SINCE 1905

INSPIRED TO SHINE

ETHICALLY SOURCED TRANSPARENTLY DELIVERED



ESG REPORT **2025**



Reporting approach and scope

At KGK Group, sustainability shapes how we operate and create enduring value. We are pleased to present our second edition of the sustainability report for CY 2025. Through this report, we aim to communicate our efforts to integrate sustainable practices across our operations. Within the report, we have documented not just what we have done, but what we stand for and what we are building towards for every stakeholder who is part of the KGK story.

Throughout this report, the organisation is referred to as 'We', and the Indian numbering system has been used for representing numerical figures.

Reporting framework

This report highlights KGK Group's alignment with the United Nations Sustainable Development Goals (UN SDGs) and has been prepared with reference to the Global Reporting Initiative (GRI) Standards. We endeavour to strengthen our disclosures and achieve full compliance with expanded requirements in the coming reporting cycles.

Reporting period and scope

This report presents KGK Group's sustainability performance and ESG initiatives for the period from 1st January, 2025, to 31st December, 2025. It encompasses all subsidiaries that have a material impact on the Group's overall operations.

The scope of this year's report has been expanded to include the Jewellery and Gemstone businesses.

The entities covered under this report include:

KGK India
- KGK Diamonds (I) Pvt. Ltd.
- Alok Impex Pvt. Ltd.
- KGK Gems Pvt. Ltd.
- KGK Dia Processing Pvt. Ltd.
- Kothari Diamonds Industries Pvt. Ltd.
- KGK Creations (India) Pvt. Ltd.
- KGK Jewellery Manufacturing Pvt. Ltd.
- KGK Precious India Pvt. Ltd.

KGK International
- KGK Diamonds BV
- KGK Atlass BV
- KGK Diamonds (Israel) Ltd.
- KGK Suisse SA
- KGK Diamonds USA (Sparkle Gems Inc.)
- Belgium Diamonds USA
- KGK Diamonds Namibia (Proprietary) Ltd.
- KGK Diamonds SA Pty. Ltd.
- Kothari Indústria de Lapidação de Diamantes, LDA
- KGK Diamonds Botswana Pty. Ltd.
- KGK Diamonds & Jewellery DMCC
- KGK Diamond FZCO
- KGK Diamond Manufacturing (FZE)
- KGK Diamonds Singapore Pte. Ltd.
- KGK Diamonds (Far East) Inc.
- KGK Diamonds (HK) Ltd.
- KGK Diamonds (Shanghai) Ltd.
- KGK Diamonds Co. Ltd.
- KGK Jewellery Botswana Pty. Ltd.
- KGK Jewellery Inc.
- KGK Jewellery Guangzhou Ltd.
- KGK Creations Guangzhou Ltd.
- KGK Jewellery Manufacturing (Thailand) Ltd.
- KGK Jewellery Manufacturing Ltd.
- KGK Jewellery (HK) Ltd.
- Martin Flyer Jewelry LLC
- GR Precious Color Inc.
- KGK Jewelry USA LLC
- KGK Gems (Shenzhen) Ltd.
- KGK Gems (HK) Ltd.
- KGK Gems BV
- KGK Precious (HK) Ltd.
- Far East Gems Ltd.
- KGK Gems Ltd.
- Gemstyle Thailand Company Ltd.

Material topics and stakeholders

Our sustainability approach is continuously shaped in line with our ESG focus areas and the people and communities whose lives intersect with ours. Their perspectives do not just inform our reporting, they inform our decisions.

ENVIRONMENTAL TOPICS

- Energy management
- GHG emission
- Water management
- Waste management

SOCIAL TOPICS

- Employee health, safety and wellness
- Human and labour rights
- Talent attraction and retention
- Diversity and inclusion
- Social impact and communities
- Customer centricity

GOVERNANCE TOPICS

- Supply chain management
- Risk management
- Corruption and bribery
- Regulatory compliance
- Business ethics
- Traceability and responsible sourcing

Key stakeholder groups

Our approach to sustainability is informed by continuous engagement with key stakeholder groups, including:



Approval

The management affirms its commitment to ESG principles and believes that this report presents a fair, transparent, and accurate account of KGK Group's performance across material ESG parameters. This report has been reviewed and approved by our management.

Forward-looking statement

This report contains forward-looking statements based on current expectations and reasonable assumptions. These statements are subject to risks and uncertainties, including changes in regulatory frameworks, market dynamics, operational factors, and broader global trends. Accordingly, actual outcomes may differ from those expressed or implied in these statements.

Point of contact

We value stakeholder feedback and encourage readers to share their views on the report's content, clarity, and relevance.
Email: **ashish.chavan@kgkmail.com**

Connect with us

We encourage our stakeholders to stay connected and engage with us as we continue to strengthen our sustainability journey.

KGK Group

- www.kgkgroup.com
- KGK Group Instagram
- KGK Group Facebook
- KGK Group LinkedIn
- KGK Group Youtube channel

KGK Diamonds

- www.kgkdiamonds.com
- KGK Diamonds Instagram

KGK One

- www.kgkone.com

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Inspired to shine:

Ethically sourced, transparently delivered

This theme reflects who we are and how we conduct ourselves as a business. It speaks about our enduring commitment to doing things the right way: sourcing responsibly, operating honestly, and delivering with integrity at every step.

Each product we bring to the world carries with it a deeper meaning. Beyond craftsmanship and quality, it represents our dedication to ethical practices and responsible decision-making across our entire value chain. We have always held that true excellence is not defined solely by what we create, but by the principles that guide us in creating it.

Trust is not something we claim, it is something we have earned, steadily and deliberately, through years of honest dealings with our customers, partners, and stakeholders. We do not take that trust lightly. It obliges us to remain transparent in our governance, consistent in our values, and accountable in our actions.

As we look ahead, our focus remains on growing in a manner that is both purposeful and responsible. We seek to balance commercial ambition with ethical commitment, to honour the traditions that have shaped us while embracing the innovation that will carry us forward, and to ensure that our success translates into meaningful and lasting value for our business, for our partners, and for the wider world.

Being ethically sourced and transparently delivered is not an aspiration we work towards. It is a standard we hold ourselves to each and every day.



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KGK Group:
The legacy behind us

Every great legacy begins with a single step. For KGK Group, that step was a small gemstone trading shop in India, humble in size but bold in vision. Over a century later, that shop has grown into a global powerhouse, touching every part of the 'Gems', 'Diamonds' and 'Jewellery' value chain and expanding into Real Estate, Hospitality and Healthcare.

Today, KGK Group has over 18,000 employees across multiple countries. This diversity is our strength, it keeps us steady when markets shift, resilient when uncertainty strikes and always ready for what comes next. Built on a foundation of long-term thinking and responsible growth, we are not just a business that has stood the test of time. We are one that is built to last.

Our guiding values

- Agile by nature
- Innovative thinking
- Passion for excellence
- Celebrating creativity
- Integrity in every facet
- Driven by inspiration
- Rooted in relations
- Unwavering ethics

Differentiators

- End-to-end integration across the value chain
- Global presence supported by strong local expertise
- Commitment to ethical sourcing and robust governance
- Use of advanced technology for traceability and efficiency
- Focus on sustainability, including energy, water, and climate initiatives
- Ongoing investment in people and communities

Business verticals



Gems, Diamonds and Jewellery

This is KGK Group's core business, spanning the entire value chain with a strong focus on diamonds and jewellery and a significant presence in the coloured gemstone segment.

- **Gemstones**
- **Jewellery**
- **Diamonds**
- **Retail**



Hospitality

KGK Group has restored Jaipur's Jal Mahal and Mansagar Lake to their former glory through a public–private partnership. It has also introduced Meraaki Kitchen and The White Sage, showcasing sustainable global cuisine in distinctive regional settings.

- **Jal Mahal**
- **Meraaki Kitchen**
- **The White Sage**



Real Estate

Since 2010, KGK Group has developed world-class properties across residential, commercial, industrial, entertainment, and education sectors.

- **KGK Realty**
- **KGK Unimont**
- **Eka Life**

Healthcare

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

- **Bhagwan Mahaveer Cancer Hospital and Research Centre (BMCHRC)**
- **KGK Healthcare Proprietary Ltd.**



A journey through time

Each milestone in our journey at KGK Group reflects our dedication to innovation, craftsmanship, and the careful building of a legacy that transcends generations. Grounded in strong family values, we have continually evolved alongside changing markets, expanding our presence across industries and geographies while remaining connected to the principles that have defined our heritage from the very beginning.

