



ROSY BLUE

MORE THAN DIAMONDS

2024

REPORT



SUPPLY CHAIN
EMISSIONS

BIODIVERSITY &
NATURE IMPACT

DIVERSITY, EQUITY
& INCLUSIVENESS

DUE DILIGENCE IN
OUR VALUE CHAIN

THE ROSY BLUE DIFFERENCE

EMPOWERED BY PEOPLE, DRIVEN BY PURPOSE

Leadership and innovation have always been at the heart of what we do — but more than ever, it is the mindset of our people, united in their commitment to creating a better future for all, that truly sets us apart as a company.

With a legacy spanning over five decades, Rosy Blue traces its origins to the diamond trading company ‘B Arunkumar’. Throughout its history, the company has consistently pioneered leadership in the global diamond industry, embodying trust, innovation, and a steadfast commitment to excellence. Today, our alliance consists of two independent groups operating under the same name, each with a diverse portfolio of activities spanning 9 countries and serving an impressive global clientele.

The foundational philosophies of our esteemed founders - the late Mr Arunkumar Mehta and Mr Bhanuchandra Bhansali - continue to guide our path.

From the very beginning, collaboration and stakeholder engagement have been integral to the success of our organisation. Our familial ethos blends seamlessly with the frameworks of a global enterprise, fostering a culture of respect, inspiration, and innovation. Through close collaboration with industry leaders, we are able to continuously develop cutting-edge technologies, deliver exceptional service to our clients, and uphold ethical business practices at every level of operation.

As we navigate this rapidly changing world, we see the global jewellery and watch industries facing unique opportunities to collaborate and make a meaningful, positive impact. Reflecting on our achievements in 2024 and setting ambitious goals for the future, we remain acutely aware of the environmental and social challenges posed by escalating geopolitical issues. In response, we are committed to setting even more ambitious mitigation targets, prioritising efforts to combat inequality, address climate change, protect biodiversity, and promote gender equality.

“We are committed to setting even more ambitious mitigation targets, prioritising efforts to combat inequality, address climate change, protect biodiversity, and promote gender equality.”

We believe that our journey, which harmonises economic success with environmental sustainability and societal well-being, can serve as a model for a new cultural paradigm. At Rosy Blue, we are not only advocates for sustainability and responsibility but also champions of innovation and transparency, driving positive change on a global scale.



Russell Mehta
Managing Director
ROSY BLUE (INDIA)
PVT. LTD.



Ravi Bhansali
Managing Director
ROSY BLUE NV



Viraj Mehta
Board of Directors
ROSY BLUE
HONG KONG LIMITED



Amit Bhansali
Board of Directors
ROSY BLUE NV



Valerie Michel
Head of Sustainability
ROSY BLUE NV

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The Forest Stewardship Council® (FSC®) is an international certification system for forest management. Ten globally valid principles guarantee that wood and paper products with the FSC® seal come from responsibly managed forests.



USA



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LUXEMBOURG



UAE



INDIA



CHINA



JAPAN



HONG KONG



FOLLOWERS ON
SOCIAL MEDIA

LINKEDIN 

FACEBOOK 

INSTAGRAM 

	NON INDIA		INDIA
ROUGH	2023: 246.22 2024: 247.41	ROUGH	2023: 11.87 2024: 14.78
POLISHED	2023: 452.48 2024: 340.38	POLISHED	2023: 339.40 2024: 274.81
JEWELLERY	2023: 88.30 2024: 113.26	JEWELLERY	2023: 169.05 2024: 144.16
TOTAL	2023: 787.00 2024: 701.05	TOTAL	2023: 520.32 2024: 433.75



INDIA - RB CUTTERS (MUMBAI): UP TO 1.7 CTS
INDIA - SPARKLE DIAMOND (SURAT): 1+ CTS
INDIA - INTERGOLD (MUMBAI): JEWELLERY
INDIA - WORLDSTAR (MUMBAI) - MELEE DIAMONDS < 0.03 CTS

CHINA - LINYI (HUAXING): MELEE DIAMONDS < 0.3 CTS

BOTSWANA - FACETS (MOLEPOLOLE)*: 1.5 - 2 CTS

* A comprehensive overview of all activities and figures for each entity is included in the appendices of this report. In 2024, the Rosy Blue Israel office ceased operations. Our production unit and offices in Botswana will be phased out in 2025.

FROM MINE TO MARKET





Arnov Kothari
ROSY BLUE
WORLDSTAR GEMS

“We are
delighted to
announce our
new production
facility in
Mumbai, India”

We are delighted to announce that our production facility, Worldstar Gems, has successfully cleared the RJC compliance audits and will be incorporated into our RJC certification framework. It will be officially included in our production operations from 2025 onwards.

Rosy Blue’s third diamond production unit in India was announced in September 2024. Operating under the name “Worldstar Gems”, this new venture strengthens our presence in one of the world’s leading diamond manufacturing hubs. From the outset, the facility has been driven by an exceptionally dedicated and skilled local workforce with a deep passion for natural diamonds.

Worldstar Gems has become fully operational and underwent auditing in 2025. It has also been identified as a participant entity under a separate De Beers protocol called “Pipeline Integrity (PI)” for the manufacturing of Forevermark diamonds and the DTC Code of Origin (COO) programme. These PI programmes primarily assess an entity’s ability to meticulously segregate DTC-eligible diamonds (Forevermark – COO) from non-eligible stones throughout the entire manufacturing process, from beginning to end.

ACTIVITY

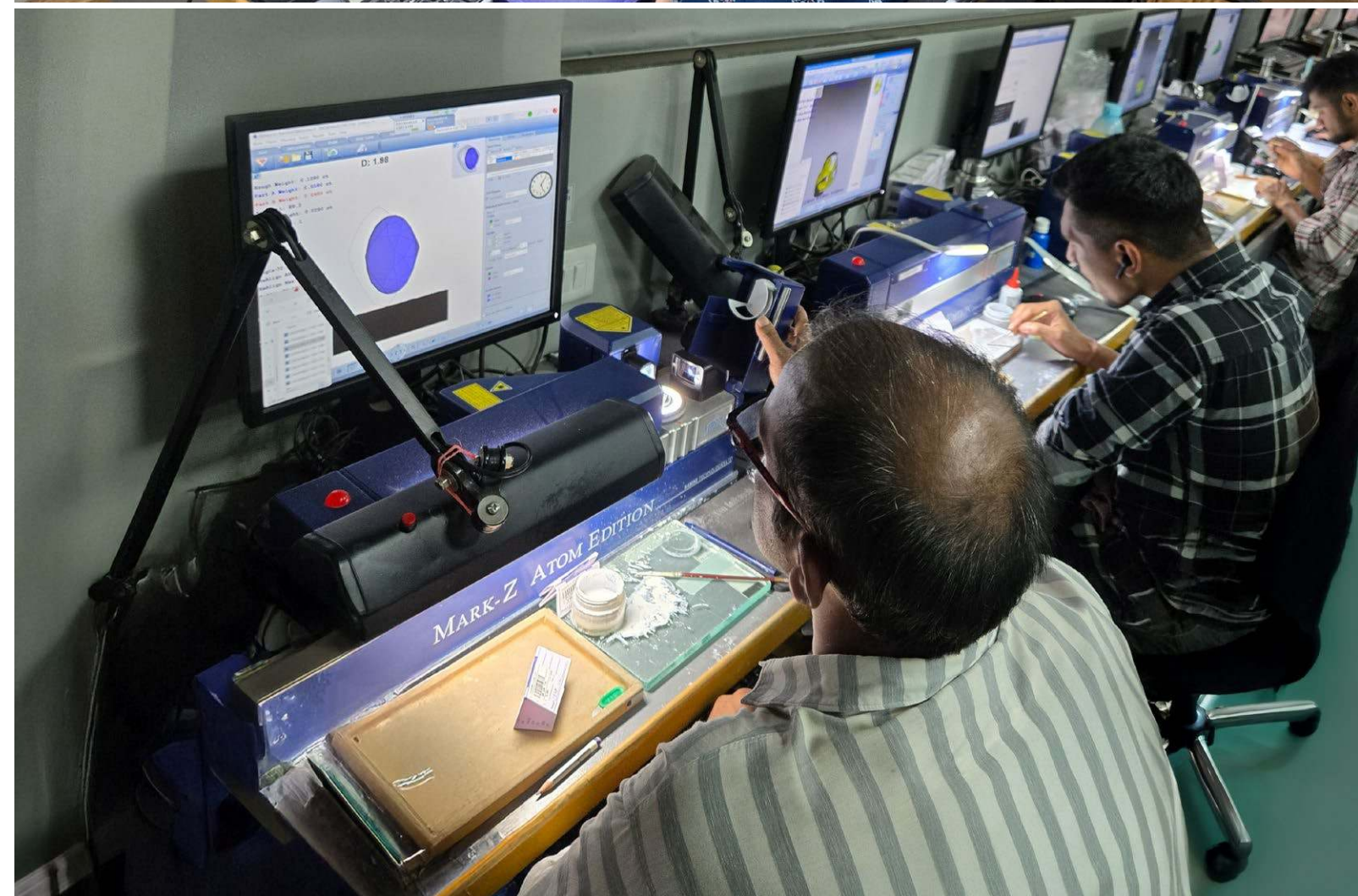
CUTTING AND POLISHING OF DIAMONDS

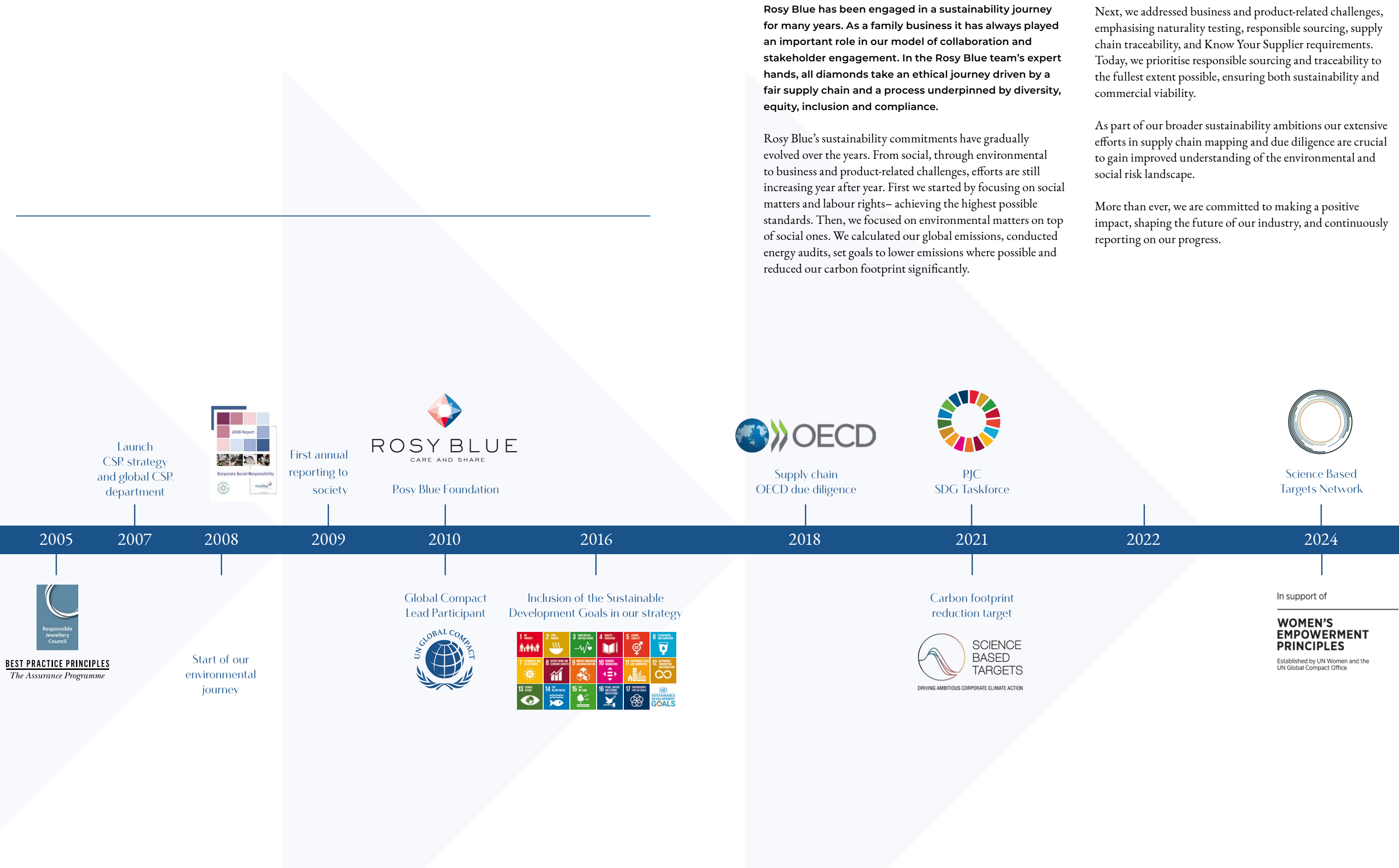


RANGE OF PRODUCTION



EMPLOYEES







STRENGTHENING OUR COMMITMENT TO GENDER EQUALITY

In 2024, Rosy Blue strengthened its commitment to sustainability and inclusiveness, with gender equality at the forefront. A key moment was our participation at the United Nations Headquarters in New York, where Rosy Blue NV Director Raj Mehta was one of the speakers in a critical session on gender equality, focusing on the watch and jewellery industry. The discussion explored important questions such as current trends in gender equality—both broadly and within the industry, the significant changes we have observed, and the potential impact of these trends in the near future.

