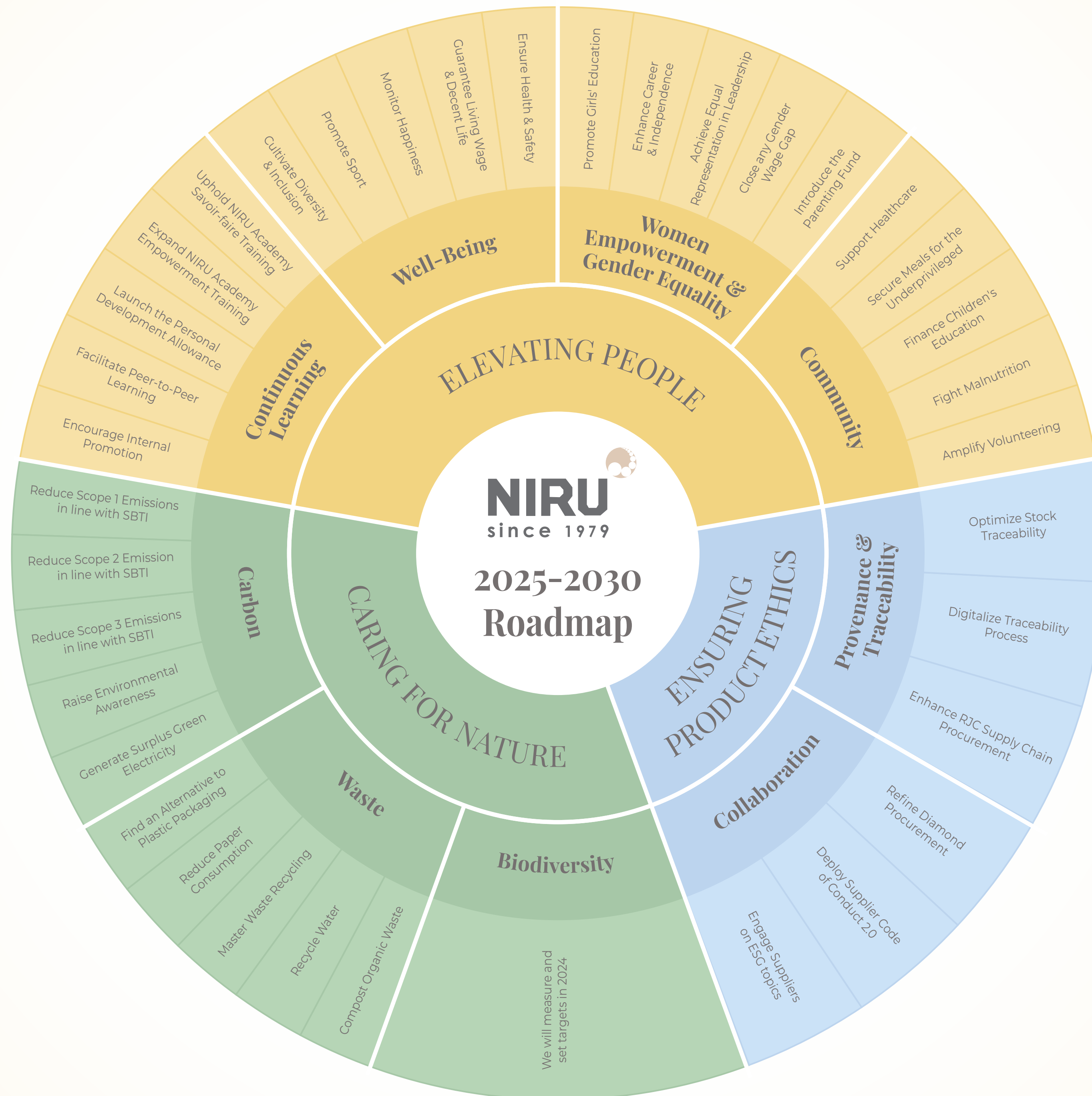
Over the past year, the newly created global sustainability team embarked on gathering this rich history, engaging with key interlocutors within the group to explore and document our sustainability journey. The data collection and analysis would not have been possible without the incredible dedication of our regional sustainability and HR teams, whom we challenged with tasks never undertaken before. I extend my heartfelt thanks to all the teams who went above and beyond on this common project with exceptional responsiveness, hard work, dedication and enthusiasm.

It is with deep emotion that we unveil our first ESG Report, the result of an intense and exciting year of collaboration. It highlights the extensive groundwork we have laid to understand and structure ESG at NIRU. From elevating people to caring for nature, we hope you will feel just how deeply sustainability is embedded in our culture.

This report marks a new chapter in our sustainability journey—by gaining a clearer understanding of both past and present initiatives, we have been able to weave the fabric for future actions, allowing us to amplify efforts and broaden our impact.

We are thrilled to introduce our 2025-2030 ESG Roadmap, which outlines ambitious objectives in the key areas we hold dear, supported by a comprehensive action plan for the years ahead. This roadmap paves the way for us to continue *Spreading Happiness* and making an even greater positive impact, reflecting our long-standing commitment to responsible—or more accurately, meaningful—business practices. ”

Alexandra Uskokovic



2025-2030 Roadmap & Action plan

Pillar 1: Elevating People



GOAL	OBJECTIVE	KPI	TARGET 2025	TARGET 2030
CONTINUOUS LEARNING	Uphold NIRU Academy Savoir-faire Training	Number of employees trained in-house for a new profession	1,800 employees	2,500 employees
	Expand NIRU Academy Empowerment Training	Number of training hours	12,000 hours	50,000 hours
	Launch the Personal Development Allowance	Yearly self-development budget	5% of a monthly salary	15% of a monthly salary
	Facilitate Peer-to-Peer Learning	Number of peer learning groups	10 groups	100 groups
	Encourage Internal Promotion	Percentage of management positions filled through internal promotion	Measure	Set a target in 2024
WELL-BEING	Ensure Health & Safety	Health insurance offered to employees	Entire workforce in Thailand	Spread to entire workforce in Sri Lanka
	Guarantee Living Wage & Decent Life	Difference between NIRU's lowest weighted average salary in Sri Lanka & Thailand compared to the local living wage	5% above	10% above
	Monitor Happiness	Daily well-being check-in through entrance screening	Measure	Set a target in 2025
	Promote Sport	Number of sports activity hours	10,000 hours	70,000 hours
	Cultivate Diversity & Inclusion	Number of inclusion training hours	1,500 hours	13,500 hours
WOMEN EMPOWERMENT & GENDER EQUALITY	Promote Girls' Education	Number of girls from the community encouraged to pursue education	500 girls	4,000 girls
	Enhance Career & Independence	Number of "Women Leadership program" training hours	4,000 hours	50,000 hours
	Achieve Equal Representation in Leadership	Number of women in highest management positions	50% women in middle-level management 35% women in group leadership 33% women in board	50% in group leadership and in board
	Close any Gender Wage Gap	Adjusted gender wage gap	Measure gender wage gap at management-level	No gender wage gap
	Introduce the Parenting Fund	Budget given at childbirth	Launch	50% of a monthly salary
COMMUNITY	Support Healthcare	Number of ambulances operations financially supported in Sri Lanka	1 ambulance	12 ambulances
	Secure Meals for the Underprivileged	Number of food rations donated to orphanages & elderly homes	1,000 food rations	5,000 food rations
	Finance Children's Education	Number of children impacted	800 children	10,000 children
	Fight Malnutrition	Frequency of collaboration with local farmers	Yearly	Quaterly
	Amplify Volunteering	Number of volunteering hours	12,000 hours	120,000 hours

Targets: Cumulative counts and non-cumulative percentages

2025-2030 Roadmap & Action plan

Pillar 2: Caring for Nature



GOAL	OBJECTIVE	KPI	TARGET 2025	TARGET 2030
CARBON	Reduce Scope 1 Emissions in accordance with SBTi	Percentage of reduction of scope 1 emissions	15%	90%
	Reduce Scope 2 Emissions in accordance with SBTi	Percentage of our electricity consumption coming from green energy	80% By 2026	100%
	Reduce Scope 3 Emissions in accordance with SBTi	Percentage of our tier 1 suppliers setting SBTi near-term scope 1 and 2 targets	45%	75%
	Generate Surplus Green Energy	Green electricity generated compared to total electricity consumed by the group	40%	150%
	Raise Environmental Awareness	Number of environmental awareness training hours	2,000 hours	30,000 hours
WASTE	Find an Alternative to Plastic Packaging	Number of alternative trials	Several trials	Alternative found
	Reduce Paper Consumption	Paper usage reduction rate	Decrease by 25% compared to base year	Decrease by 75% compared to base year
	Master Waste Recycling	Percentage of recycled waste	50%	70%
	Recycle Water	Percentage of water used which is recycled	Start recycling our own water consumption	Set a target in 2025
	Compost Organic Waste	Composted food waste percentage	100% in Sri Lanka entity	100% of global food waste
BIODIVERSITY	We will measure and set targets in 2024.			

Targets: Cumulative counts and non-cumulative percentages

2025-2030 Roadmap & Action plan

Pillar 3: Ensuring Product Ethics



GOAL	OBJECTIVE	KPI	TARGET 2025	TARGET 2030
PROVENANCE & TRACEABILITY	Optimize Stock Traceability	Percentage of stock traced in ERP	100% for all products	
	Digitalize Traceability Process	Percentage of traceability processes digitalized and automated (without manual input)	70%	90%
	Enhance RJC Supply Chain Procurement	Percentage of purchases coming from RJC certified suppliers	90%	95%
COLLABORATION	Refine Diamond Procurement	Percentage of rough diamonds purchased directly through mining companies	78%	85%
	Deploy Supplier Code of Conduct 2.0	Percentage of suppliers who signed it	100%	
	Engage Suppliers on ESG Topics	Number of ESG awareness and collaborative discussions hours	Launch	Set a target in 2024

Targets: Cumulative counts and non-cumulative percentages

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Introduction to NIRU

Our Story

NIRU's journey is a tale of passion, ingenuity, and a profound commitment to *Spreading Happiness* - a narrative that begins with our founder, Ranjeet Barmecha.

In 1972, Ranjeet Barmecha entered the diamond industry in Navsari, India, armed with little more than a few hundred dollars and an unwavering vision of kindness and excellence. With a dream of establishing his own diamond factory, Ranjeet moved to a new city, determined to build something enduring. It was his relentless work ethic, paired with a commitment to fostering relationships, that allowed him to achieve this goal within a few short years. However, to ensure sustainable growth, he recognized the importance of securing a steady source of rough diamonds. This realization, driven by his entrepreneurial spirit, led Ranjeet to Israel in 1979, where he established NIRU.

The name "NIRU" itself is a testament to love and family, drawn from Ranjeet's wife, Nirmala, whose nickname, "Niru," embodies the heart of the company. It serves as a daily reminder of the foundational values that have shaped the organization.

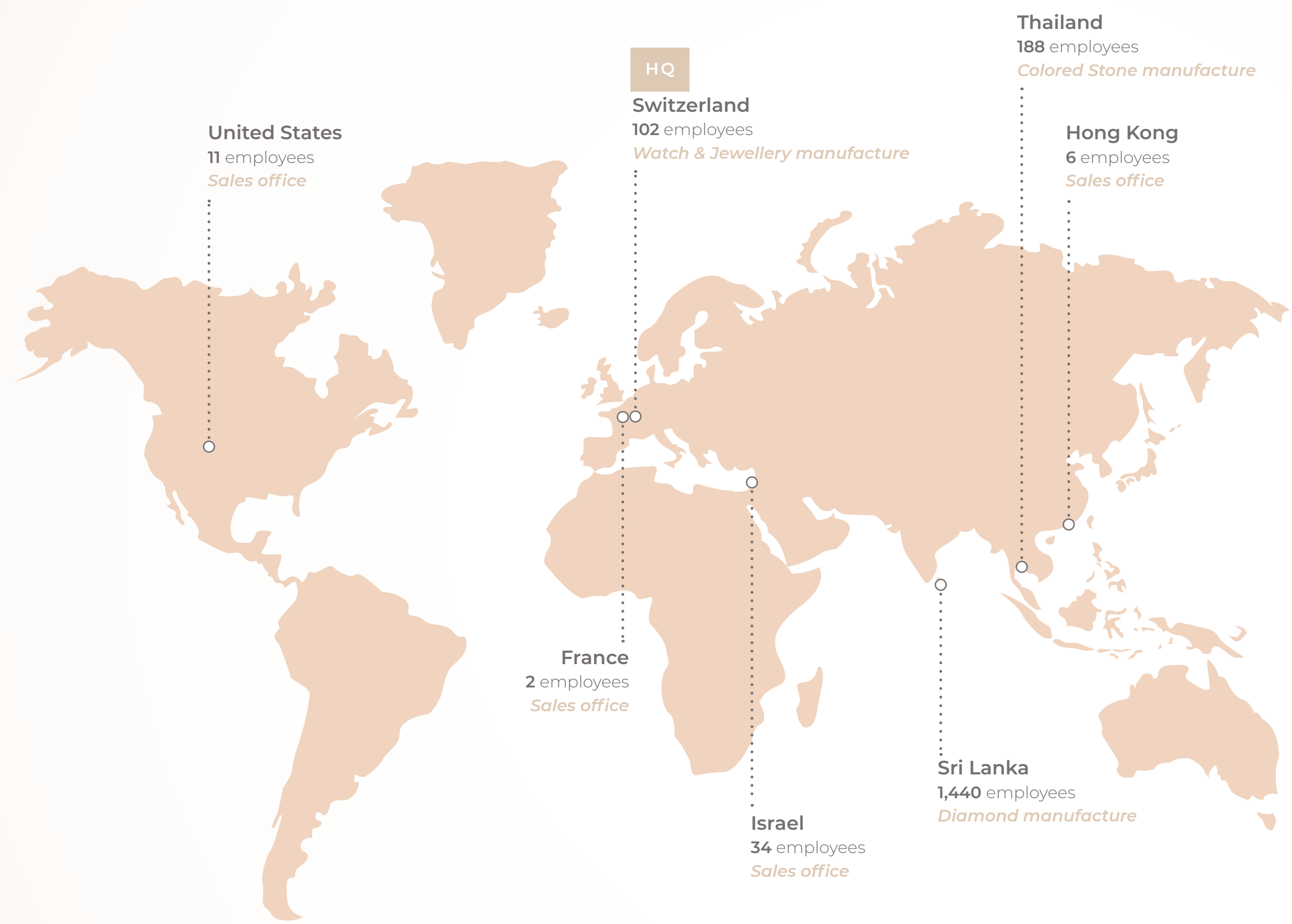
As NIRU's reputation for precision and quality flourished, so did its family. In 1991, Ranjeet was joined by Micha Aharon, a close

friend and expert in baguette-cut diamonds. Together, they elevated NIRU's craftsmanship, catering to the most prestigious luxury brands. The shared values and collaboration between Ranjeet and Micha strengthened the business and set the stage for NIRU's expansion.

Today, under the guidance of Rakesh Barmecha, Ranjeet's son and President of NIRU, alongside Micha's daughter, Keren Benjo, who serves as Chief Operations Officer (COO), the legacy of family and craftsmanship continues. Together with Sanjay Baid, Ranjeet's nephew and Managing Director of our flagship diamond manufacture in Sri Lanka, this second generation of leadership ensures that NIRU remains committed to the same principles of care, precision, and innovation.

What began as a small diamond manufacturing business has grown into a full-solution provider for the watch and jewellery industry, recognized across borders for its integrity and excellence. But more than just business growth, NIRU's journey is the story of a family's enduring vision—one that links the happiness of people with the beauty of the products they create. Through generations and across continents, the legacy of NIRU endures, intertwining craft, care, and community in everything it does.

Our Global Presence



7

countries

4

sales offices

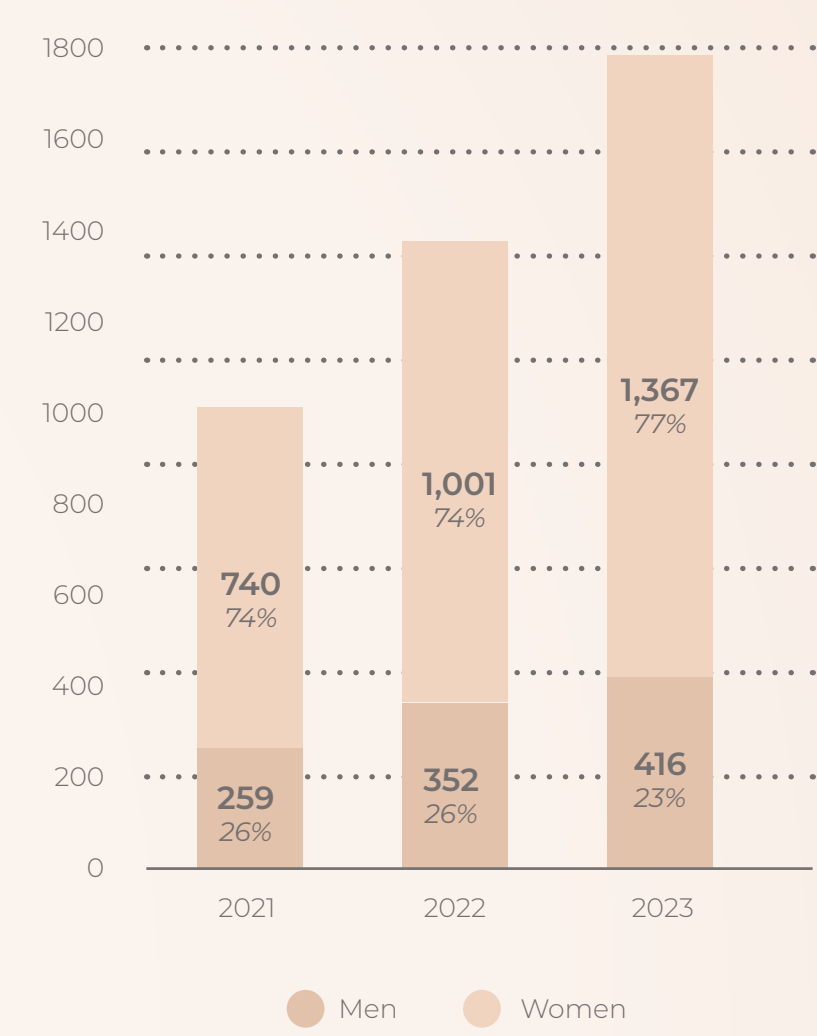
3

manufactures

1,783

employees

By gender



By country

Country	2021	2022	2023
Sri Lanka	928	1,137	1,440
Thailand	NA	123	188
Switzerland	23	42	102
Israel	31	33	34
United States	11	11	11
Hong Kong	6	6	6
France	NA	1	2
Total	999	1,353	1,783

*Including permanent, temporary, full-time and part-time employees by carrying out a head count at the end of the reporting period.

Our Purpose: *Spreading Happiness*

It is our enduring pledge to infuse joy in every creation and interaction. Just as luxury watch & jewellery are timeless and accompany moments of celebrations in people's lives, we strive for our impact on people and the world to be both lasting and meaningful.

Our Mission:

Faceting a Happy & Sustainable Supply Chain

We are on a journey to shape a supply chain that radiates happiness and sustainability at every stage, fueled by trust and collaboration. Grounded in ethical sourcing, unwavering transparency, and a profound dedication to the well-being of all stakeholders, we strive to ensure the whole supply chain reflects a harmonious fusion of beauty, responsibility, and care for nature.

“ From the sourcing of raw materials to the hands that refine them, we are acutely aware of the complex challenges inherent in our supply chain. Ethical dilemmas, environmental sustainability, and social justice are not just concerns; they are responsibilities that we approach with unwavering diligence. At NIRU, we believe that true luxury is born from the beauty of our products, along with the integrity and happiness embedded in their journey from mine to market.

We work hand in hand with our global partners, ensuring that every step of the process—whether in our diamond and colored stones factories in Sri Lanka and Thailand or our Swiss watchmaking hub—reflects our values. Our commitment to ethical sourcing, fair labor practices, and environmentally conscious production methods is woven into the very fabric of our operations. We aim to ensure that every person who touches our products experiences fulfillment, pride, and joy, knowing that they are contributing to something extraordinary.”

Keren Benjo



KEREN BENJO
COO

Our Values:

Together with Trust, we Transform



Together

Like a family, we strengthen our unity by working closely with our collaborators, partners, and communities. This connection extends to the environment, amplifying our collective efforts. Every success is shared, and each advancement celebrated, fostering a network of mutual respect and support.



Trust

Trust at NIRU is the foundation of growth and happiness. It is built on integrity and skill, creating a nurturing space where both our teams and partners thrive. This trust fosters open dialogue, encourages innovation, and motivates us to consistently exceed expectations through authenticity, transparency, and reliability.



Transform

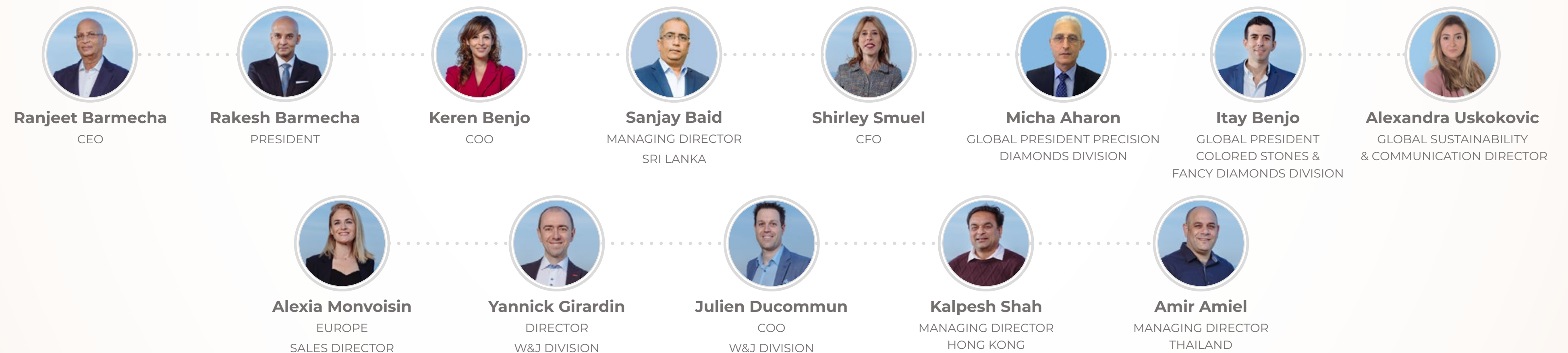
At NIRU, transformation is at the heart of our craftsmanship—refining raw materials into timeless pieces. It is also about continuous learning and development, as we strive to elevate people's lives and ambitions. Furthermore, we are committed to helping transform our planet's future by optimizing our operations and reducing our carbon footprint.

Our Corporate Governance

Advisory Board



Leadership Committee



The Advisory Board chaired by Rakesh Barmecha meets quarterly to set the strategic direction of the company. The board is composed of a mix of internal leaders and an external advisor, with the latter providing unbiased insights. One of the board's key responsibilities is to review and approve the company's ESG report.

The Leadership Committee plays a critical role in executing the board's strategic vision. It translates high-level strategies into actionable plans, refines policies, and ensures clear communication across the organization. Additionally, the Leadership Committee manages resource allocation and leads change management, ensuring that the Advisory Board's directives are effectively implemented and that the company's objectives are achieved.

«**NIRU Group**» is the commercial name for the Hong Kong-based holding company «New Century Marketing Ltd.» With its headquarters in Plan-les-Ouates, Geneva, Switzerland, NIRU Group is a privately owned and incorporated holding entity. The group has been reporting audited and consolidated financial statements in compliance with IFRS (International Financial Reporting Standards) since 2015.

Our Position in The Supply Chain



Our Expertise:

Crafting Excellence from Conception to Completion

Historically a trusted diamond manufacturer and supplier of luxury brands, NIRU has thrived into a comprehensive provider of watch and jewellery solutions. With a family spirit and a purpose of ***Spreading Happiness***, NIRU has grown into a global presence, with manufactures in Sri Lanka and Thailand, and an extensive suite of services offered through NIRU Swiss.



Diamonds

NIRU specializes in the manufacture of diamonds characterized by exceptional quality attributes. Our diamonds are selected for their superior characteristics in color, cut and clarity, following our stringent standards.

- ◆ **Round:** Melee under 0.40ct
- ◆ **Baguette:** Precision-cut
- ◆ **Fancy:** Princess, marquise, pear, emerald, asscher, radiant, cushion, oval, and carré



Colored Stones

NIRU supplies a broad spectrum of precious and semi-precious gems. Our collection includes small-sized, precious stones like sapphire and ruby, alongside semi-precious varieties like tsavorite, amethyst, tourmaline, topaz, peridot and tanzanite.

- ◆ **Round:** Melee under 0.30ct
- ◆ **Baguette:** Precision-cut
- ◆ **Cabochon**

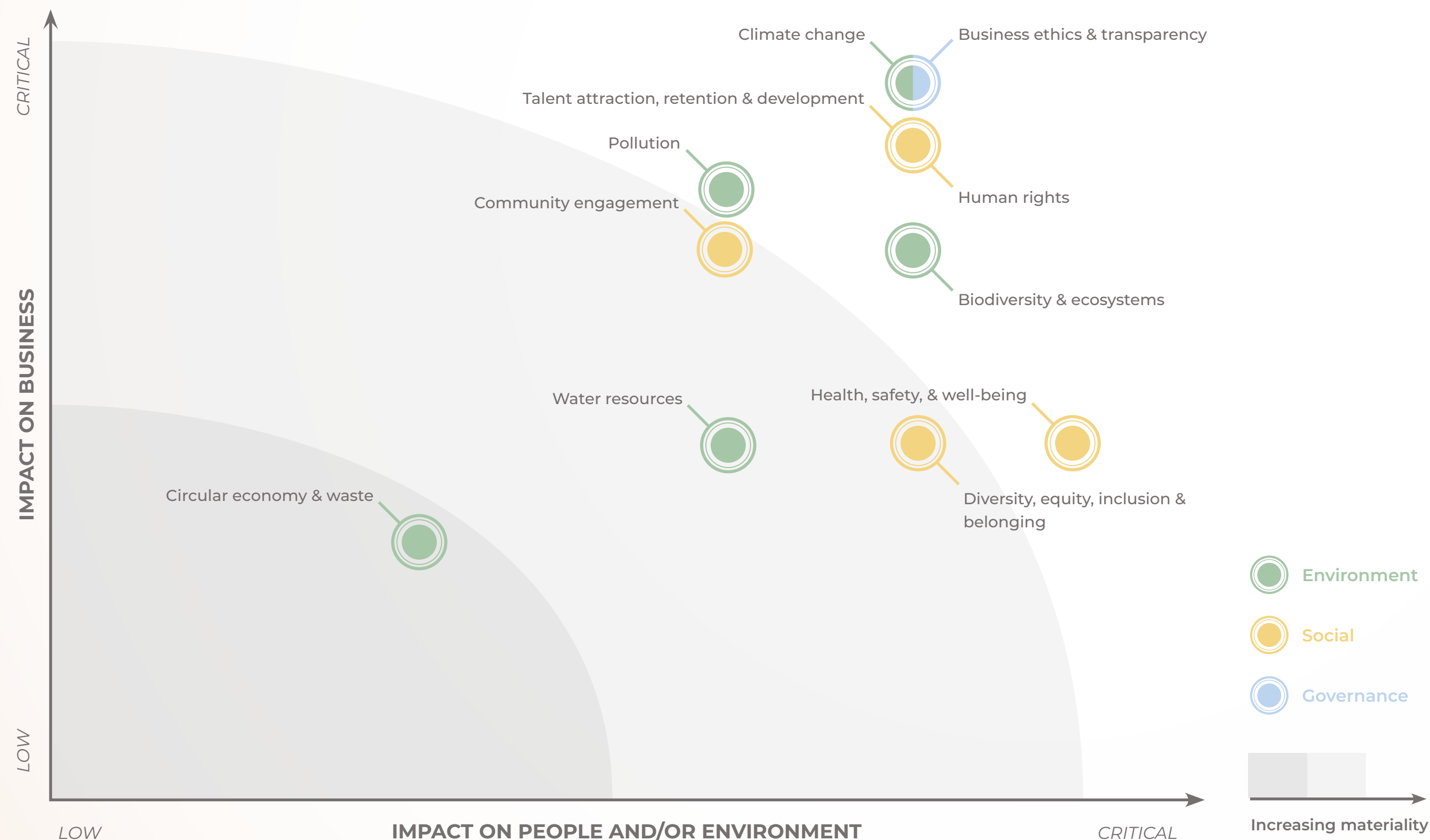


Watch & Jewellery

At NIRU Swiss, we craft high-end watches and jewellery entirely in-house, from initial concept to final creation. Our integrated process brings together a diverse range of experts—3D product designers, CNC machinists, jewellers, setters, polishers, and master watchmakers—ensuring that every piece is meticulously crafted.

Our Approach to Sustainability

Double Materiality



We partnered with Environmental Resources Management (ERM), a leading sustainability consultancy with 50+ years of experience, to conduct a comprehensive double materiality assessment. **By engaging with both internal and external stakeholders—including clients and industry associations—we identified our environmental, social, and governance priorities.** This approach evaluates how ESG issues impact our business activities and how our business affects these ESG factors. Through this process, we ensure that our sustainability strategies align with stakeholder expectations and our corporate goals, reinforcing transparency, ethical practices, and a commitment to continuous learning.

Methodology



Stakeholder Engagement

Anchored in our Together value, we collaborate with our stakeholders to develop trustful relationships.