1905 — Shri Keshrimal Kothari started trading gemstones between India and Burma



1915 — Ghisilal Ji Kothari joined the Group





KGK began trading coloured gemstones in Chennai

1932 — Operations started in Hong Kong SAR



1960 — Navrattan Kothari joined the Group



1962 — Jewellery manufacturing started in SEEPZ, Mumbai



1972 — Coloured stone operations started in the USA



1975 — Diamond operations started in Mumbai



1996 — Wholesale jewellery business started in India



1997 — BMCHRC hospital opened in Jaipur



KGK became a Sightholder of De Beers

1999 — Jewellery unit started in Panyu, China



2000 — Diamond manufacturing started in Surat, India



2002 — Diamond manufacturing facility opened in South Africa



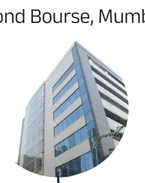
2004 — Entice brand launched in Hong Kong SAR



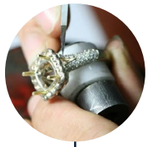
2010 — KGK Realty launched



2012 — Office opened in Bharat Diamond Bourse, Mumbai



2014 — Jewellery manufacturing started in Bangkok



Diamond manufacturing started in Botswana



2015 — Diamond manufacturing started in Namibia



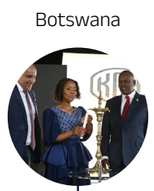
2018 — Diamond manufacturing started in Angola



2019 — Jewellery manufacturing started in Jaipur



2020 — Jewellery manufacturing started in Gaborone, Botswana



2023 — KGK Foundation was established to unify the Group's philanthropic initiatives across healthcare, skill development, heritage conservation, and community development



2024

- KGK Diamatrix was launched as a focussed initiative to advance innovation, precision, and value in the evolving diamond ecosystem
- KGK Education was established to nurture future-ready learning environments that emphasise values, skills, and holistic development
- The Shri Ram Universal School, Jaipur, began its journey, bringing progressive, child-centric education in the city under KGK Education
- A new diamond manufacturing facility was established in Sharjah, UAE, expanding global production capacity



2025

Our global presence

We operate through self-owned and partner mines, gemstone and diamond processing centres, and jewellery manufacturing units, a seamlessly connected chain that spans the globe. But for us, global scale has never meant losing sight of the local. In every region where we operate, we are focussed on creating jobs, building livelihoods, and earning the trust of the communities that welcome us.



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Our value chain



Verticals	Capabilities	Key aspects	Manufacturing / presence	Focus areas
Gemstones	Expertise in sourcing-coloured gemstones Processing capabilities Skilled craftsmanship Stringent quality control	Portfolio: Emeralds, Rubies, Sapphires and semi-precious gemstones Sourcing collaborations with Gemfields and Fura	Manufacturing facilities located in India and Thailand	Traceability Precision-led processing Quality assurance
Diamonds	Ethical sourcing Precision cutting and polishing Robust compliance practices Advanced traceability ensuring quality and integrity	Sourced from partners such as De Beers, SODIAM, Okavango Traceability technologies: TRACR, De Beers Origin Story, Sarine Diamond Journey & Provenance, GIA SVS, Everledger, GEM-TRAC Advanced processing: DiaMark, Galaxy, water jet laser cutting	Manufacturing facilities located in India, Botswana, Namibia, Angola, South Africa and UAE	Ethical sourcing Full traceability Transparency Quality optimisation
Jewellery	Integrated design capabilities Manufacturing excellence Traditional craftsmanship Modern production techniques	In-house design studios and extensive research Global design and product development	Manufacturing facilities located in India, Hong Kong SAR, Thailand, China	Design innovation Global manufacturing excellence Market responsiveness
Retail	Customer-centric offerings Brand trust Transparency Responsible sourcing practices	Premium brand: Entice Retail brands: Martin Flyer, Gregg Ruth	Flagship stores and global retail presence	Customer-centric approach Brand visibility Diverse market reach
Distribution	Fully integrated value chain Global reach Strong local execution	Global network across Belgium, China, Hong Kong SAR, India, Japan, South Africa, Thailand, Taiwan, UAE, USA	Global presence across key markets	Efficient delivery Global reach Responsiveness to market demand



> Trust remains the foundation of every customer relationship we build. Across our businesses, we follow globally recognised responsible sourcing standards and ethical practices. With the support of blockchain-enabled traceability, AI-driven verification systems and rigorous quality controls, we ensure that every diamond, gemstone and jewellery piece we deliver carries with it clarity of origin, authenticity and confidence in quality.

Foreword:

Message from the Chairman

For over a century, the KGK Group has earned its place through trust, craftsmanship and a relentless pursuit of excellence. Our story has never been only about growth, it has been about building something that lasts, and ensuring that what we build stands responsibly in the world we operate in.

Over time, our business has evolved, but one principle has stayed constant: success is only meaningful when it is grounded in integrity. At a time when transparency is expected, sustainability is scrutinised, and customer trust is earned every day, these principles define how we think, act, and decide.

Sustainability is not positioned at the edge of our strategy, it sits at the core. With clear oversight from our Board and active engagement from our leadership teams, we have strengthened our governance approach to ensure accountability, disciplined risk management and responsible execution across all operations.

Trust remains the foundation of every customer relationship we build. Across our businesses, we follow globally recognised responsible sourcing standards and ethical practices. With the support of blockchain-enabled traceability, AI-driven verification systems and rigorous quality controls, we ensure that every diamond, gemstone and jewellery piece we deliver carries with it clarity of origin, authenticity and confidence in quality.

For our customers, this is not just assurance on paper, it is confidence in what they choose and belief in what stands behind it. Our responsibility does not end with business. It extends to the environment and the communities we are part of. We recognise the environmental footprint of our operations and are dedicated to reducing it in every possible way. As we continue to work towards carbon neutrality by 2030, we are investing in renewable energy, improving efficiency across operations and adopting cleaner technologies. The expansion of solar infrastructure across multiple locations and our sustained focus on emission reduction reflect a clear intent to grow responsibly, not just grow.

On the social side, our efforts remain focussed on areas where we believe we can make a real difference such as healthcare, education, skill development and cultural preservation. These are not peripheral activities for us, they reflect how we understand our role as a business in society.

As we move forward, our focus remains clear: strengthen trust, run our operations better every day, stay disciplined on sustainability and ensure that our actions match our intent. Because in the end, legacy is not only about what we achieve, but also about how responsibly and how sincerely we achieve it.

Best wishes,

Navrattan Kothari



> Our responsibility towards people feels deeply personal to us. Through the KGK Kids initiative, we provide daycare facilities at select manufacturing locations. For many working mothers, this goes beyond convenience. It offers reassurance that their children are safe, cared for and close by while they continue their professional goals.

Message from the Vice Chairman and Managing Director

Dear Stakeholders,

We want to begin by expressing our sincere appreciation to you. Your continued trust and support have shaped the KGK Group into what it is today. For us, sustainability is also about returning that trust by staying committed to those who have stood with us throughout our journey.

In 2025, we expanded our global manufacturing presence with the establishment of a new diamond manufacturing facility in Sharjah. This expansion is not limited to increasing capacity, it strengthens our proximity to key markets and supply ecosystems.

On the environmental side, our Angola facilities operate entirely on solar energy, marking an important milestone in our shift towards renewable power. We are also strengthening our renewable energy portfolio with the addition of 6.5 MW of solar capacity in India and pursuing energy efficiency improvements across our manufacturing operations. Alongside this, we are gradually increasing solar adoption across other locations and improving energy efficiency across manufacturing units. The intent remains focussed on reducing reliance on conventional energy sources and transitioning towards cleaner systems. At the operational level, we have focussed on reducing waste at its source. Water stewardship continues to be a key priority. Rainwater harvesting systems have been installed across multiple locations, along with wastewater treatment and reuse systems that enable water to be reused for non-potable purposes such as irrigation and gardening. This has helped reduce dependence on freshwater sources. In addition, we are also progressing towards green building certifications for our facilities.

Our responsibility towards people feels deeply personal to us. Through the KGK Kids initiative, we provide daycare facilities at select manufacturing locations. For many working mothers, this goes beyond convenience. It offers reassurance that their children are safe, cared for and close by while they continue their professional goals.

On the CSR front, the Bhagwan Mahaveer Cancer Hospital and Research Centre in Jaipur continues to stand as a place where uncertainty gradually gives way to hope. Families arrive with concern and leave with renewed strength. What began as an effort to make cancer care accessible has grown into a centre offering specialised treatment, early detection programmes and outreach services for underserved communities, with a significant portion of care provided free or at subsidised rates.

Its impact extends beyond hospital care through screening camps, awareness programmes and mobile diagnostic units that bring early detection closer to those who need it most. The Dreamz Foundation carries this intent forward in a different way by bringing moments of happiness to children undergoing treatment. In education and skill development, KGK Academy and our rural education partnerships continue to create pathways for young learners, many of whom are the first in their families to access structured education and technical training. Alongside this, our efforts in girl child education and digital literacy are helping build confidence, open doors and expand opportunities where they were once limited.