Gender equality is a crucial pillar of a sustainable, responsible business. While progress has been made, significant challenges remain—especially in industries like ours, where women continue to be under-represented in key roles. As we continue our journey, we remain steadfast in our belief that inclusiveness strengthens not just our business but the entire industry. By championing gender equality, we contribute to a more sustainable future—one where opportunities are accessible to all, and where diversity drives success.

Following this event, UN Women and the Watch & Jewellery Initiative 2030 launched a brand-new case study booklet aiming to showcase the transformative power companies can wield in accelerating gender equality and women's empowerment across the workplace, marketplace, and community. As a proud WEP signatory, Rosy Blue was invited to outline our experiences and challenges in a case study featured in this report.

MORE DETAILS ON ROSY BLUE'S COMMITMENTS AND EFFORTS ON GENDER EQUALITY CAN BE FOUND IN THE BUILDING RESILIENCE SECTION (P. 48).

A CHANGING SUSTAINABILITY CONTEXT

While sustainability is not new to the diamond industry, discussions around ethics in diamond trading have traditionally centred on conflict diamonds and financial crime. Recently, however, diamond traders have come under increasing scrutiny regarding sustainability issues. This heightened focus on sustainability is driven by a number of emerging trends.

LEGAL FRAMEWORKS

- Companies are now expected to adhere to various “**soft law**” standards regarding responsible business conduct. Key frameworks include the UN Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises, the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas, and the UN Convention against Corruption.

- In recent years, soft law standards have increasingly been integrated into **hard legislation**. Key examples include new European rules in the domain of sustainability reporting (**CSRD**) and due diligence (**CS3D**). Broadly speaking, these sustainability rules oblige companies to identify and report (CSRD) and to take action to mitigate (CS3D) risks for human rights and the environment.

- Financial stakeholders** (banks and investors) are also subject to tightening sustainability rules. Examples include the EU’s Sustainable Finance Disclosure Regulation and the Taxonomy Regulation.

- Specifically in the Belgian context, diamond traders must abide by a range of rules to combat money laundering (Royal Decree of 1 July 2020) and to ensure the integrity of the diamond trade. Several of these regulatory efforts build on the **Kimberley Process Certification Scheme**.

- The Kimberley Process Certification Scheme (KPCS) is a hybrid mechanism that combines regulatory and voluntary elements. Established in 2003, it is an international certification scheme designed to prevent conflict diamonds from entering the rough diamond market. It mandates participating countries to implement national legislation, establish controlling authorities, and commit to transparency and data exchange. Countries can only trade rough diamonds with other participants who meet the scheme’s minimum requirements, and international shipments must be accompanied by a KP certificate guaranteeing they are conflict-free. The **World Diamond Council’s System of Warranties (SoW)** is a voluntary system that extends the logic of the Kimberley Process to the trade in polished diamonds.



VOLUNTARY SUSTAINABILITY STANDARDS

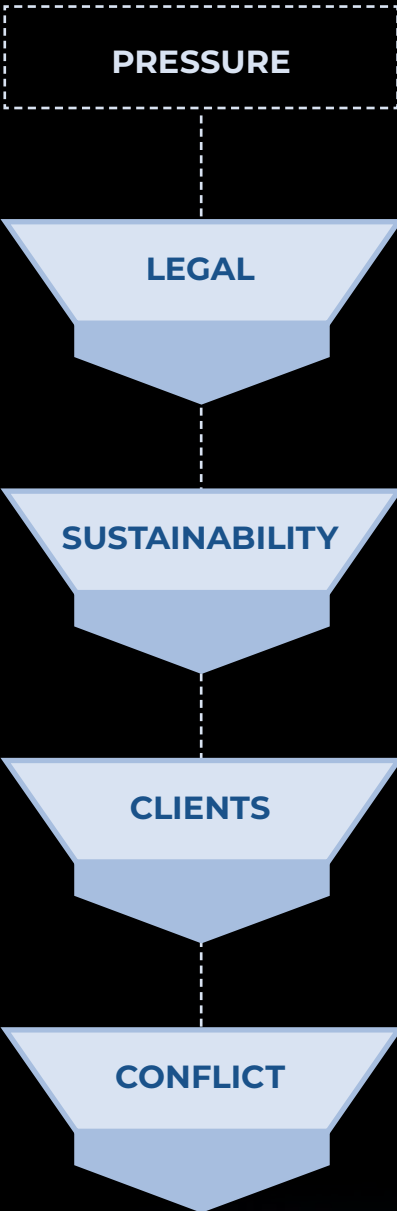
- The World Diamond Council’s System of Warranties (SoW) is a voluntary system that extends the logic of the Kimberley Process to the trade in polished diamonds.
- The Responsible Jewellery Council (RJC) Code of Practice is a voluntary sustainability standard that covers a wide range of sustainability topics, from business ethics to labour rights and environmental management. The number of companies certified under the RJC CoP has grown steadily in recent years.
- The Watch and Jewellery Initiative 2030 (WJI) has in recent years emerged as another important initiative. However, while the WJI also includes some mid-stream actors (including large diamond traders and manufacturers) amongst its supporting members, it primarily caters to the interests of the large jewellery brands.

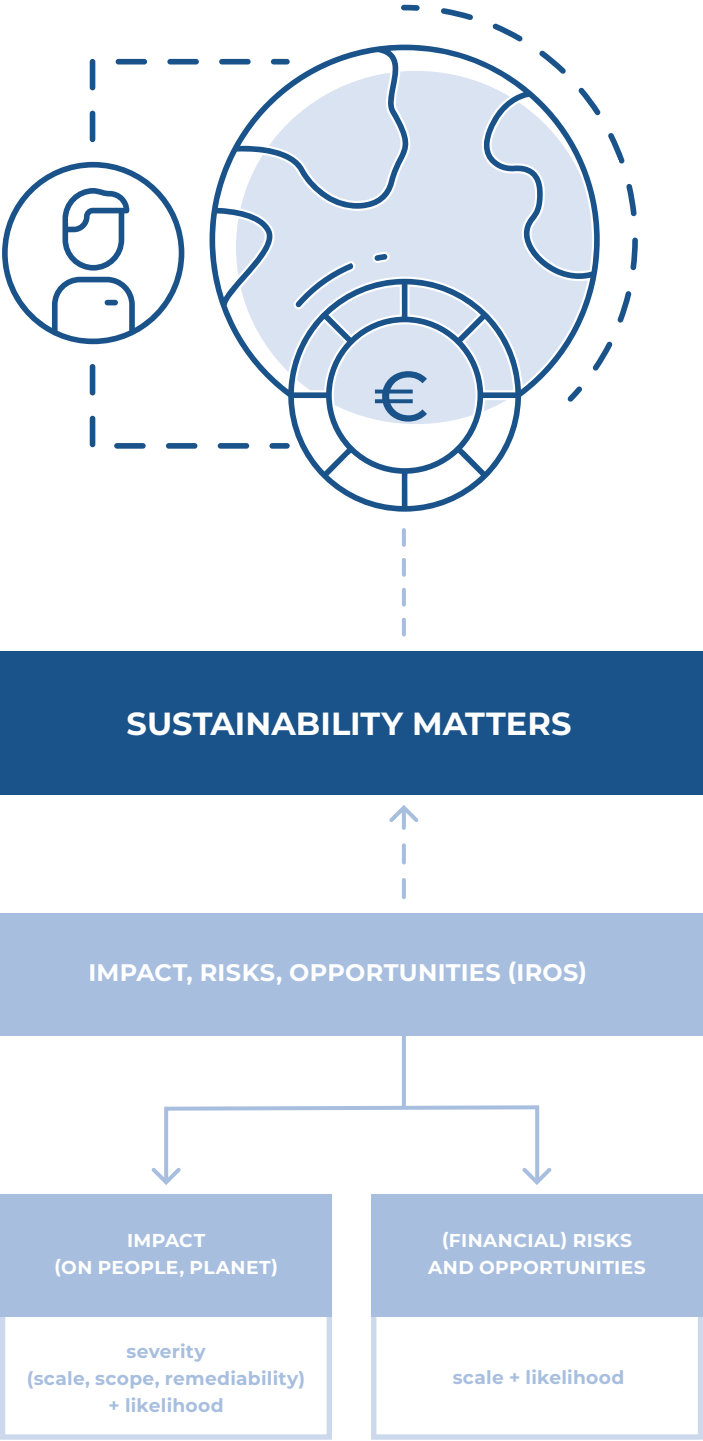
CLIENTS’ REQUIREMENTS

Large companies throughout the diamond value chain have begun imposing sustainability requirements on clients and suppliers. Large brands and retailers have comprehensive supplier policies that include expectations in the field of responsible business conduct including, in many cases, the need to obtain RJC certification. Likewise, De Beers expects its Sightholders to comply with Best Practice Principles, which include ambitious sustainability requirements.

THE RUSSIA-UKRAINE WAR

At the same time, sustainability pressures are overshadowed by the war in Ukraine. This conflict, along with the expectations to cease sourcing Russian diamonds, has led to significant supply shocks and has reignited older debates on conflict diamonds. The diamond industry is now facing unprecedented pressures to ensure end-to-end transparency, creating a new market for traceability solutions. While transparency is an important step towards a more sustainable diamond value chain, it does not, by itself, guarantee sustainable production.





Our materiality assessment is a process through which we identify and evaluate the key environmental, social, and governance (ESG) issues that are most significant to our business and stakeholders.

By combining both an internal and external assessment, we ensure that we capture insights from within our organisation as well as from external stakeholders, including clients, suppliers, and industry experts. This dual approach helps us understand the most pressing issues affecting our value chain and enables us to prioritise actions that align with our long-term sustainability goals.

The CSRD sets a clear expectation that companies involve “potentially affected” stakeholders in their DMA. In the previous years, Rosy Blue has sent out standardised surveys to stakeholders, who were asked to express their views on the materiality of a range of topics. While this method is straightforward and easy to scale, it often resulted in superficial feedback,

as stakeholders might not fully understand the topics, and don’t have the opportunity to share more nuanced insights. This year we deliberately opted for a more targeted approach that focuses on a selection of stakeholders with a particular expertise, or with the capacity to speak on behalf of a wider group of stakeholders.

DURATION	TYPE	OBJECTIVE
90 min	local government	Understand priority topics for the local government; better understand the local regulatory context.
45 min	Auditor	Understand priority topics for auditors.
60 min	Industry association	Understand the CSRD requirement and how to conduct our DMA.
40 min	Brand	Understand the diamond value chain associated impacts, understand priority topics for different stakeholders.
45 min	Brand	Understand relevant sustainability impacts and considerations for brands.
45 min	Financial stakeholder	Understand the views and priority topics of the financial sector.
60 min	Mining company	Understand the diamond value chain and the topics that are deemed important by the mining industry.
90 min	Industry initiative	Understand the priority topics of downstream actors (retailers and jewellers).
30 min	Financial stakeholder	Understand the views and priority topics of the financial sector.
60 min	Diamond auction / tender house	Understand the priority topics for different stakeholders.
60 min	Diamond trader-manufacturer	Understand which topics are relevant to a trader manufacturer in Antwerp.
60 min	Trade union representative	Understand impacts, risks, and opportunities related to the situation of Antwerp diamond workers.
60 min	Research institute	Validate the results of the double materiality assessment.



The survey targeted various topics relevant to our organisation, ranging from environmental issues to labour practices and ethical standards. A materiality matrix was produced to reflect the results of comparing our stakeholders' responses against our organisation's internal assessments. This matrix identifies key themes and issues for our stakeholders, enabling us to direct our CSR strategies and activities towards the area's most relevant and significant to them.

POTENTIAL NEGATIVE IMPACTS are any adverse effects that may be caused by a company's activities or those in its value chain on people, the environment, or society. The materiality of negative impacts depends on two main factors: severity and likelihood.