Stakeholders	Types of engagement	Material topics
Shareholders	<ul style="list-style-type: none">• Interviews• Directors meeting	Business ethics & transparency
Employees	<ul style="list-style-type: none">• Focus Surveys• Great Place to Work Surveys• Grievances• Interviews	Health, safety & well-being Talent attraction, retention & development Diversity, equity, inclusion & belonging
Clients	<ul style="list-style-type: none">• Meetings• Questionnaires• Client audits• Interviews	Climate change Health, safety & well-being Business ethics & transparency
Industry and other International Organizations	<ul style="list-style-type: none">• Conferences• Webinars• Meetings• Interviews	Human rights Circularity & waste Diversity, equity, inclusion & belonging
Local communities	<ul style="list-style-type: none">• Partnerships with local associations	Community engagement
Local governments	<ul style="list-style-type: none">• Audits• Customs demands	Health, safety & well-being
International Certification Organizations	<ul style="list-style-type: none">• Applications• Audits	Health, safety & well-being Business ethics & transparency
Suppliers	<ul style="list-style-type: none">• Audits• Due Diligence Procedures	Health, safety & well-being Business ethics & transparency

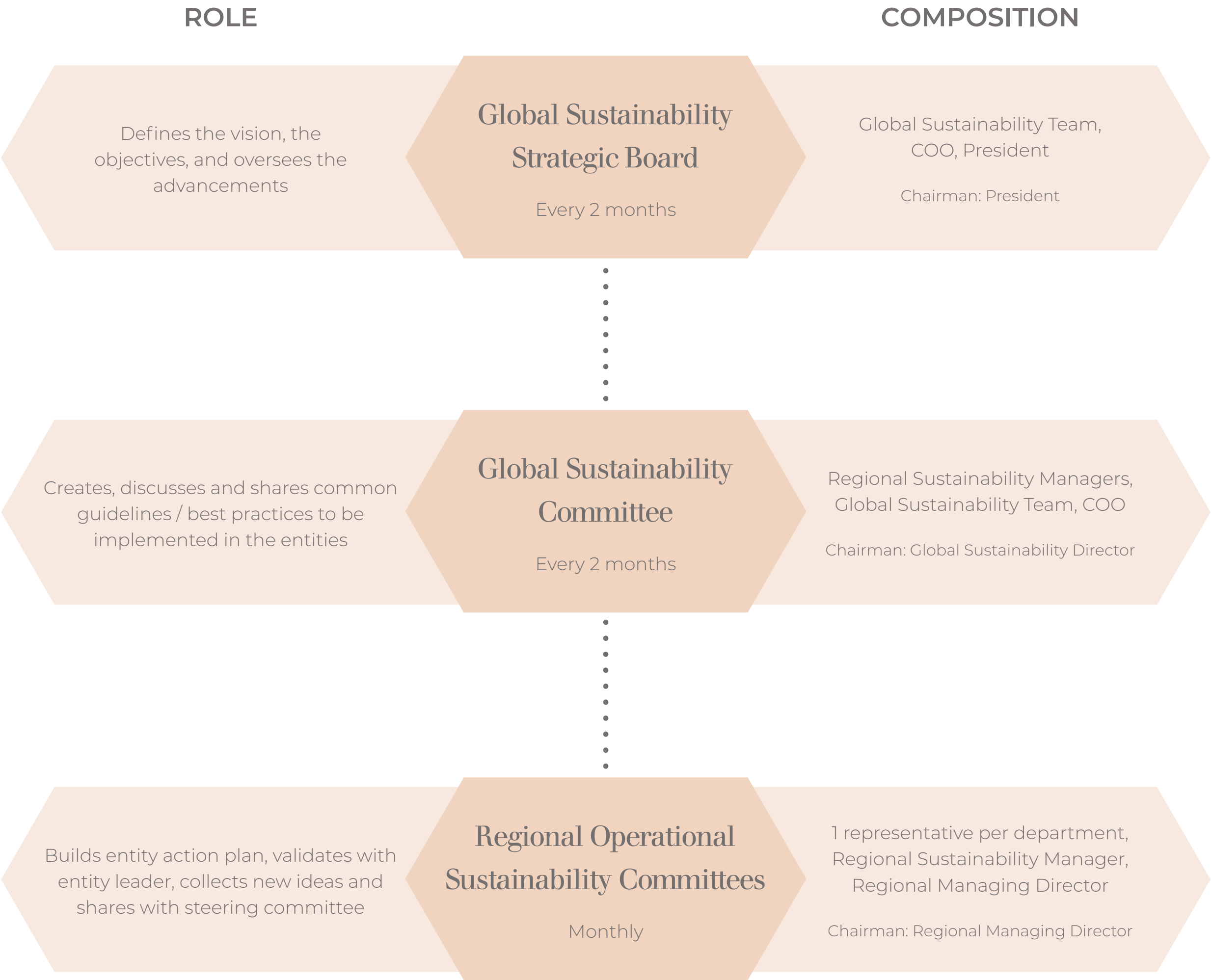
Our Sustainability Governance

A clear governance is crucial for ensuring strategic sustainability alignment and fostering transparency and accountability. It facilitates fluid internal communication between the board and the operational teams, which is vital for staying on track to achieve our ESG 2025-2030 roadmap.

The Global Sustainability Director conducts annual workshops with top management to ensure a strong link between our leadership and critical ESG issues. These sessions are designed to collaborate on our ESG objectives and action plan, provide the latest updates on ongoing initiatives, and brainstorm future projects. This ensures that our leadership remains not only well-informed but also fully engaged with our strategic actions and the evolving landscape of sustainability.

Looking Ahead:

By 2025, we will implement a comprehensive ESG Management System. Previously tracked manually, this new system will allow us to systematically monitor, manage, and enhance our ESG performance with greater efficiency and accuracy.



Our SDG Impact Assessment

The Sustainable Development Goals (SDGs) are a set of 17 global objectives established by the United Nations to address critical global challenges like poverty, inequality, and climate change by 2030.

Pillars	Goals	Objectives	<div>1NO POVERTY</div>	<div>2ZERO HUNGER</div>	<div>3GOOD HEALTH AND WELL-BEING</div>	<div>4QUALITY EDUCATION</div>	<div>5GENDER EQUALITY</div>	<div>6CLEAN WATER AND SANITATION</div>	<div>7AFFORDABLE AND CLEAN ENERGY</div>	<div>8DECENT WORK AND ECONOMIC GROWTH</div>	<div>9INDUSTRY, INNOVATION AND INFRASTRUCTURE</div>	<div>10REDUCED INEQUALITIES</div>	<div>11SUSTAINABLE CITIES AND COMMUNITIES</div>	<div>12RESPONSIBLE CONSUMPTION AND PRODUCTION</div>	<div>13CLIMATE ACTION</div>	<div>14LIFE BELOW WATER</div>	<div>15LIFE ON LAND</div>	<div>16PEACE, JUSTICE AND STRONG INSTITUTIONS</div>	<div>17PARTNERSHIPS FOR THE GOALS</div>
ELEVATING PEOPLE	Continuous Learning	Uphold NIRU Academy Savoir-faire Training				◆				◆		◆							
		Expand NIRU Academy Empowerment Training				◆				◆		◆							
		Launch the Personal Development Allowance				◆				◆		◆							
		Facilitate Peer-to-Peer Learning				◆						◆							
		Encourage Internal Promotion	◆							◆		◆							
	Well-Being	Ensure Health & Safety			◆					◆									
		Guarantee Living Wage & Decent Life	◆							◆		◆	◆						
		Monitor Happiness			◆														
		Promote Sport			◆														
		Cultivate Diversity & Inclusion			◆							◆							
	Women Empowerment & Gender Equality	Promote Girls' Education	◆			◆	◆					◆							
		Enhance Career & Independence	◆				◆			◆		◆							
		Achieve Equal Representation in Leadership					◆			◆		◆							
		Close any Gender Wage Gap					◆			◆		◆							
		Introduce the Parenting Fund			◆		◆					◆							
	Community	Support Healthcare			◆							◆	◆						
		Secure Meals for the Underprivileged		◆	◆							◆							×
		Finance Children's Education				◆				◆		◆							
		Fight Malnutrition			◆							◆							
		Amplify Volunteering																	×
CARING FOR NATURE	Carbon	Reduce Scope 1 Emissions in accordance with SBTi												◆	◆				
		Reduce Scope 2 Emissions in accordance with SBTi							◆					◆	◆				
		Reduce Scope 3 Emissions in accordance with SBTi									◆			◆	◆				◆
		Generate Surplus Green Energy							◆		◆			◆	◆				
		Raise Environmental Awareness												◆	◆				
	Waste	Find an Alternative to Plastic Packaging									◆			◆		◆	◆		
		Reduce Paper Consumption												◆		◆	◆		
		Master Waste Recycling												◆			◆		
		Recycle Water						◆						◆		◆	◆		
		Compost Organic Waste												◆					
ENSURING PRODUCT ETHICS	Provenance & Traceability	Optimize Stock Traceability									◆			◆					
		Digitalize Traceability Process									◆			◆					
		Enhance RJC Supply Chain Procurement									◆			◆					
	Collaboration	Refine Diamond Procurement									◆			◆					
		Deploy Supplier Code of Conduct 2.0									◆			◆					◆
		Engage Suppliers on ESG topics									◆			◆					◆

Our Responsible Business Practices

Human Rights & Due Diligence

Upholding human rights is about ensuring that the hands that craft our products, the communities that surround our operations, and the environments we impact, all experience the happiness that we endeavor to spread.

In our industry, where the sourcing and manufacturing processes are as intricate and detailed as the luxury items we create, we are committed to rigorous due diligence processes. These are designed to guarantee the respect of the following human rights guidelines and principles, ensuring transparency and ethical practices at every stage of our supply chain:

- ◆ The **United Nations' Guiding Principles on Business and Human Rights**, offer us a blueprint for avoiding and addressing the impact of our operations on human rights. Our due diligence is reflective of this commitment, ensuring that our supply chain is scrutinized for potential risks to human rights and appropriate mitigation strategies are implemented.
- ◆ The **ILO Core Conventions** ensure that our practices champion fair labor, equality, and safety at work and are regularly reviewed through due diligence audits and assessments, all while maintaining a zero-tolerance policy for any form of forced or child labor.
- ◆ The **OECD Guidelines for Multinational Enterprises**, guide us in responsible business conduct. NIRU's due diligence framework includes the necessary checks and balances to adhere to these guidelines, emphasizing the importance of stakeholder engagement and continuous improvement.
- ◆ As a signatory of the **United Nations Global Compact**, we steer our strategy towards universally accepted principles in human rights, with due diligence serving as the compass for our journey toward sustainable and ethical operations.
- ◆ Promoting gender equality through signing and applying the **Women's Empowerment Principles** is more than just a commitment. It is a responsibility that we uphold for decades, and actively fulfill through detailed due diligence processes.

Compliance & Audits

We benefit from regular ESG audits conducted by our clients, which offer us invaluable insights into our operations and help us continuously improve. These audits confirm our compliance with the high standards set by our luxury brand partners, and we are grateful for the way they consistently push us to achieve even higher levels of excellence.

Looking Ahead:

In 2024, we will designate a Global Compliance Manager responsible for supervising NIRU's operations, from CSR to supply chain, and for developing internal ESG audits to ensure adherence to our sustainability goals and principles.

By 2025, we will extend the rigorous audits based on the fundamentals of the SMETA to our manufactures in Thailand and Switzerland.

In 2023, we conducted an independent audit of our largest entity, our Sri Lankan manufacture, on the fundamentals of the SMETA.

SMETA (Sedex Members Ethical Trade Audit) is the leading audit for supply chain sustainability, known for its stringent and comprehensive assessment of labor standards, health and safety, environmental impact, and business ethics.

Our Group Policies

Our policies guide both strategic decisions and daily operations, ensuring that NIRU consistently acts in the best interest of our stakeholders and the environment. They are aligned with our core values of ethical practices, transparency, and sustainability, helping us to foster a positive impact on people, communities, and the planet.

Our COO oversees the development and approval of policies, while Regional Managing Directors are responsible for communicating them, training collaborators and business partners, and ensuring adherence within their regions. Internal audits regularly verify compliance, ensuring our policies are upheld across the organization. This structured approach ensures consistent communication and enforcement throughout the company.

No.	Name of the Policy	Description
1	Employee Code of Conduct	This document outlines ethical standards for employees, emphasizing respect, legal compliance, and confidentiality. It addresses human dignity, conflict of interest, receiving favors, and proper use of company assets. Employees must report conflicts of interest, maintain confidentiality, and use company assets appropriately. Procedures for addressing unethical behavior are also provided.
2	Ethical Business Practices for Corporate Integrity	This policy outlines NIRU's commitment to responsible business practices. It ensures that the activities of all NIRU entities align with relevant laws and with BPP and RJC COP requirements. The policy covers a broad range of ethical issues, including anti-corruption, compliance with the Kimberley Process and System of Warranties, maintaining product integrity, social and labor practices and environmental requirements.
3	Anti-Money Laundering Manual	The AML CFT (Anti-Money Laundering and Counter Financing of Terrorism) Manual represents NIRU's commitment to comply with local and international laws against money laundering, terrorism financing, bribery, and facilitation payments.
4	Global Responsible Sourcing Manual	This Manual is a comprehensive guide detailing the policies, procedures, and ethical guidelines that govern NIRU's responsible sourcing practices. This manual serves as a foundational document to ensure that all aspects of NIRU's supply chain are aligned with global standards of sustainability, human rights, and environmental stewardship. It outlines the expectations for suppliers, the due diligence processes required to mitigate risks, and the company's commitment to transparency and accountability in its sourcing operations.
5	HR Policies and Procedures	This document establishes the employment and labor standards for NIRU, ensuring compliance with applicable national and international laws and regulations. It is designed to provide a constructive work environment conducive to both personal and professional growth, focusing on fair employment practices, non-discrimination, and comprehensive benefits.
6	Supply Chain Management	This policy sets the framework to ensure NIRU's goal of having a happy, short and efficient supply chain. The Policy implements responsible and sustainable practices across all levels of procurement, inventory management, and supplier interactions. The policy emphasizes adherence to rigorous standards for supplier selection, risk management, and continuous improvement.

No.	Name of the Policy	Description
7	Inventory Management Guidelines	These guidelines ensure efficient control over the movement and storage of inventory items, particularly diamonds and other precious materials. It defines the procedures for stock management, usage of our ERP system for accurate data management, and roles and responsibilities related to inventory actions. The aim is to maintain optimal inventory levels and reduce errors in stock handling.
8	Naturality Guidelines and Procedures	This document sets forth comprehensive protocols for screening diamonds to certify their natural origin, handling procedures within the laboratories, equipment standards, and rigorous audit processes. These guidelines aim to maintain the highest standards of integrity.
9	Traceability Guidelines and Procedures	This procedure is designed to establish a robust framework for traceability throughout NIRU's entire supply chain. This document aims to enhance transparency and build trust with partners by ensuring that all diamonds processed and sold by NIRU are traceable.
10	Guidelines for Assorting	This procedure establishes how diamonds are sorted based on size, clarity, cut, and color. These guidelines are crucial for maintaining the quality and consistency of NIRU's diamond inventory, ensuring that all assorting processes align with industry best practices and NIRU's stringent quality standards.
11	Environmental Policies and Procedures	The purpose of this guideline is to ensure all company activities across various locations comply with environmental standards, promote environmental responsibility, and contribute positively to global sustainability efforts.
12	Supplier Management Policies and Procedures	This procedure defines the procurement of precious materials through ethically and environmentally responsible practices. It establishes a robust framework for selecting and managing suppliers that align with NIRU's commitment to ethical standards, environmental sustainability, and social responsibility.
13	Information Technology Policies and Procedures	This document defines clear guidelines on IT governance, security, and compliance. The purpose is to ensure clarity and consistency in managing and protecting the IT infrastructure and data. This policy is crucial for maintaining the integrity, availability, and confidentiality of information technology systems and data.
14	Health and Safety Policies and Procedures	Aims at fostering a safe and healthy work environment for all employees. The purpose of this policy is to establish a comprehensive framework that complies with local and international health and safety regulations and integrates best practices that enhance workplace safety and employee well-being. This policy applies to all our employees, groupwide, ensuring that everyone is covered under these standards.

NIRU has not been involved in any legal actions regarding anti-competitive behavior, anti-trust, or monopoly legislation during the reporting period. There were no pending or completed cases in which NIRU was identified as a participant.

Our Commitment to Sustainable Collective Actions



Responsible Jewellery Council (RJC) Code of Practices (COP)

The RJC Code of Practices is an international standard for responsible business practices in the jewellery supply chain. It focuses on human rights, labor rights, environmental impact, mining practices, and product disclosure, ensuring ethical, social, and ecological integrity in the production and sourcing of jewellery materials.

NIRU Group has been RJC COP since 2013



BPP Sightholder

De Beers' Best Practice Principles Sightholder is a comprehensive set of ethical, social, and environmental standards applied across De Beers' supply chain. Sightholders, as certified members, adhere to strict guidelines in areas such as ethical sourcing, workers' rights, environmental management, and product integrity to ensure responsible and sustainable diamond sourcing.

NIRU Group has been certified BPP since 2011



United Nations Global Compact (UNGC)

The UN Global Compact is a voluntary initiative based on CEO commitments to implement universal sustainability principles and to undertake partnerships in support of UN goals. It guides companies on sustainable and socially responsible policies, aligning strategies and operations with principles on human rights, labor, environment, and anti-corruption.

NIRU Group became a signatory of the UN Global Compact in 2023



Watch & Jewellery Initiative 2030

The Watch and Jewellery Initiative 2030 represents a sector-wide pledge, spearheaded by the Responsible Jewellery Council, to advance sustainability in the luxury watch and jewellery industry. This initiative is dedicated to promoting ethical sourcing, environmental conservation, and social responsibility, aligning with global sustainability goals to ensure a responsible future for the industry.

NIRU Group became member in 2023



PILLAR 1:

Elevating People

Positively impacting people's lives, creating a supportive and empowering environment.

People are at the heart of everything we do at NIRU, forming the foundation of our commitment to sustainability. This chapter outlines our purpose of **Spreading Happiness** through our most valuable asset—our team members—and the communities in which we operate. We are dedicated to creating a supportive, inclusive, and empowering environment where our employees can thrive. This includes providing continuous learning opportunities, promoting mental and physical well-being, and recognizing the importance of diversity, gender equality, and professional fulfillment. By nurturing our team, we aim to foster their growth and development, as well as to extend a positive impact beyond NIRU, into the broader community. Through our initiatives, we hope to contribute to a future where everyone can realize their full potential, both within our company and in the communities we serve.

Roadmap 2025-2030





Continuous Learning

By 2030, we will continue to develop our culture of continuous learning, empowering our people to thrive in an ever-changing world and providing every employee with growth opportunities that enrich their professional journey and personal fulfillment.

At NIRU, we aim to provide a pathway to a prosperous future. In a world that constantly evolves, fostering self-development is key to ensuring every team member excels in their current role and prepares for the challenges and opportunities of tomorrow.

Roadmap 2025-2030



Objective	KPI	2023	Target 2025	Target 2030	Geographical scope
Uphold NIRU Academy Savoir-faire Training	Number of employees trained in-house for a new profession	1,593 employees	1,800 employees	2,500 employees	Group-wide: 7 countries
Expand NIRU Academy Empowerment Training	Number of training hours	3,680 hours	12,000 hours	50,000 hours	Group-wide: 7 countries
Launch the Personal Development Allowance	Yearly self-development budget	None	5% of a monthly salary	15% of a monthly salary	Group-wide: 7 countries
Facilitate Peer-to-Peer Learning	Number of peer learning groups	None	10 groups	100 groups	Group-wide: 7 countries
Encourage Internal Promotion	Percentage of management positions filled through internal promotion	Not measured	Measure	Set a target in 2024	Group-wide: 7 countries

Cumulative counts and non-cumulative percentages

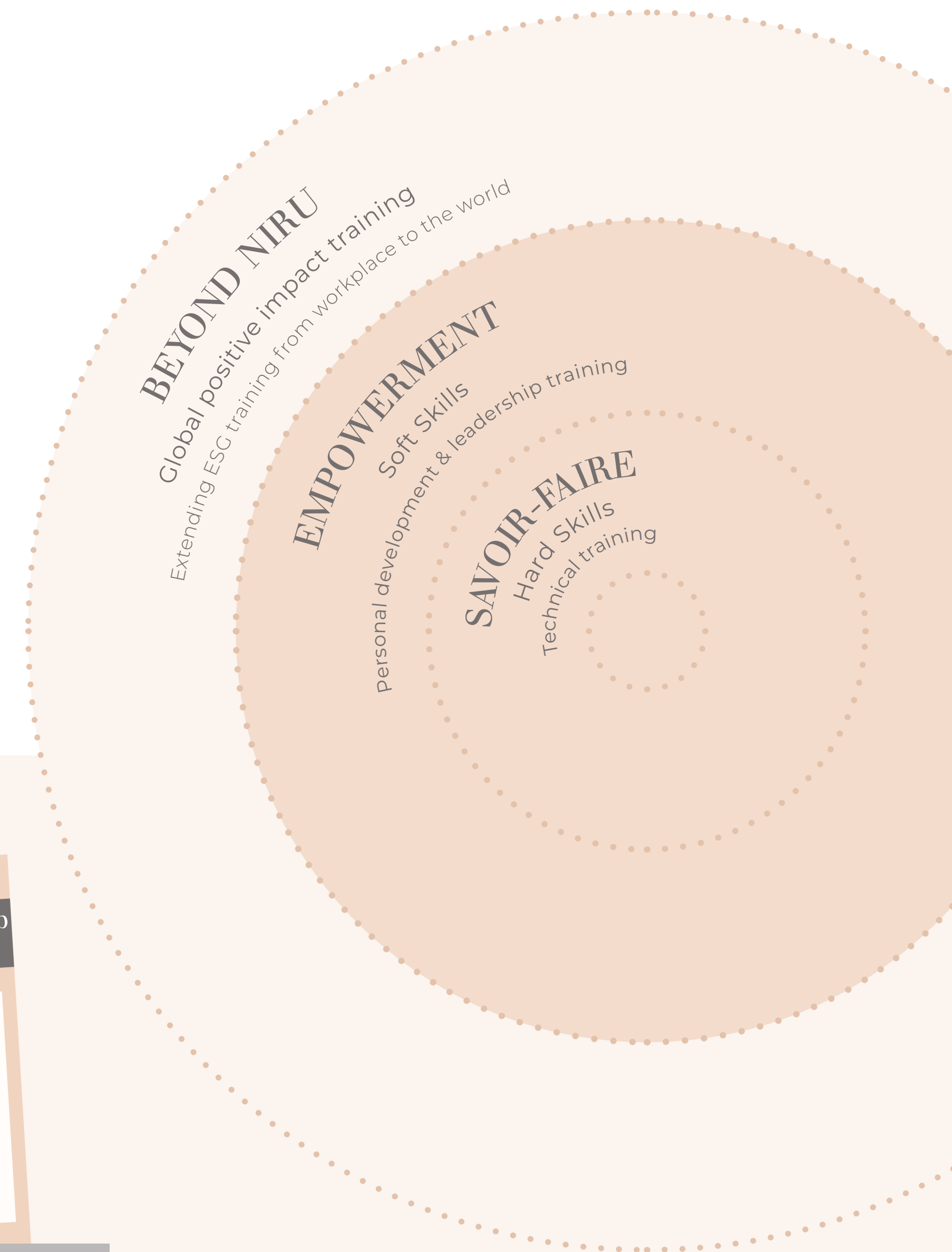
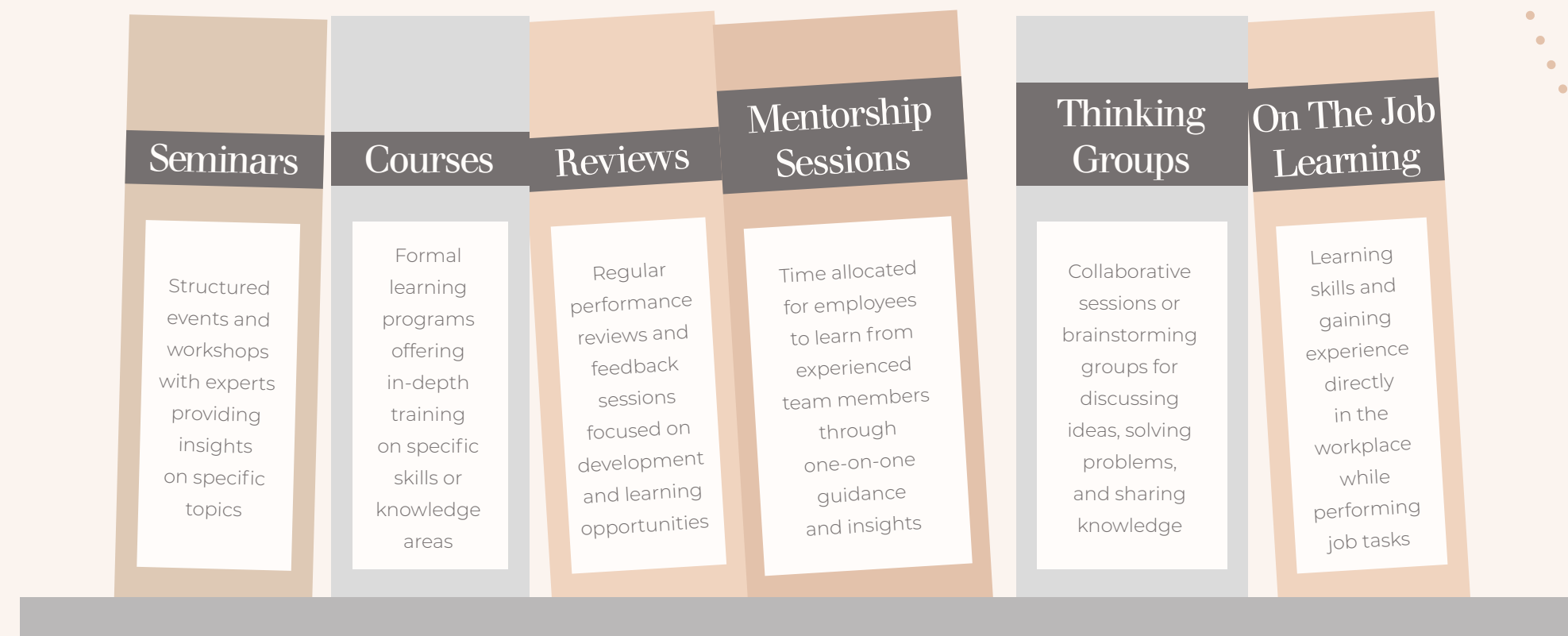
NIRU Academy

It is our foundational training program focusing on teaching advanced technical skills while fostering personal development. It is designed to equip our employees with the tools and confidence to explore and take risks.

Through our training, we develop skilled professionals and aim to instill a sense of purpose in our employees, helping them succeed in their personal lives and contribute positively to their communities.

Moreover, we strive to instill a deep sense of curiosity in our team members, motivating them to take ownership of their learning journeys. At NIRU, we actively encourage our team members to continuously educate themselves, taking the initiative to shape their own futures. Through this proactive approach, we aim to accelerate their professional growth while enriching their lives, working to foster a culture of continuous learning and personal empowerment.

NIRU Learning Toolbox



Savoir-Faire



At NIRU, we are dedicated to transmitting our savoir-faire. We seek people with positive mind-sets who embody our *Spreading Happiness* purpose and eagerness to learn.

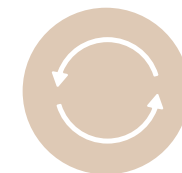
Savoir Faire Framework



Technical training



Productivity & Collaboration



Versatility

Number of NIRU Academy savoir-faire trainings completed by our employees				
	2021	2022	2023	Total in the past 3 years
Sri Lanka	331	410	577	1,318
Thailand	7	14	126	147
Switzerland	8	15	45	68
Worldwide	346	439	748	1,533

89%

of our employees have mastered a new profession from the ground up through NIRU Academy Savoir-Faire trainings in 2023

84%

of our employees come from outside the industry in 2023

Through NIRU Academy, we provide in-house training that equips our team members with the technical skills and support needed to thrive in their new careers.

NIRU Academy aims for individuals who commence their journey with us as trainees to become fully operational professionals within 6 to 18 months. These programs are designed to transform beginners into skilled professionals, enabling them to master their chosen field under the guidance of trainers.

In the last three years, we have grown the NIRU Savoir-Faire Academy in our manufactures, allowing us to share our skills with more aspiring artisans.

Precision Culture

Oursavoir-faireisdeeplyembedded in a culture of precision, where meticulous craftsmanship is the cornerstone of our product quality. In NIRU Academy, we ensure that precision is part of every step in the training process.

By the end of the training, each individual emerges as a state-of-the-art artisan, possessing the attention to detail needed to create high-quality pieces.



We train for 12 professions worldwide

Technical Training Programs

At NIRU, each of our manufactures is dedicated to a unique area of savoir-faire:

- ◆ In Sri Lanka, our expertise lies in **diamond manufacturing**. Our artisans are trained in diamond cutting and polishing to create precise facets to attain the highest quality for each diamond.
- ◆ In Thailand, our focus is on **colored stone expertise**. Here, our artisans bring out the best in various gemstones, combining traditional techniques with innovative approaches to highlight the natural beauty of each stone.
- ◆ Switzerland is home to our **watchmaking and jewellery savoir-faire**. In this hub of luxury craftsmanship, our artisans blend precision engineering with artistic design to create timepieces and jewellery.

People joining our team begin their journey at level 1, where they receive foundational training in their craft. Over the years, they progress through various levels, each designed to deepen their expertise and expand their skill set.

Job Variety and Versatility

To foster growth and versatility, we equip our team members with the skills to switch between products and divisions. Our training programs ensure that our artisans experience diversity in their work, enabling them to become adaptable and challenged in their craft. Additionally, this approach allows us to respond swiftly to the varying workloads and demands of our clients, developing multidisciplinary experts capable of meeting changing client needs.