On the environmental restoration front, we undertook the revival of Jal Mahal and Man Sagar Lake in Jaipur, a once-degraded ecosystem gradually restored into a thriving natural habitat, now supporting biodiversity and ecological balance.

Taken together, these efforts reflect something simple yet deeply important to us. We are not defined only by what we build, but by the care, responsibility and intent with which we build it, and the lives we touch along the way. We will continue to find opportunities where we can create meaningful differences.

Best wishes,

Sanjay and Sandeep Kothari

Year in review

Environmental



6.5 MW Solar Expansion: Developing 3.5 MW Surat and 3.0 MW Jaipur solar parks to scale renewable capacity.

Operating a strict **zero-waste policy** with on-site composting at the Botswana facility.

Recycling water via dedicated treatment plants in Jaipur, Panyu, Thailand, and Mumbai.

1,316 tCO_2e emissions saved by consuming **13,39,896 kWh** of renewable electricity

8,812 tCO_2e Total Scope 1 & 2 emissions, with the boundary now expanded to include KGK's Jewellery and Gems businesses for the first time.

Social



Achieved a flawless safety record with **zero workforce fatalities** globally.

650K+ Training Hours: Invested deeply in human capital, upskilling 7,814 employees.

On-Site Childcare: Providing free daycare via **"KGK Kids"** to support working mothers.

Inclusive Classrooms & Jobs: Partnering with **the Botswana Society for the Deaf** for specialised diamond-industry career paths.

Accessible Healthcare Providing free cancer treatment to 25% of the patients who are from underserved communities via BMCHRC.

Governance & Ethics



Mine-to-Market Traceability: Leveraging blockchain tools like Sarine, Tracr, and Provenance Proof for full transparency.

100% Ethical Sourcing: Aligned completely with De Beers BPP, RJC, and Kimberley Process standards.

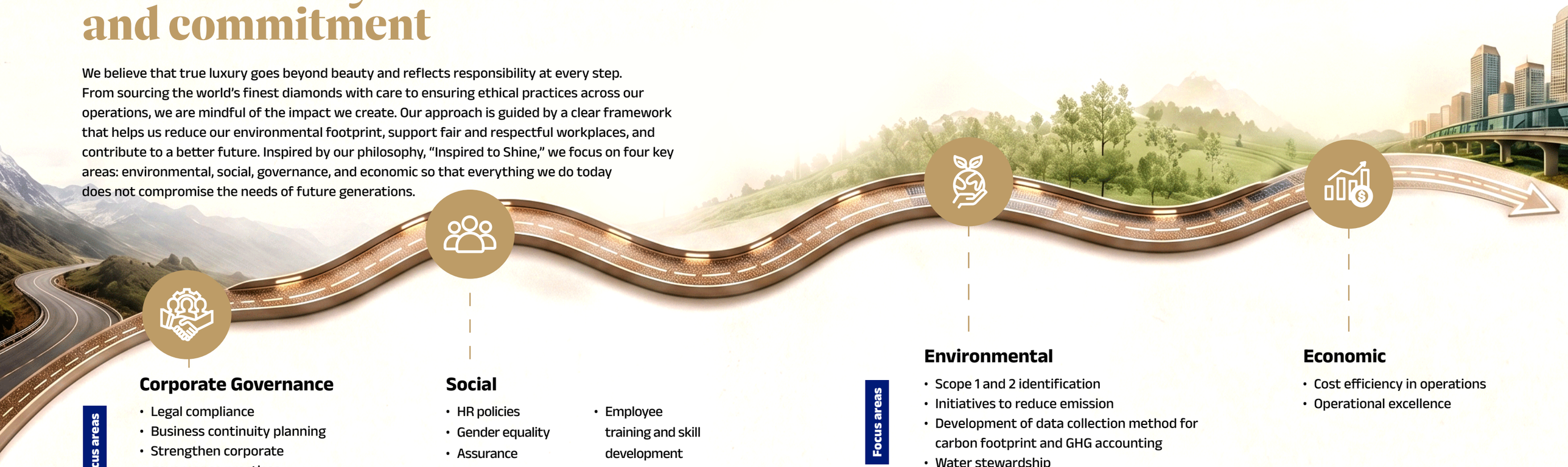
Maintaining a clean record of **zero bribery, corruption, or anti-competitive behaviour.**

Zero reported **data breaches,** customer identity theft, or regulatory non-compliance.

16 Materiality Pillars: Structured corporate strategy around 16 critical ESG priorities, including GHG emissions and human rights.

Sustainability framework and commitment

We believe that true luxury goes beyond beauty and reflects responsibility at every step. From sourcing the world's finest diamonds with care to ensuring ethical practices across our operations, we are mindful of the impact we create. Our approach is guided by a clear framework that helps us reduce our environmental footprint, support fair and respectful workplaces, and contribute to a better future. Inspired by our philosophy, "Inspired to Shine," we focus on four key areas: environmental, social, governance, and economic so that everything we do today does not compromise the needs of future generations.



Corporate Governance

Focus areas

- Legal compliance
- Business continuity planning
- Strengthen corporate governance practices

Our actions

- Adhere to the highest ethical standards
- Maintain transparent engagement with stakeholders
- Comply with national and international regulations
- Implement effective strategies for continuous and equitable growth while conducting business responsibly

Social

Focus areas

- HR policies
- Gender equality
- Assurance
- Employee health, safety and well-being
- Employee training and skill development

Our actions

- Implement CSR initiatives
- Focus on improving the quality of life through knowledge transfer, skill development and job creation
- Develop and implement policies to ensure a discrimination-free, inclusive and equitable work environment

Environmental

Focus areas

- Scope 1 and 2 identification
- Initiatives to reduce emission
- Development of data collection method for carbon footprint and GHG accounting
- Water stewardship

Our actions

- Integrate eco-friendly production processes to minimise our environmental footprint
- Shift towards renewable energy
- Optimum use of natural resources
- Independent audit of processes

Economic

Focus areas

- Cost efficiency in operations
- Operational excellence

Our actions

- Adopt the latest technologies
- Implement sustainable practices for efficient, cost-effective operations
- Optimising activities

The Board of Directors is responsible for the overall oversight of our sustainability impacts, while operational responsibilities are delegated to senior leadership. Sustainability and impact-related initiatives are driven by the senior leadership team and functional heads, supported by designated executives responsible for ESG, sustainability, compliance, and risk management. These teams periodically report to the Board on ESG performance, key risks, regulatory compliance status, and outcomes of due diligence processes, thereby enabling informed decision-making and sustained oversight.

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Driving value through stakeholder engagement

At KGK Group, we understand that our business decisions and operations affect a wide range of stakeholders, including our employees, customers, partners, and the communities we are part of. We believe that maintaining open and honest relationships with these stakeholders is essential to building a responsible and sustainable business. Our approach is centred on listening, understanding, and responding to stakeholder expectations. Through this, we aim to strengthen trust, address concerns in a timely manner, and create long-term value for all stakeholders.

Stakeholder engagement approach

01 Identify key internal and external stakeholders

02 Prioritise stakeholders based on relevance and influence

03 Engage through accessible and inclusive channels

04 Capture feedback and reflect it in decisions

05 Periodically review and strengthen engagement practices



Stakeholder group	Engagement topics	Channels of engagement	Frequency	Linkage with material topics
Employees	• Employee well-being and satisfaction • Workplace safety • Career development opportunities • Compensation, benefits and performance appraisal • Company strategy • Diversity and inclusion	• Email newsletters • Daily team meetings • Grievance and suggestion boxes • Cultural events • Training programmes • Notice boards • Rewards and recognition	Ongoing	• Business ethics • Talent attraction and retention • Diversity and inclusion • Employee health, safety and wellness • Human and labour rights
Suppliers	• Environmental impact • Social practices • Ethical practices • Quality standards • Innovation • Sustainability requirements	• In-person meetings • Emails • Telephonic communication • Trade shows • Social media • Website	Regularly, as needed	• Supply chain management • Transparency and traceability • Business ethics • Responsible sourcing • Regulatory compliance • Human and labour rights
Customers	• Product quality • Ethical sourcing • Sustainability practices • New product development	• In-person meetings • Emails • Telephonic communication • Trade shows • Social media • Website	Regularly, as needed	• Transparency and traceability • Customer centricity • Regulatory compliance
Governments and regulators	• Regulatory compliance • Taxation • Financial and non-financial performance • Environmental permits • Labour laws • Industry standards	• Annual and compliance reports • Formal consultations • Industry forums • Direct meetings	As and when required	• Transparency and traceability • Business ethics • Regulatory compliance • Human and labour rights • Corruption and bribery
Local communities	• Environmental impact • Local employment opportunities • Community investment • Upskilling opportunities • Cultural heritage preservation	• Community development and awareness programmes • Local liaison offices • Social media	Ongoing	• Transparency and traceability • Social impact and communities • Human and labour rights
Industry associations	• Industry standards • Collective challenges • Technological advancements • Market dynamics	• Memberships • Annual conferences • Joint projects	As and when required	• Risk management • Supply chain management • Transparency and traceability • Business ethics • Responsible sourcing • Regulatory compliance

High-level stakeholder engagements



High-Level Meeting with Global Leaders
Sandeep Kothari, our Managing Director, participated in a high-level engagement with Shri Narendra Modi, Prime Minister of India, and H.E. João Lourenço, President of Angola. The interaction reflected a shared intent to strengthen international relationships and build deeper economic cooperation between nations.