FINANCIAL RISKS are possible negative effects of sustainability-related issues on a company's turnover, position, cash flows, access to finance, cost of capital, etc. The materiality of financial risks is determined by their magnitude and likelihood.

POSITIVE IMPACTS are the positive effects that a company's activities may have on people, the environment, or society. It is important to underline that positive impacts are distinct from actions that merely mitigate or compensate for negative impacts. They represent added benefits, not just the avoidance of harm. The materiality of positive impacts is determined by their significance and likelihood.

WATER	Water management and access to water and sanitation
BIODIVERSITY AND NATURAL RESOURCES	Sustainable use of natural resources, impact on biodiversity, setting targets to reduce impact
ENERGY AND EMISSIONS	Reducing greenhouse gas emissions through SBTi's, energy efficiency and increasing renewable energy
CIRCULARITY AND WASTE	Waste management along the value chain, sustainable packaging, recycling processes, and plastic use
An increase in water project plans	Water pollution, water consumption in internal activities, but also in mining, negative impacts on marine ecosystems in mining
Efforts to restore, conserve or strengthen land, oceans or ecosystems	Biodiversity loss and degradation of ecosystems in mining
Efforts made to strengthen local climate resilience, boost renewable energy production	Value chain emissions
Protection of the natural environment	Waste in mining, waste from internal activities

TALENT, TRAINING AND ENGAGEMENT	Engaging workplace, recognising talent, improving employee skills, providing training, valuing input, safeguarding the culture and craftsmanship of diamonds
HEALTH, SAFETY AND WELLBEING	Guaranteeing safety and the physical and mental health of employees, welfare and satisfaction
DIVERSITY, INCLUSION AND EQUALITY	Diverse workforce, fair treatment, compensation and opportunities for all employees, culture of inclusion
HUMAN RIGHTS AND COMMUNITY LIVELIHOODS	Supporting linked communities and all workers across the value chain

Skills development & career growth	Privacy, work-life-balance, security of employment
Sector leadership in working conditions	Workers in value chain, adequate wages in value chain
Job creation - overall socio-economic contribution	Forced labour in artisanal mining, worker representation
Economic empowerment of communities through local content creation (jobs, skills upgrading,...); community development programmes	Impact on land rights and livelihoods of local communities

TRANSPARENCY AND TRUST	Ethical governance, business integrity, compliance standards and corporate transparency
DATA PROTECTION AND PRIVACY	Responsible use of data and technology, cybersecurity, and information safety
INNOVATION AND TECHNOLOGY	Research, development, adaptation to new technologies
ETHICAL AND RESPONSIBLE SOURCING	Tracing back to ethical and responsible provenance

Transparent corporate culture	Corruption and bribery
Supply chain management and transparency	Inadequate policies, controls and oversight
Mitigating adverse effects on the environment and society while striving to enhance the well-being of present and future generations	Ethical breaches, financial mismanagement and a loss of trust by customers, investors and other external stakeholders

ENVIRON- MENTAL SUSTAINABILITY

Our first goal in building climate resilience is to implement strategies for decarbonisation and determine the path to achieve it. The initial step in our SBTi (Science Based Targets Initiative) journey is to calculate the baseline of our greenhouse gas (GHG) emissions. It is also key to map our material flows to identify opportunities for circularity: avoiding materials with a high carbon footprint, rethinking production processes to minimise our impact, and reducing our emissions. Additionally, we are developing a nature roadmap.

IDENTIFYING AND REDUCING GREENHOUSE GAS EMISSIONS

At Rosy Blue, we commit to identifying and reducing our greenhouse gas footprint across all three scopes of emissions. We have been calculating the environmental performance of our operations since 2008, improving and optimising our data collection framework across our global entities.

We committed to setting both near-term and net-zero targets with the Science Based Targets initiative in 2023. Last year, Rosy Blue’s near-term emission reduction targets were formally approved by the Science Based Targets initiative (SBTi), positioning us as leaders in the low-carbon transition. SBTi has classified our company’s Scope 1 and 2 target ambition as aligned with a 1.5°C trajectory.

- In concrete terms, we commit to:
- Reducing absolute Scope 1 and 2 GHG emissions by 54.6% by 2033, from a 2023 base year.
 - Increasing the active annual sourcing of renewable electricity from 32.4% in 2023 to 100% by 2030.
 - Reducing absolute Scope 3 GHG emissions by 32.5% by 2033, from a 2023 base year.

The recent approval of our near-term science-based targets marks a significant milestone in our SBTi journey. Calculating the baseline of our greenhouse gas emissions was crucial for mapping our material flows and identifying opportunities to enhance circularity: rejecting materials with a high footprint, rethinking

production processes to minimise our footprint, and reducing emissions.

Schneider Electric (SE) has supported Rosy Blue in calculating the GHG footprint for Scope 1, 2 and 3, and in creating an Inventory Management Plan (IMP). The IMP defines the governance process for measuring, monitoring, and reporting energy and emissions data. The next step on our journey is to submit the net-zero target to achieve official validation. We are in the process of developing the net-zero target, with submission planned for July 2025.

We need to join forces with our customers and suppliers over the coming years to further reduce our collective carbon footprint, with the goal of creating a more sustainable and resilient diamond industry.

Rosy Blue has applied the principles of the ‘Operational Control Approach’, which means that Rosy Blue accounts for all emissions where it has direct control over the operations and can influence decisions that affect GHG emissions (all owned and leased assets operated by Rosy Blue). We operate across 15 sites in 8 countries*, and there are no entities or subsidiaries outside of this operational control.

According to the chosen operational control approach, all emissions are reported accordingly in:

- SCOPE 1 (DIRECT)
- SCOPE 2 (INDIRECT ENERGY)
- SCOPE 3 (INDIRECT – SUPPLY CHAIN)



*Luxembourg is a holding company and doesn't have any physical emissions.

SCOPE 1 DIRECT EMISSIONS

Rosy Blue’s total Scope 1 emissions in 2024 have slightly increased compared to 2023. Below is a list of Rosy Blue’s activities that fall within the operational boundaries for Scope 1.

SCOPE 1 - DIRECT EMISSIONS

Fuel combustion
Natural gas, Diesel (100% mineral), LPG

Refrigerants
R-410A, R-32

Fleet transportation
petrol and Diesel (average biofuel blend), LPG vehicles

Outside of scopes

SCOPE 2 INDIRECT (ENERGY)

Scope 2 total emissions have increased compared to 2023. Below is a list of Rosy Blue’s activities all within the operational boundaries for Scope 2.

SCOPE 2 - INDIRECT (ENERGY)

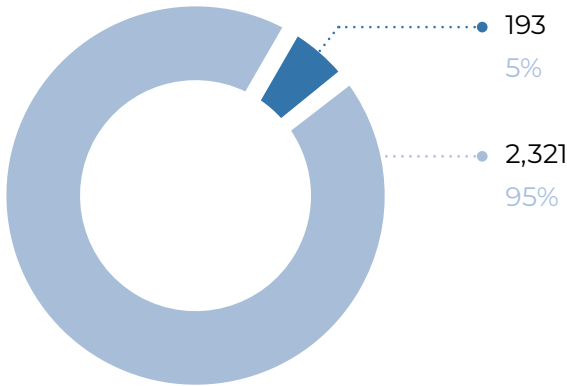
Consumption of purchased electricity
(renewable and non-renewable)

We chose to report Scope 2 using both approaches. On the one hand, a location-based (LB) approach reflects the average emissions intensity of grids on which energy consumption occurs and uses grid-average emission factors, on the other hand a market-based (MB) approach reflects specifically the carbon intensity of the electricity purchased by Rosy Blue. The MB method is used for

target-setting since only this way will Rosy Blue be able to leverage benefits from renewable energy. The charts below show a comparison of location-based GHG emissions and market-based GHG emissions.

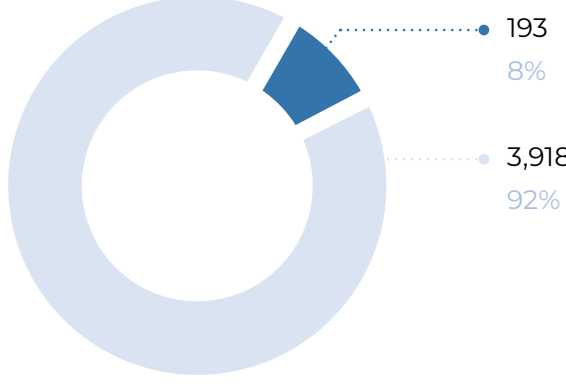
The charts show a comparison of location-based GHG emissions and market-based GHG emissions.

TOTAL GHG EMISSIONS (TCO2E) SCOPE 1 & SCOPE 2 MB



Scope 1
Scope 2 MB

TOTAL GHG EMISSIONS (TCO2E) SCOPE 1 & SCOPE 2 LB



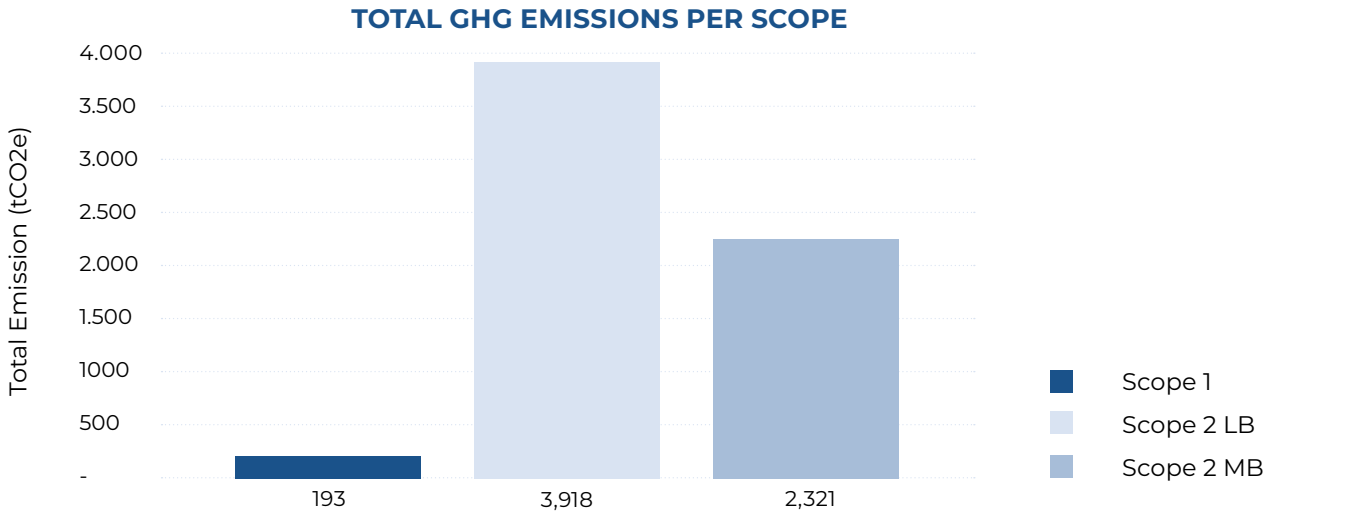
Scope 1
Scope 2 LB



If the site purchases electricity from non-renewable sources, emissions in the MB inventory are calculated by subtracting reliably tracked renewable energy consumption (e.g., certificates of origin) from the generation mix for that region. This is defined as the residual mix. The residual mix prevents double counting in the disclosure of energy procurement and Scope 2 emissions data. Rosy Blue uses the residual mix emission factors for Scope 2 – MB emissions defined by each relative geography in which Rosy Blue operates. In 2024, Rosy Blue operated 2 sites using renewable electricity:

Intergold India and Rosy Blue Antwerp, with 100% renewable electricity consumption through Energy Attribute Certificates (EAC). This accounts for 43% of Rosy Blue’s total electricity consumption, reflecting an increase from 32.4% in 2023.

Our partnership with renewable energy providers will enable us to meet our global renewable energy usage goals, aligning with our Science Based Targets initiative (SBTi) commitment to achieve a 100% reduction in emissions by 2030.



**SCOPE 3 - INDIRECT
OTHER AND BOUNDARY CALCULATIONS**

SE had the opportunity to compare the most recent year (MRY) emissions with the base year (CY 2023) emissions using the same methodology, as the base year inventory was also calculated by SE. The difference in the emission figures

between the two years can be attributed to a more recent and accurate set of emission factors and changes in the purchasing volumes.