Diamond Savoir-Faire Trainings in 2023
NIRU Manufacture in Sri Lanka

Professions	Number of people trained for Level 1	Number of people trained for Level 2	Number of people trained for Level 3	Total
Diamond Polisher	225	190	63	478
Diamond Checker	18	24	16	58
Diamond Assorter	5	6	7	18
Diamond Planner	15	3	5	23

Colored Stone Savoir-Faire Trainings in 2023
NIRU Manufacture in Thailand

Professions	Number of people trained for Level 1	Number of people trained for Level 2	Number of people trained for Level 3	Total
Colored Stone Round Polisher	20	0	0	20
Colored Stone Baguette Precision Polisher	80	3	3	86
Colored Stone Quality Controller	13	3	4	20

Watch & Jewellery Savoir-Faire Trainings in 2023
NIRU Manufacture in Switzerland

Professions	Number of people trained for Level 1	Number of people trained for Level 2	Number of people trained for Level 3	Total
Grain Setter	15	13	0	28
Baguette Setter	2	8	NA	10
Metal Polisher	2	0	1	3
CNC Operator	1	0	1	2
CNC Programmer	2	0	0	2

Empowerment

Our approach to personal development and leadership is based on instilling the *Spreading Happiness* mindset in our team members and encouraging them to carry this positivity into all areas of their lives. We believe this creates a culture of care, empathy, and authenticity, which supports personal growth and helps build a more sustainable future.

Our goal is to go beyond teaching technical skills and instill values and behaviors that empower our team members to build confidence, resilience, and the ability to overcome challenges, ultimately enabling them to achieve their full potential.

The skills they learn provide value beyond the workplace, helping them grow into confident, ambitious individuals prepared to think long-term and strive for independence.

Global Leadership Team Seminars

Each year, the group Leadership Team meets for a multi-day seminar. These sessions are essential for brainstorming and setting objectives for the coming year. It also includes workshops provided by external coaches focusing on improving interpersonal and leadership skills. These seminars aim to equip our directors to become more effective leaders, capable of guiding their teams and driving the company forward.

Focus: Leadership Training in Sri Lanka

We are dedicated to the ongoing development of our management teams, conducting an annual 12-day leadership program for over 30 leaders at our Sri Lankan diamond manufacture. Led by an external coach, the program covers a wide range of management skills, and participants are evaluated through an exam, crucial for future promotions, ensuring our leaders are well-prepared to drive NIRU's success.

Leadership Training

Leadership and Management

Leadership styles, team building, conflict resolution, decision-making

Change Management

Adapting to change, leading through change, managing personal change, overcoming resistance

Effective Feedback

Skills for giving feedback clearly, constructively, and supportively, fostering growth and improvement within teams

Project Management

Project planning, risk management, resource allocation, project monitoring

Creativity and Innovation

Creative problem-solving, innovation methodologies, design thinking, brainstorming

Cultural Awareness

Cross-cultural communication, global market trends, business etiquette, multicultural teams

2,880
hours
of leadership
training in 2023



Our Personal Development Principles



Career Development



Personal Growth and Self-Awareness



Communication



Time Management



Financial Management



Health and Well-Being



Digital Literacy

Personal Development Training

My Pathway to Success Program

In our largest entity, HR ask new employees to fill out a "Dream Book" as part of the onboarding process in Sri Lanka. This activity helps employees define personal objectives they can achieve by working at NIRU, and attain them with a clear action plan. The Dream Book guides our people to outline their plans for the first month, six months, one year, two years, and five years, as well as their biggest life dream and a savings plan.

The Dream Book aims to help team members set personal goals and aspirations, motivating them to see their job at NIRU as a pathway to achieving their dreams.

Looking Ahead:

We plan to integrate the "Dream Book" into the onboarding process of all entities across our group.

English Program

We offer dedicated classes to help our team members develop essential soft skills. In 2023 in NIRU Thailand, we provided weekly English language classes to 40 people. These classes enhance communication abilities, particularly in a professional context. By improving their English proficiency, we aim to help our team members engage more effectively within our international group and increase their confidence in global interactions.

Responsible Financial Behavior Program

In Thailand, we offer responsible financial behavior training to help our team members better manage their finances. The training is tailored to different levels within the company—management, supervisors, and artisans—ensuring that the content is relevant to each group. Finance specialists from within NIRU and external sources lead these sessions. The training addresses various financial challenges, such as managing debt, paying for housing or vehicles in installments, and handling family finances.

By focusing on money and debt management, we aim to equip our employees with practical skills, empowering them to achieve greater financial independence and overall life control.

800
hours
of English language
classes in 2023

Health and Well-being

We promote healthy nutrition and disease prevention through regular newsletters and poster campaigns.

Additionally, we organize interactive initiatives like the 'Breast Cancer Awareness Program' in Sri Lanka, targeting employees aged 40 and above to encourage early detection. This program went beyond awareness, offering workshops with hands-on training in self-examination techniques, including how to properly palpate for breast lumps. These sessions empower employees to take control of their health and reflect our commitment to providing practical tools for preventive care.

Regular medical checkups are vital for protecting overall well-being, as neglecting self-care can result in avoidable health risks. To support this, we facilitated annual health screenings for all 188 employees in our Thailand workforce, ensuring early detection and proactive health management.

Beyond NIRU

At NIRU, we aim to extend our commitment to learning beyond the workplace. Through our *Spreading Happiness* purpose, we equip our team members with skills and knowledge that enhance their personal lives and enable them to make a positive impact. Our training programs encourage team members to apply what they learn in ways that benefit their families and communities. By fostering a spirit of selflessness, we seek to create a ripple effect that spreads from our team members to their loved ones, promoting happiness and contributing to a more caring and sustainable world.

Beyond NIRU Principles

Sustainability Training

Equip with the knowledge of waste management, energy efficiency, sustainable resource management, and the UN Sustainable Development Goals (SDGs) to minimize carbon footprint and contribute to a greener, more sustainable future.

Volunteerism and Philanthropy

Participate in volunteer activities and charitable giving to make a meaningful impact on social issues and support community resilience.

Building Local Partnerships

Learn strategies to create and maintain strong partnerships with local organizations, enabling impactful community engagement through well-planned events and collaborative efforts.





Well-Being

By 2030, we will further enhance the well-being of our team, nurturing their physical, mental, and emotional health, while ensuring a healthy work-life balance.

At NIRU, we recognize the importance of our team's well-being as part of our purpose of *Spreading Happiness*. We strive to cultivate a work environment that is healthy, balanced, safe, and inclusive, where every individual feels valued and encouraged to grow. We strongly emphasize team building and understand that fostering connections and collaboration leads to more rewarding work experiences. Our focus on well-being includes mental, emotional, and physical health and a commitment to safety, all supported by a positive and caring workplace. By promoting wellness and safety practices, we hope to empower our people to take proactive steps toward their health, safety, and happiness, both at work and in their personal lives.

Roadmap 2025-2030



Objective	KPI	2023	Target 2025	Target 2030	Geographical scope
Ensure Health & Safety	Health insurance offered to employees	None	Entire workforce in Thailand	Spread to entire workforce in Sri Lanka	Focus: Sri Lanka & Thailand
Guarantee Living Wage & Decent Life	Difference between NIRU's lowest weighted average salary in Sri Lanka & Thailand compared to the local living wage	3% above	5% above	10% above	Focus: Sri Lanka & Thailand
Monitor Happiness	Daily well-being check-in through entrance screening	None	Measure	Set a target in 2025	Group-wide: 7 countries
Promote Sport	Number of sports activity hours	1,760 hours	10,000 hours	70,000 hours	Group-wide: 7 countries
Cultivate Diversity & Inclusion	Number of inclusion training hours	Not measured	1,500 hours	13,500 hours	Group-wide: 7 countries

Cumulative counts and non-cumulative percentages

Certifications, Standards & Best Practices helping us achieve our roadmap

	2023	2025 OBJECTIVE	2030 OBJECTIVE
ISO 45001 – Occupational Health & Safety Management Systems		Sri Lanka entity certified	All manufacturing entities certified
“Great Place To Work” certification	Sri Lanka, Thailand and Switzerland entities certified	Certify every year our entities above 50 team members	



***ISO45001:** International recognized standard that outlines the framework for an occupational health and safety management system.

***Great Place to Work:** The Great Place to Work Certification recognizes employers who create an outstanding employee experience.

Occupational Health & Safety



At NIRU, we recognize the importance of health and safety in the workplace. We are committed to providing a safe environment for our team members, especially considering the careful handling of precious materials and the operation of sophisticated machinery. As a De Beers Sightholder and an RJC COP certified group, we also adhere to their stringent health and safety standards, ensuring our practices meet industry requirements.

We focus on health and safety by carefully tracking workplace conditions. We regularly assess potential hazards, monitor safety incidents to understand their causes and effects, and take steps to improve safety measures. This approach helps us respond quickly to issues and work towards a safer workplace.

Emergency Preparedness and Response

Every NIRU team member undergoes training that covers a wide range of health and safety hazards applicable to their specific roles. Additionally, we equip our staff with the knowledge and skills needed to react efficiently in emergency situations. This training is not a one-time event but an ongoing process, ensuring that team members are updated with the latest safety protocols and practices.

Safety Accidents Record 2023				
Number of accidents which resulted in minor*1 injuries	Number of accidents which resulted in moderate 2* injuries	Number of accidents which resulted in major 3* injuries	Number of accidents which resulted in illness or death	Total number of accidents
20	4	0	0	24

1* Minor: Injuries that do not require professional medical treatment, such as small cuts, bruises, or sprains, and can be adequately treated with basic first aid.

2* Moderate: Injuries that require medical attention beyond basic first aid.

3* Major: Severe injuries that require extensive medical treatment, possibly surgery or hospitalization. Examples include fractures, amputations, severe burns, or injuries affecting vital organs.

Safety Management Cycle

At NIRU, we prioritize the health and safety of our employees through a comprehensive and systematic management cycle. Our approach is structured around five key phases, ensuring continuous improvement and adherence to the highest safety standards.

Our local health and safety managers lead this entire management cycle, with the support of monthly health and safety committees. Together, they ensure that our safety practices are consistently applied and enhanced across all our operations.



First-Aid & Firefighting Annual Trainings

	2021	2022	2023	2025 OBJECTIVE	2030 OBJECTIVE
Percentage of our global workforce trained for first-aid	3%	14%	12%	15%	25%
Percentage of our global workforce trained for firefighting	3%	11%	12%	15%	25%

In Thailand,
100%
of our workforce
received first-aid
and fire safety
training in 2023



Physical Well-Being

At NIRU, we believe in going beyond the traditional approach to occupational health and safety, understanding that true well-being encompasses more than regulatory compliance. Physical health is a vital part of a positive and supportive work environment. With this in mind, we have introduced initiatives such as regular vaccination drives and sports activities, to support our team members in leading healthier, more active lives. Our goal is to help our employees thrive at work and in all aspects of their lives.

Internal Infirmaries

In Sri Lanka and Thailand, we aim to support our team members by providing internal infirmaries with dedicated nurses. This setup is intended to offer immediate and accessible healthcare when needed. Additionally, in-house nurses contribute to preventive care and health education, which is essential for maintaining long-term health and safety, even beyond the workplace.

Influenza Vaccination in Thailand

In Thailand's tropical climate, flu virus activity persists year-round. The Ministry of Public Health recommends annual vaccinations, especially before the peak rainy season from June to October, to prevent severe cases and reduce hospital admissions. To ensure our workforce's well-being, **we facilitated influenza vaccinations for 150 Thai employees through an internal awareness campaign and provided transportation to vaccination centers.**

Sports Culture

At NIRU, we embrace a strong sports culture, with many of our team-building events centered around physical activities. We believe encouraging an active lifestyle enhances physical and mental health, strengthens teamwork, and boosts morale. Through sports, we aim to foster a sense of camaraderie and reinforce the values of fair play and mutual support that are important to us.

Our Annual Sports Day is a key event that our team members look forward to. It is designed to bring our teams together through a variety of physical activities and challenges. This year in Thailand, the focus was on building trust and friendly competition, while in Switzerland, the event was themed around the "Koh Lanta" TV show, encouraging strategic thinking. These sports days strengthen the bonds within our teams, making them memorable and enriching experiences for all involved.



Mental Well-Being



At the heart of our approach is the belief that true well-being encompasses both physical and mental health, with happiness playing a crucial role in mental wellness. We strive to create a work environment that supports emotional and social well-being, helping our team members feel appreciated, empowered, and fulfilled in all areas of their lives.

As part of our purpose of *Spreading Happiness*, we focus on creating a positive work environment where employees can grow and succeed. This includes offering job security, opportunities for professional development, and organizing team-building activities that build strong relationships and improve collaboration. Additionally, we work to provide compensation that meets or exceeds the living wage in the countries where we operate, supporting a good quality of life for our team members. By regularly monitoring employee satisfaction and gathering feedback, we aim to continuously improve and foster a motivated workforce that enjoys coming to work each day.

Happiness Within NIRU

Nurturing employee satisfaction to foster a fulfilling workplace is central to our purpose of *Spreading Happiness*, ensuring that every team member's well-being is pivotal in creating a positive effect throughout our organization and its community.

To further this commitment, we decided to pursue the Great Place to Work (GPTW) certification for the first time in 2023, in our three largest entities located in Sri Lanka, Thailand, and Switzerland. The company must achieve a Trust Index score of 65% or higher to obtain this certification. This score is based on employee responses to the Trust Index Survey, which measures factors such as credibility, respect, fairness, pride, and camaraderie within the organization. This certification allows a third party to evaluate our employees' perceptions based on anonymous feedback, helping us identify areas for improvement.



“Undergoing the Great Place to Work survey for the first time was eye opening. The feedback from our team was invaluable, highlighting both our strengths and areas for growth. We used the results to foster a more inclusive and supportive environment. Moving forward, we are committed to further enhancing communication and expanding professional development opportunities to ensure that every team member feels valued and empowered.”

Amir Amiel, Managing Director of NIRU Thailand

Looking Ahead:

We will continue to pursue the Great Place to Work certification yearly to evaluate ourselves and strive for improvement.

By 2025, we will begin tracking the daily well-being of our team members using feedback buttons placed at the entrances of our manufactures.

NIRU GPTW Trust Index Scores in 2023

Flagship Diamond
manufacture
in Sri Lanka

98%



Colored Stone
manufacture in
Thailand

86%



Watchmaking &
Jewellery manufacture
in Switzerland

79%



Living Wage & Quality of Life

NIRU provides a minimum living wage for all our team members. Many support their families, and we understand their financial stability positively affects the local community. Instead of focusing solely on minimum wage laws, we consider local living wages better reflect the actual cost of living.

This commitment helps our team members meet their needs and supports their well-being, aligning with our ambition to spread happiness and empower individuals. This approach assists our team members and aims to contribute to sustainable economic growth and positive social development within their communities.

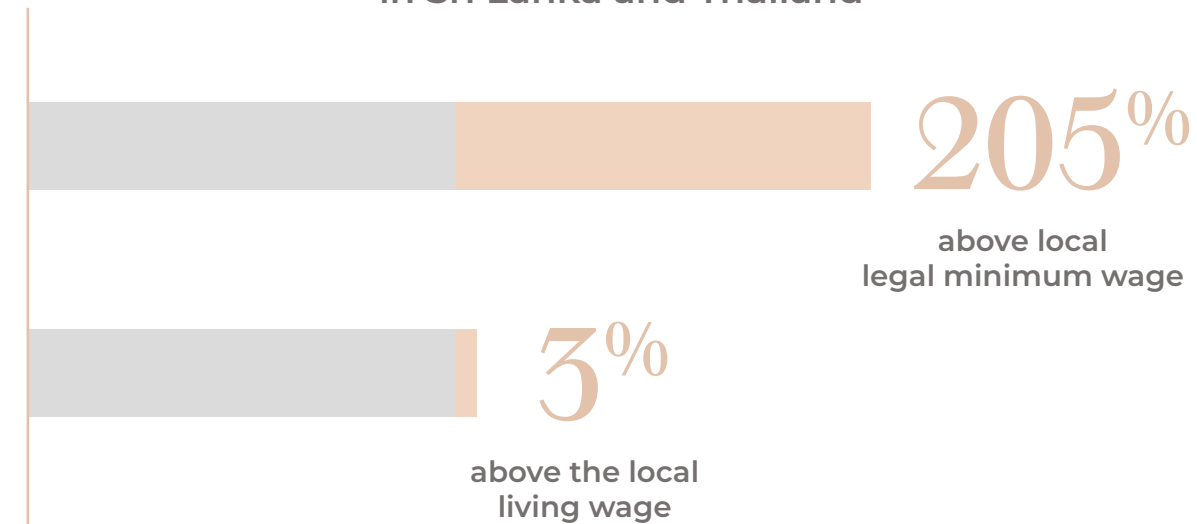
Methodology:

To assess the difference between our wages and the local living wage, we used the 2023 living wage data provided by the Global Living Wage Coalition (www.globallivingwage.org) for Sri Lanka and Thailand.

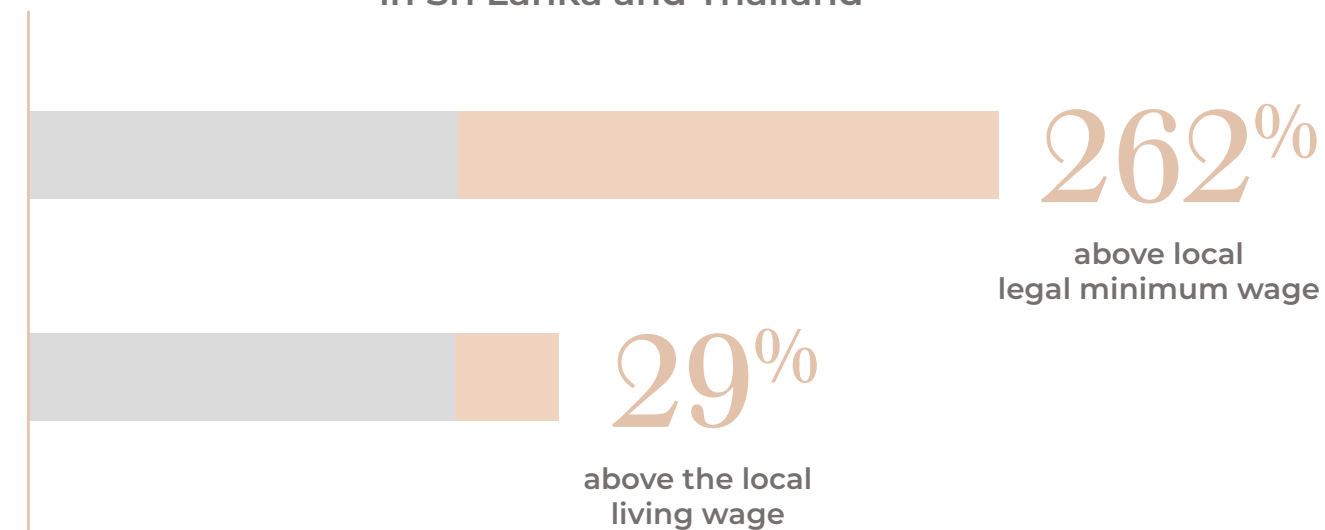
The total remuneration we calculated reflects each employee's complete annual compensation package. This includes the base salary, along with all fixed benefits guaranteed under the employment contract that cover essential needs, such as transport allowance, food allowance, attendance allowance, and the 13th-month salary.

Variable components like overtime pay, incentive bonuses, and productivity-based bonuses were intentionally excluded to ensure a consistent and fair comparison. This approach focuses on the guaranteed, stable portion of compensation that employees can rely on, regardless of individual or company performance variations.

Lowest weighted average NIRU salary
in Sri Lanka and Thailand



Average employee-level NIRU salary
in Sri Lanka and Thailand



A living wage is the minimum income necessary for a worker to meet their basic needs, including food, housing, and essential living expenses, without financial stress.

Welfare Shop

Since 2003, we have established an internal mini-market to support our employees in Sri Lanka.

By leveraging economies of scale, we purchase essential supplies in bulk and offer them to our team at wholesale cost prices, significantly lower than those in local grocery stores.

This initiative helps our team members access necessities, such as cleaning supplies and essential food items, at affordable prices. Instead of paying upfront, the cost is deducted from their next month's salary, offering a simple and convenient option.

Looking Ahead:

In 2024, we will introduce a NIRU Market at our manufacture in Thailand. Team members will have the opportunity to bring homemade food products, or second-hand goods, and sell it to one another. This initiative aims to foster a sense of community and provide employees with an opportunity to earn extra income.



Professional Fulfillment

We support our team's professional growth by creating opportunities for skill development and career advancement, recognizing that fulfillment and mental health are linked. We prioritize **internal promotions**, challenging team members with new roles and projects to keep them engaged and motivated. By fostering internal mobility and aligning responsibilities with growing skills and ambitions, we aim to contribute to their overall well-being and career satisfaction.

40% of our employees received a promotion in 2023

Promoting Local Talents

At NIRU, we focus on building strong connections with the communities where we operate. This approach supports regional economic growth and provides opportunities for local talents. Through this strategy, we aim to create a workplace environment that resonates with the local culture and reflects the values of the community.

In Sri Lanka and Thailand,
95% of our management recruited from local communities in 2023

*Within a 30km radius from the workplace.

Recognition and Appreciation

Recognizing hard work and dedication is crucial in fostering a positive and supportive workplace where everyone feels connected and appreciated. Acknowledging their contributions, we aspire to keep our team motivated and engaged, ensuring that their efforts are recognized and celebrated.

To express our appreciation, we have introduced several initiatives:

- ◆ **Employee of the Month and Year:** We honor those who consistently excel by awarding «Employee of the Month» and «Employee of the Year» titles, celebrating their exceptional contributions.
- ◆ **Performance Bonuses:** We reward quality and productivity with performance bonuses, providing tangible recognition for outstanding work.
- ◆ **Celebrating Birthdays:** We make birthdays special — whether it is with cards and balloons in Sri Lanka or cakes in Switzerland, we ensure these personal milestones are celebrated with warmth and joy.

Emotional Support

Recognizing that many of our team members are young and working far from their families for the first time, we understand the importance of providing emotional support.

In our Sri Lankan manufacture, we have trained counselors sitting in each department. They address concerns, provide advice, and ensure that every team member feels valued and supported.

These counselors, reporting to the HR team, are easily accessible and play a key role in maintaining open communication and offering daily care.

Open Communication

We foster an environment of open communication, where **feedback flows both ways**. Team members receive constructive feedback from the management to ensure their growth and continuous learning. Equally important, we provide platforms for our team members to share their own feedback with the company, ensuring that their voices are heard and valued.

We provide regular feedback to our team members through yearly reviews and informal discussions, with the goal of motivating and supporting them. We value the input we receive from our employees, as it helps us understand their experiences and needs, which in turn allows us to improve the workplace.

We have established **grievance mechanisms** across all entities, allowing employees to voice their concerns confidently and securely. We ensure critical concerns are escalated for prompt attention.

Year	Grievances	Unresolved grievances
2021	215	0
2022	165	0
2023	223	0

In addition to entity-specific channels, we have globally instituted a direct communication line with the top management. In every entity, an **anonymous suggestion box** is available for our team members to voice their concerns directly to the regional Managing Director, who, along with the regional CSR manager, are the only two people to have access.



Social Gatherings

At NIRU, we believe that cultivating strong relationships and creating a positive work environment are essential for the well-being of our team members. Team-building activities are important for strengthening team bonds, connecting with colleagues in a casual setting, and creating memorable, fun experiences.



20,640 hours
of team building in 2023



Diversity & Inclusion



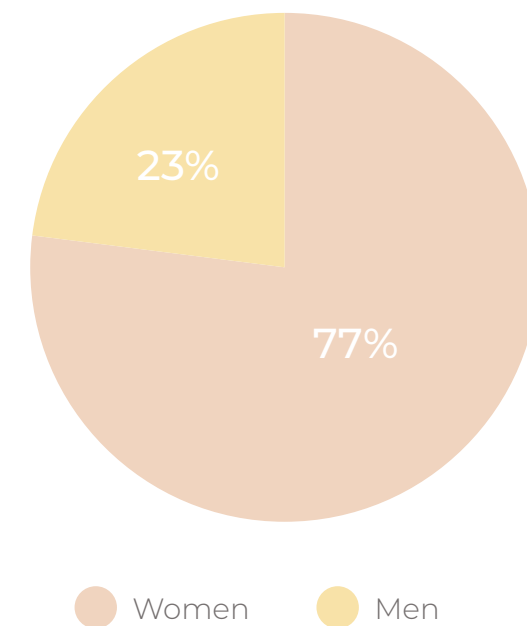
By bringing together a wide range of experiences and perspectives, we better serve our clients and communities while enriching our company's overall environment.

We see diversity as a key driver of transformation and progress. Embracing diversity helps us fuel creativity and improve our decision-making processes, leading to more effective solutions.

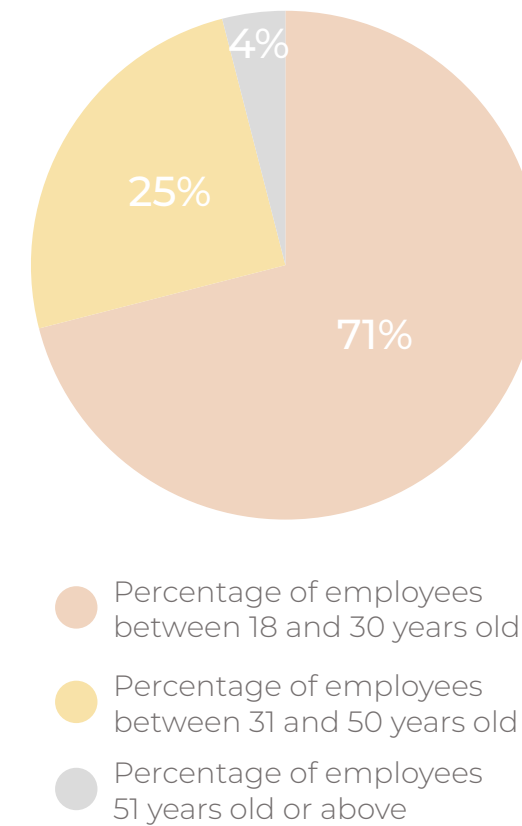
We are dedicated to creating an environment where every team member feels respected and valued. We aim to provide equal opportunities for growth and fulfillment, ensuring that all employees can contribute meaningfully to our company, regardless of their background or identity.

Our commitment to fostering an inclusive, equitable, and supportive workplace is central to our approach to doing business.

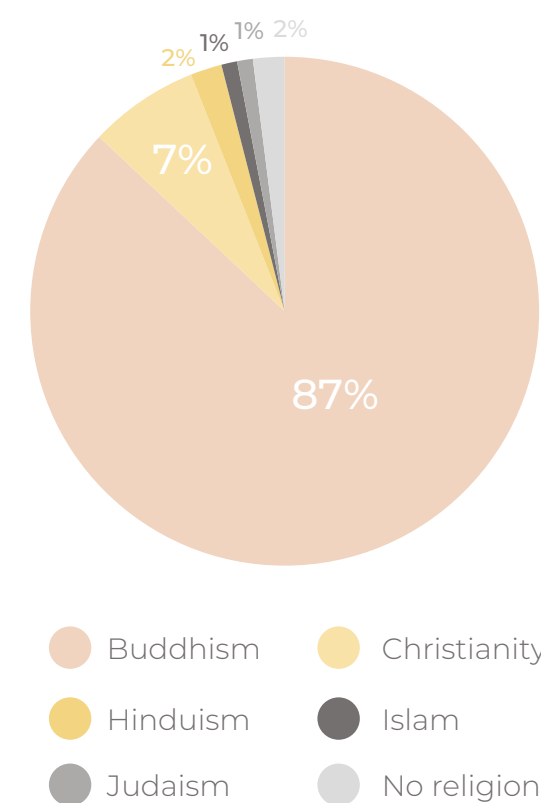
Gender



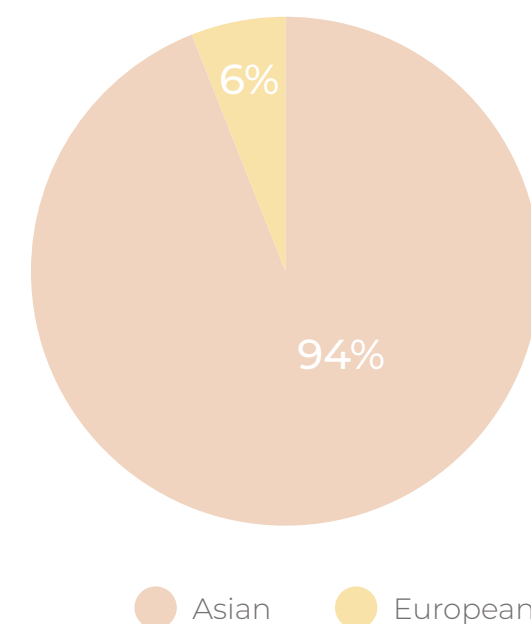
Age



Religion



Ethnicity

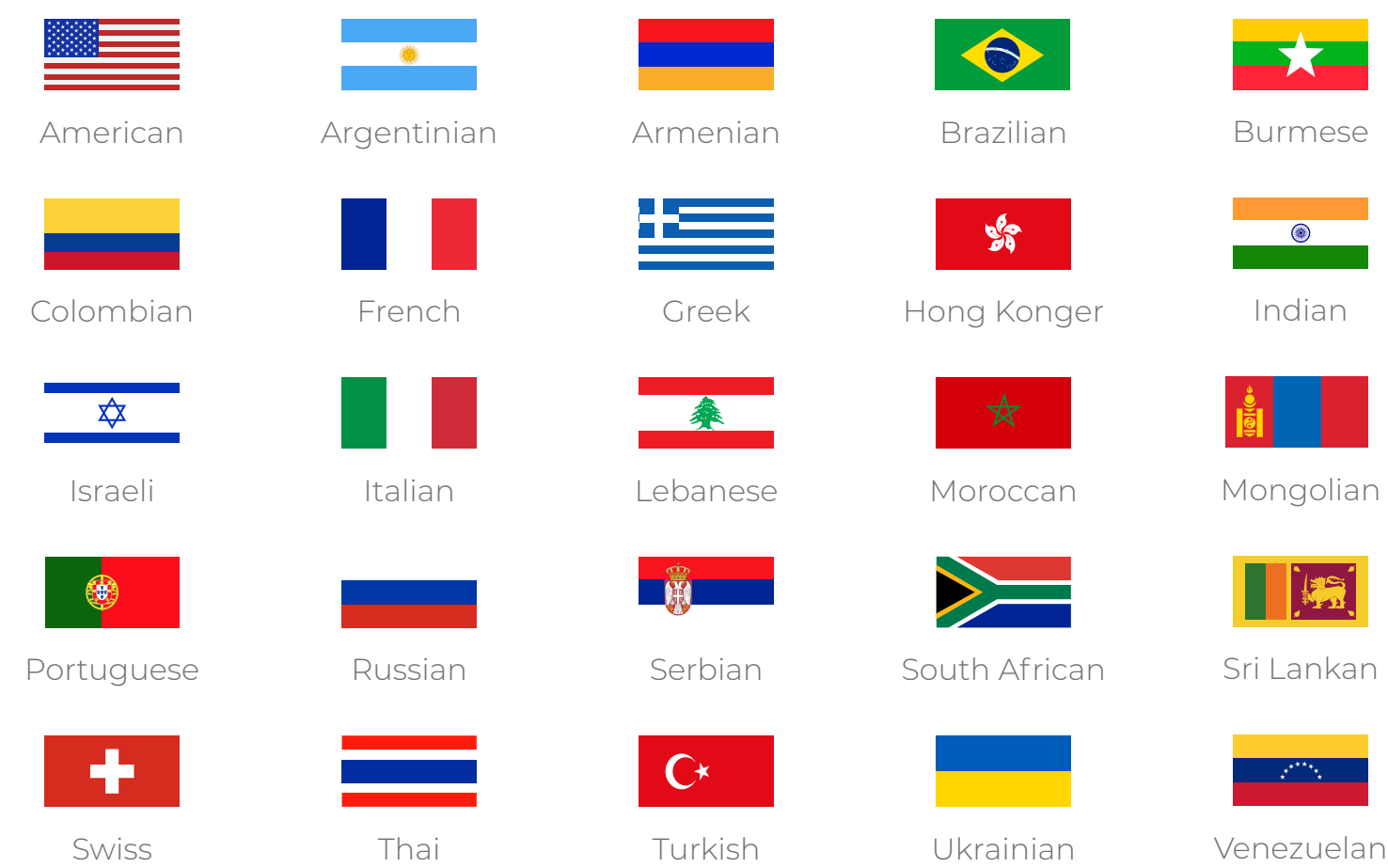


For gender, age, and ethnicity, we utilized precise data encompassing our entire workforce.