Visit of Honourable Ndaba Gaolathe (Vice-President & Minister of Finance, Botswana)
Vice President Ndaba Gaolathe visited KGK Diamonds Botswana, where he experienced KGK's advanced manufacturing processes and technological capabilities firsthand. The visit reflected a shared commitment to strengthening Botswana's vision for economic diversification and value addition within the diamond sector.





Visit of Honourable Bogolo Joy Kenewendo (Minister of Minerals & Energy, Botswana)
Honourable Minister Bogolo Joy Kenewendo visited Surat manufacturing facility in India. The visit offered an opportunity for open and meaningful discussions on the evolving future of the diamond industry and explored shared pathways for growth and collaboration.

Visit by the U.S. Ambassador and American Business Council to KGK Diamond's Botswana Facility
Howard Van Vranken, U.S. Ambassador to Botswana, along with representatives of the American Business Council, visited KGK Diamonds Botswana. The visit included insightful exchanges on Botswana's economic transformation journey and emerging investment opportunities.





Visit by Miss World Delegates to KGK Namibia
Following their participation in the Miss World Beauty Pageant held in India, 19 beauty queens from across the globe visited KGK Namibia. The visit offered a unique opportunity for cultural exchange and meaningful engagement, allowing the delegates to interact with the team and gain insights into the organisation's operations. The occasion celebrated diversity, global connections and shared experiences, reflecting the spirit of unity and collaboration.

Our framework for materiality assessment

Our approach to materiality focusses on identifying the issues that are most relevant to our business and stakeholders and modifying our ESG strategy accordingly. The process is informed by recognised standards and stakeholder inputs, helping us prioritise areas that are important from both a value creation and risk management perspective. By carefully working through these inputs, we ensure that we address the risks and opportunities that count. Through our assessment, we have identified 16 material topics that will shape our ESG strategy. Our policies also provide a strong framework for managing these material issues. As we move forward, we will continue to review our material issues on a timely basis, refine our strategies, and transparently communicate our progress to stakeholders.

Materiality assessment process

Our materiality assessment followed a structured, multi-step approach to identify key ESG issues relevant to our business:

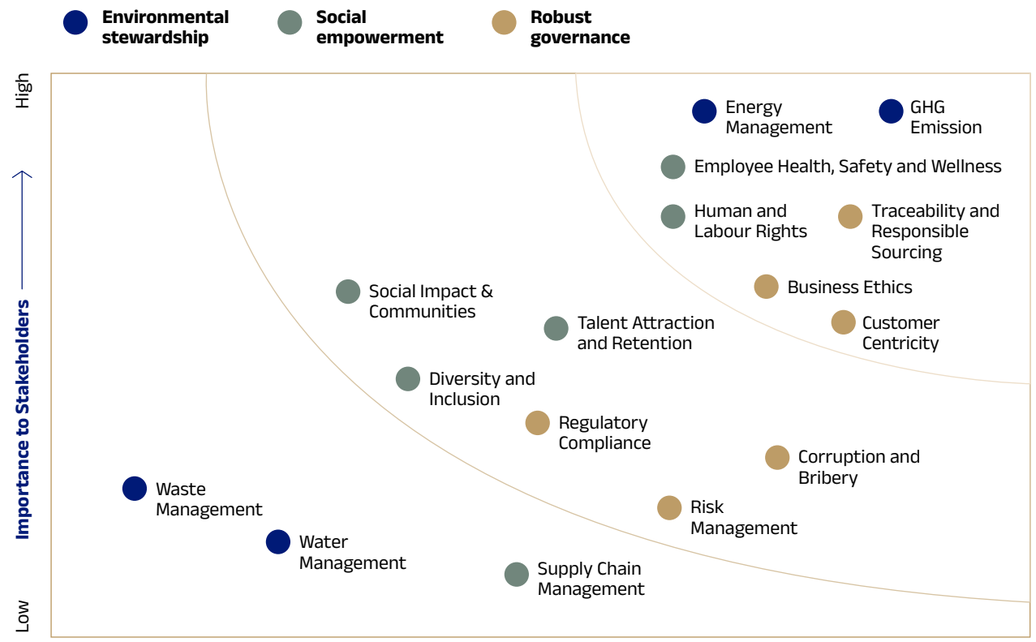
Sector and standard identification
Identified the sector and referred to relevant ESG standards and frameworks, including SASB, GRI, BRSR, MSCI, DJSI to establish an initial set of focus areas.

Peer evaluation
Reviewed ESG disclosures of select peers to understand industry trends and benchmark material issues.

Company analysis
Assessed existing reports and public communications to understand our current ESG approach and identify focus areas.

Stakeholder consultation
Engaged with stakeholders to gather insights on their key ESG priorities and expectations.

Materiality matrix development
Consolidated inputs to identify and prioritise material topics, which were mapped based on stakeholder importance and business impact.





Material areas	Alignment with SDGs	Alignment with GRI	Sections for reference
Energy management	7 AFFORDABLE AND CLEAN ENERGY; 13 CLIMATE ACTION	GRI 302	Managing natural resources responsibly
GHG emission	13 CLIMATE ACTION	GRI 305	Managing natural resources responsibly
Waste management	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	GRI 306	Managing natural resources responsibly
Water management	6 CLEAN WATER AND SANITATION	GRI 303	Managing natural resources responsibly
Employee health, safety and wellness	3 GOOD HEALTH AND WELL-BEING; 8 DECENT WORK AND ECONOMIC GROWTH	GRI 403	Enabling a better workplace experience
Human and labour rights	5 GENDER EQUALITY; 8 DECENT WORK AND ECONOMIC GROWTH; 10 REDUCED INEQUALITIES	GRI 408 GRI 409	Enabling a better workplace experience
Talent attraction and retention	8 DECENT WORK AND ECONOMIC GROWTH	GRI 401 GRI 402 GRI 403 GRI 404 GRI 405 GRI 406	Enabling a better workplace experience
Diversity and inclusion	5 GENDER EQUALITY; 10 REDUCED INEQUALITIES	GRI 405	Enabling a better workplace experience

Material areas	Alignment with SDGs	Alignment with GRI	Sections for reference
Social impact and communities	3 GOOD HEALTH AND WELL-BEING; 4 QUALITY EDUCATION; 6 CLEAN WATER AND SANITATION; 11 SUSTAINABLE CITIES AND COMMUNITIES	GRI 413	Contributing to social causes
Customer centricity	8 DECENT WORK AND ECONOMIC GROWTH; 12 RESPONSIBLE CONSUMPTION AND PRODUCTION	GRI 416 GRI 417 GRI 418	Creating meaningful customer journeys
Supply chain management	8 DECENT WORK AND ECONOMIC GROWTH; 12 RESPONSIBLE CONSUMPTION AND PRODUCTION; 16 PEACE, JUSTICE AND STRONG INSTITUTIONS	GRI 308 GRI 414	Sourcing with responsibility
Risk management	13 CLIMATE ACTION; 16 PEACE, JUSTICE AND STRONG INSTITUTIONS	GRI 201	Advancing responsible leadership
Corruption and bribery	16 PEACE, JUSTICE AND STRONG INSTITUTIONS	GRI 205	Advancing responsible leadership
Regulatory compliance	16 PEACE, JUSTICE AND STRONG INSTITUTIONS	GRI 2	Advancing responsible leadership
Business ethics	16 PEACE, JUSTICE AND STRONG INSTITUTIONS	GRI 2	Advancing responsible leadership
Traceability and responsible sourcing	12 RESPONSIBLE CONSUMPTION AND PRODUCTION; 16 PEACE, JUSTICE AND STRONG INSTITUTIONS	GRI 308 GRI 414	Sourcing with responsibility

Managing natural resources responsibly

At present, industrial progress and environmental responsibility must go hand in hand. This realisation has made sustainability an integral part of our operations, shaping the way we manage our resources. To enforce this, we have made sustainability a core part of our operations, with initiatives designed to minimise our environmental impact, optimise resource use and support a more sustainable ecosystem. Our approach focusses on resource conservation and responsible environmental management. These initiatives range from renewable energy adoption to responsible waste management practices.