SCOPE 3 CATEGORY	EMISSIONS (TCO ₂ E)		YEAR-ON-YEAR DIFFERENCE
	2023	2024	
Purchased Goods and Services	267.31	316.98	18.6%
Capital Goods	225	450	100%
Fuel-and-Energy-Related Activities	1,191	1,265	6.3%
Upstream Transportation and Distribution	648	607	-6.4%
Waste Generated in Operations	107	43	-60.3%
Business Travel	661	1,000	51.2%
Employee Commuting	2,029	1,987	-2.1%
Upstream Leased Assets	-	-	-
Downstream transportation and distribution	40	20	-50.0%
Processing of Sold Products	2,754	2,089	-24.1%
Use of Sold Products	-	-	-
End-of-life treatment of sold products	2	8	269.9%
Downstream Leased Assets	-	-	-
Franchises	-	-	-
Investments	-	-	-
TOTAL SCOPE 3 EMISSIONS (TCO ₂ E)	274,964	324,446	18%

PURCHASED GOODS AND SERVICES

This category represents a major part of Rosy Blue’s GHG inventory. Therefore, SE performed a deeper dive to determine Year-on-Year differences in the emissions. In 2024, emissions originating from this category were 18.6% higher than in 2023. This increase was due to several reasons, listed in the table below.

Purchased Goods and services changes - Category 1a components				
Site	tCO ₂ E			Explanation
	2023	2024	Year-on-Year difference	
Rosy Blue NV Antwerp Office	115,613	133,925	18,312	In 2024, a higher quantity of diamonds - measured in carats - was procured.
Rosy Blue Trading DMCC Dubai Office	8,569	10,611	2,042	While Rosy Blue reduced overall diamond procurement in 2024, all diamonds purchased were polished, in contrast to 2023 when both rough and polished diamonds were sourced. The emission factor for rough diamonds is lower, resulting in a reduced carbon footprint.
Guangzhou Rosy Blue Jewellery Co. Ltd, Guangzhou Office	1,137	234	-903	This site saw a significant reduction in diamond procurement.
Rosy Blue Jewellery (HK) Limited, Hong Kong Office	Not present in 2023	2,222		This division procures accessories, diamonds, gold and jewellery
Rosy Blue Hong Kong Ltd, Hong Kong Office	16,554	17,022	468	In 2024, procurement focused solely on diamonds.
Molepolole, Botswana Factory	937	374	-563	There was a decrease in diamond procurement at this site.
Mumbai, India Office and Factory (Inter Gold)	36,769	62,100	25,330	In 2024, the purchase of lab-grown diamonds contributed an additional 17.2k tCO2 to the carbon inventory of this entity alone.
Mumbai, India Office and Factory (Sitara)	2,266	4,582	2,316	This site procured a higher number of components.
New York Office	22,000	7,329	-14,671	This site procured fewer components.
Shandong, China Factory	0.45	1	0.5	This site procured a higher number of components (scaives).
Shanghai Office	2,650	1,376	-1,274	This site procured fewer components.
Tokyo Office	6,029	5,037	-992	This site procured fewer components.
Indore/Mumbai RB	52,603	69,429	16,826	The calculation methodology transitioned from being spend-based to activity-based.



GENERAL NEXT STEPS IN SCOPE 3

To enhance Scope 3 emissions accounting, it is recommended that more advanced methodologies be developed, particularly for categories that represent a significant portion of total Scope 3 emissions. As Rosy Blue has SBTi-validated decarbonisation targets, regular reporting on decarbonisation progress is required. This is best achieved through more precise data collection and refined calculation approaches.

Currently, a spend-based methodology has been used for certain categories, which provides a reasonable estimate of emissions and helps identify major sources of impact. However, to enhance data accuracy, it is recommended that activity-based data collection be expanded, particularly in high-impact categories such as Purchased Goods and Services. Notably, Rosy Blue has already implemented a key recommendation from last year — transitioning from a spend-based approach to an activity-based approach for Category 1 emissions at its Indore and Mumbai sites.

Further improvements in accuracy can be achieved by obtaining supplier-specific emission factors for laboratory-grown diamonds or securing certifications that explicitly confirm the use of renewable energy in their production.

To further enhance Scope 3 reporting, Rosy Blue will engage more proactively with suppliers to obtain supplier-specific emission factors, life-cycle assessment (LCA) results, or product carbon footprints. Currently, the most material source of Scope 3 emissions comes from polished and rough diamonds, yet the existing methodology is constrained by the lack of supplier-specific emission factors. In the future, Rosy Blue will actively collaborate with direct diamond suppliers from various sourcing regions to better capture geographically specific mining impacts and refine its emissions calculations accordingly.

PRESERVING NATURAL RESOURCES, A CHALLENGE AS CRUCIAL AS CLIMATE CHANGE

“Nature is declining globally at a rate unprecedented in human history, and the rate of species extinction is accelerating, already having serious effects on human populations worldwide”, says the IPBES report. Now known as the sixth mass extinction, the alarming decline in global biodiversity is one of the greatest threats to society. Although less publicised because it is more difficult to measure, global biodiversity has suffered even more than the climate.

As nature is the primary supplier of the economic world, the systematic destruction of biodiversity represents a significant and underestimated economic and financial risk for businesses. Entire sectors, such as food and construction, are being undermined, and the impact on the diamond and jewellery sector should not be overlooked. It is therefore only by reconciling our global economy with the great natural balances that we will be able to ensure a stable and viable system in the long term.

ROSY BLUE’S AGENDA FOR 2025

1. Developing a biodiversity strategy: creating a comprehensive plan to integrate biodiversity into our corporate sustainability efforts.
2. Drafting a Nature Roadmap: outlining key actions, milestones, and commitments for a “nature positive” impact.
3. Aligning with our sustainability goals: ensuring the strategy supports global and organisational sustainability targets.

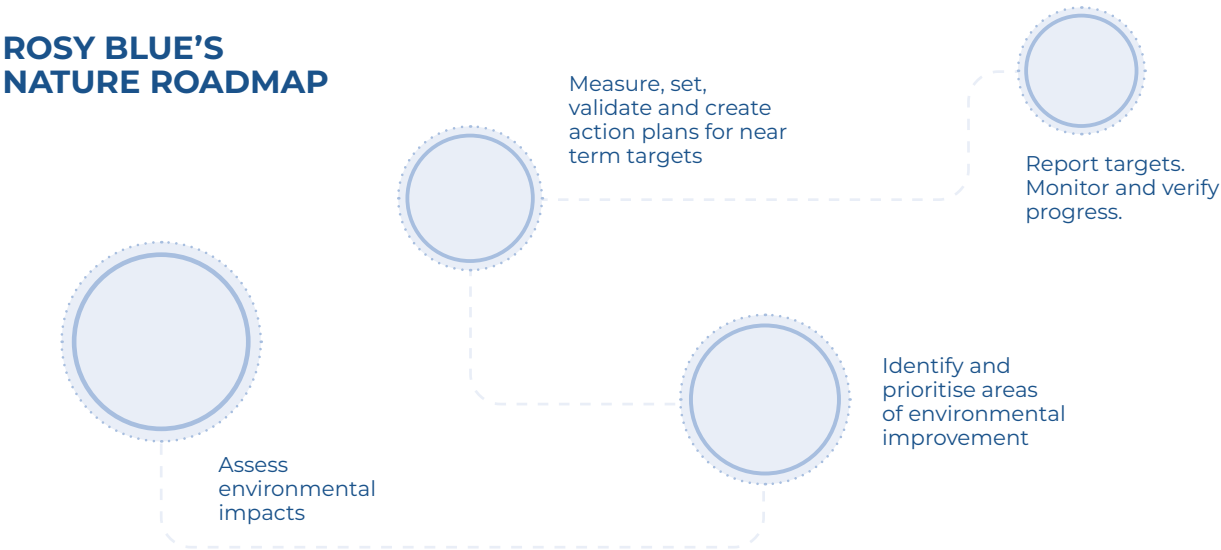
Climate change and biodiversity are closely interconnected. Positive actions taken for nature will also have a beneficial impact on climate. **The Science-Based Targets Network (SBTN)** has developed science-based targets specifically for nature, extending beyond climate action to focus on four key areas: freshwater, land, ocean, and biodiversity. As part of **WJI 2030**, Rosy Blue has committed to not only reducing

carbon emissions but also incorporating natural climate solutions to limit global warming to 1.5°C by 2030. Furthermore, we will continue to ensure that we source exclusively from mines that adhere to best practice standards, avoiding those linked to deforestation.

In 2025 we will continue to build a biodiversity roadmap to minimise the impact of material sourcing. Our biodiversity goal will go beyond mere compliance, aiming to align our approach with economic demand. To catalogue the biodiversity value and potential risks, a biodiversity risk assessment will be developed. Evaluating our biodiversity impacts and dependencies will enable us to identify our most significant risks and take targeted actions to address and prioritise them.

In collaboration with Schneider Electric, Rosy Blue has developed a plan to transition from awareness to strategy and action.

- **Raise awareness** of nature concepts among the Rosy Blue project team
- **Assess** Rosy Blue's current nature strategy and reporting through a gap analysis (WJI 2030)
- **Analyse** the material pressures and main dependencies on ecosystem services across the entire value chain at company level
- **Assess** sensitive sites and risks related to biodiversity for every production site operated by Rosy Blue
- **Identify** biodiversity and nature risks both at corporate and value chain levels
- **Develop** an action and monitoring plan to reduce Rosy Blue's impact on biodiversity while also reducing dependence on ecosystem services
- **Generate an awareness-raising** session on nature issues
- **Conduct a gap analysis** with actions already implemented by Rosy Blue
- **Assess the materiality of impacts and dependencies** on biodiversity (aligned with reporting frameworks)
- **Assess key issues** on strategic raw material sourcing
- **Conduct a risk assessment** using Biodiversity Risk Filter (WWF)
- **Assess local species and ecosystem status** using the integrated Biodiversity Assessment Tool (IBAT)
- **Prioritise sites** where action is most urgent
- **Conduct a deep dive** into raw materials
- **Conduct** a workshop with stakeholders to identify Rosy Blue's risks and opportunities regarding nature
- **Benchmark strategic actors'** biodiversity strategies, requirements and actions
- **Co-construction workshops** to identify actions, link with stakeholders, and pilot the action plan



HUMAN RIGHTS

For many years now, social matters have played a central role in Rosy Blue’s sustainability efforts. Ensuring the health, safety and well-being of all our employees through workplace policies and initiatives for equality, inclusion and occupational health and safety are of the utmost importance to us. Through decent jobs and livelihoods, infrastructure investments, and building the skills of employees, we can contribute to economic development.

Our employees are our most valuable capital. We want to make our people feel valued and involved. At Rosy Blue people are encouraged to develop and empower themselves, enhancing their sense of motivation and job satisfaction. The company’s leaders encourage and monitor motivation, building up mutual trust. This positive people- and performance-oriented culture has a ripple effect across wider team morale and, as a consequence, is also good for the company’s profitability.



For Rosy Blue, human rights include labour rights as stated in the International Labour Organisation (ILO's) core conventions and the Declaration on Fundamental Principles and Rights at Work. We focus our efforts on those rights that are within our sphere of influence and our working environment. We respect human rights primarily by providing safe and healthy working conditions for our employees and ensuring non-discrimination in human resource practices.

Human rights are a critical topic in the industry, whereby vulnerable communities and workers are still victims of abuses such as violence, slavery, or denial of property rights. Scandals weaken stakeholder and consumer confidence from mine to retail. Exerting due diligence is the foundation of a decent supply chain, and critical to protect the reputation of any organisation. NGOs such as Human Rights Watch continuously assess what industry actors are doing to identify, prevent and mitigate risks, and offer remediation as needed.