For religion, we worked with estimates for Switzerland and Israel, as we were unable to collect responses from the entire local workforce.



In 2023, NIRU encompasses 25 nationalities in its global workforce:



In the Group Leadership Team, among the 13 members, we account 5 nationalities:



Among 5 members in the Board, we account 3 nationalities:



Minorities Representation

At NIRU, we are committed to fostering an inclusive environment that values and respects the diverse backgrounds of all our team members. Our operations span multiple countries, each with a unique cultural and demographic landscape.

It is important to note that this analysis was conducted entity by entity and country by country, as a group considered a minority in one location may be a majority in another.

Minorities across our workforce	
Percentage of employees from minority groups ^{1*}	12%* of the workforce
Number of employees from religious minority ^{2*} groups	141
Number of employees identifying as LGBTQ+ ^{3*}	30
Number of employees from ethnic minority ^{4*} groups	14
Number of employees with disabilities ^{5*}	13
Number of employees from linguistic minority ^{6*} groups	9

In Switzerland, France, Hong Kong, Thailand, and the US, we successfully gathered precise data on all minority groups. In Sri Lanka, we were unable to collect data on LGBTQ+ and disabilities due to cultural sensitivities. Unfortunately, we were unable to obtain minorities data from Israel this year due to legal constraints

^{1*} Minority groups: Groups that are underrepresented or marginalized in each country where NIRU operates based on the following factors: disability, gender identity, sexual orientation, ethnicity, religion.

^{2*} Religious minorities: Groups that are not part of the dominant religion in each country where we operate.

^{3*} LGBTQ+ minorities: People who identify as part of the LGBTQ+ community, which includes a diverse range of sexual orientations and gender identities. Classified in the following categories: Lesbian, Gay, Bisexual, Transgender, Queer, Questioning, Asexual, Pansexual.

^{4*} Ethnic minorities: Groups that are not part of the majority ethnic population in each country where we operate.

^{5*} Disability minorities: Individuals who meet the legal definition of disability under your local laws, or people who self-identify as having a disability. Classified in the following categories: Physical Disabilities, Sensory Disabilities, Mental Health Conditions, Intellectual and Developmental Disabilities, Chronic Health Conditions.

^{6*} Linguistic minorities: Individuals who speak a language that is not the dominant language of the country where we operate.

Case Study: Empowering Individuals with Disabilities

Over the past two years, NIRU Swiss has partnered with “Fondation PRO”, a Geneva-based social foundation with a mission to integrate individuals who have been excluded from the traditional economy, particularly because of disabilities. PRO helps them find employment in a supportive and adapted environment, providing a vital opportunity to socialize, regain a sense of purpose and belonging through work.

This initiative resonates deeply with NIRU’s purpose of *Spreading Happiness*, as we are committed to creating opportunities for all, regardless of their challenges. Importantly, this partnership was not motivated by any legal requirements, as we are not subject to any in Switzerland, but by our genuine dedication to making a meaningful difference in people’s lives.

As part of this partnership, we welcomed two people from Fondation PRO. Their journey with us began with a two-week immersion, giving them the opportunity to explore their new role and determine if they feel comfortable in our company environment. This was followed by a six-month internship, during which they were trained from scratch for their new job through our NIRU Academy. Together with Fondation PRO, we adapted the workplace environment to suit their individual needs.

We are incredibly proud of both of our team members—one woman and one man—who have seamlessly integrated into our team and successfully became a round setter and a quality controller. We thank Fondation PRO for their trust and guidance, and we look forward to continuing this valuable collaboration.



“We are proud and grateful for the long-standing collaboration established with NIRU, a company with which we share strong common values. Attentive to the needs and well-being of its trainees, NIRU is highly proactive in promoting the integration of people with health limitations, offering them a tailor-made environment in which to develop their full potential. We are delighted with this partnership and look forward to future joint opportunities.”

Sylvie Vincent, Job Coach - Support for Professional Integration, Fondation PRO



Women Empowerment and Gender Equality

By 2030, we will empower 6,000 women, promoting their sense of self-worth, ability to determine their choices, and right to influence social change for themselves and others.

Women make up
77%
of our workforce
in 2023

Over the years, women have played an essential role in our progress, demonstrating dedication and talent across various roles. We are committed to supporting women's empowerment and promoting gender equality, with a focus on equal representation in management roles to ensure diverse perspectives in leadership and decision-making.

The name “NIRU” is a testament to the power and influence of women, as it is derived from the name of our founder’s wife, Nirmala Barmecha.

We also support education and career advancement for women to help them achieve their professional goals. We encourage financial independence by giving women the skills and resources to manage their finances. By focusing on these areas, we aim to create an environment where women can make informed choices impacting their lives and their communities. We hope to contribute to a more equitable and inclusive workplace through these efforts.

Roadmap 2025-2030



Objective	KPI	2023	Target 2025	Target 2030	Geographical scope
Promote Girls' Education	Number of girls from the community encouraged to pursue education	Not measured	500 girls	4,000 girls	Focus: Sri Lanka & Thailand
Enhance Career & Independence	Number of "Women Leadership program" training hours	Not measured	4,000 hours	50,000 hours	Group-wide: 7 countries
Achieve Equal Representation in Leadership	Number of women in highest management positions	45% in middle-level management 50% in upper-level management 29% in group leadership 20% in the board	50% women in middle-level management 35% women in group leadership 33% women in board	50% women in group leadership and in board	Group-wide: 7 countries
Close any Gender Wage Gap	Adjusted gender wage gap	1% gender wage gap at employee-level	Measure gender wage gap at management-level	No gender wage gap	Group-wide: 7 countries
Introduce the Parenting Fund	Budget given at childbirth	None	Launch	50% of a monthly salary	Focus: Sri Lanka & Thailand

Cumulative counts and non-cumulative percentages

Certifications, Standards & Best Practices helping us achieve our roadmap

	2023	2025 OBJECTIVE	2030 OBJECTIVE
United Nations' Women's Empowerment Principles (WEPs)	NIRU became Signatory	Develop our WEPs action plan	Achieve our WEPs action plan



Change the Paradigm for Young Women



At NIRU, we believe in transforming lives by offering opportunities that break down traditional barriers. Our focus is on hiring young women from remote villages in Sri Lanka; regions where cultural norms and economic constraints may limit their opportunities.

To ensure women's independence, NIRU is committed to changing the paradigm for young women in Sri Lanka. Our initiatives include extensive outreach and sensitization programs in these villages, where we actively engage with local communities to build trust and raise awareness about the benefits and safety of moving closer to the city to work with us.

Case Study: Parents Days in Sri Lanka

81% of our workforce in Sri Lanka is composed of women, with 57% being under 25 years old. Given their young age and the fact that many have moved from rural areas on their own, we deem it our responsibility to build trust and reassure their families.

We believe transparency is key to addressing their concerns. Therefore, we host "Parents' Days" every quarter for the families of new team members. Through these events, we aim to help them discover our safe working conditions, positive environment, and company culture.

This initiative helps create a bond between NIRU and our team's families. By demonstrating our commitment to their children's well-being, we aim to instill confidence in the parents and encourage their support for their daughters' careers.

Moreover, these Parents' Days offer young employees the opportunity to proudly showcase their newly skills. This experience enhances their sense of accountability and pride in their roles, contributing further to their personal and professional growth.



Equal Representation in Management



Establishing equal representation between men and women in leadership positions is crucial for fostering a diverse and inclusive corporate culture. Diverse leadership brings varied perspectives to decision-making processes, enhancing creativity and innovation. For NIRU, this approach strengthens both our market position and our ethical standing, contributing significantly to the creation of a work environment that supports personal and professional growth.

We are dedicated to actively promoting gender diversity within all levels of our company. By integrating gender diversity into our core strategic goals, we aim to foster an inclusive culture that promotes varied perspectives and innovative problem-solving. The group actively promotes and hires female managers across different levels, aiming to foster a diverse and inclusive leadership landscape.

NIRU commits to gender equal representation in the highest management positions by 2030.

Hierarchy (top down)	2021	2022	2023	2025 OBJECTIVE	2030 OBJECTIVE
Women in the Advisory Board	NA	NA	20%	35%	50%
Women in Group Leadership Team	18%	29%	29%	33%	50%
Women in Upper-Level Management	45%	59%	50%	Maintain equal representation	
Women in Middle Management	36%	42%	45%	50%	Maintain equal representation
Women in First-Line Management	66%	70%	68%	Maintain equal representation	

Gender Wage Gap

Ensuring equity and fairness across all levels of our global operations is central to NIRU's values. Given that our workforce is predominantly female, addressing the gender wage gap is an essential focus for us.

In a preliminary assessment, we calculated the gender wage gap across all our entities, focusing particularly on the employee level, where 1,600 of our 1,783 employees are positioned.

The group-wide weighted average gender wage gap at employee level (encompassing nearly 90% of our workforce) stands at

1%

reflecting our strong commitment to gender pay equity

This achievement is mainly due to our salary grids, which ensure equitable pay for employees performing similar roles.

Addressing the gender wage gap at senior management and executive levels presents more complex challenges, including varying compensation structures, diverse roles, the number of people managed, as well as different stages of career progression. Due to these factors, we have been unable to accurately calculate the overall gender wage gap within our company accurately.

We are comprehensively reorganizing our internal structures to address these challenges. As part of this initiative, we plan to hire a Global HR Director by 2025, who will spearhead our efforts to ensure more precise and equitable wage assessments at all levels of the organization.

While we take pride in our progress, further work is required. Our journey toward fully addressing the gender wage gap is ongoing, and we are committed to continuously refining our strategies and structures to achieve greater equity.

As we move forward, we will maintain transparency in our efforts and outcomes, keeping our stakeholders informed of both our achievements and the areas where improvement is needed.



NIRU commits to close any gender wage gap on management level by 2030.

Support Parenthood

At NIRU, empowering women means supporting both men and women in their journey through parenthood. We believe that starting a family should seamlessly integrate with career progression, and we are committed to providing support during and after pregnancy. This aligns with our family values, which emphasize the importance of nurturing and supporting each other, both at work and at home.

Our Sri Lankan entity has established maternity packages and benefits to support mothers during and after pregnancy, which are communicated to all team members.

- ◆ **Additional Food Provision:** Pregnant employees have access to extra snacks and food to meet their daily nutritional needs.
- ◆ **Special Maternity Support by Internal Nurses:** Our nurses closely monitor the well-being of our pregnant women, offering support and guidance, addressing any medical concerns and providing postpartum care.
- ◆ **Maternity ergonomics:** Pregnant employees are provided with unlimited breaks during working hours to rest, based on individual needs. Additional safety measures include managing risks from exposure to chemicals and machinery, as well as providing comfortable seating options.

Looking Ahead:

In 2024, we plan to will expand these best practices to our colored stones manufacture in Thailand.



Foster Financial Independence

Financial independence enables women to manage their own lives and make decisions independently. It also helps foster self-confidence and self-worth, allowing women to pursue their goals and ambitions. Additionally, it can contribute to gender equality by reducing dependency, promoting equal partnerships, and ensuring women have a voice in personal and financial matters.

For the past decade, our management team has regularly educated our Sri Lankan workforce on the importance of saving. We believe that fostering a culture of saving is essential for our teams' future and well-being. This effort involves raising awareness, regular communication, and training to encourage responsible and long-term financial practices.

In Thailand, we provide tailored financial behavior training for our team members, segmented by management level to ensure relevance. The sessions are headed by finance specialists covering key challenges like debt management, installment payments, and family finances. Our goal is to equip employees with practical money management skills and a deeper understanding of financial management.

Since 2022, employees in Thailand are given the opportunity to enroll in the Provident Fund, a voluntary fund jointly established by the employer and the employee, to help people save for retirement. Employees can contribute 2% to 15% of their salary, with NIRU matching up to 5%, based on length of service.

In 2023, our Sri Lankan entity began working with banks to negotiate better terms and interest rates for our workforce. By 2025, our goal is to establish five-year savings accounts for each team member with monthly contributions.

This initiative aims to enhance financial stability and encourage long-term savings, ensuring our team members are better prepared for future financial needs.





Community

By 2030, through our program “NIRU Care”, we aspire to drive local community empowerment in Sri Lanka and Thailand.

At NIRU, we place great importance on our role in the communities where we operate, particularly in Sri Lanka and Thailand. Through our NIRU Care program, we focus on improving the quality of life in these areas, acknowledging the connection between our progress and the well-being of the local populations. By investing in areas such as nutrition, health, education, and economic growth, we aim to contribute to sustainable development and support the overall improvement of the community.

Roadmap 2025-2030



Objective	KPI	2023	Target 2025	Target 2030	Geographical scope
Support Healthcare	Number of ambulances operations financially supported in Sri Lanka	None	1 ambulance	12 ambulances	Focus: Sri Lanka
Secure Meals for the Underprivileged	Number of food rations donated to orphanages & elderly homes	About 500 food rations	1,000 food rations	5,000 food rations	Focus: Sri Lanka & Thailand
Finance Children's Education	Number of children impacted	335 children	800 children	10,000 children	Focus: Sri Lanka & Thailand
Fight Malnutrition	Frequency of collaboration with local farmers	None	Yearly	Quaterly	Focus: Sri Lanka & Thailand
Amplify Volunteering	Number of volunteering hours	1,680 hours	12,000 hours	120,000 hours	Group-wide: 7 countries

Cumulative counts and non-cumulative percentages

1,680 hours
of volunteering in 2023

We understand the value of volunteering to foster human connections and build relationships within local communities.

Volunteering allows us to contribute positively to our communities and deepens our workforce's understanding of local challenges and needs.

By 2025, we will establish a **"Global Solidarity Day"**. This initiative will involve our global workforce spending half a day volunteering for the same cause, fostering unity and collective impact. We aim to strengthen our global community and make a meaningful difference by dedicating time and effort to a shared purpose.



Cultivate Community Health



Secure Meals for the Underprivileged

Approximately
500 food rations
 donated to orphanages and elderly
 homes in 2023

Rising food costs and economic disparities in Sri Lanka impede access to nutritious food, thus escalating hunger and health-related issues. In response, NIRU has initiated programs such as donating surplus meals that we cook every day for our team members in our Sri Lankan manufacture, to local elderly homes and orphanages since 2015. These efforts are part of NIRU's broader strategy to mitigate hunger and promote a culture of health and well-being in the community, showcasing our dedication to enhancing the quality of life in our operating regions.

Good Health

At NIRU, we recognize that health education is pivotal for the sustainable development of communities. Our dedication extends beyond our core business operations, reaching into the heart of local communities to uplift their health standards.

Blood Donation in Thailand

Blood banks worldwide face low supplies, with donations failing to meet the demand, highlighting the urgent need for more donors. In response, NIRU Thailand organized a blood donation drive, where 45 employees **donated 20 liters of blood**.

Pleased with this effort, which might save up to 130 lives, we plan to continue these blood donation drives multiple times a year across the entire group.

Dengue Fever Prevention in Sri Lanka

In Sri Lanka, a concerning health statistic from the Epidemiology Unit of the Ministry of Health highlighted that over 80,000 individuals contracted Dengue Fever in 2023. In response, NIRU's Sri Lanka team acted by organizing a Dengue Prevention Program, mainly targeting child orphanages in the Panadura region.

This initiative involved comprehensive environmental cleaning efforts to eradicate dengue mosquito breeding sites, thereby safeguarding the health of vulnerable children and the broader community.

150 team members participated, contributing **600 volunteer hours**.

FOCUS – Covid & Economic Crisis in Sri Lanka in the past 3 years

The past three years have presented significant challenges for Sri Lanka, with the dual impact of the COVID-19 pandemic and a severe economic crisis. At NIRU, we recognized the urgent need to support our communities during these unprecedented times. We distributed dry ration packs on a monthly basis, including essentials such as rice, dhal, cooking oil, tea, wheat flour, and sugar, to all our employees. We also provided nutritious food and essential supplies to Gothama Children's Home in Panadura.

Facts & Figures

- 8** Oxygen Concentrators to Base Hospitals High Dependency Units of Horana, Panadura and Kalutara
- 1** PCR machine to Sri Lankan Government
- 1** Chest freezer to the MOH Panadura to store Covid 19 vaccines



Donation of a PCR machine to the Sri Lankan Prime Minister's Relief Fund during COVID-19.

Promote Children's Future



Education drives economic growth, social progress, and sustainable development. It equips individuals with the knowledge and skills needed to improve their quality of life, access better employment opportunities, and contribute to society.

Understanding the impact of education, NIRU focuses its initiatives in Sri Lanka and Thailand. By concentrating our efforts in these communities, we hope to create opportunities that support equity in education and help the younger generation unlock their full potential.

Donation of school supplies in Sri Lanka

In 2023, we donated school supplies to **69 children** in primary grades at Thewanuware Vidyalaya in Ampara, Sri Lanka. Each pack consisted of a school bag, books, stationery, and a shoes.

Mentoring young people in Switzerland

In 2023, we began mentoring young people in Switzerland through a partnership with the Geneva Red Cross. Our team hosted a presentation for 20 participants, highlighting career opportunities in the watch and jewellery industry, followed by a guided tour of our Swiss manufacture. This initiative, involving 4 team members and 6 hours of volunteer work, aimed at young individuals in professional reintegration programs, allowing them to explore various roles, engage with industry professionals, and submit their CVs for potential employment opportunities.

Improving school infrastructure & experience in Thailand

In 2023, we supported a local school by painting their facilities, creating a more vibrant and welcoming environment for students and staff. We also donated toys to the children and created some fun games for them, adding joy to their school experience. This initiative involved **31 team members** who contributed **372 hours of volunteer work**, enhancing educational spaces and fostering a better learning experience for the community.



“Our success is defined by our dedication to engaging with, nurturing, and uplifting our community, recognizing it as an opportunity to create lasting change. By actively listening to the needs of those around us and collaborating toward shared goals, we strive to belong in and empower local communities. This principle guides us in NIRU Sri Lanka. We embrace a responsibility that extends beyond crafting beautiful stones; it involves ensuring sustainable practices that benefit everyone. Together, we aspire to create a brighter future where everyone can thrive.”

Sanjay Baid, Managing Director of NIRU Sri Lanka DCL





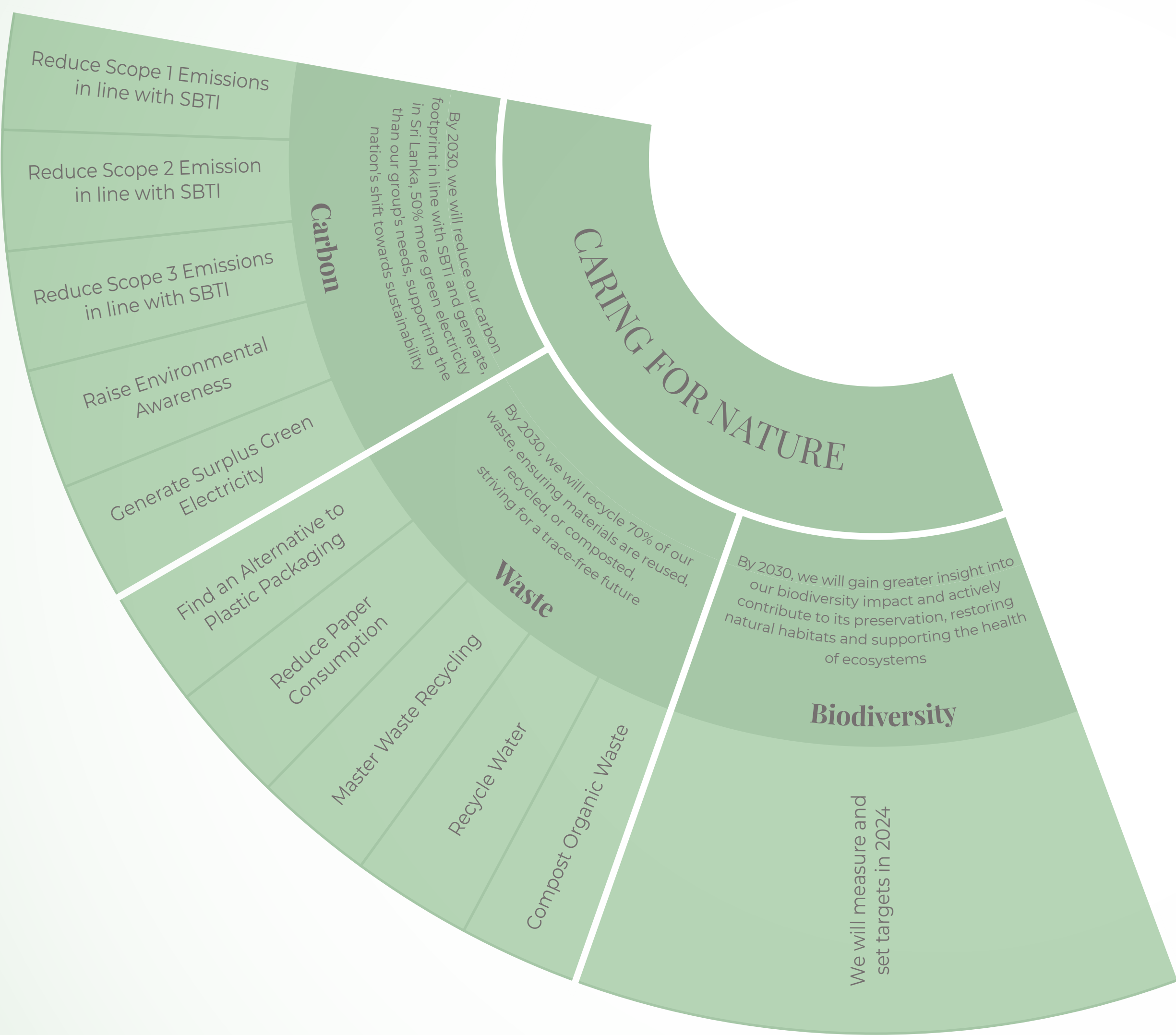
PILLAR 2:

Caring for Nature

Acting to restore, nurture and preserve the earth, ensuring a flourishing world for future generations.

Building on our gemstone production heritage, we have a profound connection with the natural world and are committed to preserving the ecosystems that provide our raw materials. Nature encompasses biodiversity, climate, water, land use, and natural resource management, reflecting our holistic approach to environmental stewardship. By choosing the word "nature" over "planet" or "environment," we want to emphasize the living, dynamic aspects of the earth that we are dedicated to protecting. This term aligns with our values and our integral role in the natural world, ensuring that our actions today contribute to a thriving, diverse, and sustainable future for all life forms. Through our initiatives, we strive to create a positive ripple effect, fostering a healthy and flourishing world for future generations.

Roadmap 2025-2030



Certifications, Standards & Best Practices helping us achieve our roadmap

	2023	2025 OBJECTIVE	2030 OBJECTIVE
ISO 14001 Certification		Sri Lanka and Thailand entity	All entities above 50 team members

ISO 14001 is an internationally recognized standard for environmental management systems, providing a framework for organizations to improve their environmental performance. It focuses on reducing environmental impact, ensuring compliance with regulations, and promoting sustainable practices.



Carbon

By 2030, we will reduce our carbon footprint in line with SBTi and generate, in Sri Lanka, 50% more green electricity than our group's needs, supporting the nation's shift towards sustainability.

We are committed to removing more carbon dioxide from the atmosphere than we emit through surplus green energy production, investments in carbon capture, and advanced technologies. We aim to reduce our carbon footprint and surpass carbon neutrality, actively reducing global greenhouse gas levels and supporting climate stability for a healthier planet.

Roadmap 2025-2030



Objective	KPI	2023	Target 2025	Target 2030	Geographical scope
Reduce Scope 1 Emissions <small>In accordance with SBTi</small>	Percentage of reduction of scope 1 emissions	NA	15%	90%	Group-wide: 7 countries
Reduce Scope 2 Emissions <small>In accordance with SBTi</small>	Percentage of our electricity consumption coming from green energy	28%	80% <small>By 2026</small>	100%	Group-wide: 7 countries
Reduce Scope 3 Emissions <small>In accordance with SBTi</small>	Percentage of our tier 1 suppliers setting SBTi near-term scope 1 and 2 targets	41%	45%	75%	Group-wide: 7 countries
Generate Surplus Green Energy	Green electricity generated compared to total electricity consumed by the group	33%	40%	150%	Group-wide: 7 countries
Raise Environmental Awareness	Number of environmental awareness training hours	32 hours	2,000 hours	30,000 hours	Group-wide: 7 countries

Cumulative counts and non-cumulative percentages

Certifications, Standards & Best Practices helping us achieve our roadmap

	2023	2025 OBJECTIVE	2030 OBJECTIVE
ISO 5001 certification		Sri Lanka entity	All entities above 50 team members
Science Based Target Initiative (SBTi)	Understand the methodology to set SBTi-aligned objectives	Submit our near-term and long-term objectives	Achieve most of our SBTi objectives

ISO 50001 is an international standard for energy management systems. It provides a framework for organizations to establish, implement, maintain, and improve their energy management practices. The goal is to help organizations improve energy performance, increase energy efficiency, and reduce greenhouse gas emissions systematically.

The Science-Based Targets Initiative (SBTi) is a collaborative effort between several leading organizations: the Carbon Disclosure Project (CDP), the United Nations Global Compact (UNGC), the World Resources Institute (WRI), and the World Wildlife Fund (WWF). The initiative aims to help companies set greenhouse gas emission reduction targets that align with the latest climate science and the goals of the Paris Agreement, which seeks to limit global warming to well below 2°C above pre-industrial levels and pursue efforts to limit warming to 1.5°C.

Measuring Our Impact

While we began tracking and measuring our carbon footprint in 2021, our comprehensive sustainability roadmap was only formalized in 2023. This strategic plan defines our commitments and actions to reduce carbon emissions and advance sustainability throughout our operations.

Given that no formal actions were implemented before our ESG 2025-2030 strategy was established, we have chosen 2023 as our base year, ensuring a consistent benchmark for tracking progress moving forward.

NIRU's Scope 3 emissions are primarily due to our core activity of supplying stones to our clients. The industry's upstream supply chain involves energy-intensive processes such as mining, heavy machinery, and extensive transportation to various global processing centers.

Since our business involves purchasing diamonds and colored stones for manufacturing, reducing our carbon footprint presents significant challenges. To address this, we collaborate closely with our suppliers to help them reduce their environmental impact, thereby collectively working towards a more sustainable supply chain.

Carbon Intensity Metrics

To better understand our carbon footprint and in compliance with SBTi guidelines, we have defined carbon footprint intensity metrics. It measures the amount of carbon dioxide equivalent (CO₂e) emissions produced per unit of activity or output. This approach is particularly important for growing companies like ours, as it provides a clearer picture of our emissions relative to our business operations. Intensity gives a more accurate and meaningful understanding of our environmental impact.