Material areas

- Energy management
- GHG emission
- Waste management
- Water management

Key highlights

- 3.5 MW Surat and 3.0 MW Jaipur solar parks are under development
- Angola's operations are 100% powered by solar energy
- Botswana facility operates a zero-waste policy
- Water treatment plants across Jaipur, Panyu, Thailand and Mumbai enable water reuse
- Rainwater harvesting across Botswana, Jaipur and China supports water conservation

SDGs aligned



Emission management and energy efficiency initiatives

As industries move towards more responsible and low-carbon operations, managing energy use and reducing emissions has become increasingly important. At KGK Group, this transition is guided by a clear commitment to minimise environmental impact while strengthening operational efficiency. KGK has established 2023 as the base year for tracking energy consumption and greenhouse gas (GHG) emissions and is committed to achieving carbon neutrality by 2030. This ambition is supported by a structured approach that prioritises renewable energy adoption and aligns with broader global climate goals.

Across our operations, KGK Group has made steady progress in integrating cleaner energy sources. Solar energy systems are already operational at facilities in Botswana, Jaipur and Jasdan, while operations in Angola are powered entirely by renewable electricity.

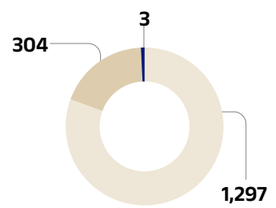
KGK continues to explore and implement energy-efficient technologies to further reduce consumption and emissions.

Regular energy audits and process optimisation initiatives help improve efficiency across operations.

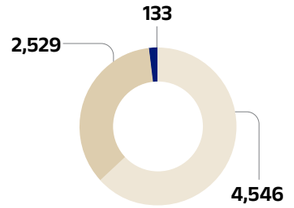


Solar parks with capacities of **3.5 MW** in Surat and **3.0 MW** in Jaipur are currently under development, reflecting our continued investment in renewable energy infrastructure. Once operational, these projects will significantly enhance clean energy integration, reduce dependence on conventional power sources, and further strengthen sustainable and environmentally responsible operations.

Scope 1 and scope 2 emission details

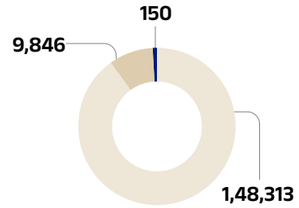


Scope 1 (tCO_2e)

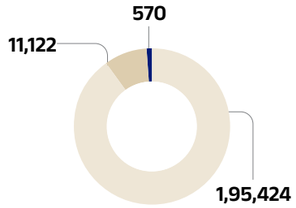


Scope 2 (tCO_2e)

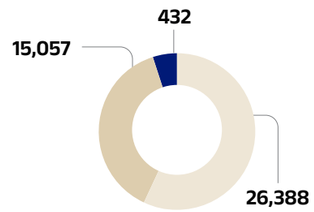
Fuel consumption details



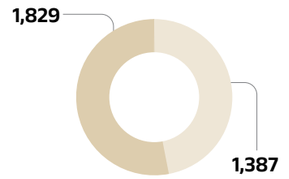
Diesel (L)



Petrol (L)

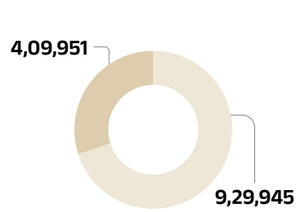


LPG (Kg)

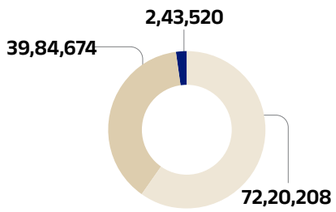


CNG (Kg)

Electricity consumption details



Renewable electricity consumption (kWh)



Grid electricity consumption (kWh)

Diamond division | Jewellery division | Gemstone division

Water stewardship in action

Across our operations, water is primarily used across manufacturing and processing facilities for operational and domestic purposes, with sourcing largely from municipal supplies.

Recognising water as a shared and valuable resource, we focus on using it responsibly and efficiently across our operations. Our approach centres on reducing freshwater dependence through measures such as rainwater harvesting, wastewater treatment, and reuse of treated water for irrigation and other non-potable purposes. Wastewater generated at facilities is treated on-site, enabling reuse and minimising discharge to the environment. These practices have helped improve water efficiency and support a gradual reduction in overall consumption.

We align our water management practices with local regulations and conditions, particularly in water-stressed regions, ensuring that our operations remain compliant while minimising pressure on community resources. Regular monitoring of water withdrawal, consumption, and discharge at the facility level, supported by environmental impact assessments, helps us identify and manage water-related impacts effectively.

In addition, we encourage responsible water use by building awareness among employees and contractors and engaging with local communities and authorities. Some of the initiatives taken over the years include:



We have water treatment plants across our facilities in Jaipur, Panyu (China), Thailand, and Mumbai, enabling responsible water usage, treatment, and recycling practices across these locations. Complementing these efforts, rainwater harvesting systems have been implemented in Botswana, Jaipur, and China to enhance water conservation, improve resource efficiency, and strengthen long-term water security.

Implemented rainwater harvesting and drip irrigation systems in Botswana, enabling the capture and storage of rainwater for use in a backyard vegetable garden through efficient irrigation practices, while also supporting groundwater recharge initiatives in Jaipur and China.

Commissioned a wastewater treatment plant in Botswana capable of recycling up to 20,000 litres of wastewater daily by treating water for safe reuse in irrigation and reducing dependence on municipal sources.

Implementation of continuous water usage monitoring across facilities to identify opportunities for efficiency improvement and scale sustainable water management practices.

Total water withdrawal from all areas (In Megalitre)

Particulars	CY 2025
Freshwater	
Surface water (from rainwater harvesting)	1.06
Ground water	10.06
Sea water	NA
Produced water	NA
Third party water	8016.22

Waste management practices

Our waste management is guided by a structured and compliance-driven approach, with a focus on safe handling, resource efficiency, and minimising environmental impact across all facilities. Waste is segregated at the point of generation into plastic, e-waste, hazardous waste, and general waste using clearly marked bins and defined procedures, ensuring proper handling from the outset.

Plastic waste, including packaging materials, is collected separately and handed over to authorised recyclers to maximise reuse. E-waste is stored in designated areas and disposed of through government-authorised recyclers, while hazardous waste is managed with additional care through secure storage, labelling, tracking, and disposal via licensed handlers in line with local regulations. Waste volumes and disposal practices are regularly monitored, with a clear preference for recycling and safe disposal over landfill. We also continue to strengthen our efforts by exploring partnerships with technology providers and local authorities to improve recycling efficiency and resource recovery. Alongside this, regular training and awareness sessions are conducted to educate employees on responsible waste handling, resource efficiency, and circular economy practices, supported by clear on-site guidelines.



At our Botswana facility, a zero-waste policy has been adopted to promote effective waste segregation, recycling, and food waste reduction across operations. Organic waste from kitchens and gardens is composted on-site to create nutrient-rich soil, which is reused within kitchen gardens to support food cultivation for people at the factory. Through these initiatives, we continue to strengthen the circular resource use, minimise waste, and advance environmentally sustainable operations.

Biodiversity conservation initiatives

As part of our commitment to protecting biodiversity, we undertook the restoration of Jaipur's iconic Jal Mahal and Man Sagar Lake, once heavily polluted, now brought back to life as a thriving natural habitat. Through extensive clean-up efforts, including the removal of over two million tonnes of silt and the installation of water treatment systems, the lake has gradually regained its ecological balance.

We complemented this work by planting thousands of trees and native species, including those from the Aravalli Range, and nurturing greenery through a dedicated nursery. Today, the restored lake supports a wide variety of birds, reptiles, and plant life, creating a vibrant ecosystem. This initiative reflects our belief that with sustained effort, degraded environments can be revived and preserved for future generations.





On World Environment Day, KGK Botswana partnered with Ledumadumane Junior School in Botswana to donate 50 fruit trees, bringing together students, teachers and local stakeholders to promote environmental awareness and stewardship. Similarly, at KGK Diamonds Namibia, we undertook a plantation drive by planting camelthorn trees. Known for their resilience and ecological significance, these trees play an important role in supporting biodiversity, enriching soil health, and sustaining local communities.

Creating value beyond business

At KGK Group, we believe that true success is built on responsibility. This belief guides how we source, how we work, and how we engage with the world around us. Our employees are supported through a culture of inclusion, learning, and care.