THE CORPORATE SUSTAINABILITY DUE DILIGENCE DIRECTIVE (CSDDD)

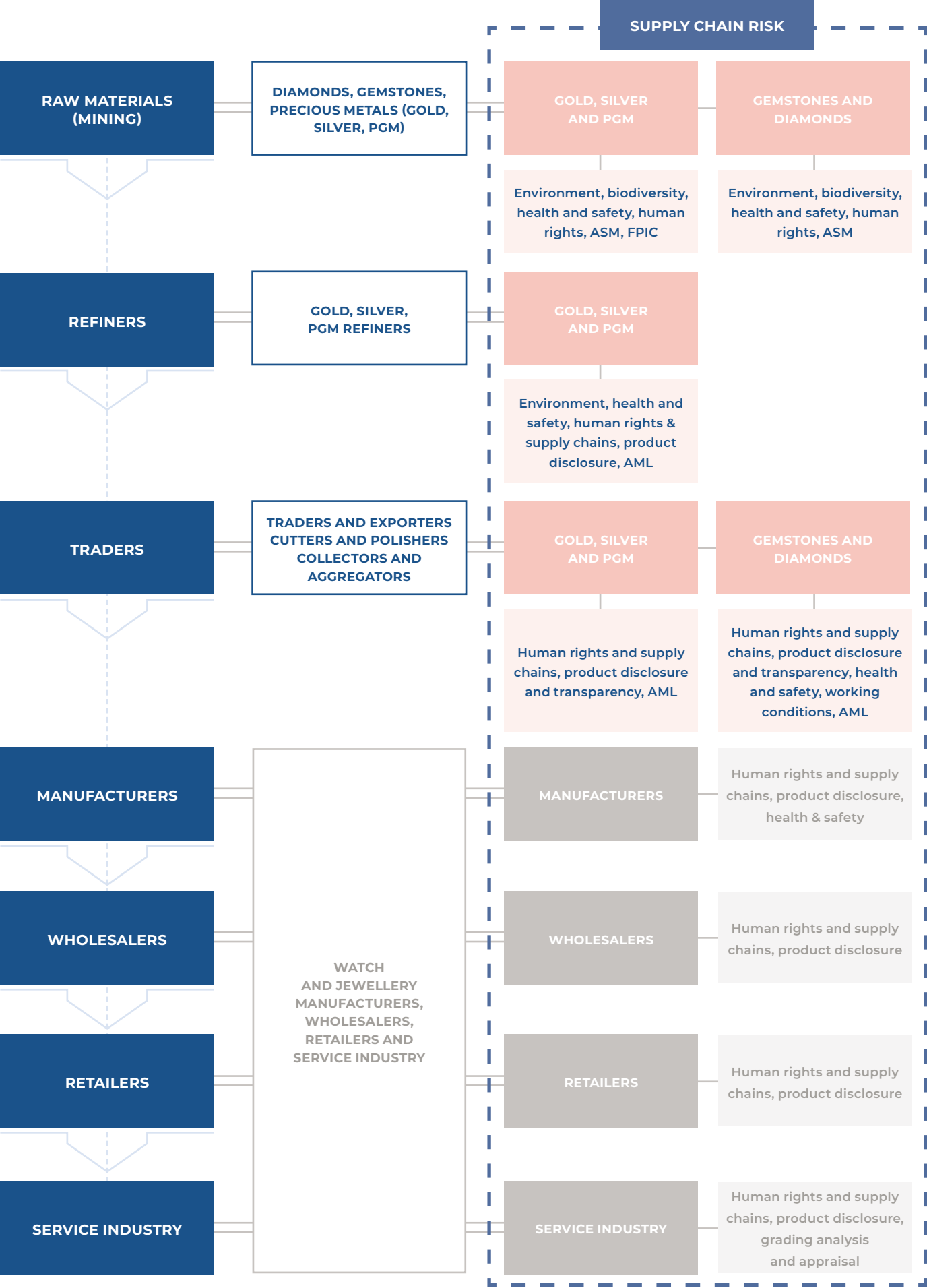
New regulations are making the connection between human rights and other ESG issues more prominent. The EU Corporate Sustainability Reporting Directive values sustainability metrics alongside environmental performance, with particular attention to the “S” in ESG, encompassing human rights, workplace health and safety, and diversity and inclusion.

The increasingly popular concepts of just transition and climate justice are also fostering a better understanding of human rights risks related to the extraction of minerals used in solar panels or electric vehicles and of the human rights implications of rising global temperatures (such as the right to health and the right to an adequate standard of living).

- Entered into force on 25 July 2024.
- Aims to foster sustainable and responsible corporate behaviour in companies' operations and across their global value chains.
- Requires in-scope companies (including non-EU-based companies) to establish due diligence procedures to address adverse impacts of their actions on human rights and the environment, including throughout their value chains worldwide.



HUMAN RIGHTS DUE DILIGENCE



HUMAN RIGHTS RISKS

Given the nature of the supply chain—from extraction to manufacturing, through to retail—the watch and jewellery industry is typically characterised by a number of significant human rights risks, which can include the following categories:

EMPLOYMENT CONDITIONS

Occupational health and safety – Companies may face risks in protecting the health and safety of their employees and on-site workers. For example, exposure to hazardous and toxic contaminants on manufacturing and processing sites, inadequate safety training, lack of personal protective equipment (PPE), and insufficient understanding or implementation of occupational health and safety processes. Such risks are particularly heightened in countries with weak occupational health and safety regulations. Additionally, worker mental health is a key factor in both individual well-being and overall workplace health and safety. Poor mental health can negatively affect workers and their families, as well as impact industry-wide productivity.

Living incomes - Workers in the supply chain receive inadequate income, which does not allow them to afford a decent standard of living. A decent standard of living includes adequate food, water, clothing, housing, education, transportation and healthcare for themselves and their families, as well as provision for unexpected events.

Grievance mechanisms and access to remedy – Everyone has the right to an effective remedy when their human rights have been violated. Where a company identifies that its operations (or supply chains) have caused or contributed to adverse human rights impacts, it should provide for or cooperate in their remediation through legitimate processes, whether through the company’s own operational-level grievance mechanism or through cooperation with independent non-judicial grievance mechanisms.

COMPULSORY LABOUR

Forced labour - Forced or compulsory labour is defined as any duty or service performed under the threat of penalties or any non-voluntary work or service. Migrant workers are the most vulnerable to risks because they are more likely to fall into situations where they have restricted access to identity documents (for example, passport retention by employers), payment of recruitment fees through unfair hiring practices, and restrictions on freedom of movement. Forms of modern slavery, including forced labour, may occur in the raw material supply chains of jewellery companies. Workers in raw material supply chains may be subjected to labour abuses, including forced or bonded labour conditions. Undocumented migrants are especially vulnerable.

Child labour - Child labour refers to work performed at an age that is too young and that can deprive children of access to education and adversely affect their development. ILO standards prohibit hazardous work for all persons under the age of 18 and the labour of children under the age of 15, except in developing countries. The sourcing of raw materials often used to manufacture jewellery and watches is under increased scrutiny due to the elevated risk of child labour in mining and in lower tiers of the supply chain.

COMMUNITIES AND DISCRIMINATION

Safety and gender-based violence – Valuable minerals have frequently been associated with violence and conflict, raising the level of military and civilian casualties. In addition to the possibility of violence against local communities or other rightsholders due to conflict involving state and not state parties, public and/or private security personnel, the protection of retail and non-retail operations may also present human rights risks related to discrimination, harassment and gender based violence.

Land use and acquisition – Unfair or insufficiently negotiated land acquisition, displacement of communities, and changes in land use and access to land for farming, grazing, cultural heritage, or forest resources can result in human rights violations and lead to conflict in the long or short term. In many cases, traditional land rights are not enshrined in law, and resettlements and acquisitions are, or are perceived to be, undertaken without adequate compensation.

Free, prior and informed consent - There is a risk that companies (and/or their suppliers) fail to appropriately consult a community that has the right to give or withhold their consent on lands they hold ownership rights to or use, and therefore not taking a rights-based approach. Rights-related issues in the field include the rights of unions to associate and engage in collective bargaining, entitlement to benefits, and freedom of expression.

Community health and environmental impacts - Negative environmental impacts may be associated with company operations (and/or its supply chains), as a result of company practices or those of business partners, which can affect local communities and may disproportionately affect vulnerable groups, including women. These include water pollution/contamination, deforestation, and food security issues. These risks may arise in major sourcing countries for watch and jewellery companies.



SUPPLIER DUE DILIGENCE

In line with our continued human rights and environmental supply chain due diligence upstream and downstream, all our suppliers must adhere to our Business Partner Code of Conduct and complete our Supplier Due Diligence form as part of our supply chain risk assessment.

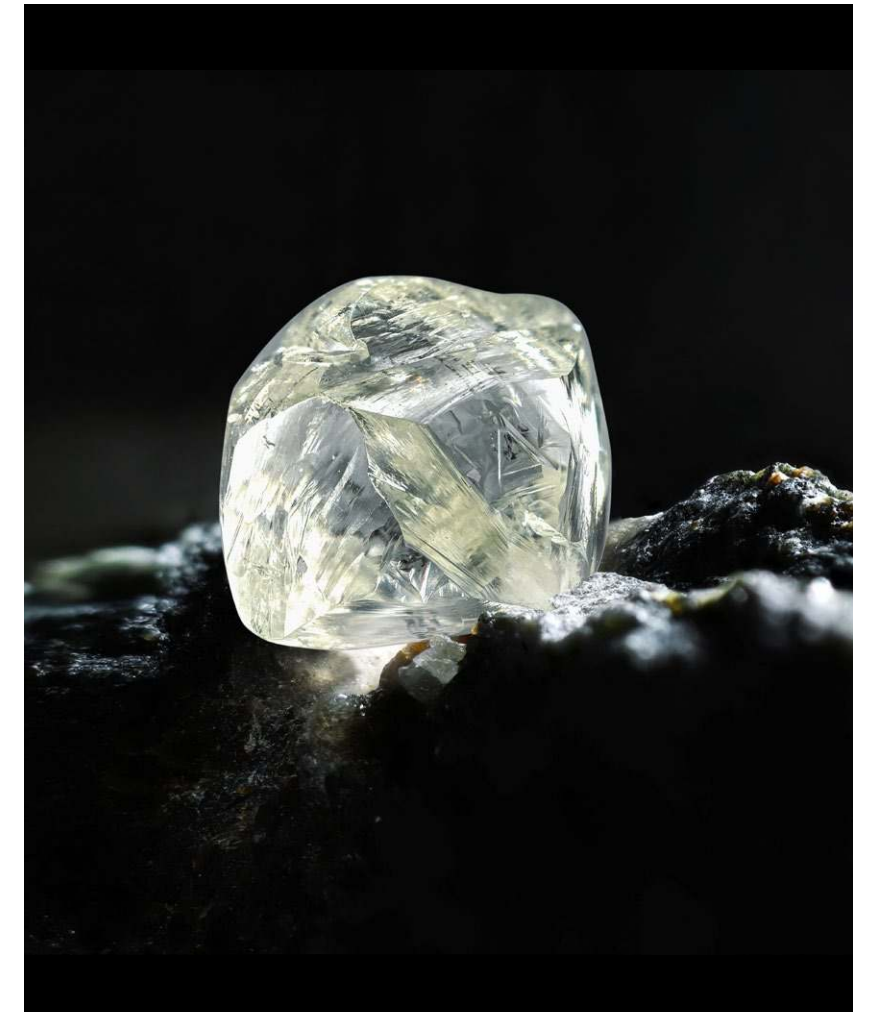
- 1 Business must be conducted lawfully and with integrity.
- 2 Working environments and social conditions must comply with international frameworks.
- 3 All workers will enjoy freedom of association.
- 4 Work is conducted on a voluntary basis.
- 5 All workers are of an appropriate age.
- 6 Working hours for all workers are reasonable.
- 7 All workers are paid fair wages.
- 8 All workers are treated equally, with respect and dignity.
- 9 The health and safety of workers is protected.
- 10 Business is conducted in a manner that reduces its environmental impact.



OECD DUE DILIGENCE

The OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High Risk Areas clarifies how companies can identify and better manage risks throughout the entire mineral supply chain, from miners, local exporters and mineral processors to the manufacturing and brand-name companies that use these minerals in their products.

OECD Due Diligence Guidance provides detailed recommendations to help companies respect human rights and avoid contributing to conflict through their mineral purchasing decisions and practices.



At Rosy Blue, we believe that diversity of thought, experience, background, and perspective is a source of strength that drives innovation, creativity, and better decision-making.

We are committed to creating an environment where all employees, regardless of their race, ethnicity, gender, sexual orientation, disability, age, religion, or any other characteristic, feel valued, respected, and empowered to thrive.

PRINCIPLE 1.



Establish high-level corporate leadership for gender equality.

PRINCIPLE 2.



Treat all women and men fairly at work – respect and support human rights and non-discrimination.

PRINCIPLE 3.



Ensure the health, safety and well-being of all women and men workers.

PRINCIPLE 4.



Promote education, training and professional development for women.

PRINCIPLE 5.



Implement enterprise development, supply chain and marketing practices that empower women.

PRINCIPLE 6.



Promote equality through community initiatives and advocacy.

PRINCIPLE 7.



Measure and publicly report on progress to achieve gender equality.

GENDER EQUALITY

Gender inequalities remain one of the most significant social and economic costs to society. Developing and fully leveraging half of the world’s talent is essential for fostering economic growth, sustainability, competitiveness, and future readiness in economies and businesses globally.

In today’s interconnected world, the private sector stands as a key driver of economic, social, and environmental change. It has the power to shape a future where gender equality and women’s empowerment are not just ideals but lived realities. As organisations navigate growing demands for accountability and transparency, there is a unique opportunity to lead transformative change by embedding gender equality and women’s empowerment at the heart of corporate governance, strategies and disclosures. The objective is to provide actionable pathways that consider our company’s realities and complexities

Research has made it abundantly clear that gender equality and women’s empowerment are not just ethical imperatives, nor imperatives guided solely by regulatory and stakeholder expectations. They are also business imperatives—driving innovation, enhancing problem-solving, and attracting top talent. While the importance of gender equality and women’s empowerment is widely acknowledged, significant gaps still exist in how it is measured and reported.