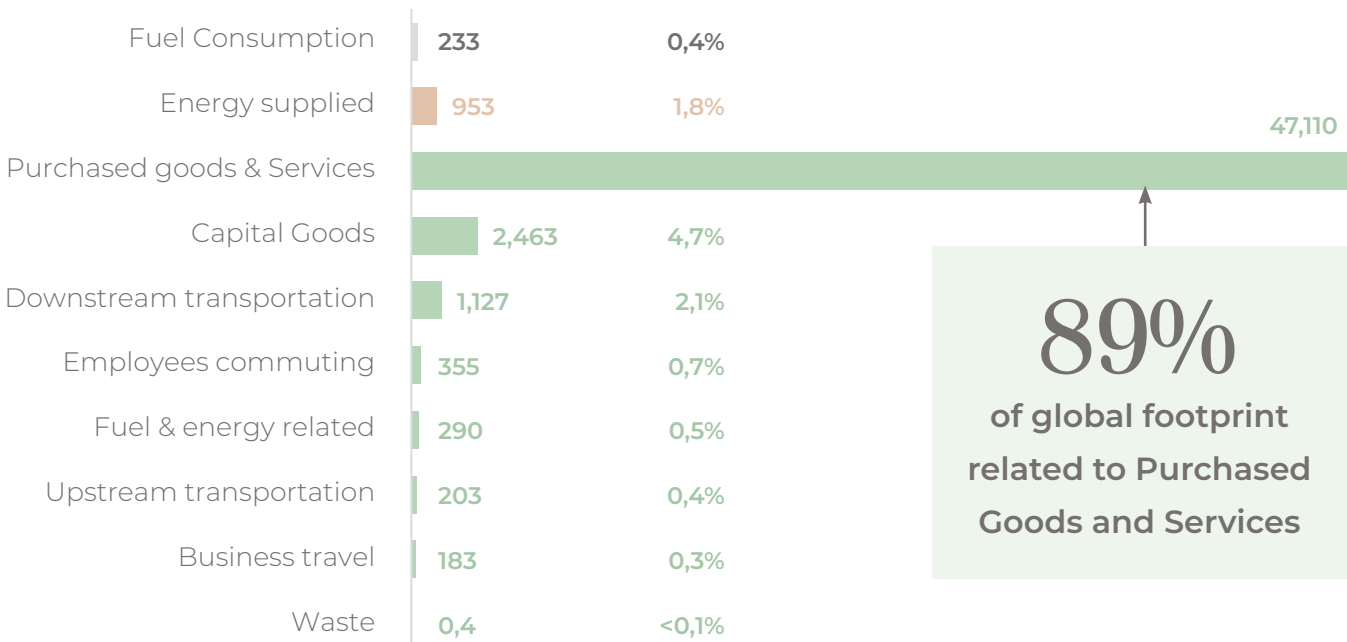
29.68

metric tons
of CO₂e per employee in 2023

GHG Footprint			
	2021	2022	2023
Scope 1	414 tCO ₂ e	445 tCO ₂ e	233 tCO ₂ e
Scope 2	1,351 tCO ₂ e	1,130 tCO ₂ e	953 tCO ₂ e
Scope 3	35,790 tCO ₂ e	47,678 tCO ₂ e	51,729 tCO ₂ e
Total Emissions	37,555 tCO ₂ e	49,253 tCO ₂ e	52,915 tCO ₂ e

**In 2021, our carbon footprint included entities in Sri Lanka, Israel, and Switzerland. Starting in 2022, we expanded our scope to include our newly established entity in Thailand. However, entities in Hong Kong and the United States are excluded from this calculation, as they only account for 1% of our workforce.*

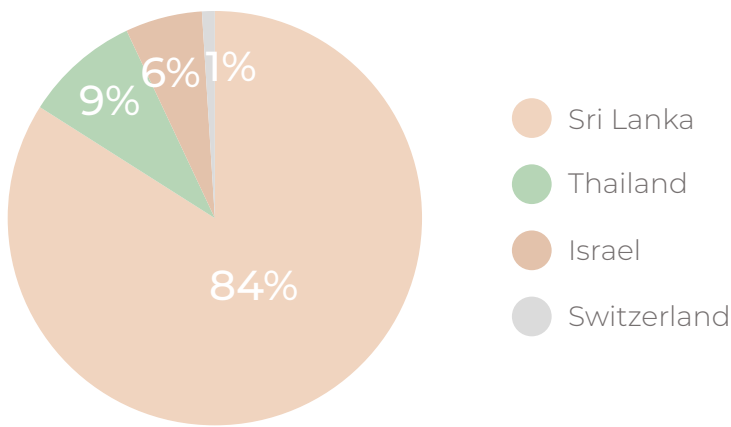
2023 Emissions in Detail (tCO₂e)



NB: percentages values are rounded up numbers hence the sum of all the values might not add up to 100%

Scope 1 (0.4%) Scope 2 (1.8%) Scope 3 (97.8%)

FOCUS on Scope 2 Emissions



FOCUS on Energy Consumption

Energy Consumption Manufacturing				
	Unit	2021	2022	2023
Total energy consumed	GJ	7,143	9,593	8,515
Green electricity consumed	%	4%	8%	26%
Non-renewable electricity consumed	%	93%	72%	67%
Fuel consumed (excluding mobile oil used for buses)	%	3%	20%	7%

** Due to the local crisis in Sri Lanka in 2022, which caused electricity power cuts, we exceptionally relied more on fuel-powered generators for production.*

Our operations primarily rely on electricity to power our activities. Since we operate in Sri Lanka and Thailand, where electricity supply can be unstable and prone to frequent outages, it is essential to have robust backup solutions in place. To address this challenge, we utilize fuel-powered generators to produce electricity whenever there is a disruption in the main power supply. These generators maintain uninterrupted production and operational continuity during power outages.

Our Actions

7

9

12

13

Green Electricity

We are committed to achieving electricity independence, particularly in Sri Lanka and Thailand, where power outages are frequent, by producing our own energy. We aim to maximize our consumption of green electricity across the entire group. Recognizing the importance of renewable energy in reducing our carbon footprint, we actively explore and implement methods to increase our use of green electricity each year.

Green Energy Consumption			
	2021	2022	2023
Percentage of global electricity consumption coming from renewable energy	4%	10%	28%

* Encompassing all our 7 entities.

Looking Ahead:

In the coming years, we will be relocating to a newly acquired factory in Thailand, which we will also equip with solar panels to generate renewable energy.

Solar Panels on our Flagship Manufacture

In 2020, we installed 2,678 square meters of solar panels on the roof of our flagship diamond manufacture in Sri Lanka. Until this year, the energy was sold to the grid, contributing to the local renewable energy supply. However, from mid-2023 onwards, we began utilizing this solar energy to meet our own operational needs. This transition marks a significant step in our efforts to enhance energy efficiency and minimize our environmental impact.

Green Energy Generation			
	2021	2022	2023
Solar panel energy generated in Sri Lankan manufacture (in kWh)	819,741	695,785	733,892

* The electricity generation from our solar panels fluctuates year after year due to varying weather conditions.



Flagship Manufacture Certified LEED Gold Green Building

In 2023, our entity in Sri Lanka was awarded LEED Gold Green Building. This certification, granted by the U.S. Green Building Council, is a globally recognized symbol of sustainability achievement and leadership. The LEED Gold certification encompasses a range of rigorous criteria including energy efficiency, water conservation, reduction in CO2 emissions, improved indoor environmental quality, and stewardship of resources. As part of our efforts to enhance the sustainability of our manufacture, we have for instance exclusively used LED lighting since 2015, and installed a mechanical ventilation system in 2023 to improve fresh air levels and oxygen circulation in the working environment.



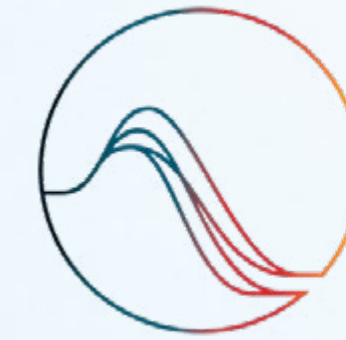
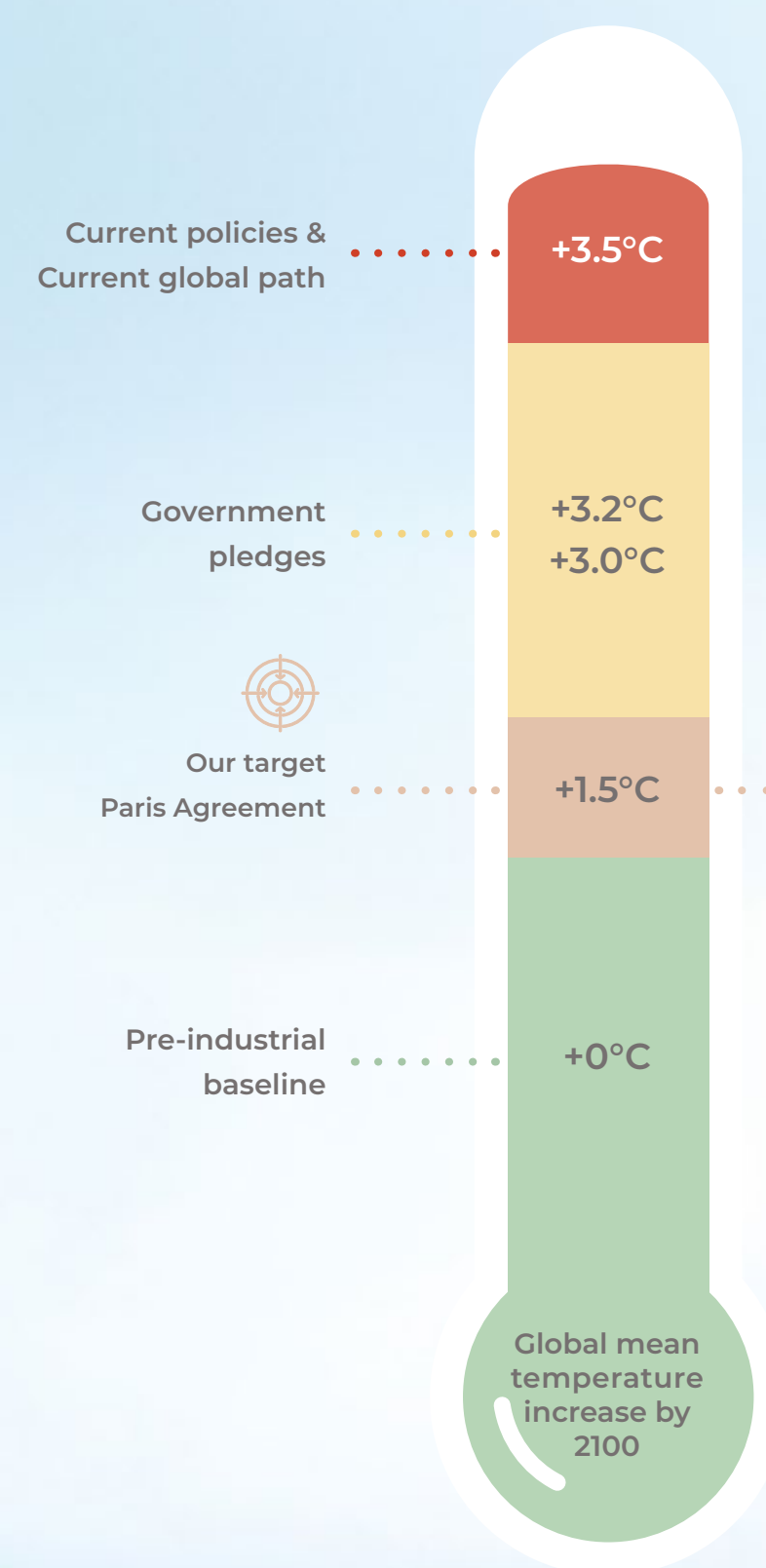
Science-Based Targets Initiative (SBTi)

In 2023, we became signatories of the Science-Based Targets initiative (SBTi), joining a global corporate movement dedicated to addressing climate change. By committing to this initiative, we aim to ensure that our carbon reduction objectives align with the latest climate science.

With the support of ERM (Environmental Resources Management) consultants, we have defined our targets for reducing Scope 1, 2, and 3 emissions. These targets are SBTi-compliant and aligned with the global objective of limiting the global temperatures rise to 1.5°C above pre-industrial levels.

Looking Ahead:

We will submit these targets for SBTi validation in 2024.



SCIENCE BASED TARGETS

SBTi Near-term Targets

Emissions Scope	Reduction Method	Target type	Target 2025	Target 2030
Scope 1	Absolute Contraction Approach	Percentage of reduction of scope 1 emissions	15%*	90%
Scope 2	Absolute Contraction Approach	Percentage of our electricity consumption coming from green energy	75% By 2026	100%
Scope 3	Supplier Engagement Approach	Percentage of our tier 1 suppliers setting SBTi near-term scope 1 and 2 targets	45%*	75% By 2029

* These targets are our own milestones, not mandatory SBTi requirements, reinforcing our commitment to achieving SBTi-aligned targets.

Engaging our Workforce



Ecofriendly Workforce Commuting

By encouraging sustainable transportation options, we aim to minimize our environmental impact and foster a culture of sustainability within our organization.

We provide company bus transportation for our workforce in Sri Lanka and Thailand, driving them from nearby towns to the workplace. This initiative not only reduces individual car use but also minimizes overall traffic congestion and emissions.

In Switzerland, about 30% of our team members use public transport and receive transport allowance from the company. This initiative aims to promote sustainable travel and reduce the environmental impact associated with individual car use.

Looking Ahead:

- ◆ In Sri Lanka and Thailand, we are actively exploring options for greener buses to further decrease our environmental footprint and enhance the sustainability of our employee commuting practices.
- ◆ In Switzerland, we aim to raise awareness about the benefits of car sharing among our employees and are planning to implement more initiatives to incentivize this eco-friendly practice.



52%

of our global workforce use
company bus transportation
in 2023



Waste

By 2030, we will recycle 70% of our waste, ensuring materials are reused, recycled, or composted, striving for a trace-free future.

Understanding and managing our resource input and output is vital to our commitment to sustainability and environmental stewardship. Measuring our use of plastic, paper, and water allows us to identify opportunities for reducing waste and optimizing resource efficiency.

Our dual strategy focuses on better tracking and optimizing purchases and consumption while also managing waste to ensure all waste is repurposed or recycled. By closely monitoring our consumption, we can implement targeted strategies to reduce waste, promote recycling, and ensure that our operations align with our purpose of *Spreading Happiness*.

Roadmap 2025-2030



Objective	KPI	2023	Target 2025	Target 2030	Geographical scope
Find an Alternative to Plastic Packaging	Number of alternative trials	None	Several trials	Alternative found	Group-wide: 7 countries
Reduce Paper Consumption	Paper usage reduction rate	1,100kg approximately	Decrease by 25% compared to base year	Decrease by 75% compared to base year	Group-wide: 7 countries
Master Waste Recycling	Percentage of recycled waste	42%	50%	70%	Group-wide: 7 countries
Recycle Water	Percentage of water used which is recycled	Rainwater reused in Sri Lanka	Start recycling our own water consumption	Set a target in 2025	Group-wide: 7 countries
Compost Organic Waste	Composted food waste percentage	0%	100% in Sri Lanka entity	100% of global food waste	Group-wide: 7 countries

Cumulative counts and non-cumulative percentages

Certifications, Standards & Best Practices helping us achieve our roadmap

2023	2025 OBJECTIVE	2030 OBJECTIVE
Partner with the “Ocean Cleanup”	Provide annual financial support	

The Ocean Cleanup is an international non-profit organization dedicated to developing advanced technologies to remove plastic pollution from the world's oceans. Their mission is to achieve a 90% reduction of floating ocean plastic by 2040. This goal is pursued through a dual strategy: cleaning up plastic accumulated in the oceans, especially in areas like the Great Pacific Garbage Patch, and intercepting plastic pollution in rivers before it reaches the ocean.

Measuring Our Impact

2023 marked a pivotal year for our company as we began the important task of measuring and tracking our consumption metrics for water, paper, and plastic across all operations. This year, we also started tracking our waste metrics. Tracking allows us to identify areas where we can reduce waste and improve efficiency. By establishing 2023 as our base year, we set a clear benchmark against which we can measure our progress. While most of our data is currently approximative, we are committed to refining our measurement processes and aim to have more accurate data by 2024.

Consumption Metrics

Paper

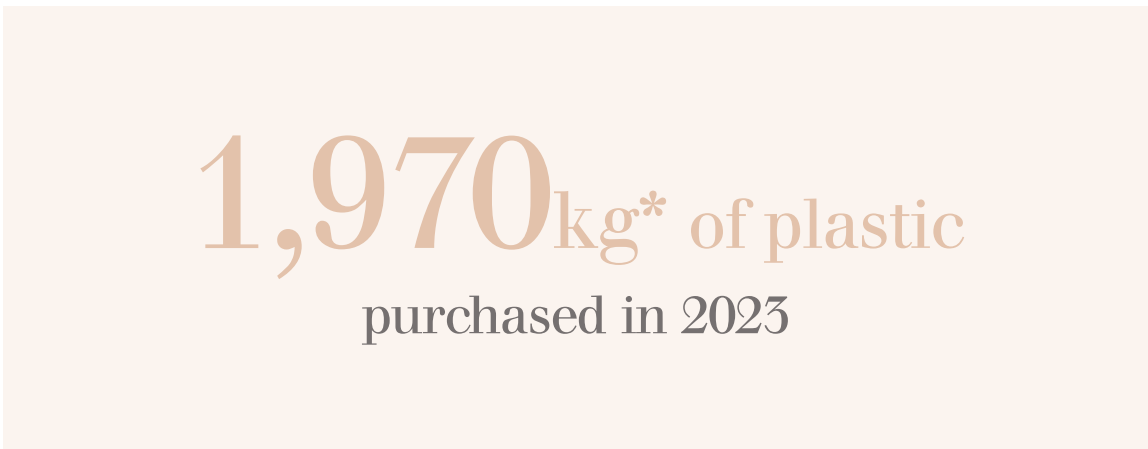


**Approximation, measured using the invoices of purchased paper products in all seven entities.*

- ▶ The most consumed product was A4 paper, which accounted for 30% of our paper consumption groupwide.

Plastic

In the gemstone industry, the use of plastic is prevalent, particularly single-use plastics such as bags for stones. At NIRU, we recognize the significant environmental impact of plastic consumption and are committed to tracking and reducing our plastic usage.



**Approximation, measured using the invoices of purchased plastic products in all seven entities.*

- ▶ 25% of our plastic consumption came from plastic trash bags, and another 25% from plastic bags and boxes used to package and stock diamonds.

Water

Effective water management is crucial for evaluating our environmental impact and ensuring sustainable operations. As a committed local actor in Thailand and Sri Lanka, NIRU feels a deep responsibility to manage these precious natural resources carefully. Water scarcity and pollution are pressing challenges in these regions due to rapid urbanization, agricultural expansion, and climate change.

In our operations, water is primarily used for drinking, sanitation, and in the production of colored stones, watches, and jewellery. Specifically, in colored stone manufacturing, water is used for cooling during cutting and polishing, dust suppression, and cleaning the stones to ensure precision and quality. Additionally, small amounts of water are used to wash and clean watch and jewellery pieces as part of our final production process.

Water Usage			
	2021	2022	2023
Yearly water consumption (in m3)	31,244	36,806	46,524

**This includes all our entities but states approximative data for Switzerland, Israel, and the United States.*

Looking Ahead:

In the new facility to be inaugurated in Sri Lanka in 2024, we will implement a rainwater harvesting system to collect and utilize rainwater

This collected water will be used for non-potable purposes, such as in toilets and other areas where potable water is unnecessary. This initiative conserves potable water and reduces our reliance on external water sources.

Waste

Addressing waste management in regions like Sri Lanka and Thailand is particularly critical, where inadequate infrastructure can exacerbate environmental challenges. Poor waste management practices lead to severe environmental degradation, affecting ecosystems and human health. By investing in waste management initiatives and collaborating with local communities, we aim to build sustainable practices that protect the environment and enhance the quality of life for future generations. Our commitment to waste reflects our dedication to environmental stewardship and a sustainable future.

By keeping records of both recycled and non-recycled waste, we can identify areas for improvement and set targeted goals, ensuring a data-driven approach to sustainability. Recycling plays a crucial role in this effort, reducing landfill waste and conserving natural resources by reintroducing materials back into the production cycle.

Waste Generation in 2023			
Disposed waste	Incinerated waste (in tons)	25.28	58%
	Landfill waste (in tons)	3.75	
Recycled waste		21.15	42%
Total waste (in tons)		50.16	100%

**Approximate figures for all our entities*

Recycled Waste Repartition in 2023		
Organic waste (in tons)	7.72	36.5%
Paper (in tons)	5.32	25%
Plastic (in tons)	2.35	11%
Used chemical liquid (in tons)	1.75	8%
Chemical fabrics (in tons)	1.66	8%
Glass (in tons)	1.08	5%
Chemical packaging (in tons)	0.86	4%
Copper scrap/ Metal scrap (in tons)	0.19	1%
Electronic waste (in tons)	0.12	1%
Aluminum (in tons)	0.09	0.5%

**This includes exact data from Sri Lanka and Switzerland but approximative data for the other entities.*

Engaging our Workforce



Raising Environmental Awareness

Raising awareness among our team members about the importance of recycling is integral to our sustainability strategy. We highlight the importance of reducing landfill waste, conserving natural resources, and fostering a culture of shared responsibility. By educating our workforce, we aim to inspire environmentally responsible behaviors both at work and in their personal lives, aligning with our values of continuous learning.

In addition to recycling, we prioritize the safe use and handling of chemicals. We ensure our employees are well-equipped to manage these substances safely. This commitment to education and safety reflects NIRU's broader purpose of *Spreading Happiness* through sustainable practices and reinforces our dedication to environmental stewardship and social contribution.

Our vision extends beyond the workplace, encouraging employees to practice sustainability at home and in their communities, and to share this awareness with their families and friends.

By empowering our team to be environmental ambassadors, we aim to inspire a broader shift towards responsible stewardship of our planet.

Beach Cleanups Initiatives in Thailand and Sri Lanka

Our ocean mitigates non-renewable industry pollution by absorbing 25% of all carbon emissions while generating 50% of the oxygen we need to survive. It not only functions as the lungs of the planet, providing us with the air we breathe, but also as the world's largest carbon sink, helping to combat the negative impacts of climate change.

Knowing this, we are committed to protecting our oceans through dedicated beach cleanup initiatives in Thailand and Sri Lanka. In 2023, it involved **210 dedicated team members** contributing **420 hours of volunteer work** in total. Through this initiative, we aim to contribute to the well-being of the marine environment while preserving the natural beauty of our coastal areas.

Funding Ocean Plastic Cleanup Efforts

In line with our unwavering commitment to environmental stewardship, NIRU Swiss proudly partnered with CleanSea to combat the pressing issue of ocean plastic pollution. CleanSea, founded by passionate twins Lukas and Mikaela Julher, is dedicated to preventing ocean plastics from devastating marine life. Inspired by their story and the alarming prediction that by 2050, the ocean could contain more plastic than fish, we felt compelled to support their mission. This family-driven initiative resonates deeply with our own family values, making our partnership with CleanSea all the more meaningful.

Late 2022, we offered Cleansea bracelets as Christmas gifts to our clients. Each bracelet purchased enabled Lukas, Mikaela, and their dedicated team to remove 4 kilograms of plastic from the ocean in early 2023, directly contributing to the restoration of our marine ecosystems and reflecting our shared responsibility for a cleaner planet.

We contributed to removing of
644₁kg
of plastic from the oceans,
in 2023,
equivalent to about
**60,000 plastic bottles or
120,000 plastic bags**

Tree Planting Initiative in Thailand

In 2023, our team took a step toward environmental stewardship by planting **60 trees** in the Bangkajao region, a lush area often referred to as Bangkok's "green lung." This effort was made possible through 31 team members, who collectively contributed **62 hours of volunteer work**.

Food Management in Sri Lanka

In our Sri Lankan entity, we prepare daily lunches for our employees, ensuring delicious options are readily available. However, we recognize the importance of managing food waste effectively and responsibly. To mitigate food waste, any leftover food is utilized in two impactful ways:

Donating to Vulnerable Populations: Since 2015, we have been dedicated to donating surplus food rations to local orphanages and elderly homes. This initiative ensures that nutritious meals reach vulnerable populations.

Supporting Local Farms: Since 2010, leftover food that remains unsuited for human consumption is provided to local farms, to feed pigs. This practice helps manage waste and supports local agricultural practices, ensuring resources are reused efficiently.

Looking Ahead:

We are planning to enhance our food waste management strategies through significant investments in composting technology. By next year, we aim to implement composting machines across all our entities. This will allow us to convert uneaten food into valuable compost, further contributing to our sustainability goals. Establishing composting centers will ensure that we minimize our environmental footprint while continuing to support the communities around us.





Biodiversity

By 2030, we will gain greater insight into our biodiversity impact and actively contribute to its preservation, restoring natural habitats and supporting the health of ecosystems.

Recognizing the tremendous importance of biodiversity for ecosystem health, climate stability, and human well-being, we have proactively defined a Biodiversity goal. Biodiversity is crucial as it supports ecosystem services vital for life on Earth, including food security, clean water, disease regulation, and cultural benefits. While we are still learning and seeking to understand our biodiversity impact, our commitment underscores our dedication to preserving and enhancing biodiversity as a critical component of our ESG strategy.

Starting in 2024, we will commence measuring our biodiversity impact. This initiative will be primarily facilitated by the “Watch & Jewellery Initiative 2030” biodiversity tool, providing us with the necessary resources and insights to accurately assess and manage our biodiversity footprint.

We thank the WJI 2030 for helping us on this important journey to gain a comprehensive understanding of our impact and implement effective strategies to protect and sustain biodiversity.



Case Study: Sponsoring a beehive in Switzerland

In 2023, we sponsored a beehive in Geneva in partnership with "Printemps d'Abeilles." This initiative supported approximately **50,000 bees**, which are essential for pollination and maintaining biodiversity. Bees play a crucial role in ensuring healthy ecosystems by helping plants reproduce, which in turn supports food production. Around 40% of European bee colonies have been decimated in less than ten years, while 30% of global food production depends on pollinating insects. Declining bee populations threaten global food security and nutrition, making it crucial to protect these essential allies in the fight against hunger and malnutrition. Bees also play a vital role in maintaining the balance of ecosystems and biodiversity. They pollinate crops and wild plants, which provide habitat and food sources for many other animals, such as birds and insects.

By taking this small but significant action, we marked the beginning of our commitment to caring for the biodiversity of our local communities.





PILLAR 3:

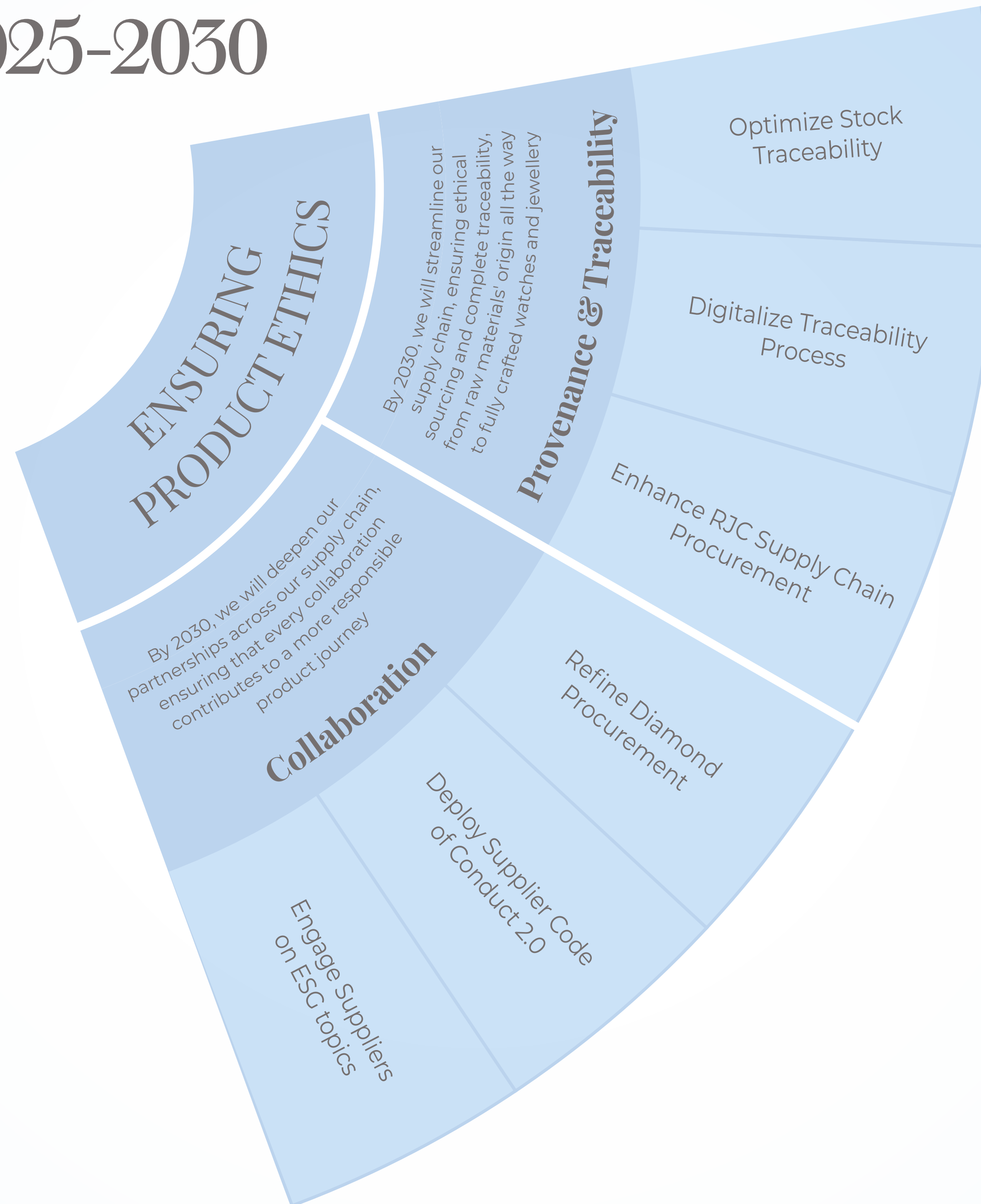
Ensuring Product Ethics

Continuously improving
our products' sustainability,
transparency, and positive
impact.