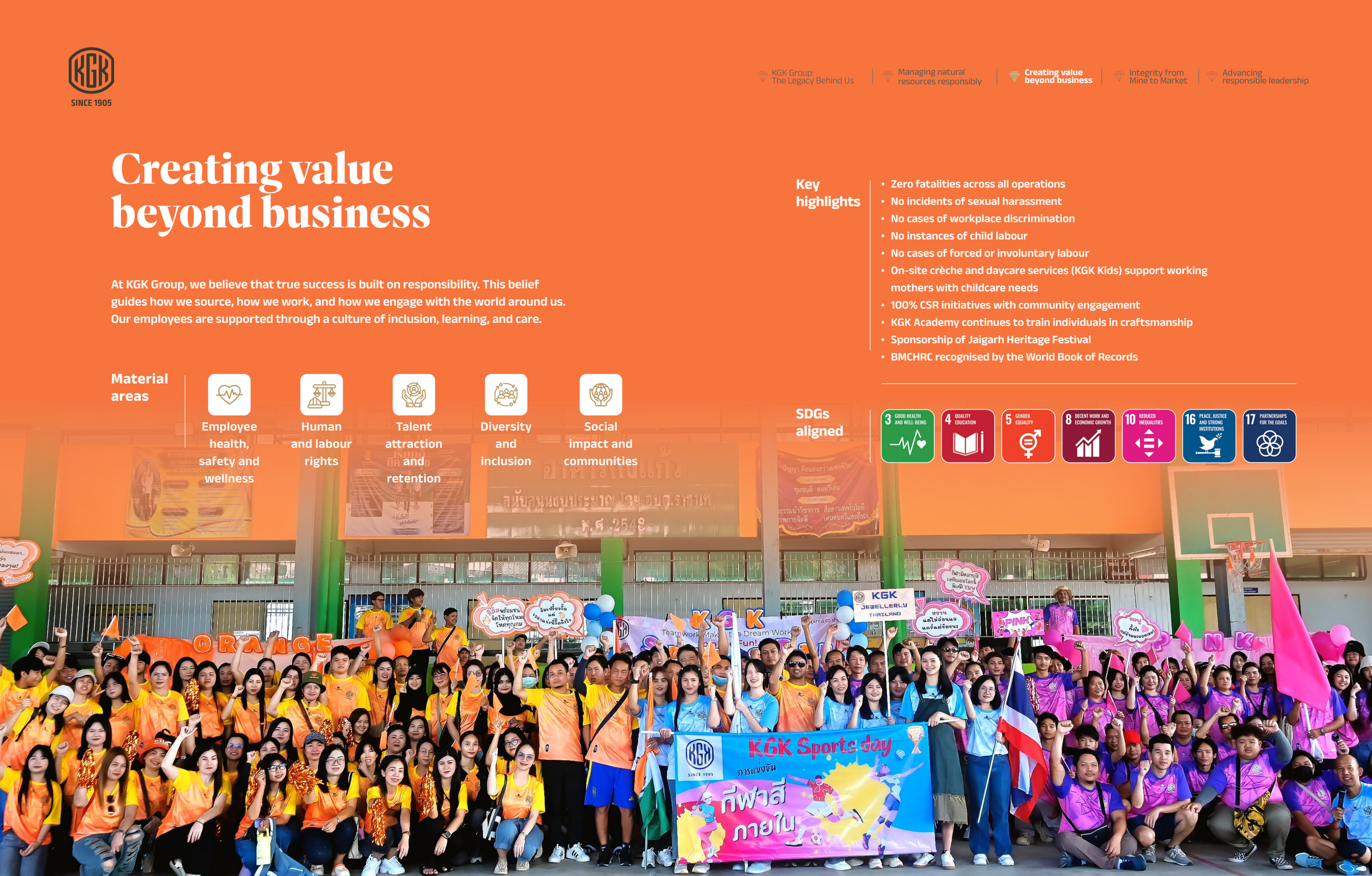
Material areas

- Employee health, safety and wellness
- Human and labour rights
- Talent attraction and retention
- Diversity and inclusion
- Social impact and communities

Key highlights

- Zero fatalities across all operations
- No incidents of sexual harassment
- No cases of workplace discrimination
- No instances of child labour
- No cases of forced or involuntary labour
- On-site crèche and daycare services (KGK Kids) support working mothers with childcare needs
- 100% CSR initiatives with community engagement
- KGK Academy continues to train individuals in craftsmanship
- Sponsorship of Jaigarh Heritage Festival
- BMCHRC recognised by the World Book of Records

SDGs aligned



Enabling a better workplace experience

Our belief is that business growth is inseparable from the growth of our people. We strive to build a professional environment that encourages development and camaraderie, where every employee feels valued, motivated and equipped to excel.

To implement this, our management maintains regular engagement with employees through structured channels such as daily team meetings, training sessions, internal newsletters, notice boards, and formal grievance and suggestion mechanisms. These platforms support open communication, information sharing, and timely resolution of concerns.

KGK also places strong emphasis on continuous skill development. Employees are supported through structured in-house training, on-the-job learning, and specialised technical programmes conducted through KGK Academy, ensuring employees are equipped with relevant skills and knowledge.



Voices of KGK

I started my journey as a supervisor and have grown into the role of Factory Manager over the years. This experience has helped me understand operations deeply and lead teams effectively. The Company's focus on efficiency and continuous improvement motivates me to maintain high production standards.

Liu Chao
Factory Manager,
Panyu, China

Total number of employees by gender and nature of employment

Employee category	CY 2025			CY 2024		
	Male	Female	Total	Male	Female	Total
Permanent employees	5,723	1,506	7,229	5,447	1,404	6,851
Temporary employees	282	303	585	475	302	777
Total	**6,005**	**1,809**	**7,814**	**5,922**	**1,706**	**7,628**

Employee distribution by category/level/grade

Categorisation	CY 2025			CY 2024		
By Employee Category	Male	Female	Total	Male	Female	Total
Associates	3,677	930	4,607	2,604	810	3,414
Junior management	1,549	487	2,036	1,981	493	2,474
Middle Management	271	70	341	528	86	614
Senior Management	161	14	175	278	13	291
Top Management	65	5	70	56	2	58
Contractual Workers	282	303	585	475	302	777
Total	**6,005**	**1,809**	**7,814**	**5,922**	**1,706**	**7,628**

Employee distribution by age

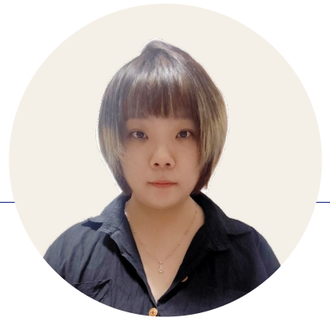
By Age	CY 2025			CY 2024		
	Male	Female	Total	Male	Female	Total
<30	1,719	534	2,253	1,987	569	2,556
30-50	3,480	1,031	4,511	3,465	1,042	4,507
>50	806	244	1,050	470	95	565
Total	**6,005**	**1,809**	**7,814**	**5,922**	**1,706**	**7,628**



Diversity and inclusion practices

Our hiring and employment practices are based on merit, skills, and performance, with no room for discrimination or harassment. We follow clear policies such as our Equal Opportunity and Non-Discrimination Policy, POSH policy, and a human rights framework aligned with global standards. We also support our employees through practical measures like maternity benefits and childcare facilities, helping them balance their personal and professional responsibilities. All of our employees receive human rights training.

We are making steady efforts to build a more inclusive workplace. In partnership with the Botswana Society for the Deaf, we have trained and employed hearing-impaired individuals, many of whom are now part of our diamond cutting and polishing teams. To support better communication, we have introduced a sign language manual for everyday use. We also extend our support to a school for the deaf in Ramotswa, Botswana, reflecting our commitment beyond the workplace.



Voices of KGK

As a specially abled employee, I have been proud to be part of KGK for over 21 years. Throughout my journey in the PPC department, I have always felt supported, valued and encouraged. The inclusive work environment has empowered me to contribute effectively while continuing to grow with confidence, making my experience both meaningful and rewarding.

Azi
PPC Department,
Panyu, China



Voices of KGK

I started my journey with KGK as a Trainee Artisan, and over the years, the Company has given me countless opportunities to learn, grow, and take on new responsibilities. From understanding the technical aspects of diamond processing to leading factory operations today, every step of my journey has been a valuable learning experience. The trust, support, and guidance I received throughout the years have played a significant role in shaping my career.

Pravin Gelani
DGM/ Factory Head, Surat

Stance towards human rights

Respect for human rights is an important part of how we work. All employees go through training and are encouraged to speak openly so that any concerns can be addressed in a fair and transparent manner. Our Human Rights Policy clearly prohibits child labour and forced labour across all operations. This is further supported by robust due diligence and responsible sourcing practices aligned with global frameworks such as the OECD guidelines, Responsible Jewellery Council (RJC) standards and Best Practice Principles (BPP).