The Women’s Empowerment Principles (WEPs) recognise that the impact on gender equality and women’s empowerment entails:

- Systems where women operate are transformed.
- Women, in all their diversity, have access to resources, opportunities, and decision-making processes.
- Women have the autonomy, control and capacity to influence decisions that affect their well-being.



in collaboration with the Watch & Jewellery Initiative 2030 and UN Women



GENERAL TRENDS IN GENDER EQUALITY

Over recent years, gender equality has gained significant traction across various sectors, with increased awareness and advocacy driving a shift towards more inclusive policies and practices. Initiatives such as the Watch & Jewellery Initiative 2030 and 100 Women of Davos, launched in 2019, have fuelled important conversations and helped to create platforms for promoting gender parity at all levels.

One of the most significant trends in recent years has been the growing push for pay equity. The call for pay transparency and gender equity is gaining momentum, with more companies committing to closing the gender pay gap. Notable examples include the UK, Iceland, and Germany, where laws have been implemented requiring companies to report on their gender pay gaps. This transparency drives accountability and pushes organisations to assess and close gender pay disparities. It has inspired companies worldwide to voluntarily publish their pay data and commit to conducting regular pay equity audits, ensuring that compensation is not determined by gender. Another key area of focus has been Diversity, Equity, and Inclusion (DEI) Initiatives. Many organisations are implementing DEI strategies, which go beyond gender to create more inclusive work environments for all marginalised groups.

Additionally, flexible work arrangements have become a growing priority. The rise of remote and hybrid working models, accelerated by the pandemic, has underscored the importance of providing flexible work environments that support work-life balance, particularly for women with caregiving responsibilities.

These trends signal a significant shift in how gender equality is being approached across sectors, paving the way for more inclusive and equitable opportunities in the workplace.

GENDER EQUALITY IN INDIA

While India has made notable progress in advancing gender equality, much work remains to be done. Tackling deeply ingrained cultural norms, improving women’s economic opportunities, enhancing access to education and healthcare, and ensuring safety and security are all critical to achieving true gender parity. The combined efforts of government, civil society, and the private sector will be essential in driving sustained and meaningful change.

KEY AREAS OF PROGRESS

India has made significant strides in advancing gender equality, with key developments emerging from both governmental actions and societal shifts in perception, particularly through media and politics.

On the governmental front, India has enacted a series of laws aimed at addressing gender-based violence and supporting women’s rights, such as the Protection of Women from Domestic Violence Act (2005), the Sexual Harassment of Women at Workplace Act (2013), and stricter punishments for sexual assault under the Criminal Law (Amendment) Act (2013). The Maternity Benefit (Amendment) Act (2017) also increased paid maternity leave from 12 to 26 weeks, demonstrating progress in recognising the importance of supporting working mothers.

In the realm of media, there has been a gradual yet notable shift in how women are portrayed. Bollywood, in particular, has played a pivotal role in challenging traditional gender stereotypes and inspiring societal change by increasingly depicting strong, independent female characters. Furthermore women are slowly but steadily increasing their representation in politics, with figures like Nirmala Sitharaman (Finance Minister) and Smriti Irani (Minister of Women and Child Development 2019-2024) holding prominent positions in government.

CHALLENGES TO BE ADDRESSED

Several challenges continue to impede gender equality in India. Patriarchal attitudes persist in shaping gender roles, restricting women’s autonomy in decision-making, education, and employment. Additionally, the country faces a low Female Labour Force Participation, with cultural expectations, insufficient childcare support, and gender discrimination in hiring and pay contributing to this disparity. The most recent labour statistics show that while eight in ten men are in the labour force, only three in ten women are. India’s female labour force participation rate, which reflects the proportion of women either working or seeking work, is significantly lower than in countries with similar income and development levels, ranking among the lowest in the world. However, there has been a slight improvement in recent years.

STRIVING FOR FUTURE-PROOF SOLUTIONS

To increase women’s participation in the workforce, it is essential to address educational inequalities that contribute to high illiteracy rates. In 2020, the illiteracy rates among women were nearly the same as those for Indian men in the 1980s. This gap is even more pronounced when comparing urban and rural areas. Higher education remains largely an urban phenomenon in India, with one in four adults having access to higher education, compared to a much smaller share in rural areas, where growth in higher education has not grown substantially over time.

Another crucial factor is improving childcare support, which both the government and the private sector can help address. Expanding affordable and accessible childcare options would enable more women to join the workforce, especially those with caregiving responsibilities.

Rosy Blue will focus its future equality initiatives in our Indian factories on improving education and literacy, with the goal of increasing the number of women from our communities in the workforce.

OUR BUSINESS CASE

In the factories in India that cut and polish most of the diamonds circulating in world markets, it is still not unusual to see a mostly male workforce. Especially in more conservative areas, factory work is often considered men's work.

As a pioneering WEPs signatory in the diamond industry, Rosy Blue has begun to model a shift at its factory in Kandivali, outside Mumbai, where it is breaking patterns of gender exclusion in recruitment. Women now make up around 14% of factory floor staff as well as managers. It is still a small share, one that Rosy Blue intends to continue to expand. It is also a powerful signal of a company's potential to trigger shifts away from gender discriminatory norms. Today, globally Rosy Blue has a 33% female workforce. As a multinational company, Rosy Blue straddles vastly diverse country situations that reflect different stages in the journey to gender equality. The majority of its workforce in China, in contrast to India, is female.

At the corporate level, human resources and other policies underpin an ongoing global commitment to gender equality, non-discrimination, and a culture of respect, safety and inclusion.

In the Indian state of Gujarat, however, the starting point is an environment where simply hiring women can be a challenge. Those women who do work outside the home tend to have lower levels of education and cluster in low-skilled jobs. Retaining women who join the factory is another concern. Passing through the factory gates each day puts them at the vanguard of social change. It is not easy being in the minority of 58 women among some 347 men, even more so in a society with a long insistence on strict separation between female and male roles.

As part of maintaining a safe and healthy inclusive environment, the company offers annual training for all employees on human rights, non-discrimination, and gender awareness. Following input from local factory managers, a tailored approach to help women navigate and thrive in the workplace was introduced, including a resilience training

course. Designed to build confidence and encourage women to step forward with their ideas and grow in their careers, it was launched on International Women's Day in 2023. Sessions delved into how to cultivate personal resilience and navigate workplace dynamics, while it is also provided training on digital safety to break technology barriers. Overall, the course was a chance for women to come together in a supportive space all their own, to share experiences and forge bonds with each other. Follow-up round-tables are being organised to ensure continued implementation, taking into consideration the voices of the local workers.

Suchitra Dasmapatra, the factory's Deputy General Manager of IT, considers regular training, including the resilience course, as integral to cultivating inclusivity. Some women have come to the factory without any other work experience outside their homes. "The company has given women opportunities and financial means but also taught them skills and helped them to feel empowered," she says. "I joined in 2007 and never thought I would spend so many years in this company. I have stayed because it offers a culture of group work, freedom and respect." Rosy Blue plans follow-up resilience training sessions and the development of digital learning resources, along with a mentorship programme on applying resilience strategies at work, backed by measurement to assess results and guide progress. It offers an example of how a company can support women marginalised by society in claiming new roles as valued members of the workforce.

"The company has given women opportunities and financial means but also taught them skills and helped them to feel empowered,"



Suchitra Dasmapatra
Deputy General Manager IT



GENDER RESPONSIVE PROCUREMENT (GRP)

Gender-responsive procurement (GRP) refers to the sustainable selection of services, goods, or civil works that considers the impact on gender equality and women's empowerment. It is founded on international standards, agreements, and principles relevant to improving gender-responsive working conditions and is essential for upholding women's basic rights in the supply chain. A solid organisational code of conduct for the supply chain is the bedrock for WEPS implementation.

Assessing the level of gender-responsive procurement in the jewellery industry provides a unique opportunity to drive impactful changes, given the distinct characteristics of the industry.

1. The jewellery sectors' supply chain is complex. It consists of multiple tiers of complexity with varying levels of transparency and traceability. It involves diverse actors, each carrying distinct risks at every stage. The supply chain presents an array of barriers to gender equality and women's empowerment.

2. Raw materials are mined and manufactured in different parts of the world. Local artisans are rarely at the top of the supply chain. The traceability of the origins of precious metals and stones—such as gold, silver, platinum, diamonds and coloured gemstones—is also complex as they are sourced from different countries and continents, often least developed countries. The materials are brought to other countries to be manufactured into final jewellery products.

3. When highly valuable materials are sourced from a small number of producers—concentrating power and resources in the hands of a few—the risk of corruption and violence related to the control of resources, land and labour increases. Multiple studies reveal harsh conditions in precious material mining sites.

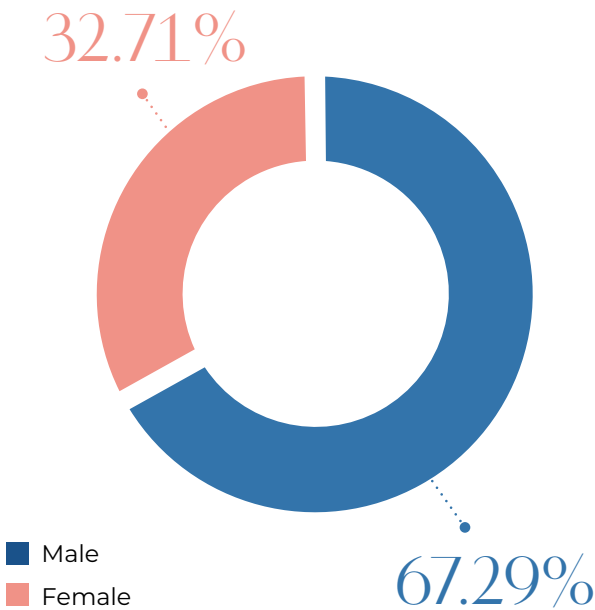
4. The industry is to a large extent controlled by men who represent the majority of workers, leaders and decision-makers in the supply chain, limiting women's access to livelihoods and employment. Starting from precious metal suppliers to exporters, distributors and manufacturers, the majority of the industry is dominated by males with patriarchal values. Decision-making positions are often held by men throughout the jewellery supply chain, while women work as retailers or in other customer-facing jobs.

	MEN	WOMEN	TOTAL	% MEN	% WOMEN
White collar - director	17	2	19	89%	11%
White collar - management	149	39	188	79%	21%
White collar - staff	715	346	1,061	67%	33%
Blue collar	775	421	1,196	65%	35%

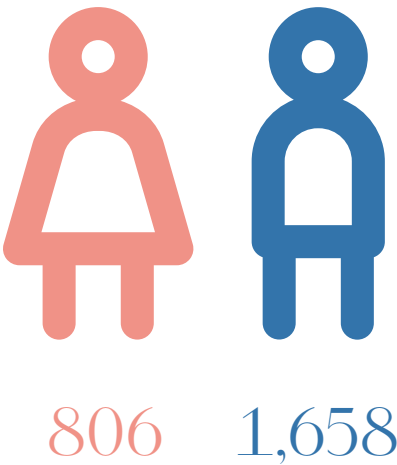
	% MEN	% WOMEN
Newly hired	80.78%	19.22%
Promoted	57.75%	42.25%
% retention parental leave	100%	90%



TOTAL GENDER DIVERSITY



2024 EMPLOYEES





EMPLOYER OF CHOICE

At Rosy Blue we aim to be an employer of choice: to attract the best employees and manage to retain the talent.

- We provide equal employment opportunities for all employees and applicants, without regard to any characteristic protected by applicable law.

- We will actively foster an inclusive workplace culture that recognises and appreciates the unique perspectives and contributions of everyone.

- Discrimination, harassment, or any form of bias will not be tolerated within our organisation, and all employees are expected to treat one another with respect and dignity.

- We are committed to making our workplace accessible to all employees and visitors, including those with disabilities.

- Gender responsive procurement: we stand for a sustainable selection of services, goods or civil works that considers the impact on gender equality and women's empowerment.

INCLUSIVITY

As part of our commitment to inclusive employment we will continue to promote recruitment and retention of diverse talent.

Additionally, Rosy Blue will accelerate a framework for recruitment of marginalised groups.



LIVELIHOODS

Most of Rosy Blue's operations and people are in manufacturing. Environmental and social standards for labour vary tremendously. Since the national minimum wage or working hours in a certain country may exceed or fall short of actual decent living standards, we are committed to going beyond the minimum regulations as stipulated by local law. That's why we have engaged in a 'living wage' pilot, aiming for

a remuneration model that grants a decent standard of living. As we operate in some of the world's most complex economic, political and social environments, due diligence and continuous monitoring (and where appropriate, remediation) are key to implementing our commitment. Four key points of action were identified to make this possible.