The ethical sourcing of diamonds, colored stones, and precious metals drives our sourcing team, with a strong focus on social and environmental responsibility. Ensuring mining communities uphold human rights, practice good labor practices, mine from conflict-free zones, and make sustainability part of their strategy is pivotal in choosing our suppliers.

We seek transparency and traceability in the supply chain, adherence to international ethical standards, and minimizing environmental impact by reducing waste and emissions. It also involves supporting local communities, ensuring fair wages, and providing safe working conditions. Product ethics is a cornerstone of our operations, embedded it at the core of our management structure. To uphold these values, we foster a culture of collaboration among our team and partners.

Roadmap 2025-2030



Provenance & Traceability

By 2030, we aim to streamline our supply chain, ensuring ethical sourcing and complete traceability, from the origin of the raw materials all the way to the finished jewellery and watch pieces.

Roadmap 2025-2030



Objective	KPI	2023	Target 2025	Target 2030	Geographical scope
Optimize Stock Traceability	Percentage of stock traced in ERP	Diamonds: 97% Colored stones: Process started in 2023 Watch & jewellery products: Process started in 2023	100% for all products		Group-wide: 7 countries
Digitalize Traceability Process	Percentage of traceability processes digitalized and automated (without manual input)	Not measured	70%	90%	Group-wide: 7 countries
Enhance RJC Supply Chain Procurement	Percentage of purchases coming from RJC certified suppliers	66%	90%	95%	Group-wide: 7 countries

Cumulative counts and non-cumulative percentages

Certifications, Standards & Best Practices helping us achieve our roadmap

Quality Management System			
	2023	2025 OBJECTIVE	2030 OBJECTIVE
Certification ISO 9001		Sri Lanka and Thailand entities	All entities

ISO 9001 is an internationally recognized standard for quality management systems (QMS), ensuring organizations consistently meet customer and regulatory requirements. It is based on principles such as a strong customer focus, top management involvement, a process-oriented approach, and continuous improvement.

Full Traceability

To *spread happiness* along the supply chain, we uphold the highest standards of quality and ethical responsibility. All materials, including stones and gold, are naturally sourced and fully traceable from origin to final product. Aware of the risks of sourcing from vulnerable regions, we ensure transparency by rigorously monitoring every country of origin. With efficient processes and continuous improvement, we remain fully committed to traceability across our supply chain.

SOURCE



MANUFACTURE



WATCH & JEWELLERY SERVICE



Origins

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

8 DECENT WORK AND ECONOMIC GROWTH

Happy Diamonds – Conflict-Free

Ethical sourcing in the diamond industry, a concern for many years, focuses on responsibly procuring diamonds through practices that promote peace, fair labor, and environmental stewardship. This ensures diamonds do not fund conflict or exploitation, protect workers' rights and well-being, and minimize ecological footprints.

At NIRU, the commitment to ethical sourcing is paramount, and we supply exclusively conflict-free diamonds. We refuse any diamonds coming from unidentified sources.

Our adherence to key industry standards:

Kimberley Process	World Diamond Council's System of Warranties (SoW)	OECD Due Diligence Guidance for Responsible Supply Chains
International certification system that regulates trade in rough diamonds to prevent the flow of conflict diamonds.	Self-regulatory system implemented by the diamond industry to extend the Kimberley Process's assurance of conflict-free diamonds to all stages of the diamond supply chain.	Framework that provides guidelines for companies to ensure their mineral sourcing practices do not contribute to human rights abuses or conflict.

As diamond manufacturers, we purchase rough diamonds from suppliers who disclose the countries of their operations. This transparency ensures our diamonds are not mined in conflict areas and facilitates a more transparent supply chain.

Provenance Claims

-  Diamonds
-  Colored Stones



Colored Gemstones – Early Stages

In 2020, NIRU Group entered the colored stones industry, opening a manufacture in Thailand.


Unlike the more regulated diamond industry, the colored stones industry operates on a smaller, more artisanal scale. These gemstones are primarily found in secondary deposits, where people make a living by sifting through riverbeds and separating valuable stones from the sediment using sieves. This decentralized, manual extraction method presents significant challenges for traceability and ethical sourcing.

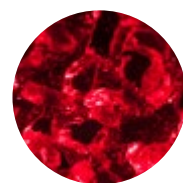
The lack of formal recording hampers efforts toward comprehensive traceability and creates obstacles for actors within the industry to certify these gems' ethical provenance.

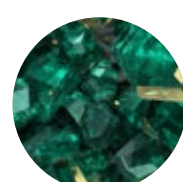
Inspired by the ethical sourcing procedures in the diamond industry, we aspire to integrate best practices with suppliers in the colored stone industry, encouraging them to track and disclose as much information as possible.

To ensure that our gemstones comply with our origin requirements, we require that every single stone we procure from suppliers is accompanied by a written declaration of supply origin.

Precious gemstones


- 


Sapphire
(blue, orange, pink, yellow, violet)
- 


Ruby
- 


Emerald


Semi-precious gemstones


- 

Amethyst
- 

Blue Topaz
- 

Peridot
- 

Tanzanite
- 

Tsavorite
- 

Spessartite

NIRU’s gold is recycled or grandfathered, sourced exclusively from long-term, trusted Swiss refineries certified by the Responsible Jewellery Council (RJC) under the Chain of Custody (CoC) standard.

We do not source any newly mined gold. As the exclusive manufacturer of gold components within NIRU Group, our Swiss entity ensures that every piece of gold used in our luxury watches and jewellery meets the highest standards for quality, sustainability, and responsible sourcing.

Sustainable Gold

As NIRU's Swiss entity expands its high-end jewellery and watches manufacturing, the responsible management of precious metals—particularly gold, our most extensively used material—is central to our commitments. The gold supply chain presents challenges, especially with small-scale and artisanal mining, which often operates outside formal regulatory frameworks despite its significant contribution to the global gold market.

To ensure that our gold sourcing aligns with the highest ethical standards, NIRU confides in the Responsible Jewellery Council's (RJC) Chain of Custody (CoC) standard. The RJC CoC certification is instrumental in ensuring the traceability and responsible sourcing of gold throughout the supply chain. It requires rigorous adherence to environmental, social, and governance criteria, guaranteeing that every ounce of gold we use is sourced with respect for human rights, environmental stewardship, and ethical business practices.

The gold we source falls into 2 categories:

Recycled Gold

Sourced from the remnants and waste generated by jewellery or watchmaking manufacturing, this gold is melted down and repurposed, contributing to the circular economy and reducing the demand for newly mined gold.

Grandfathered Gold

Includes gold bars or coins minted before 2012, which are melted and refined with a recognized chain of custody, ensuring their ethical provenance.

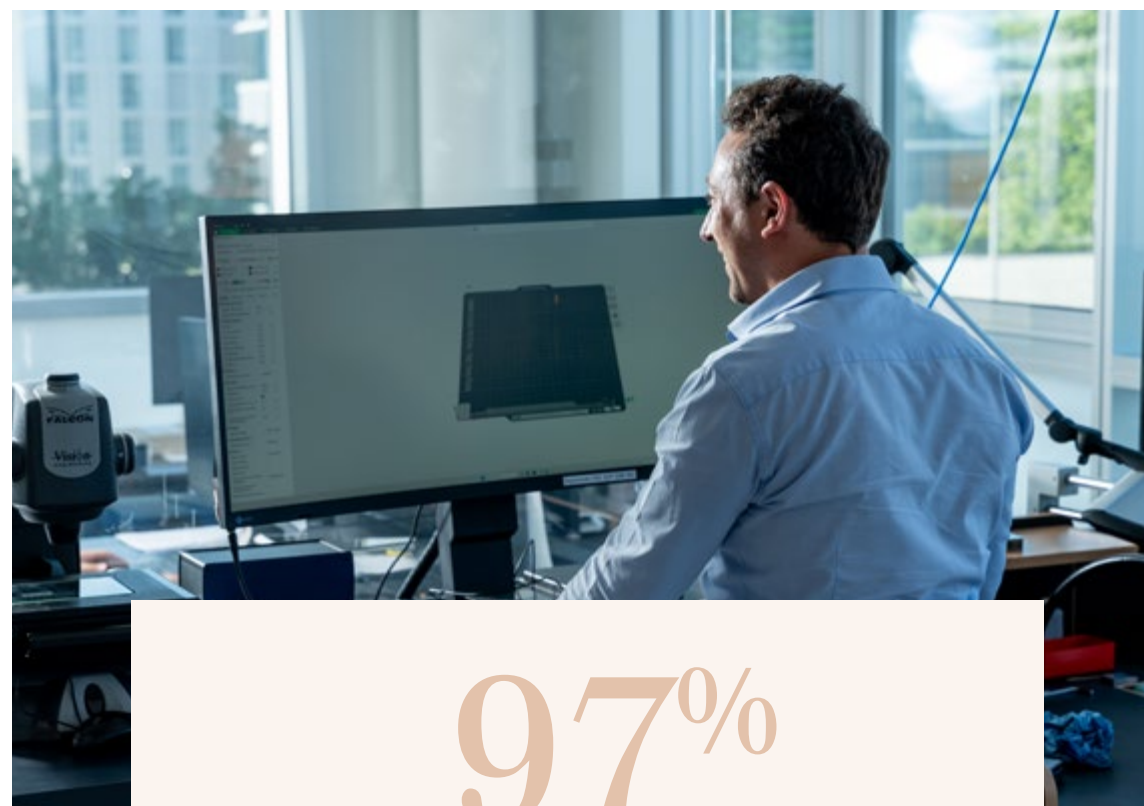
Traceability R&D



The luxury watchmaking and jewellery industry faces significant traceability challenges for precious stones, semi-precious stones and precious metals. For diamonds, smaller stones like meleees present a unique challenge due to their sheer volume and small size, making it difficult to implement the same advanced tracking technologies used for larger stones. In the case of gold and colored stones, the extensive and complex supply chains complicate efforts to track the metal or stone from the mine to the final piece.

Over the past five years, the NIRU Research & Development (R&D) team has been dedicated to finding the most reliable and effective methods for traceability management. Throughout this period, we have tested a variety of traceability platforms to ensure we select the best solutions.

Our traceability strategy focuses on using in-house manufacturing, stringent procedures, and continuous learning. This system allows us to streamline traceability from mine to the finished piece.



97%
of our diamonds
stock is traced in our ERP

Procedures

We have fine-tuned our processes to guarantee full end-to-end visibility and maintain the highest standards of traceability within our operations.

Our comprehensive 'Traceability Policies and Procedures' ensure the accuracy and integrity of information at every stage.

Precious metal specifications

At NIRU Swiss, the only entity in the group dealing with manufacturing precious metals, we address these challenges with a tracking system. When we receive a metal bar, our teams assign it a unique order number within our ERP system. This number is vital for our tracking process, allowing us to trace each bar's journey from raw material to the final watch or jewellery piece. This order number records all stages of manufacturing and handling, ensuring we can verify the origin and path of the gold up to delivery to the client.

Precious metal pieces are securely stored in our safes tagged by the project and client, ensuring the integrity of our materials. This segregation is crucial to meet RJC COC standards, which require clear separation between COC and non-COC materials.

Through this system, we can trace each finished piece back to its originating metal bar, providing trust and assurance to our clients. These traceability best practices support our goal of achieving RJC COC certification in 2024.



Our Traceability Vision:

Ensuring complete traceability from the origin of the raw materials all the way to the finished jewellery and watch pieces.

At NIRU, ensuring a happy journey for our pieces is our top priority. We recognize the utmost importance of guaranteeing transparency, reliability, and accessibility of information.

We embrace traceability as a valuable tool to share our stones', watches' and jewellery pieces' stories.

In the context of diamonds, colored stones and gold, "Traceability" refers to knowing their origins—the countries where they were mined—and the details of their subsequent handling, including where and by whom they were manufactured.

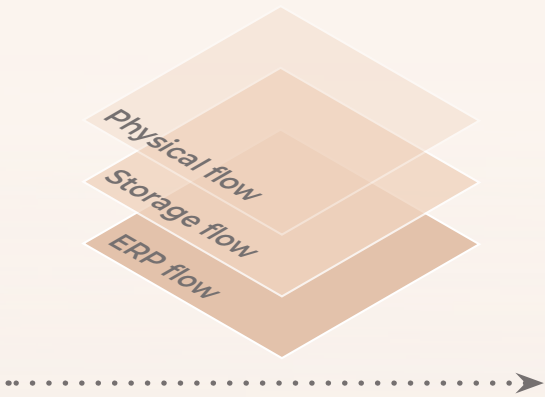
Internal traceability



Unique Identifier & Barcode

The barcode follows the product journey in our manufacture, from rough to polished: We can pinpoint the exact location of each parcel, identify every team member involved at each stage, and know the precise timing of all steps.

3 layers of Traceability



Core Approach



Minimal use of manual data



Checkpoints at every stage



Origin parcel color method



Checklist

Risk Management

We perform comprehensive traceability risk assessments to detect and evaluate both existing and potential risks associated with our internal operations.

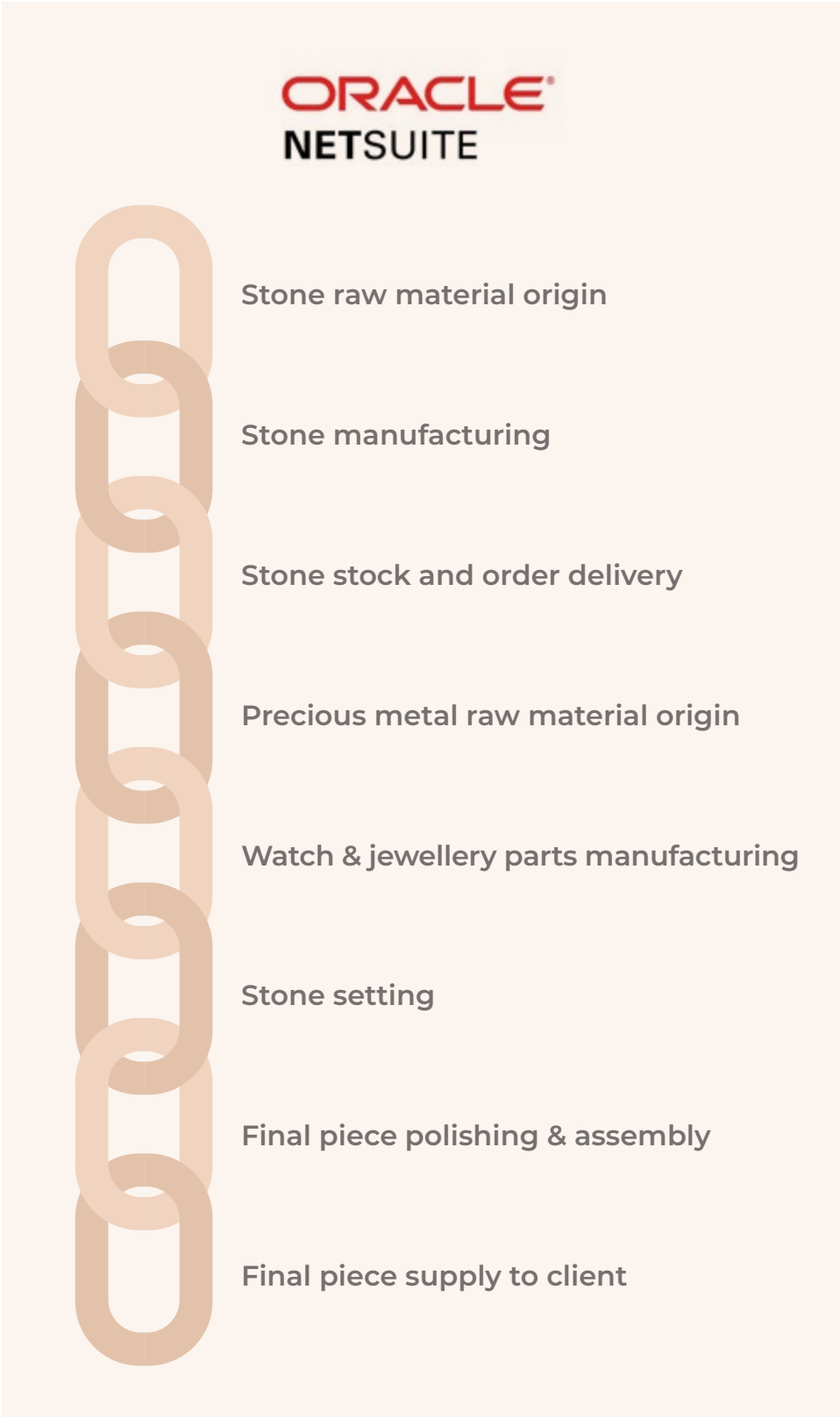
Suppliers

We work closely with our suppliers to find solutions to ensure transparency and accountability throughout the supply chain with clear communication and data sharing to facilitate effective traceability across our stakeholders.

- ◆ Our diamond and colored stone suppliers must provide us with information about mining company, country of origin and country of manufacturing, if relevant.
- ◆ Our precious metal suppliers are exclusively Switzerland-based and RJC COC certified.

IT Systems

The effectiveness of a traceability process heavily relies on the IT tools used to manage it. Recognizing this, over the past two years, we have collaborated with Oracle's NetSuite to tailor their ERP system to meet our specific requirements and establish a robust traceability system.



In-House Manufacturing

Our strategy is focused on building a short supply chain model by developing our internal manufacturing. This model minimizes intermediaries, enhancing traceability and reliability. Through our internal manufacturing, we gain direct oversight of production operations, enabling us to safeguard each step and ensure data accuracy in our traceability systems.

Our commitment to internal manufacturing also reinforces our dedication to ethical and sustainable practices, to ensure our operations are *Spreading Happiness*. Our growth in internal manufacturing fosters our development within the communities in Sri Lanka, Thailand, and Switzerland, allowing us to continue making a meaningful contribution.

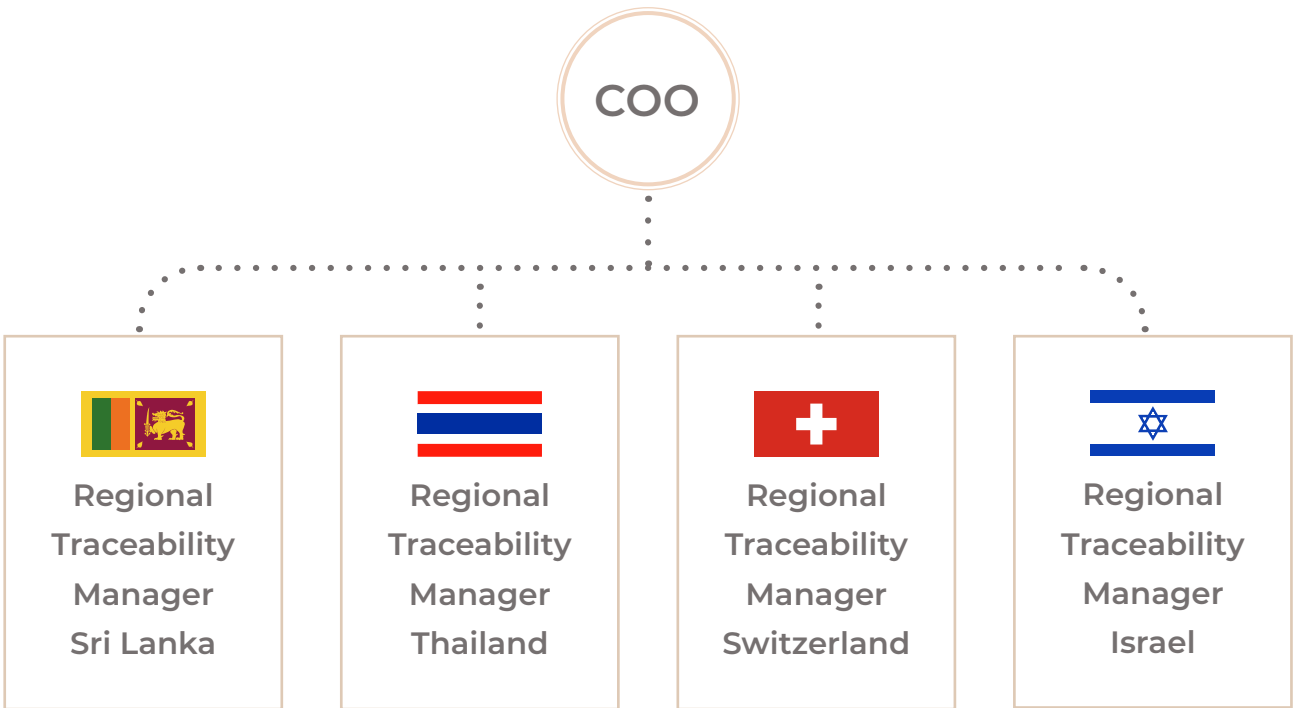
We polish
100%
of our rough stones
in-house, without any
sub-contracting

Audits

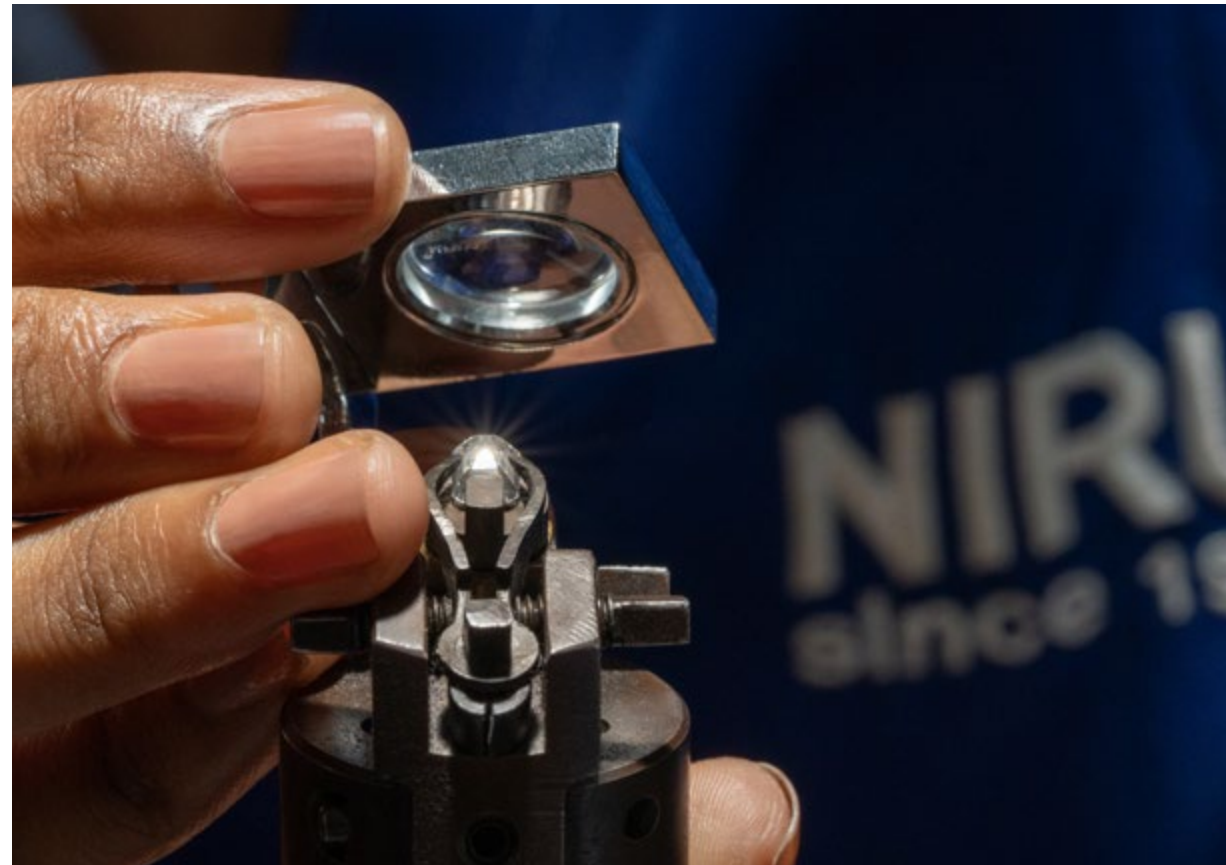
Regional Traceability Managers conduct Internal Traceability audits twice a year.

Our COO oversees our traceability governance, and starting in 2024, a newly appointed Compliance Manager will audit our traceability system.

Apart from conducting internal audits, we **actively engage in external traceability audits conducted by our clients or external auditors**. These audits provide valuable learning opportunities, enabling us to continuously improve our processes.



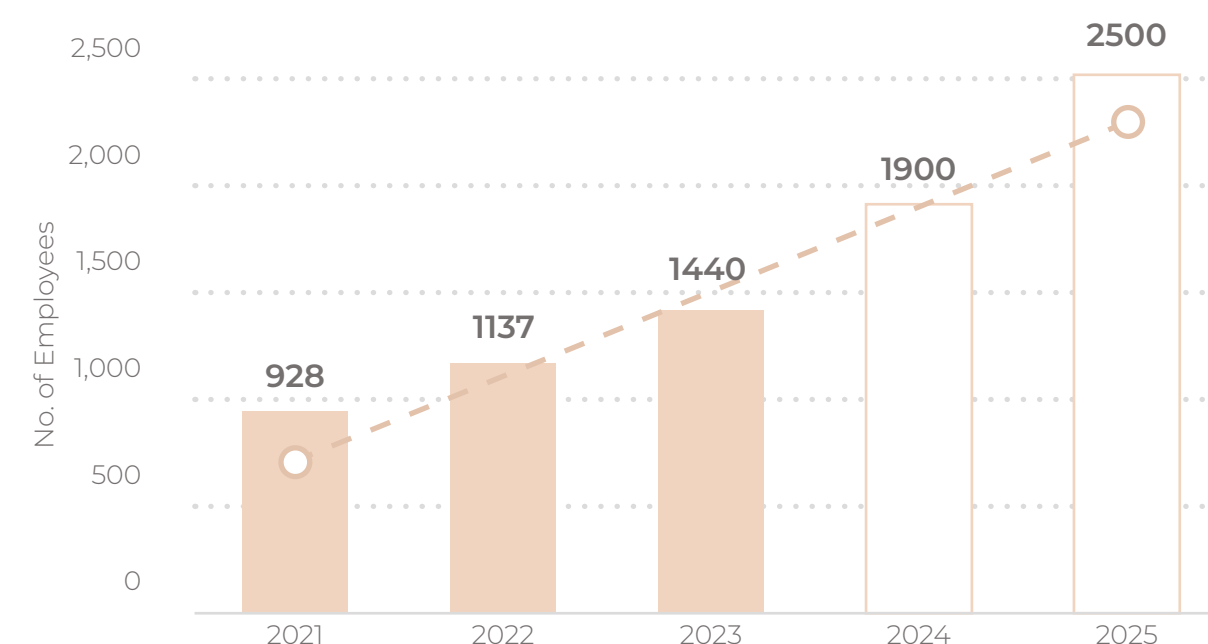
By consolidating processes, we guarantee that each piece meets our exacting standards, delivering unparalleled craftsmanship and transparency. Additionally, this approach promotes growth and well-being in the communities where we operate, *spreading happiness* along the way.



Diamond Manufacturing in Sri Lanka

NIRU Sri Lanka, our largest entity, specializes in precision diamond cutting and polishing. Established to leverage Sri Lanka's unique advantages in precision culture and reliable supply chains, it plays a crucial role in our global operations, ensuring high-quality, ethically sourced luxury products.

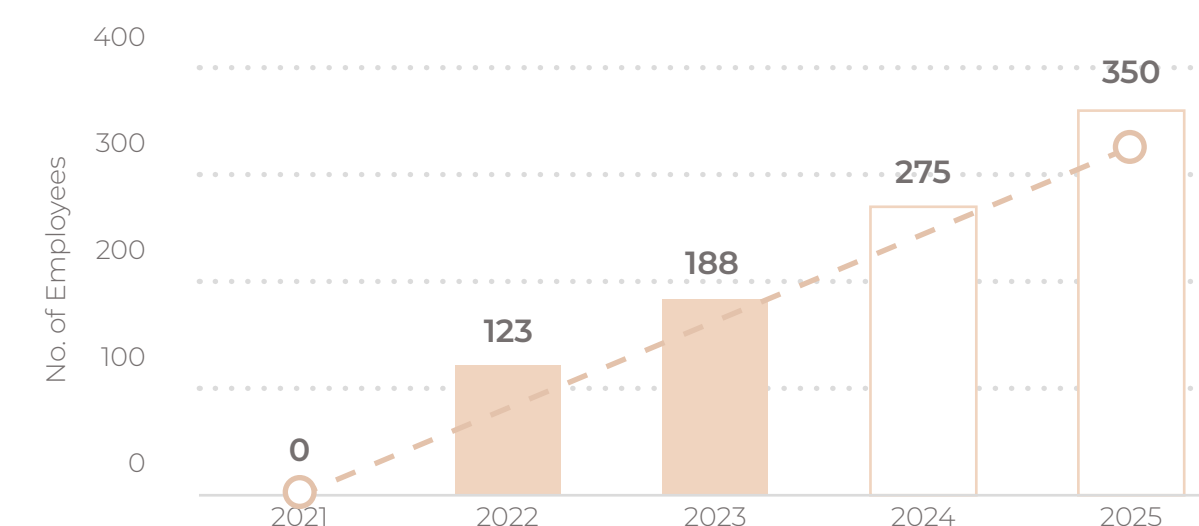
In 2024, we will be opening a new factory adjacent to our existing manufacture. This expansion will enable us to double our workforce in the coming years, further strengthening our commitment to growing our internal manufacturing and consequently enhancing the traceability of our products.