KGK also adheres to the Kimberley Process Certification Scheme and the relevant industry standards to mitigate risks related to unethical labour practices. Any identified human rights concerns are addressed through structured grievance redressal mechanisms and defined corrective action processes. Each case is reviewed, investigated, and resolved in line with KGK's Human Rights Policy, ensuring timely and appropriate action. Compliance is further strengthened through mandatory human rights training for all employees and adherence to established international labour standards across the value chain.



Crèche and daycare services for women employees

Our women employees should feel supported at every stage of their professional journey. They are provided with maternity leave, in line with statutory guidelines.

To further support working mothers, select facilities offer on-site crèche and daycare services (KGK Kids) to help them balance work and childcare. These spaces provide a safe and nurturing environment for children, giving mothers the flexibility and peace of mind to focus on their work.

At our Botswana facility, 27 children currently benefit from this initiative, making it easier for employees to manage their professional and personal responsibilities.



Voices of KGK

Over my 21-year journey, I have seen KGK build a workplace that values people. The Company's focus on fairness, well-being, and growth creates an environment where employees feel supported and motivated. Continuous learning and inclusive practices further strengthen our culture and help employees grow with confidence.

Fen
HR Manager, Panyu, China

KGK Kids Graduation Ceremony in Botswana

KGK Botswana celebrated a special milestone as 11 young learners completed their early years of education and prepared to take the next step into primary school. The event was a proud moment for the children, their families and the wider KGK community.





Training and development initiatives

Continuous learning is key to both individual and organisational growth. Our training programmes are designed to support employees at every level, with a particular focus on building skills for those at the early stages of their careers. We provide structured learning opportunities that help employees build technical expertise, strengthen workplace capabilities and adapt to evolving industry demands.

- POSH training
- Evacuation drill
- Health and safety training
- Gemstone handling training
- Human rights training
- Team engagement and collaboration training sessions
- Anti-money laundering (AML) training
- Firefighting training
- First aid training
- Technical skill training relevant to operations
- New employee induction and onboarding programmes
- Jewellery manufacturing training programmes



Voices of KGK

I began my journey as a receptionist and have grown into my role in Admin and Compliance over the past 19 years. KGK has provided me with opportunities to learn and take on greater responsibilities. It has been fulfilling to contribute to smooth operations and maintain strong compliance practices.

Tracy Lee
Admin and Compliance, Panyu, China

Promoting Sexual and Reproductive Health Awareness at Jasdan

At our Jasdan diamond entity, a sexual and reproductive health awareness programme was organised to mark Sexual and Reproductive Health Day, with guidance from a psychiatrist and sexual health expert. The session focussed on educating employees about sexual and reproductive health, menstrual well-being, family planning, and the importance of addressing widespread societal misconceptions related to sex. By promoting awareness, reducing stigma, and encouraging informed and responsible decision-making, the programme aimed to strengthen mental well-being and support healthier futures. As part of the initiative, sanitary napkins and menstrual cups were distributed. A total of 174 female employees participated in the programme.

6,50,728
Total training hours



Voices of KGK

I have been working with KGK Diamonds, Namibia for the past three years as a diamond setter. This journey has enabled me to continuously refine my skills and grow professionally. The supportive work environment and exposure to high-quality craftsmanship has made my experience truly rewarding.

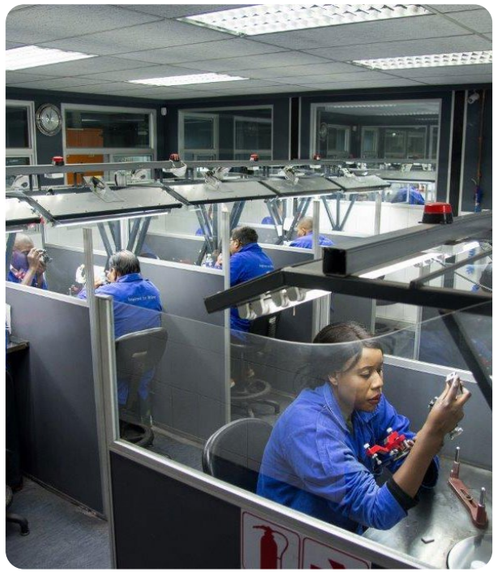
Emilia Matheus
Diamond Setter/Fixing, Namibia



Employee wellness and engagement initiatives

Our employee engagement approach is built on prioritising well-being, nurturing meaningful relationships, and creating shared experiences that go beyond day-to-day work. During the year, this was reflected through initiatives such as an expert session on female health and cervical cancer vaccination, along with health check-up camps across various locations, encouraging employees to prioritise preventive care and remain informed about their health. Across geographies, celebrations such as Diwali, Navratri, and Women's Day, among others, were observed. Some of the celebrations included the Republic Day celebrations, Navratri festivities, and Haldi Kumkum gatherings for women employees. Employees also actively contributed to community well-being through volunteering initiatives such as blood donation camps conducted across select locations, reinforcing a shared commitment to social responsibility. At KGK Thailand, initiatives undertaken during the year included the organisation of a 'Children's Day' celebration at the Customs Office, quarterly blood donation drives at the Gemopolis premises to support community healthcare initiatives, and traditional Songkran activities alongside a safe driving awareness campaign to promote responsible driving practices and reduce road accidents during the festive period. Songkran reflects Thailand's cultural history, values, and beliefs, representing renewal, respect, gratitude, and unity. The organisation also conducted Sports Day activities to encourage employee engagement, teamwork, and physical wellbeing. In addition, KGK Thailand facilitated the participation of vocational students in the Goldsmith Games 2025, providing industry exposure and opportunities to strengthen technical and craftsmanship skills within the jewellery manufacturing sector. The organisation also conducts the 'Dual Vocational Education Programme' for jewellery manufacturing, which combines classroom-based vocational education with practical, on-the-job training in jewellery manufacturing facilities. Conducted in partnership with vocational institutions and industry training centres, the programme enables students to develop technical knowledge alongside real-world manufacturing skills.
In addition, KGK recognises employee contributions through a structured system of rewards and appreciation. Employees are recognised through a range of programmes, including performance-based awards, innovation and excellence recognition, team achievement awards, long-service honours, attendance awards and project-based incentives.



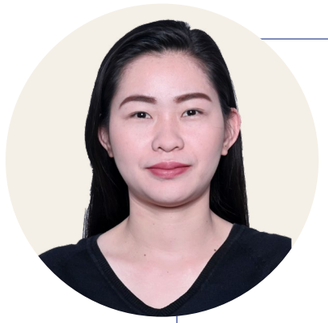




Voices of KGK

My journey at KGK Diamonds has been enriching, with a strong focus on employee development and continuous learning. The collaborative environment makes every challenge an opportunity to grow and improve professionally. Over the years, I have gained valuable experience and exposure that have helped me strengthen my expertise and contribute effectively to the organisation.

Ranjeet Singh Tanwar
Assistant Manager, Diamond Department, Jaipur, India



Voices of KGK

I joined the Company in 2017 as a Marketing Assistant, and I am proud to share that I have grown into the role of Marketing Executive. Working with the Company over the years has been a truly rewarding experience. It has provided me with continuous learning, professional growth, and valuable opportunities within the Company.

Additionally, being part of a diverse workplace and collaborating with colleagues from different nationalities has been a genuinely enriching experience.

Rebecca Lajara
Marketing Executive, UAE

Occupational health and safety across operations

Our Occupational Health and Safety (OHS) approach is anchored in a structured management system aligned with applicable regulatory requirements and informed by global best practices. Across our facilities, key safety provisions are in place, including fire extinguishers, smoke detectors, clearly marked evacuation routes, and designated assembly points to ensure preparedness in case of emergencies.

Employees undergo regular training on health and safety practices, enabling them to respond effectively and confidently in different situations. Dedicated teams are trained to manage emergencies, and safety protocols are integrated into the day-to-day operations. In addition, on-site health centres at manufacturing units provide timely medical support, reinforcing a sense of care and security for employees.

A proactive risk management approach forms the foundation of this framework, supported by Hazard Identification and Risk Assessment (HIRA). This is further strengthened through well-defined policies, ergonomically designed workplaces, and continuous training programmes that enhance awareness and safe working practices.

The safety ecosystem is supported by essential infrastructure such as personal protective equipment, emergency response systems, and on-site medical facilities, which together improve overall preparedness and responsiveness.