- ✓ Major supply chain commitment internally and for Tier A suppliers
- ✓ Collecting data on public living wages benchmark
- ✓ Setting a living wage commitment
- ✓ Addressing wage inequality

Improving technical skills (directly and indirectly through scholarships, gifts to schools, grants, etc.), literacy, and reinforcing and sharing know-how, are all crucial for Rosy Blue given that polishing diamonds is a very specific and respected craftsmanship.

We provide a variety of mandatory and voluntary internal and external training opportunities for our employees to help them develop technical skills in the workplace, and gain the competencies specific to their roles.

TOTAL HOURS OF TRAINING



HOURS WOMEN

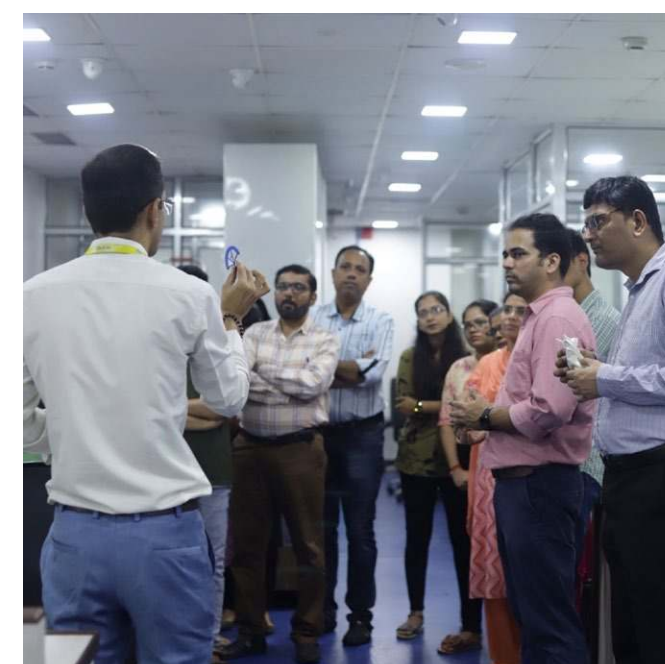
HOURS MEN

The main health and safety risks are: cuts to fingers, projection of parts of stones in the eyes, and inhalation of dust during polishing. All of our entities have appointed a Health and Safety Manager, responsible and accountable for ensuring compliance with our global policy and local regulations. They are supported by a Health and Safety team.

In 2024, everyone was involved in maintaining health and safety across our sites. Rosy Blue takes all practicable steps to eliminate, isolate and minimise the risk of injuries or illness from identified actual and potential hazards.

Some locations have a clinic, and we monitor the health of employees at regular intervals. There is a focus on

We communicate our global policies and procedures covering the subjects of compliance. Regarding CSR and compliance knowledge, our training materials and toolkits can be adjusted by the local CSR expert to suit the local context and language. In 2024, Rosy Blue logged a total of 70,551 hours of training mainly on human rights and social performance, children's rights and the role of business, and health and safety.

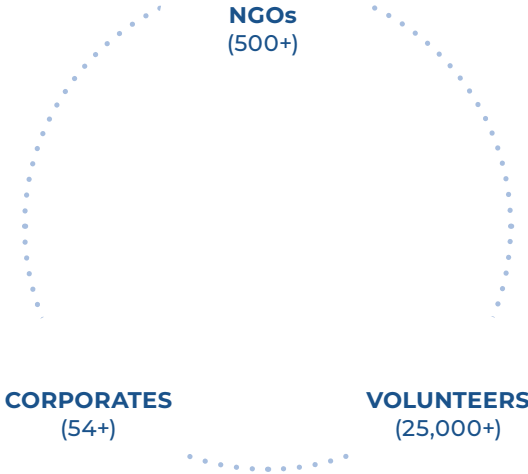




ROSY BLUE FOUNDATION & CONNECTFOR

Founded in 2010, the Rosy Blue Foundation is our best relay inside the surrounding communities of Rosy Blue. The SDGs pinpoint a series of urgencies that the foundation can help address by supporting the appropriate non-profit organisations. Over and above the 2% of average net company profits, as suggested by the authorities, we spend more as and when required.

The Rosy Blue Foundation incubated ConnectFor, which is a platform to connect NGOs, volunteers and corporates. Shloka Ambani and Maniti Modi are the driving force in the organisation.



PROJECTS IN THE SPOTLIGHT

In 2024 we have engaged in a number of non-profit projects, out of which we have selected a couple to spotlight in this year's report.

ARRA

In 2024 the ARRA Scholarship project by the Rosy Blue Foundation was launched. This merit-based fully-funded and inclusive scholarship — named in honour of our foundation founders, the late Shri Arunkumar Mehta and Shri Ramniklal Mehta — supports academically and socially inclined Indian students in pursuing higher education. Our goal is to promote academic excellence by supporting students who demonstrate outstanding academic performance, a strong character, and unwavering commitment, regardless of their social, personal, or spiritual background. More information: www.rosyblue-foundation.org/scholarship.html



ARRA SCHOLARSHIP

TREE PLANTATION PROGRAMME

Since 2021, Rosy Blue has actively participated in the Tree Plantation Programme. In collaboration with Vicharta Samuday Samarthan Manch (VSSM), we have made significant contributions to nature preservation, restoration, and biodiversity, all while supporting community upliftment by creating employment opportunities and promoting education.

We have successfully planted 101,857 trees across 14 locations so far, with a survival rate of 93.07%. Our investment has included not only new trees but also fencing, drip irrigation, and income support for tree caretakers, directly benefiting the villages involved.



TREE PLANTATION PROGRAMME

MUMBAI MARATHON

As part of our commitment to supporting local communities, Rosy Blue proudly participated in the 2024 Tata Mumbai Marathon. Through the Rosy Blue Foundation and 'ConnectFor,' we continue our partnership with Shrimad Rajchandra Love and Care (SRLC) to support underserved communities. The marathon was an unforgettable experience, filled with energy and joy, with 74 Rosy Blue employees taking part in this vibrant event that drew thousands of participants.



MUMBAI MARATHON

ORIGIN RESTRICTIONS

Origin restrictions in diamond mining are designed to prevent the trade of conflict diamonds, which are often used to finance violence and human rights abuses. Countries like the Democratic Republic of Congo and Angola have historically been high-risk areas due to past conflicts and weak regulatory oversight, making their diamonds more susceptible to being classified as a higher risk supply chain.

In alignment with the [OECD Due Diligence Guidance](#), the RMI provides tools and resources to enable companies to conduct individual and collective due diligence within supply chains to source minerals responsibly.

OECD definition of conflict-affected and high-risk areas: Conflict-affected and high-risk areas are identified by the presence of armed conflict, widespread violence or other risks of harm to people. Armed conflict may take a variety of forms, such as a conflict of international or non-international character, which may involve two or more states, or may consist of wars of liberation, or insurgencies, civil wars, etc. High-risk areas may include areas of political instability or repression, institutional weakness, insecurity, collapse of civil infrastructure and widespread violence. Such areas are often characterised by widespread human rights abuses and violations of national or international law.

According to the RMI RMAP Standard, the CAHRAs shall include, at a minimum, countries identified as high-risk by relevant conflict minerals regulation, such as: The Democratic Republic of the Congo (DRC) and its nine adjoining countries as outlined in Section 1502 of the Dodd Frank Act, namely Angola, Burundi, Central African Republic, Republic of the Congo, Rwanda, South Sudan, Tanzania, Uganda, and Zambia; and, the indicative and non-exhaustive list of CAHRAs provided by the European Commission pursuant to Article 14.2 of the European Union Regulation 2017/821.

EU definition of conflict-affected and high-risk areas: Areas in a state of armed conflict, fragile post-conflict areas, as well as areas witnessing weak or non-existing governance and security, such as failed states, and widespread and systematic violations of international law, including human rights abuses.

We don't want to contribute to the finance of conflict or to reverse human rights impacts. In response, international frameworks such as the Kimberley Process aim to certify conflict-free diamonds, though enforcement remains a challenge. More recently, geopolitical tensions have led to targeted bans, such as those imposed on Russian diamonds due to concerns over funding Russia's war efforts.

The European Union, G7, and other global powers have introduced measures restricting the import of Russian diamonds to weaken the country's economic resources. These restrictions reflect broader efforts to ensure ethical sourcing and reduce the role of illicit trade in global diamond markets.

Our relationship with the world's premier diamond mining companies enables us to ensure a regular supply of rough diamonds well into the future. We participate in all major tenders and auctions, and also buy from all rough trading centres and across a full range of goods of the finest quality, albeit only from known and trusted

KIMBERLEY PROCESS AND SYSTEM OF WARRANTIES

We apply the rough diamond export and import verification system and controls as laid out by the Kimberley Process Certification Scheme and national legislation of the countries where we operate. We only supply diamonds that have been sourced from countries that are participants in the Kimberley Process and that have been legally exported under such a system and legislation. Certifying their origin is to prevent diamonds from potentially being used to finance armed conflicts by rebel movements from entering the market (www.kimberleyprocess.com).

We fully comply with the System of Warranties (SoW), which is an industry self-regulation system created by the World Diamond Council (WDC) to support and strengthen the Kimberley Process Certification Scheme (KPCS) through the entire diamond distribution chain. The SoW also protects the integrity of the diamond supply chain in areas that currently fall outside of the scope of the KPCS. It requires professional buyers and sellers of rough diamonds, polished diamonds and jewellery set with diamonds to include a warranty statement on B2B invoices and memos each time a diamond changes hands, assuring the next buyer that it originated from sources in compliance with the KPCS, confirming the conflict-free origin and also that it was handled in accordance with essential responsible business practices, including those relating to human and labour rights, anti-money laundering and anticorruption.

suppliers. We are extremely careful that every rough diamond we buy comes from conflict-free and human rights abuse-free sources. Depending on our own needs in polished stones, we trade any rough diamonds that will not be sent for manufacturing.

IMPORT BAN OF RUSSIAN DIAMONDS INTO G7 COUNTRIES

The diamond sourcing landscape was significantly impacted by the Ukraine-Russia war in 2022. In light of this conflict, we have significantly upgraded our segregation capabilities across our manufacturing supply chain. This ensures we maintain our commitment to responsible sourcing and ethical practices amidst geopolitical instability.

In recent months, months G7 countries have implemented restrictive measures against Russian diamonds. Since 2022, Belgium has been working on an innovative sanctions mechanism to mitigate the risk of circumvention via third countries. In December 2023, the G7 members (including the European Union, Canada, France, Germany, Italy, Japan, the United Kingdom, and the United States) decided to introduce a comprehensive sanctions regime based on technological traceability. Since 1 January 2024, import restrictions have been in place for (non-industrial) diamonds mined, processed, or produced in Russia, of any size. Russia can no longer directly export diamonds to the G7 members, including the European Union. This market accounts for almost 70% of global consumption.

As of 1 March 2024, the G7 goes a step further by introducing indirect import restrictions. Rough or polished Russian diamonds from 1 carat that are processed in third countries (including those transformed into polished stones) will be banned from the G7 market. Importers must prove non-Russian origin through documentary evidence during a transition period of six months. Compliance with this “indirect” import ban will be monitored via a verification and certification system based on robust traceability technologies, ensuring digital tracing from mine to finger.



In all entities, integrated IT systems have been set up in order to guarantee full transparency on every stone manufactured in-house. These processes are also independently verified through our membership of the De Beers protocol called “Pipeline Integrity (PI)” for the manufacturing of Forevermark diamonds, DTC Melee diamonds and DTC Code of Origin (COO) programme.

The Diamond Pipeline Integrity Specification (DPIS) is a proprietary standard that sets out the requirements for

registered buyers and sellers of DTC Diamonds (Sightholders) to ensure the segregation and traceability of DTC Diamonds from other, non-eligible diamonds, where these Sightholders participate in one or more De Beers Provenance Programmes via a contractual arrangement.



“Allied with human vigilance,
our integrated IT systems
help us monitor every
diamond passing through our
manufacturing and
finishing process.”

**FANTASY SYSTEM AT ROSY BLUE
NON-INDIA**

The Fantasy system allows for absolute tracking of every single stone, as well as entire lots - manufactured in-house - throughout every stage of our entire global supply-chain.

JD EDWARDS AT ROSY BLUE INDIA

JD Edwards is the integrated applications suite of resource planning software that offers databases, operating systems and hardware to develop IT solutions to meet business requirements such as the strict monitoring of all receivables and payables. It tracks each rough parcel from the moment it is received up to completion of the manufacturing process and the value addition made thereto.