Colored Stone Manufacturing in Thailand

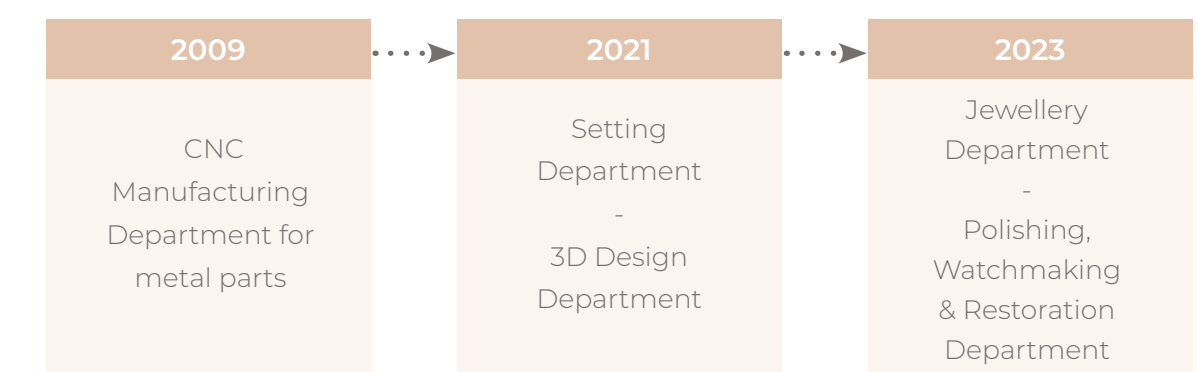
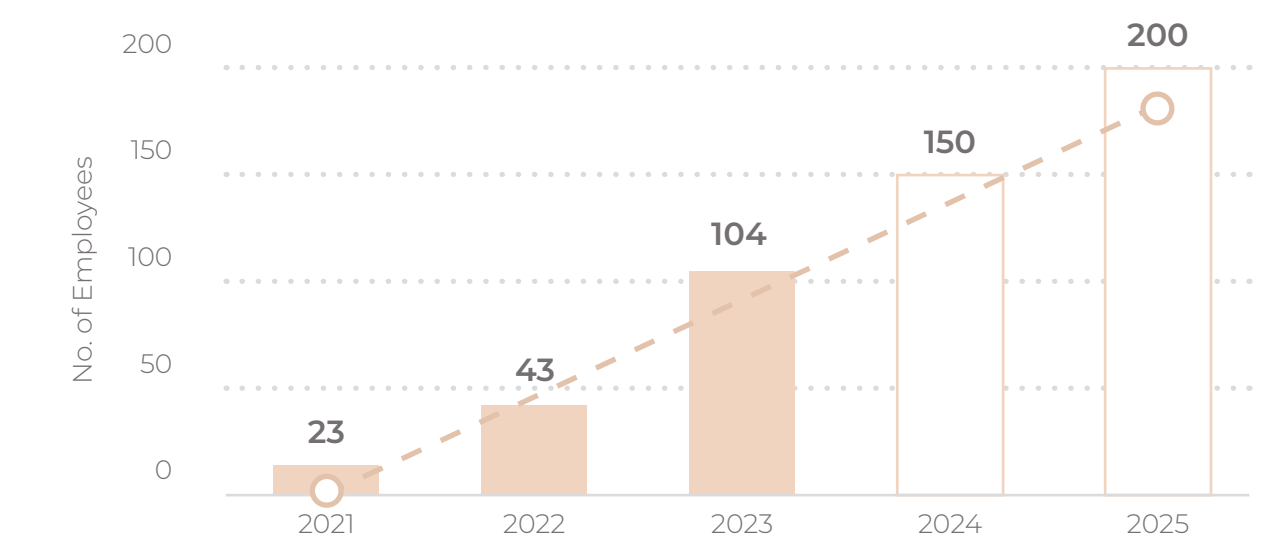
NIRU colored stone manufacture was established in 2020. Based in Thailand, an internationally recognized colored stones hub, this entity can source, cut, and polish all within the same geographical perimeter.

In the coming years, we will be moving to a newly owned factory that we will equip with solar panels to generate green energy. This move will not only enhance our sustainability efforts but also allow us to increase our workforce, further bolstering our internal manufacturing capacity and traceability.



Watch & Jewellery Manufacturing in Switzerland

NIRU Swiss offers transparent, traceable, and quality-centered watch and jewellery services in the Swiss market. By integrating every stage of the creation and manufacturing process, from design to finishing, we ensure that each piece's journey is visible and upholds the highest standards of craftsmanship.





Collaboration

By 2030, we will deepen our partnerships across our supply chain, ensuring that every collaboration contributes to a more responsible product journey.

At NIRU, collaboration is key to upholding ethical and sustainable practices. Our due diligence and close supplier engagement ensure that our products are responsibly sourced and manufactured, maintaining supply chain integrity and stakeholder trust.

Roadmap 2025-2030



Objective	KPI	2023	Target 2025	Target 2030	Geographical scope
Refine Diamond Procurement	Percentage of rough diamonds purchased directly through mining companies	72%	78%	85%	Group-wide: 7 countries
Deploy Supplier Code of Conduct 2.0	Percentage of suppliers who signed it	Not measured for the existing Supplier Code of Conduct	100%		Group-wide: 7 countries
Engage Suppliers on ESG topics	Number of ESG awareness and collaborative discussions hours	None	Launch	Set a target in 2024	Group-wide: 7 countries

Cumulative counts and non-cumulative percentages

Certifications, Standards & Best Practices helping us achieve our roadmap

Active participation in industry associations like the Watch and Jewellery Initiative 2030 (WJI 2030) and the World Diamond Council (WDC) is essential for structuring our pathway towards sustainability. These associations help us align with global standards and best practices. By engaging with WJI 2030 and WDC, we contribute to elevating the entire watch and jewellery industry through the exchange and adoption of innovative ideas for sustainability. This participation helps us foster strong partnerships across our supply chain, ensuring that every collaboration enhances the integrity of our products.

Due Diligence



Our meticulous approach to due diligence adheres to recognized international standards defined by the **United Nations (UN)**, the **International Labour Organization (ILO)**, and the **OECD**. Additionally, our long-standing compliance with the **RJC Code of Practices (COP)** and the **De Beers Best Practice Principles (BPP)**, underlines our dedication to legal compliance, respect for human rights, labor rights, health and safety, and environmental stewardship.

Before approving any supplier, we conduct a comprehensive background check as part of our due diligence. This involves identifying any red flags, ensuring alignment with our code of conduct, and assessing shared values and ESG vision. Key steps include:

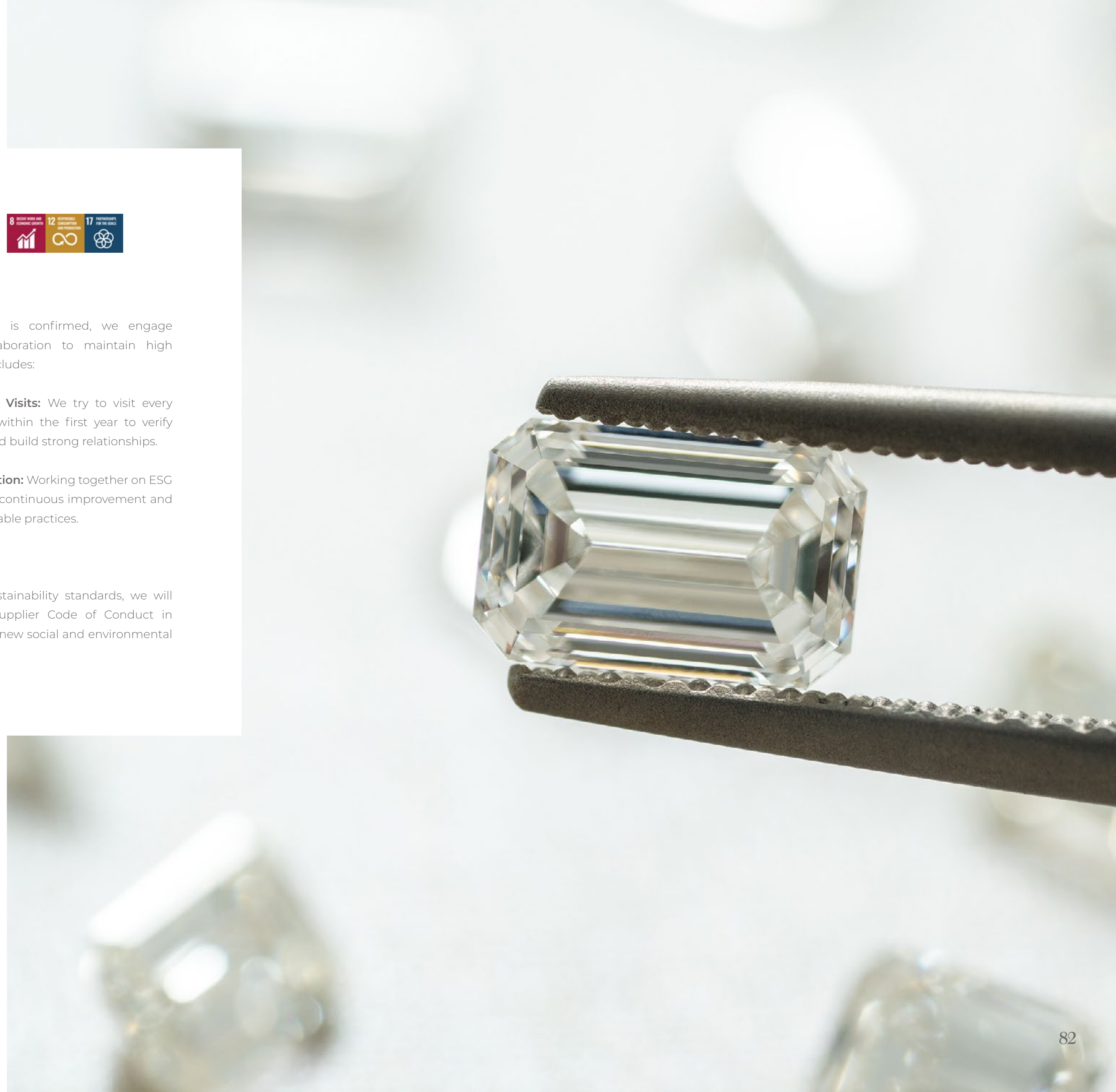
- ◆ **Background Review:** Conduct thorough checks for red flags, such as listings on the World Bank or OFAC lists, and sourcing from conflict-affected and high-risk areas.
- ◆ **Code of Conduct:** Suppliers must sign NIRU's Supplier Code of Conduct, demonstrating their commitment to our standards and ethical practices.
- ◆ **Values and ESG Alignment:** We evaluate suppliers to ensure they share our values and commitment to environmental, social, and governance (ESG) principles.

Once a supplier is confirmed, we engage in ongoing collaboration to maintain high standards. This includes:

- ◆ **Initial On-Site Visits:** We try to visit every new supplier within the first year to verify compliance and build strong relationships.
- ◆ **ESG Collaboration:** Working together on ESG topics to drive continuous improvement and ensure sustainable practices.

Looking Ahead:

To set higher sustainability standards, we will update NIRU's Supplier Code of Conduct in 2024 to include a new social and environmental dimension.



Our Trusted Partners



A streamlined, efficient supply chain is paramount to our mission of “Faceting a Happy & Sustainable Supply Chain.”



Streamlining intermediaries



Procuring goods as close to the source



Maximizing our internal production processes

This approach prioritizes maximizing our chain of custody, ensuring traceability at every stage. It minimizes ethical, social, and sustainability risks while reducing carbon footprint.

Diamond Suppliers

NIRU sources from reliable and ethical diamond suppliers. To ensure this, we aim to continue enforcing our RJC Suppliers policy, which means encouraging our non-RJC suppliers to begin the certification process. This policy is crucial because it guarantees that our diamonds are sourced and manufactured in a manner that upholds the highest standards.

For the past couple of years, we have actively sensitized our suppliers about the importance of getting RJC COP certified. We have communicated that this step is crucial for our long-term collaboration.

Working with RJC certified suppliers is key to our commitment to fostering a supply chain that reflects our values.

Diamond Suppliers			
	2023	2025 OBJECTIVE	2030 OBJECTIVE
RJC COP certified suppliers	66%	90%	95%

66%

of our diamond purchases were sourced through RJC COP certified suppliers in 2023

In addition, as part of our willingness to have a Short Supply Chain, we foster strong partnerships with mining companies, maintaining a close connection to the source to guarantee unparalleled traceability, promote sustainable mining and ensure the integrity of our supply chain.

In 2023, our rough diamond purchases, directly acquired through leading mining companies, increased by almost 40% compared to the previous year. **We work hand in hand with our main partners: De Beers Group, Burgundy, and Rio Tinto mining companies.** NIRU aims to continue building engagement with the source, ensuring stones’ provenance.

Rough Diamond Procurement			
	2023	2025 OBJECTIVE	2030 OBJECTIVE
Direct through mining companies	72%	80%	90%
Indirect through rough tenders and open market	28%	20%	10%

Focus on De Beers’ Best Practice Principles (BPP)

De Beers Sightholder since 2012, NIRU Group stands in a distinguished circle of 68 suppliers worldwide that exemplify trust, stability, and a commitment to excellence within the diamond industry.

The Best Practice Principles (BPP) by De Beers Group are stringent standards to ensure ethical, social, and environmental responsibility across its operations and supply chain. The BPP requires compliance with international human rights frameworks and labor regulations among other things. The BPP is reviewed annually and is recognized as an industry benchmark, influencing standards beyond De Beers’ direct operations, and contributing to broader industry norms through entities like the Responsible Jewellery Council (RJC).

To ensure adherence to these principles, De Beers mandates an annual self-assessment from each of our entities, with a random selection undergoing a rigorous independent third-party audit every year.

A Sightholder refers to a company that has been granted the right by De Beers Group to purchase its rough diamonds.

Colored Stones Suppliers

The colored stones industry presents unique challenges, marked by its artisanal nature and the prevalent secondary market trade in polished stones.

NIRU acknowledges these complexities, and primarily sources from suppliers in Bangkok, the worldwide gemstone trade epicenter. This approach ensures access to a diverse array of high-quality colored stones while navigating the intricate supply chain.

In pursuit of elevating our standards and traceability, we are actively forging pathways to procure more rough goods directly from the source. Initiatives to deepen our ties with prominent mining companies are underway.

These relationships are crucial to our strategy of enhancing transparency and ensuring ethical sourcing practices from the ground up.

Through dedicated efforts to refine our supplier relations, NIRU is expanding its direct access to raw, unpolished gems and asserting a pivotal role in shaping a more responsible and traceable colored stone supply chain.

Gold Suppliers

Our commitment to ethical sourcing is exemplified by our long-standing partnerships with Varinor and Precinox—both RJC COC certified leading gold refiners based in Switzerland.

These partnerships ensure that our gold is sourced responsibly, adhering to the supply chain's highest transparency, traceability, and ethical practices.

100%
of our gold
purchased directly through
gold refiners RJC COC certified

Watch & Jewellery Initiative 2030



In 2023, NIRU Group joined the Watch & Jewellery Initiative 2030 (WJI 2030).

The initiative’s ambitious goals resonate with our belief that setting new benchmarks in sustainability is essential for our industry and humanity. We strongly believe that collaboration is the cornerstone of impactful and lasting change.

We are grateful to all the members of this initiative for leading the change toward a noble and sustainable path. Their leadership inspires us, and together, we are emboldened to exceed the expectations of what our industry can achieve.

This collaborative effort invites all actors in the watch and jewellery supply chain to globally to commit to ambitious objectives in three main areas:

1

Building Climate Resilience

2

Preserving Resources

3

Fostering Inclusiveness

Integrating the WJI 2030 objectives at NIRU:

Building Climate Resilience	Preserving Resources	Fostering Inclusiveness
SBTi signatories	In development	WEPs signatories
UN Global Compact signatories		

We feel very fortunate to be part of this coalition “to do better”, actively participating in the discussions and workshops of the WJI 2030.

Uniting Stakeholders for Collective Impact

We understand that being part of the luxury watch and jewellery industry carries a significant responsibility to contribute positively and drive collective impact. With this understanding, we work towards enhancing the standards that define our industry.

Our efforts are rooted in a belief that we can foster greater transparency and uphold our practices together.

We encourage, participate in, and mediate challenging discussions among mining companies, suppliers, and luxury brands with a sense of shared purpose.

These dialogues are crucial as they help dismantle barriers and cultivate a more transparent supply chain where all voices can be heard and progress can be shaped collectively.

Looking Ahead:

We will become members of the World Diamond Council (WDC) in 2024.



As a key player in the industry, our decision to join this initiative is grounded in the conviction that we must actively contribute to shaping the practices that govern our industry.

The WDC is the global voice of the diamond industry, established in 2000 to protect the integrity of natural diamonds and their supply chain. It plays a key role in the Kimberley Process, collaborating with governments and civil society to prevent conflict diamonds from entering the market.

Representing all sectors from mining to retail, the WDC ensures diamonds are managed in line with human rights, labor rights, and anti-corruption principles.

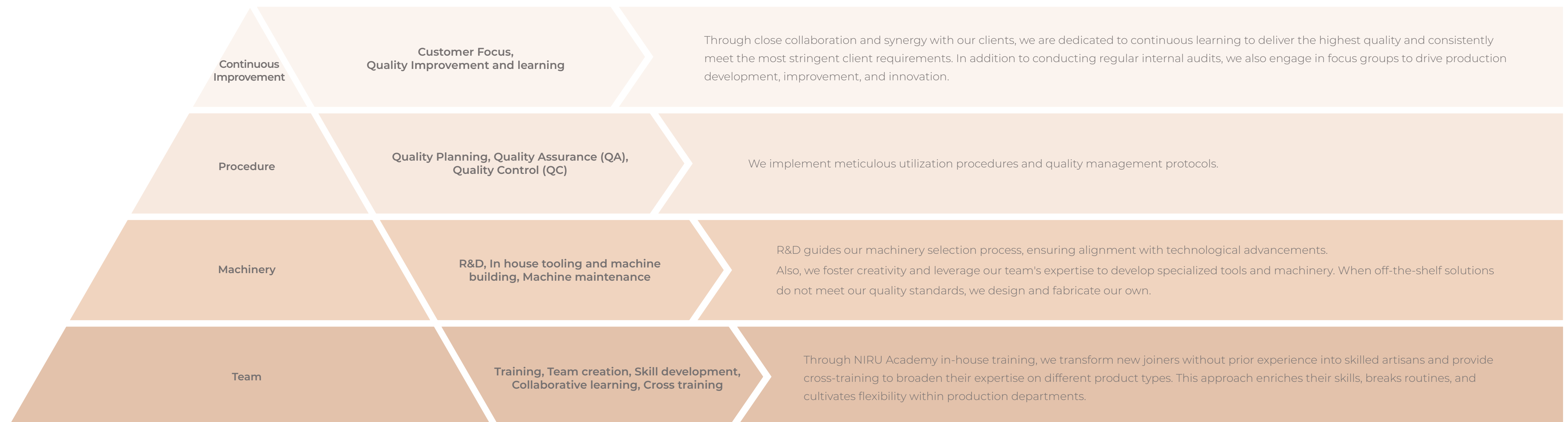
Being part of the WDC means being part of the industry's leadership involved in decisions that impact the entire diamond sector. It will provide us with the opportunity to collaborate with other industry leaders, share in industry intelligence, and engage in educational efforts to advance the sustainable and ethical sourcing of diamonds.

FOCUS: Quality

Quality is the essence of luxury. High-quality standards ensure that every piece we manufacture is not only aesthetically flawless but also durable and reliable, embodying the timeless elegance we promise.

Our approach to quality management revolves around nurturing a dedicated team embedded with our culture of precision. We craft the highest quality for our clients, prioritizing customer satisfaction, using cutting-edge machinery and challenging ourselves for continuous improvement.

Our Quality Management Pyramid



170
colored stone
polishing machines
manufactured
in-house in 2023

43,731
tools
manufactured in-house
in 2023



FOCUS: Naturality



Maintaining the integrity of natural diamonds and colored stones throughout the supply chain is essential to preserve the authenticity and value of the stones, as well as for maintaining the trust and confidence of our clients.

We guarantee the supply of 100% natural stones, thanks to regular thorough risk assessments, resulting in the implementation of robust systems, reliable machines, trainings, accurate stone screenings, meticulous policies and procedures, monitoring, and continuous learning.

Our 5Cs Risk Management Circle

Ensuring the integrity of our operations is paramount, and our 5C risk management model stands as the cornerstone in navigating sensitive high-risk endeavors.

Over the past nine years, our naturality process has been crafted in alignment with this model, ensuring the safeguarding of our commitments and values.



Naturality Facts & Figures

Daily machine maintenance	Monthly machine audits	Biannually naturality audits
3 Internal Laboratories	10,355,385 stones tested for Naturality in 2023	100% of our diamonds are tested for naturality
17 diamonds and color stone Naturality testing machines	4 training seminars at GGTL	10 skilled laboratory technicians
2 tests for each stone one while entering polished stock and one at the last point before sending to our clients		

We screen all our 0.90mm+ diamonds internally. For stones below 0.90mm, we send them to an external laboratory.

Looking Ahead:
In 2024, we will invest in AMS Micro machine to internally screen melee diamonds below 0.90mm as part of our safeguard process, as well as in EXA™ - MagiLABS machine for colored stones' naturality.

16 Machines in our Naturality Equipment Fleet

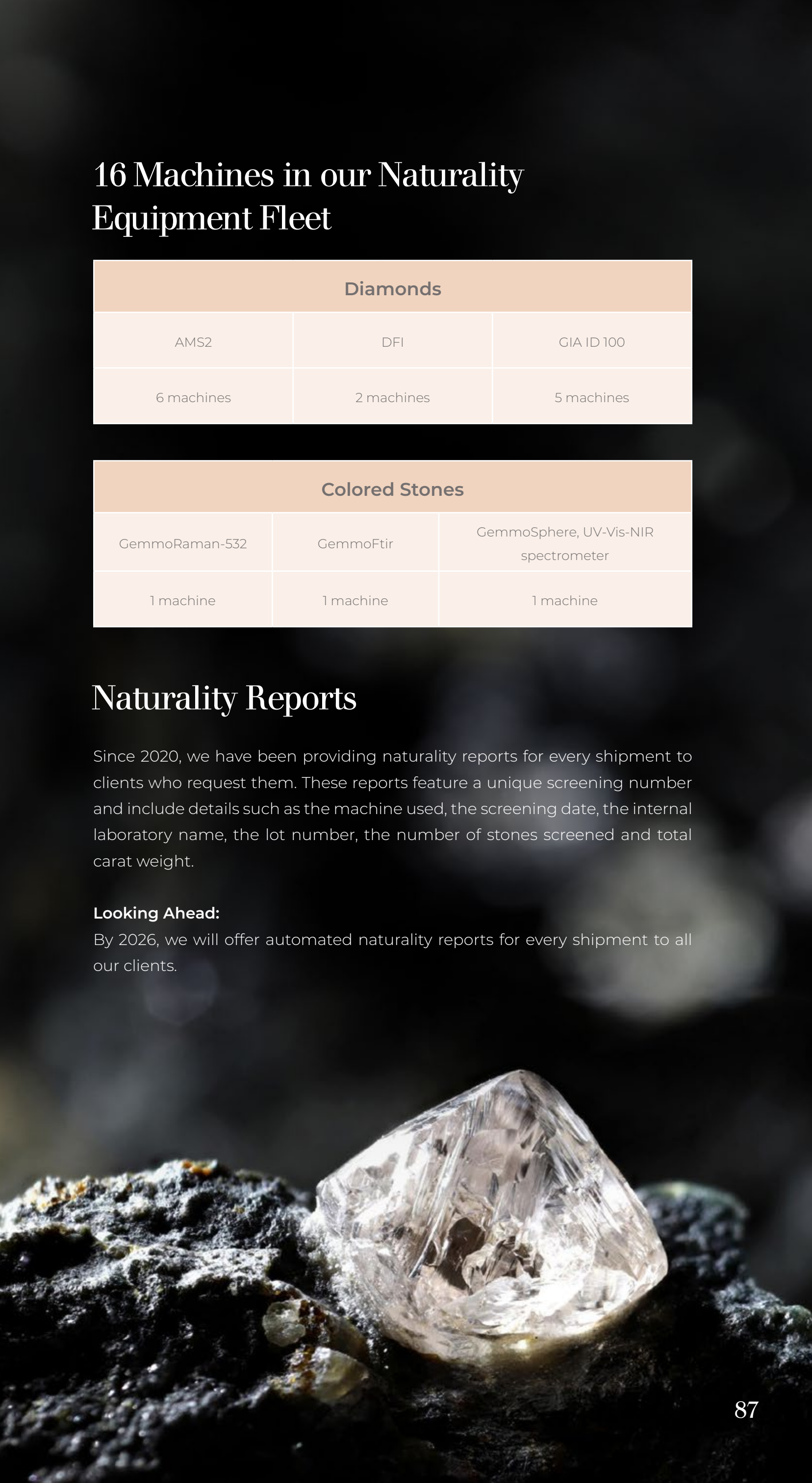
Diamonds		
AMS2	DFI	GIA ID100
6 machines	2 machines	5 machines

Colored Stones		
GemmoRaman-532	GemmoFtir	GemmoSphere, UV-Vis-NIR spectrometer
1 machine	1 machine	1 machine

Naturality Reports

Since 2020, we have been providing naturality reports for every shipment to clients who request them. These reports feature a unique screening number and include details such as the machine used, the screening date, the internal laboratory name, the lot number, the number of stones screened and total carat weight.

Looking Ahead:
By 2026, we will offer automated naturality reports for every shipment to all our clients.



About this Report

NIRU Group is proud to present its first ESG Report, a comprehensive account of our corporate social responsibility (CSR) and sustainability efforts during the year 2023, from January 1st to December 31st. This report is a cornerstone of our ongoing commitment to integrating sustainable practices across all our entities and serves as our «Communication on Progress» for the UN Global Compact. We are committed to enhancing our sustainability efforts by publishing a comprehensive ESG report annually.

Reporting Framework

This ESG Report has been meticulously prepared in reference to the Global Reporting Initiative (GRI) Standards, the premier benchmark for sustainability reporting worldwide. The GRI Standards help organizations like ours to understand and communicate their impact on critical sustainability issues such as climate change, human rights, governance, and social well-being.

Reporting Scope and Boundary

The report elaborates on NIRU Group's significant environmental and social impacts, and our approach to managing them. It encompasses the entire breadth of our operations, capturing the activities of all NIRU Group's Entities. 'Group' collectively denotes these entities, and all data disclosed reflects their collective performance, unless explicitly indicated. Where historical context is necessary, this report may include references to the years 2021 and 2022 for comparative and contextual purposes, and such instances are clearly marked.

Date of Publication

This report was published on October 9th, 2024.

Point of Contact

For any inquiries or feedback concerning this report, please contact the global sustainability team at:

sustainability@nirugroup.com

Your participation and insights are highly valued as we continue our journey towards sustainable excellence.

All data related to stock and raw material purchases pertains exclusively to our inventory and acquisitions for our clients in the luxury industry (brands and their suppliers). All hours mentioned represent man-hours, calculated by multiplying the session duration by the number of attendees.

Commitment to Global and Ethical Standards

As a participant in the UN Global Compact, we align our ESG goals with the UN Sustainable Development Goals (SDGs), upholding the United Nations Guiding Principles on Business and Human Rights. In addition, we are signatories of the seven Women Empowerment Principles (WEPs).

Data Integrity and Assurance

With a steadfast commitment to data integrity, we have engaged an independent third party, Grant Thornton Israel, to provide limited assurance for this report, enhancing the credibility of the information presented. The assurance process was completed on October 9th, 2024, as detailed in the limited assurance report in appendix page 89.

This report signifies NIRU Group's entry into a phase of transparent and structured ESG reporting, formalized by the release of a yearly ESG report.

While reflecting on past and current sustainability initiatives, we also outline our strategic direction for fostering positive change within the luxury industry and our broader global community.

This report was designed by Agence Meesters



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INDEPENDENT PRACTITIONER’S LIMITED ASSURANCE REPORT ON NIRU'S
GROUP SUSTAINABILITY INFORMATION

Limited Assurance Conclusion

We have conducted a limited assurance engagement with regard to the matters listed in the table below (hereinafter: the “subject matter information”), as part of the information included in the ESG report of NIRU GROUP (hereinafter: the “group”) for the year ended December 31, 2023 (hereinafter: the “Sustainability Information”). Beyond the subject matter information noted in the table below, we did not perform assurance procedures on the rest of the information contained in the report and accordingly we do not express any conclusion for this information.

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the information regarding the subject matter information of the group as of December 31, 2023, is not prepared, or might indicate misstatement of information or data in this report, in all material respects.

Basis for Conclusion

We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information.

The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Responsibilities of Management

The management of the group is responsible for:

1.

Preparing and presenting the selected information.
2.

Determining the goals of NIRU GROUP in reference to the development of its ESG performance and reporting.
3.

Determining the relevance of the information included and applying estimates and assumptions that affect the reported information. Management’s choice of different but acceptable measurement techniques, estimates, or assumptions might lead to materially different reported results.
4.

Establishing and maintaining systems and processes for performance management and internal control, which serve as a reliable source of information that does not contain material misstatement due to either fraudulence or error.
5.

Providing us with unrestricted access to persons within the group from whom we determine it necessary to obtain evidence.