HIGHLIGHTS

In 2024

95% traceability based on origin
(mining company & mining country)
for individual stones

By 2026

95% traceability based on origin
(mining company & mining country)
for melee goods

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

At Rosy Blue we take the necessary precautions to eliminate risk and guarantee that our supply to our customers is 100% natural. Full disclosure is key throughout our processes. We acknowledge that in our sector, non-disclosure of the potential treatment of natural diamonds, and misrepresentation of simulants

**GLOBAL SUPPLY CHAIN
CONTAMINATION CONTROL**

A synthetic diamond is a diamond produced in an artificial process mainly in laboratories, as opposed to natural diamonds, which are created by geological processes. Synthetics are made from carbon, but crystal is produced by two major processes: high-pressure high temperature (HPHT), and chemical vapour deposition (CVD). Given the production costs are lower, the cost of a synthetic diamond is about 40% lower than that of a natural diamond. Laboratory grown diamonds have almost identical physical and optical properties as natural diamonds.

Rosy Blue’s view on synthetics is that gem-quality synthetic diamonds are a genuine product in their own right. If sold with the proper disclosures, they offer consumers an alternative to buying natural diamonds. What affects the natural diamond industry and consumers is the undisclosed mixing of natural and synthetic diamonds. This is clearly an act of fraud, which could discredit any respectable actor or player in the sector and could lead to a loss of confidence in the entire supply chain.

**DETECTION PROCEDURE FOR ROUGH
DIAMONDS**

Buying rough diamonds from the market poses a medium risk for contamination. Since a simple visual distinction between unprocessed synthetic rough and natural rough is possible, all rough parcels are checked by the naked eye. The rough team at Rosy Blue is formally trained in identifying differences between natural and synthetic rough diamonds. In addition, they have also taken an official HRD course on hard-to-detect rough synthetics, as well as an IIDGR course on synthetics in general.

and synthetics as natural diamonds, undermines consumer confidence in the integrity of our product. Written disclosure is needed in each bill of sale, receipt, laboratory certificate or other documentation we give to our clients.

**DETECTION PROCEDURE FOR
POLISHED DIAMONDS**

Rosy Blue anticipates the risk of mixing natural and synthetic diamonds by mapping, controlling and minimising all possible ‘contamination points’ in our pipeline. Each contamination point holds a different level of risk, and a different level of risk requires a different type of action. We have determined that 100% testing is required and have rolled out and implemented our integrity procedures across locations.

**ROSY BLUE CUSTOMER PROTECTION
CENTRE OF EXCELLENCE**

Rosy Blue is one of the companies to implement 100% naturality testing for melee diamonds. In 2018, our Centre of Excellence was created as an internal testing laboratory for authentication of melee diamonds coming from in-house manufacturing, purchases and returns. Our detection equipment is the AMS2 instrument from De Beers Group Ignite. All “refer” diamonds are removed and only “pass” diamonds will enter the polished inventory. A system flow is maintained in the ERP system. All diamonds with parcel ID, location and other technical details will be stored in the system.

Pointers are either certified or will be tested 100% upon order and diamonds that are 1 carat and up are all certified.



Global presence 2024

Country		Entity Name	Activity Type	Number of Employees		
				Male	Female	Total
Belgium	Antwerp Office	Rosy Blue NV	Diamond polished and rough Sales/buying office	34	25	59
		Rosy Blue Services NV	HR office			
		Inter Gold Europe NV	Jewellery distribution	1	1	2
Botswana	Molepolole, Botswana Factory	Rosy Blue Facets Proprietary Limited	Diamond cutting or polishing	30	64	94
China	Guangzhou Office	Guangzhou Rosy Blue Jewellery Co. Ltd.	Jewellery trading	0	11	11
	Shanghai Office	Rosy Blue (Shanghai) Diamond Co. Ltd.	Diamond polished sales/buying office	1	8	8
	Shandong, China Factory	Linyi Rosy Blue Huaxing (D&J) Co. Ltd.	Diamond cutting or polishing	43	278	321
Hong Kong	Hongkong Office	Rosy Blue Hong Kong Ltd.	Diamond polished sales/buying office	15	13	28
		Rosy Blue Jewellery (HK) Limited	Jewellery retail	3	4	7
		Tai Shan Gems Ltd.	Diamond polished sales/buying office Diamond rough sales/buying office	1	1	2
India	Mumbai, India Factory	RB Cutters Pvt. Ltd.	Diamond cutting or polishing	203	40	243
		NMZ	Diamond cutting or polishing	226	20	246
India	Surat, India Factory	Sparkle Diamond	Diamond cutting or polishing	146	13	159
India	Indore, India (Rosy Blue (India) Pvt. Ltd. Indore)	Rosy Blue (India) Pvt. Ltd. Indore	Diamond sorting without boiling			
India	Mumbai, India (Rosy Blue (India) Pvt. Ltd. Mumbai)	Rosy Blue (India) Pvt. Ltd. Mumbai	• Diamond cutting or polishing • Diamond polished sales/buying office • Diamond rough sales/buying office	226	97	323
India	Mumbai, India Office and Factory (Inter Gold)	Inter Gold (I) Pvt. Ltd.	• Diamond polished sales/buying office • Financial office administrative • Gold refining • Jewellery manufacturing	624	163	787
India	Mumbai, India Office and Factory (Sitara)	Sitara Diamond Pvt. Ltd.	• Financial office administrative • Human resource office • Jewellery manufacturing with gold	45	6	52
Japan	Tokyo Office	Rosy Blue Ltd.	Diamond polished sales/buying office	18	24	42
UAE	Dubai Office	Rosy Blue Trading DMCC	Diamond polished sales/buying office	25	13	38
USA	New York Office	Rosy Blue Inc.	Jewellery trading	4	8	12
		Rosy Blue Jewelry, Inc. NY	• Diamond polished sales/buying office • Financial office administrative • Jewellery trading	14	17	31

Turnover Million USD

	NON INDIA				INDIA		
	2022	2023	2024		2022	2023	2024
rough	407.38	246.22	247.41	rough	23.31	11.87	14.78
polished	600.10	452.48	340.38	polished	413.67	339.40	274.81
jewellery	90.03	88.30	113.26	jewellery	209.04	169.05	144.16
retail	-	-	-	retail	110.63	-	-
total	1,097.51	787.00	701.05	total	756.65	520.32	433.75



BRAND COUNCIL AND
LOCAL MANAGEMENT BOARDS

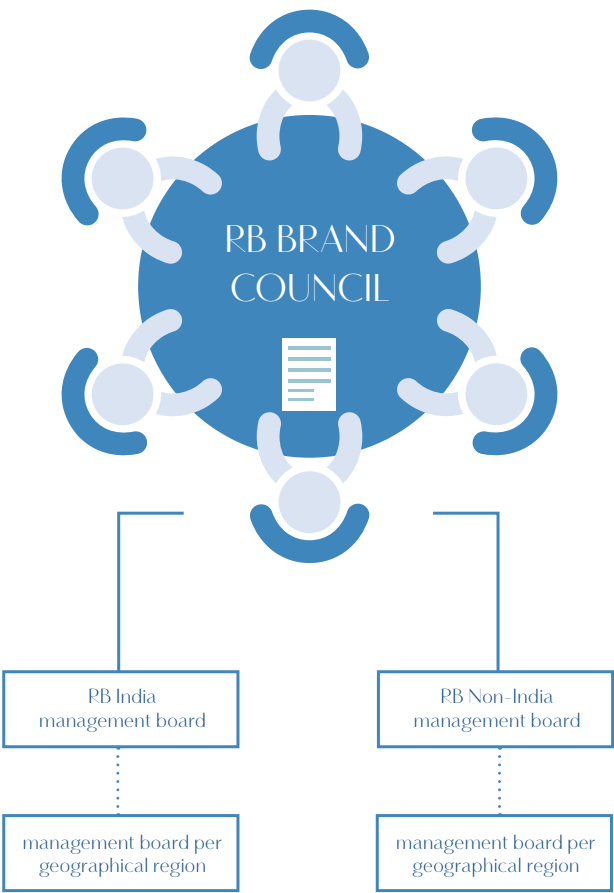
Good governance prevents business and social risks within the company. Corporate governance refers to how good governance is implemented and controlled in a global organisation such as Rosy Blue.

To achieve this, we have enhanced management efficiency and transparency by strengthening our internal control system through the establishment of various corporate bodies in order to create a sound balance in reporting.

Since Rosy Blue Non-India and Rosy Blue India are two independent legal entities, the Rosy Blue Council has the main function of managing growth and overseeing the Rosy Blue Brand. Their task is also to maintain ethics and core values across our operations.

Each Rosy Blue entity is governed by a Local Management Board and covers a certain geographical region with its own profit and loss responsibility. They define long-term goals and strategies, coordinate and monitor the most important activities, develop and deploy managerial staff, allocate resources and decide on its financial steering and reporting.

The Management Board is kept constantly informed of developments in business policy, corporate planning and strategy. It also approves the financial statements, taking auditor reports into account .



SUSTAINABILITY
GOVERNANCE

Two central CSR departments in India and Belgium hold responsibility for the alignment and steering of our global sustainability strategy. Some of their tasks include: communicating externally, collecting data, developing policies and procedures, and monitoring their implementation.

They evaluate compliance through an internal audit system and work proactively with our people to drive change. Every entity has a local CSR compliance officer who is responsible for implementing compliance and tailoring global, all-encompassing directives to local, national, and cultural needs.

Each year we audit a number of entities based on various risk criteria including geographic sensitivities, past audit performances and the nature of the facility’s work. In 2024, all our internal audits were conducted remotely or in person as required.



Rosy Blue aims to achieve outstanding results, but not at all costs. We do not tolerate unethical business practices or inappropriate behaviour that violates fundamental human rights. We maintain high ethical standards, with zero tolerance for corruption or bribery.

EMPLOYEE CODE OF CONDUCT

Rosy Blue has created an extensive Code of Conduct to guide our employees in making ethical and legal decisions. All our employees are made familiar with these rules from the moment they start their careers with us.

- ✓ **Avoid and report conflicts of interest**
- ✓ **Conduct fair business relationships and refrain from misuse of information**
- ✓ **Refusal of bribes or kickbacks**
- ✓ **Respect human rights and labour standards**
- ✓ **Whistleblower procedures facilitate the confidential reporting of inappropriate behaviour**

SUPPLIER CODE OF CONDUCT

All our suppliers must adhere to our Business Partner Code of Conduct and complete our Supplier Due Diligence form as part of our supply chain risk assessment. Please see the chapter on human rights for more details on this topic.



Rosy Blue has been supporting the United Nations Global Compact since 2008. This is a call to companies to align their strategies and operations with universal principles on human rights, labour, the environment, and anti-corruption. We've been LEAD member since 2010, with leadership in the Children's Rights and Business Principles forum in Belgium.



REPORTING ON OUR PERFORMANCE

This is our report on responsible and sustainable initiatives, including the adoption of the Sustainable Development Goals (SDGs) and Environmental Social Governance (ESG) practices. This report serves as Communication On Progress for the UN Global Compact. We're aligned to the UNGC 10 principles through our commitment. Additionally we have onboarded the 'Impact Action Journey Framework' on ESG Book's digital platform, a WJI initiative, reporting on our actions and progress.

REPORTING PERIOD

The scope of this annual report covers a 12-month reporting cycle, from 01/01/2024 until 31/12/2024, except where specifically indicated. We believe it is important to only focus on relevant changes and core matters. Facts and practices that have remained the same are not specifically mentioned.

REPORTING SCOPE

In this report we cover the activities of the Rosy Blue Business Alliance, composed of:

- Rosy Blue (India) Pvt. Ltd. and its subsidiaries in 4 countries, covering 8 entities, are referred to as Rosy Blue (I) (Rosy Blue India), headquartered in Mumbai, India
- Rosy Blue Investments SARL and its subsidiaries in 9 countries, covering 15 entities, are referred to as Rosy Blue (NI) (Rosy Blue Non-India), headquartered in Antwerp, Belgium

Rosy Blue (I) and Rosy Blue (NI) are legally independent from one another and constitute the Rosy Blue Business Alliance. Rosy Blue is a common trade name used by the Business Alliance entities, which are distinct, privately owned and independently managed. In this report we refer to the Rosy Blue Business Alliance as 'Rosy Blue' for convenience reasons.

**The term "subsidiary" is used to cover all types of parent companies and affiliate organisational structures.*

For more information

Valerie Michel
Manager CSR & Compliance

Hoveniersstraat 53, Box 127
2018 Antwerp, Belgium
+32 3 206 16 00

valerie.michel@rosyblue.be

www.rosyblue.com

We welcome your feedback.

This report has been prepared with care and diligence.
However, we assume no responsibility or liability for any unintentional errors or omissions in the contents thereof.





ROSY BLUE

MORE THAN DIAMONDS

www.rosyblue.com