Our Responsibility

Our responsibility is to express a limited assurance conclusion on the subject matter information, based on the evidence we have obtained. We performed our limited assurance in accordance with the International Standard on Assurance Engagements 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information. This standard requires us to conclude whether anything has come to our attention that leads us to believe that the subject matter information is not stated fairly, in all material respects. In a “limited assurance” engagement, the accountant performs procedures (which primarily include interviews with management and other relevant functions at the group, and analytical procedures) and examines the evidence obtained.

Our engagement included the following procedures, among other matters:

- Interviewing management functions to understand the subject matter information regarding which this limited assurance report was prepared.
- Interviewing the relevant functions responsible for supplying the information for the report and examination of the systems in which the data are held.
- Interviewing functions that oversee the topics of the examination at the group, to understand routine work processes and processes of preparation for reporting.
- Reading the information presented in the report, to determine whether it is consistent with the general knowledge and known experience in connection with group's ESG performance.
- Sampling, recalculating and comparing relevant sustainability indicators to source data.

Independence and Quality Assurance

We are independent of the Company in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) issued by the International Ethics Standards Board for Accountants, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

Our firm applies International Standard on Quality Management 1, Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements, and, accordingly, maintains a comprehensive system of quality management, including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

Subject matters information

Subject matter	Criteria examined
Greenhouse Gas Emissions	Scope 1 data: Fuel consumption data Scope 2 data: Electricity consumption data Scope 3 data for purchased goods and services: Invoices of purchased diamonds
Water consumed	Water consumption data
Energy management – electricity and fuel	Electricity consumption data Renewable energy generation
Paper consumption	Yearly paper consumption
Waste recycling	Yearly recycled waste
Workforce growth	Employee headcount
Diversity and Inclusion	Human resource data and gender breakdown data
Wage gap data	Gender breakdown payment data
Skills development	Hours of employee training Employee training topics
Living wage data	Wage data National living wage data
Health and Safety incidents	Data on accidents
Great Place to Work	Great Place to Work certification
Business integrity	Code of Conduct Anti-corruption training
Child labour and forced labour	Review 3rd party audits Interview with relevant responsibility holder
Product traceability	Interview with relevant responsibility holder Traceability Protocol documents

Fahn Kanne & Co.

FAHN KANNE & CO. GRANT THORNTON ISRAEL
Certified Public Accountants (Isr.)
Tel-Aviv, Israel

October 9, 2024

Appendix

Social Data Tables

GRI 2-7 Total employees head count by gender

Gender	2021	2022	2023
Female	740	1,001	1,367
Male	259	352	416
TOTAL	999	1,353	1,783
% Female	74%	74%	77%
% Male	26%	26%	23%

GRI 405-1 Total employees divided by age group

Age	Total Employees			Proportion of Employees %		
	2021	2022	2023	2021	2022	2023
17 years old or less	11	20	1	1%	1%	0%
Between 18 and 30 years old	676	914	1,263	68%	68%	71%
Between 31 and 50 years old	274	368	454	27%	27%	25%
51 years old and above	38	51	65	4%	4%	4%
						2023
Overall average age						29

GRI 2-7 Total employees head count by region

Country	Total Number of Employees			Full time			Part-time			Permanent			Temporary		
	2021	2022	2023	2021	2022	2023	2021	2022	2023	2021	2022	2023	2021	2022	2023
Switzerland+France	23	43	104	22	41	100	1	2	4	22	42	87	1	1	17
Sri Lanka	928	1,137	1,440	928	1,137	1,440	0	0	0	928	1,137	1,440	0	0	0
Thailand	NA	123	188	NA	123	188	NA	0	0	NA	123	188	NA	0	0
Israel	31	33	34	30	31	32	1	2	2	31	33	34	0	0	0
United States	11	11	11	10	10	10	1	1	1	11	11	11	0	0	0
Hong Kong	6	6	6	6	5	5	0	1	1	6	6	6	0	0	0
TOTAL	999	1,353	1,783	996	1,347	1,775	3	6	8	998	1,352	1,766	1	1	17

GRI 2-7 & 405-1 Total employees split by gender and management level

Gender	Employees level			First Level Management			Middle-Level Management			Upper-Level Management			Group Leadership			Advisory Board		
	2021	2022	2023	2021	2022	2023	2021	2022	2023	2021	2022	2023	2021	2022	2023	2021	2022	2023
Female	666	900	1,261	57	71	74	10	16	18	5	10	10	2	4	4	NA	NA	1
Men	196	282	339	30	31	35	18	22	22	6	7	10	9	10	10	NA	NA	4
TOTAL	862	1,182	1,600	87	102	109	28	38	40	11	17	20	11	14	14	NA	NA	5
% Female	77%	76%	79%	66%	70%	68%	36%	42%	45%	45%	59%	50%	18%	29%	29%	NA	NA	20%
% Male	23%	24%	21%	34%	30%	32%	64%	58%	55%	55%	41%	50%	82%	71%	71%	NA	NA	80%

All data, unless otherwise stated, are precise and cover our entire workforce and the full scope of our organization.

GRI 404-1 Employees training
NIRU ACADEMY

	2021	2022	2023
Number of people that learnt the job in the company (NIRU Academy in-house training)	898	1,187	1,593
Percentage of people that learnt the job in the company (NIRU Academy in-house training)	90%	88%	89%
Number of people not trained in-house: hired already qualified, with that specific skills	101	166	190
Percentage of people not trained in-house: hired already qualified, with that specific skills	10%	12%	11%
Number of people who didn't work in our industry before coming to NIRU	956	1,171	1,490
Percentage of people who didn't work in our industry before coming to NIRU	96%	87%	84%

NIRU ACADEMY SRI LANKA	Level 1			Level 2			Level 3		
Type of Profession	Number of trainings completed 2021	Number of trainings completed 2022	Number of trainings completed 2023	Number of trainings completed 2021	Number of trainings completed 2022	Number of trainings completed 2023	Number of trainings completed 2021	Number of trainings completed 2022	Number of trainings completed 2023
Diamond Polisher	100	200	225	75	85	190	46	28	63
Diamond Checker	40	20	18	4	11	24	2	14	16
Diamond Assorter	10	15	5	6	6	6	2	4	7
Diamond Planner	10	15	15	11	4	3	25	8	5
TOTAL TRAININGS	160	250	263	96	106	223	75	54	91

NIRU ACADEMY THAILAND	Level 1			Level 2			Level 3		
Type of Profession	Number of trainings completed 2021	Number of trainings completed 2022	Number of trainings completed 2023	Number of trainings completed 2021	Number of trainings completed 2022	Number of trainings completed 2023	Number of trainings completed 2021	Number of trainings completed 2022	Number of trainings completed 2023
Colored Stone Round Polisher	0	0	20	0	0	0	0	0	0
Colored Stone Baguette Precision Polisher	5	7	80	0	4	3	0	0	3
Colored Stone Quality Controller	2	3	13	0	0	3	0	0	4
TOTAL TRAININGS	7	10	113	0	4	6	0	0	7

NIRU ACADEMY SWITZERLAND	Level 1			Level 2			Level 3		
Type of Profession	Number of trainings completed 2021	Number of trainings completed 2022	Number of trainings completed 2023	Number of trainings completed 2021	Number of trainings completed 2022	Number of trainings completed 2023	Number of trainings completed 2021	Number of trainings completed 2022	Number of trainings completed 2023
Grain Setter	1	4	15	1	1	13	0	2	0
Baguette Setter	2	5	2	2	0	8	NA	NA	NA
Metal Finisher Polisher	1	1	2	0	1	0	0	0	1
CNC Operator	1	0	1	0	1	0	0	0	1
CNC Programmer	0	0	2	0	0	0	0	0	0
TOTAL TRAININGS	5	10	22	3	3	21	0	2	2

GRI 403-5 Worker training on occupational health and safety

GRI 403-9 Work-related injuries

GRI 403-10 Work-related ill health

Health and Safety Training	2021	2022	2023
Number of employees who attended health & safety training	29	148	222
Percentage of employees who attended health & safety training	3%	11%	12%
Number of employees who attended first-aid class/workshop	28	183	222
Percentage of employees who attended first-aid class/workshop	3%	14%	12%
Number of employees who attended fire-fighting class	25	155	212
Percentage of employees who attended fire-fighting class	3%	11%	12%

Work-related injuries	2021	2022	2023
Number of accidents	7	14	24
Number of accidents which resulted in minor injuries	7	14	20
Number of accidents which resulted in moderate injuries	0	0	4
Number of accidents which resulted in major injuries	0	0	0
Number of accidents which resulted in illness	0	0	0
Number of accidents which resulted in death	0	0	0
Number of accidents which resulted in death	0	0	0

Grievances

Grievances	2021	2022	2023
Total number of collaborators grievances	215	165	223
Number of unresolved collaborators grievances	0	0	0
Percentage of unresolved collaborators grievances	0%	0%	0%

GRI 202-2 Proportion of senior management hired from the local community

Sri Lanka 2023 Distance between managers' home and workplace (At the time of hiring)	Number of people in First-line management	Number of people in Middle-level managers	Number of people in Upper Level management	Proportion
30 km radius from the workplace	77	17	4	95%
31 to 50 km radius from the workplace	1	0	0	1%
51 to 70 km radius from the workplace	2	1	0	3%
71 to 100 km radius from the workplace	0	0	0	0%
101 to 150 km radius from the workplace	0	0	0	0%
More than 151 km radius from the workplace	1	0	0	1%
TOTAL	81	18	4	

Thailand 2023 Distance between managers' home and workplace (At the time of hiring)	Number of people in First-line management	Number of people in Middle-level managers	Number of people in Upper-Level management	Proportion
30 km radius from the workplace	27	2	1	91%
31 to 50 km radius from the workplace	0	0	0	0%
51 to 70 km radius from the workplace	0	0	0	0%
71 to 100 km radius from the workplace	0	0	0	0%
101 to 150 km radius from the workplace	0	0	0	0%
More than 151 km radius from the workplace	0	3	0	9%
TOTAL	27	5	1	

GRI 401-3 Parental leave

Maternity Leave	2021	2022	2023
Number of women who took maternity leave across the group	28	39	37
Number of women returned from maternity leave across the group	21	30	31
Percentage of women who returned back after maternity leave across the group	75%	77%	84%
Percentage of women who returned from maternity leave in Sri Lanka entity	75%	76%	84%
Percentage of women who returned from maternity leave in Thailand entity	NA	NA	100%

Paternity Leave	2021	2022	2023
Number of men who took paternity leave	1	1	4
Percentage of men who returned back after paternity leave	100%	100%	100%

Minimum Wage and Living Wage in Sri Lanka and Thailand	2023
Difference between NIRU's lowest weighted average wage (gross fixed) in Thailand and Sri Lanka vs. local legal minimum wage	205%
Difference between NIRU's average employee-leve wage (gross fixed) in Thailand and Sri Lanka vs. local legal minimum wage	262%
Difference between NIRU's lowest weighted average wage (gross fixed) in Thailand and Sri Lanka vs. local living wage	3%
Difference between NIRU's average employee-leve wage (gross fixed) in Thailand and Sri Lanka vs. local living wage	29%

Nationalities in 2023	Location in the group
American	US
Argentinian	Switzerland
Armenian	Switzerland
Brazilian	Switzerland
Burmese	Thailand
Colombian	Switzerland
French	Switzerland
Greek	Switzerland
Hong Konger	HK
Indian	Switzerland, HK, Sri Lanka, US
Israeli	Switzerland, Thailabd
Italian	Switzerland, Thailand
Lebanese	Switzerland

Nationalities in 2023	Location in the group
Mongolian	Switzerland
Moroccan	Switzerland
Polish	US
Portuguese	Switzerland
Russian	Switzerland
Serbian	Switzerland
Sri Lankan	Sri Lanka
Swiss	Switzerland, Thailand
Thai	Thailand
Turkish	Switzerland
Ukrainian	Switzerland
Venezuelan	Switzerland
TOTAL: 25 nationalities	

GRI 405-1 Number of employees coming from minority groups

Minority Group	Explanation	Number of employees coming from minority groups
Disability Minorities	Individuals who meet the legal definition of disability under your local laws. Includes also Employees who are officially disabled, but also people who self-identify as having a disability	13
LGBTQ+ Minorities	LGBTQ+ refers to a diverse community encompassing Lesbian, Gay, Bisexual, Transgender, Queer or Questioning, and other identities. The "+" symbolizes inclusivity for various gender identities and sexual orientations not explicitly listed. It highlights the broad spectrum of experiences related to gender and sexuality.	30
Ethnic Minorities	Groups that are not part of the majority ethnic population	14
Religious Minorities	Groups that are not part of the dominant religion	141
Linguistic Minorities	Consider the first language of the person (mother tongue), rather than their ability to understand or speak other languages.	9

*In Switzerland, France, Hong Kong, Thailand, and the US, we successfully gathered precise data on all minority groups. In Sri Lanka, we were unable to collect data on LGBTQ+ and disabilities due to cultural sensitivities. Unfortunately, we were unable to obtain minorities data from Israel this year due to legal constraints.

Environmental Data Tables

GRI 302-1 Energy consumption within the organization

Electricity Consumption	Unit	2021	2022	2023
Total electricity consumed	kWh	1,920,624	2,120,469	2,198,685
Total electricity consumed	GJ	6,914	7,634	7,915
Renewable electricity consumed	kWh	82,512	206,311	623,551
Renewable electricity consumed	GJ	297	743	2,245
% of renewable electricity consumed	%	4%	10%	28%
Non-renewable electricity consumed	kWh	1,838,112	1,914,157	1,575,133
Non-renewable electricity consumed	GJ	6,617	6,891	5,670
% of non-renewable electricity consumed	%	96%	90%	72%

Self generated electricity	Unit	2021	2022	2023
Renewable electricity generated by our solar panels	kWh	819,741	695,785	733,892
Self-generated electricity consumed	kWh	0	0	354,485

Fuel Consumption	Unit	2021	2022	2023
Gas oil consumption	Liters	6,679	57,303	17,550
Gas oil consumption	GJ	228	1,960	600
Mobile fuel consumption (for buses)	Liters	NA	23,495	27,599
Mobile fuel consumption (for buses)	GJ	NA	907	1,065

Energy Consumption and proportion	Unit	2021	2022	2023
Total energy consumed in GJ in operations	GJ	7,172	10,670	8,264
Green electricity consumed	%	4%	7%	12%
Non-renewable electricity consumed	%	92%	65%	69%
Fuel consumed	%	4%	28%	20%

Total energy consumption and proportion	Unit	2021	2022	2023
Total energy consumed in GJ in operations	GJ	7,143	10,501	9,581
Green electricity consumed	GJ	297	743	2,245
Green electricity consumed	%	4%	7%	23%
Non-renewable electricity consumed	GJ	6,617	6,892	5,670
Non-renewable electricity consumed	%	93%	66%	59%
Fuel consumed (including mobile fuel and gas oil)	GJ	22,839	2,867	1,666
Fuel consumed (including mobile fuel and gas oil)	%	4%	28%	20%

Energy consumption and proportion used for manufacturing	Unit	2021	2022	2023
Total energy consumed in GJ in operations	GJ	7,143	9,593	8,515
Green electricity consumed	GJ	297	743	2,245
Green electricity consumed	%	4%	8%	26%
Non-renewable electricity consumed	GJ	6,617	6,892	5,670
Non-renewable electricity consumed	%	93%	72%	67%
Fuel consumed (excluding mobile oil used for buses)	GJ	228	1,960	600
Fuel consumed (excluding mobile oil used for buses)	%	3%	20%	7%

- GRI 305-1 Direct (Scope 1) GHG emissions
- GRI 305-2 Energy indirect (Scope 2) GHG emissions
- GRI 305-3 Other indirect (Scope 3) GHG emissions

Indicator	Unit	2021	2022	2023
Total Scope 1 CO2e	CO2e	414	445	233
Total Scope 2 CO2e (Location based)	CO2e	1351	1130.1	953
Total Scope 3 CO2e	CO2e	35'789.0	44'595.0	51'729.1
Total GHG emissions	CO2e	37'554.0	46'170.1	52'914.9

**In 2021, our carbon footprint included entities in Sri Lanka, Israel, and Switzerland. Starting in 2022, we expanded our scope to include our newly established entity in Thailand. However, entities in Hong Kong and the United States are excluded from this calculation, as they only account for 1% of our workforce.*

GRI 306-5 Waste diverted from disposal

Total waste recycled	Unit	2023
Organic Waste	Kg	7,716
Organic Waste	Tonnes	7.72
Proportion to total	%	11%
Plastic	Kg	2,347
Plastic	Tonnes	2.35
Proportion to total	%	0%
Paper	Kg	5,316
Paper	Tonnes	5.32
Proportion to total	%	25%
Glass	Kg	1,085
Glass	Tonnes	1.08
Proportion to total	%	5%
Aluminium	Kg	90.04
Aluminium	Tonnes	0.09
Proportion to total	%	0%
Metal scrap (copper)	Kg	186.11
Metal scrap (copper)	Tonnes	0.19
Proportion to total	%	1%
Electronic Waste	Kg	123.20
Electronic Waste	Tonnes	0.12
Proportion to total	%	1%
Used Chemical liquid	Kg	1,750.08
Used Chemical liquid	Tonnes	1.75
Proportion to total	%	8%
Chemical packaging	Kg	860.18
Chemical packaging	Tonnes	0.86
Proportion to total	%	4%
Chemical Fabrics	Kg	1,657.08
Chemical Fabrics	Tonnes	1.66
Proportion to total	%	8%

GRI 306-3 Waste generated

Total waste generated	Unit	2023
Total waste	Kg	50,163
Total waste	Tonnes	50.16
Total waste directed to disposal	Kg	29,033
Total waste directed to disposal	Tonnes	29.03
Proportion to total waste	%	58%
Total waste diverted from disposal	Kg	21,150
Total waste diverted from disposal	Tonnes	21.15
Proportion to total waste	%	42%

GRI 306-4 Waste directed to disposal

Total waste directed to disposal	Unit	2023
Incinerated waste	Kg	25,283
Incinerated waste	Tonnes	25.28
Proportion to total waste directed to disposal	%	87%
Landfill waste	Kg	3,749.84
Landfill waste	Tonnes	3.75
Proportion to total waste directed to disposal	%	13%
Total	Kg	29,033
Total	Tonnes	29.03

303-5 Water consumption

	2021	2022	2023
Yearly water consumption (in m3)	31,244	36,806	46,524

**This includes all our entities but states approximative data for Switzerland, Israel, and the United States.*

**The waste data presented includes precise figures from Sri Lanka and Switzerland but remains an estimate for other entities. This estimate is based on extrapolations from a one-month average over a year. While every effort has been made to ensure accuracy, the data may vary slightly from actual figures.*

GRI Content Index

NIRU Group has reported the information cited in this content index for the period covering the year 2023, with reference to the GRI Standards.

GRI 1: Foundation 2021

GRI standard	Disclosure	Location and Explanation	Page N°
GRI 2: General Disclosures 2021	2-1 Organizational details	Introduction, Our Corporate Governance	16
	2-2 Entities included in the organization’s sustainability reporting	Introduction, Our Global Presence	12
	2-3 Reporting period, frequency and contact point	About this Report	88
	2-4 Statement of use	Not Applicable as this is our first ESG report	
	2-5 External assurance	External Assurance	89
	2-6 Activities, value chain and other business relationships	Introduction, Our Expertise Introduction, Our Position In The Supply Chain Ensuring Product Ethics, Our trusted Partners	17, 18, 83
	2-7 Employees	Introduction, Our Global Presence	12
	2-8 Workers who are not employees	Information is not currently available	
	2-9 Governance structure and composition	Introduction, Our Corporate Governance	16
	2-10 Nomination and selection of the highest governance body	Introduction, Our Corporate Governance	16
	2-11 Chair of the highest governance body	Introduction, Our Corporate Governance	16
	2-12 Role of the highest governance body in overseeing the management of impacts	Introduction, Our Corporate Governance	16
	2-13 Delegation of responsibility for managing impacts	Introduction, Our Corporate Governance	16
	2-14 Role of the highest governance body in sustainability reporting	Introduction, Our Corporate Governance	16
	2-15 Conflicts of interest	Introduction, Our Group Policies	24
	2-16 Communication of critical concerns	Elevating People, Mental Well-Being	42
	2-17 Collective knowledge of the highest governance body	Introduction, Our Corporate Governance	16
	2-18 Evaluation of the performance of the highest governance body	We are in the process of organizing a formal evaluation process for the highest governance body. This will be addressed in future reports.	
	2-19 Remuneration policies	NIRU is a privately held company, and detailed remuneration policies for the highest governance body and senior executives remain confidential. However, we are actively working to improve variable compensation mechanisms to enhance accountability and alignment with our economic, environmental, and social objectives	
	2-20 Process to determine remuneration	Each entity develops its own remuneration policies, which are approved by the respective Managing Directors. All Managing Directors are part of the Leadership Committee, which reviews these frameworks to ensure consistency across the organization. The Leadership Committee reports directly to the Advisory Board, our highest governing body, for final approval.	
	2-21 Annual total compensation ratio	Information is currently unavailable; we are aiming to address it in future reporting cycles	
	2-22 Statement on sustainable development strategy	Introduction, Our 2025-2030 ESG Strategy	5-9
	2-23 Policy commitments	Introduction, Our Group Policies	24
	2-24 Embedding policy commitments	Introduction, Our Group Policies, Our Corporate Governance	16, 24

GRI standard	Disclosure	Location and Explanation	Page N°
GRI 2: General Disclosures 2021	2-25 Processes to remediate negative impacts	Elevating People, Mental Well-Being	42
	2-26 Mechanisms for seeking advice and raising concerns	About this Report	89
	2-27 Compliance with laws and regulations	We ensure full compliance with all applicable laws and regulations across our operations	
	2-28 Membership associations	Introduction, Our Commitment to Sustainability Collective Actions	25
	2-29 Approach to stakeholder engagement	Introduction, Stakeholder Engagement	20
	2-30 Collective bargaining agreements	Introduction, Our Group Policies	24
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Introduction, Double Materiality	19
	3-2 List of material topics	Introduction, Double Materiality	19
	3-3 Management of material topics	Information is currently unavailable; we are aiming to address it in future reporting cycles	
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Information is currently unavailable; we are aiming to address it in future reporting cycles	
	201-2 Financial implications and other risks and opportunities due to climate change	Introduction, Double Materiality	19
	201-3 Defined benefit plan obligations and other retirement plans	Information is currently unavailable; we are aiming to address it in future reporting cycles	
	201-4 Financial assistance received from government	Information is currently unavailable; we are aiming to address it in future reporting cycles	
GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	Elevating People, Mental Well-Being	41
	202-2 Proportion of senior management hired from the local community	Elevating People, Mental Well-Being	42
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	Due to confidentiality reasons, we will not be disclosing information related to infrastructure investments and services supported in this year's report	
	203-2 Significant indirect economic impacts	Information is currently unavailable; we are aiming to address it in future reporting cycles	
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Information is currently unavailable; we are aiming to address it in future reporting cycles	
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Information is currently unavailable; we are aiming to address it in future reporting cycles	
	205-2 Communication and training about anti-corruption policies and procedures	Information is currently unavailable; we are aiming to address it in future reporting cycles	
	205-3 Confirmed incidents of corruption and actions taken	There have been no confirmed incidents of corruption during the reporting period	
GRI 205: Anti-corruption 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Introduction, Our Group Policies	24
GRI 207: Tax 2019	207-1 Approach to tax	Information is currently unavailable; we are aiming to address it in future reporting cycles	
	207-2 Tax governance, control, and risk management	Information is currently unavailable; we are aiming to address it in future reporting cycles	
	207-3 Stakeholder engagement and management of concerns related to tax	Information is currently unavailable; we are aiming to address it in future reporting cycles	
	207-4 Country-by-country reporting	Information is currently unavailable; we are aiming to address it in future reporting cycles	

GRI standard	Disclosure	Location and Explanation	Page N°
GRI 301: Materials 2016	301-1 Materials used by weight or volume	Caring for nature, Measuring Our Impact	66
	301-2 Recycled input materials used	Information is currently unavailable; we are aiming to address it in future reporting cycles	
	301-3 Reclaimed products and their packaging materials	Information is currently unavailable; we are aiming to address it in future reporting cycles	
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Caring for Nature, Carbon	60
	302-2 Energy consumption outside of the organization	Not Applicable	
	302-3 Energy intensity	Caring for Nature, Carbon	60
	302-4 Reduction of energy consumption	Information is currently unavailable; we are aiming to address it in future reporting cycles	
	302-5 Reductions in energy requirements of products and services	Information is currently unavailable; we are aiming to address it in future reporting cycles	
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Information is currently unavailable; we are aiming to address it in future reporting cycles	
	303-2 Management of water discharge-related impacts	Information is currently unavailable; we are aiming to address it in future reporting cycles	
	303-3 Water withdrawal	Information is currently unavailable; we are aiming to address it in future reporting cycles	
	303-4 Water discharge	Information is currently unavailable; we are aiming to address it in future reporting cycles	
	303-5 Water consumption	Caring for Nature, Waste	66
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	NIRU Group has no presence in protected areas or areas of high biodeveristy value	
	304-2 Significant impacts of activities, products and services on biodiversity	Information is currently unavailable; we are aiming to address it in future reporting cycles	
	304-3 Habitats protected or restored	Information is currently unavailable; we are aiming to address it in future reporting cycles	
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	Information is currently unavailable; we are aiming to address it in future reporting cycles	
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Caring for Nature, Carbon	60
	305-2 Energy indirect (Scope 2) GHG emissions	Caring for Nature, Carbon	60
	305-3 Other indirect (Scope 3) GHG emissions	Caring for Nature, Carbon	60
	305-4 GHG emissions intensity	Caring for Nature, Carbon	60
	305-5 Reduction of GHG emissions	Information is currently unavailable; we are aiming to address it in future reporting cycles	
	305-6 Emissions of ozone-depleting substances (ODS)	Information is currently unavailable; we are aiming to address it in future reporting cycles	
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Information is currently unavailable; we are aiming to address it in future reporting cycles	
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Information is currently unavailable; we are aiming to address it in future reporting cycles	
	306-2 Management of significant waste-related impacts	Information is currently unavailable; we are aiming to address it in future reporting cycles	
	306-3 Waste generated	Caring for Nature, Waste	66
	306-4 Waste diverted from disposal	Caring for Nature, Waste	66
	306-5 Waste directed to disposal	Caring for Nature, Waste	66
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	Information is currently unavailable; we are aiming to address it in future reporting cycles	
	308-2 Negative environmental impacts in the supply chain and actions taken	Information is currently unavailable; we are aiming to address it in future reporting cycles	

GRI standard	Disclosure	Location and Explanation	Page N°
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Introduction, Our Global Presence	12
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Information is currently unavailable; we are aiming to address it in future reporting cycles	
	401-3 Parental leave	Elevating People, Support Parenthood	50
GRI 402: Labor/Management Relations 2016	402-1 Minimum notice periods regarding operational changes	Information is currently unavailable; we are aiming to address it in future reporting cycles	
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Introduction, Our Group Policies	24, 38
	403-2 Hazard identification, risk assessment, and incident investigation	Elevating People, Occupational Health & Safety	38
	403-3 Occupational health services	Elevating People, Occupational Health & Safety	38
	403-4 Worker participation, consultation, and communication on occupational health and safety	Elevating People, Occupational Health & Safety	38
	403-5 Worker training on occupational health and safety	Elevating People, Occupational Health & Safety	38
	403-6 Promotion of worker health	Elevating People, Physical Well-Being	39, 40
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Information is currently unavailable; we are aiming to address it in future reporting cycles	
	403-8 Workers covered by an occupational health and safety management system	Introduction, Our Group Policies	24
	403-9 Work-related injuries	Elevating People, Occupational Health & Safety	38, 92
	403-10 Work-related ill health	Elevating People, Occupational Health & Safety	38, 92
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Appendix, Social Data tables	92
	404-2 Programs for upgrading employee skills and transition assistance programs	Elevating People, Continuous Learning	30-33
	404-3 Percentage of employees receiving regular performance and career development reviews	Elevating People, Mental Well-Being	42
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Elevating People, Diversity & Inclusion	44, 45
	405-2 Ratio of basic salary and remuneration of women to men	Elevating People, Gender Wage Gap	49
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	There were no reported incidents of discrimination during the reporting period, and no corrective actions were required.	
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Introduction, Our Group Policies	24
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	Introduction, Our Group Policies	24
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Introduction, Our Group Policies	24
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	Information is currently unavailable; we are aiming to address it in future reporting cycles	
GRI 411: Rights of Indigenous Peoples 2016	411-1 Incidents of violations involving rights of indigenous peoples	Information is currently unavailable; we are aiming to address it in future reporting cycles	

GRI standard	Disclosure	Location and Explanation	Page N°
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Elevating People, Community	51-55
	413-2 Operations with significant actual and potential negative impacts on local communities	Information is currently unavailable; we are aiming to address it in future reporting cycles	
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	With our upcoming Supplier Code of Conduct 2.0, we are aiming to address this in future reporting cycles	
	414-2 Negative social impacts in the supply chain and actions taken	With our upcoming Supplier Code of Conduct 2.0, we are aiming to address this in future reporting cycles	
GRI 415: Public Policy 2016	415-1 Political contributions	Our organization has not made any political contributions during the reporting period.	
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	As our company operates strictly within a business-to-business framework, we do not interact directly with end consumers.	
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	As our company operates strictly within a business-to-business framework, we do not interact directly with end consumers.	
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	As our company operates strictly within a business-to-business framework, we do not interact directly with end consumers.	
	417-2 Incidents of non-compliance concerning product and service information and labeling	As our company operates strictly within a business-to-business framework, we do not interact directly with end consumers.	
	417-3 Incidents of non-compliance concerning marketing communications	As our company operates strictly within a business-to-business framework, we do not interact directly with end consumers.	
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Information is currently unavailable; we are aiming to address it in future reporting cycles	