The OHS framework extends across all core operations, from diamond cutting and polishing to jewellery manufacturing and allied functions, ensuring that safety is embedded at every stage of the process. Through this approach, KGK Group continues to foster a workplace where safety is not just a compliance requirement, but a shared responsibility embraced across the organisation.

In addition, at KGK Diamonds, diamond processing requires intense focus and long hours in a seated position. We have placed strong emphasis on creating comfortable and well-designed workspaces that support our employees' well-being.





Voices of KGK

With over 22 years of experience, I have seen the KGK Group consistently prioritise health and safety. Strong protocols, regular training, and a focus on employee well-being ensures a safe and secure work environment. Safety is embedded in our daily operations, and it remains a shared responsibility across all teams.

Ade
Factory Manager,
Panyu, China



Voices of KGK

In my role, I focus on strengthening a positive and inclusive work culture where employees feel respected and supported. Over the past nine months, I have seen how clear communication, fair practices, and continuous engagement help build trust and collaboration across teams. Creating such an environment enables people to perform with confidence while continuing to learn and grow.

Adão Pedro Antunes Mavieira
Human Resource Director,
Angola

Workplace health and safety practices across our operations

- Well-maintained and properly ventilated production areas
- Regular machine safety checks and preventive maintenance
- Regular maintenance of equipment and safe material handling practices
- Fire safety systems, including extinguishers, alarms, hydrants, and emergency evacuation procedures
- Clearly marked emergency exits and regular fire and evacuation drills
- Safety awareness programmes and induction training for employees
- Identification of workplace hazards and regular risk assessments
- Internal and external safety audits
- HR and management-led monitoring of workplace safety standards and OHS compliance
- Compliance with statutory workplace safety regulations, including the Factories Act and ESIC requirements
- Mandatory use, inspection, and replacement of PPE, including gloves, safety shoes, and goggles
- Incident, accident, and near-miss reporting mechanisms with corrective and preventive actions
- Clean and hygienic workplace environment with safe drinking water facilities
- Periodic employee health check-ups, first-aid facilities, and health centres
- Maintenance of safety records and registers

There were zero fatalities across our operations in CY 2025.

Addressing employee grievances

KGK's jewellery operations maintain a structured grievance redressal mechanism to ensure that employee concerns are addressed fairly, confidentially, and efficiently. Employees are provided with multiple accessible reporting channels, including immediate supervisors, reporting managers, the HR Department, designated committees, and anonymous platforms such as suggestion boxes, email, or helplines. Reported grievances are reviewed through a formal investigation process led by HR or relevant committees, involving fact-finding, discussions with the concerned stakeholders, and evidence review. Based on the findings, appropriate corrective actions are implemented, and employees are informed of the resolution through clear communication. Where concerns remain unresolved, employees have access to escalation mechanisms through senior management or designated committees for further review.

Similarly, KGK's Diamond entity has established a formal Grievance Committee to address employee concerns objectively, confidentially, and efficiently. Employees can raise issues through grievance committee members, respective Heads of the Department, or the HR Department, while confidential suggestion boxes further encourage open communication and feedback sharing. All concerns are reviewed through structured internal discussions and resolution mechanisms overseen by the HR Department to ensure timely, fair, and transparent grievance resolution.

Employee and worker complaints by category

Particulars	CY 2025	CY 2024
Working conditions	9	13
Health and safety	3	3
Sexual harassment	0	0
Discrimination at workplace	0	0
Child labour	0	0
Forced labour/ involuntary labour	0	0
Others	1	2



Voices of KGK

Since joining KGK in 2014 as a Diamond Polisher, my journey has been one of growth, learning, and opportunity. What began on the production floor gradually evolved into broader responsibilities across administration and human resources, allowing me to develop new skills and contribute in meaningful ways. Today, in my role as Human Resource Assistant and Health and Safety Officer, I am proud to support our people, strengthen workplace practices, and play a part in KGK's continued progress. Growing with the organisation has been an incredibly rewarding experience.

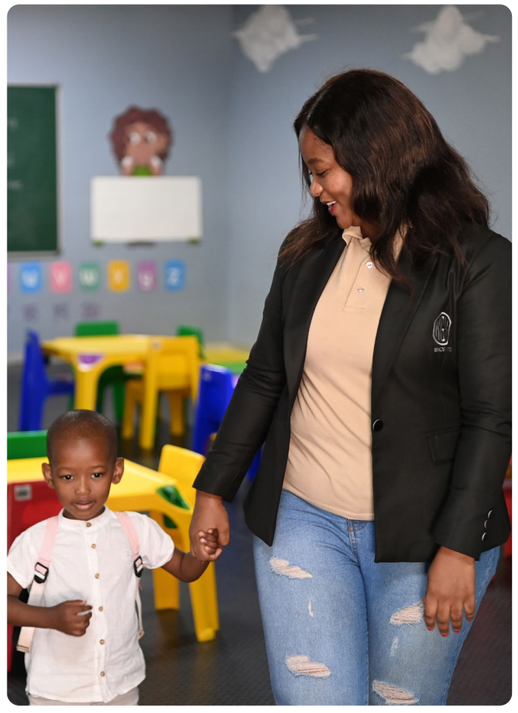
Nkura Mosweu
Human Resource Assistant, Botswana

Contributing to social causes

At KGK Group, Corporate Social Responsibility is driven by a clear purpose, to create meaningful and long-term impact where it is needed the most. Our approach is rooted in strengthening communities, enabling livelihoods, and building resilient local ecosystems. We actively collaborate with NGOs, community institutions, and local authorities to design and implement initiatives across key areas such as healthcare, education, livelihood development, and heritage conservation. This partnership-led approach ensures that our interventions are grounded in local needs and deliver meaningful, measurable outcomes.

Our CSR initiatives are implemented through a robust hybrid model, combining direct execution through group-led institutions such as Bhagwan Mahaveer Cancer Hospital and Research Centre, KGK Academy, and supported trusts, along with strategic collaborations with external organisations and government bodies to amplify reach and impact.





CSR initiatives with community engagement

Focus areas	Key initiatives	Impact created
Health	Cancer care through Bhagwan Mahaveer Cancer Hospital and Research Centre, health awareness camps, blood donation drives	Improved access to quality healthcare and strengthened preventive care across communities
Education	Support to 33,000+ students, girl child education, rural schools, vocational training via KGK Academy	Enhanced access to education, skill development, and future livelihood opportunities
Environmental sustainability	Solar energy adoption, water recycling, waste management, Jal Mahal–Mansagar Lake restoration	Promoted resource efficiency, environmental conservation, and ecological restoration
Livelihood and poverty alleviation	Local hiring, skill development, inclusive employment, community-based income generation	Strengthened economic inclusion and improved livelihoods for local communities
Community and heritage conservation	Community development initiatives and preservation of cultural heritage	Sustained local traditions while fostering inclusive community development

Sponsorship of Jaigarh Heritage Festival

The Jaigarh Heritage Festival is a vibrant celebration of Rajasthan's cultural heritage, bringing together folk music, traditional dance, local crafts, and artistic expressions. Set in a historic backdrop, it offers visitors and artisans a shared space to experience the region's history, royal legacy, cuisine, and handicrafts in an immersive way.

Held on 6–7 December 2025 at the historic Jaigarh Fort in Jaipur, the KGK Foundation participated as an associate sponsor, supporting this celebration of India's living heritage. The festival featured performances, heritage walks, crafts, cuisine, and conversations that created a meaningful and engaging cultural experience for all attendees.





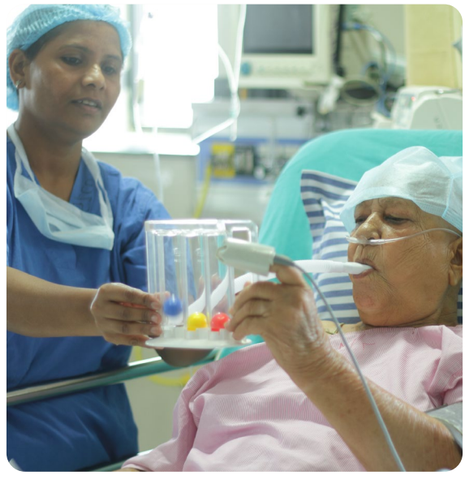
Enabling equitable healthcare through BMCHRC

Recognising the growing need for accessible and affordable cancer care, KGK Group took a meaningful step towards change. What began as a response to the challenges faced by countless families led to the establishment of Bhagwan Mahaveer Cancer Hospital and Research Centre (BMCHRC) in Jaipur. The hospital has grown into one of North India's leading cancer centres, guided by its enduring promise that no patient should be denied care due to financial constraints.

In recent years, BMCHRC has continued to strengthen its capabilities by introducing specialised departments such as gynaecological and paediatric oncology, expanding advanced treatment options including CAR-T cell therapy and Total Body Irradiation (TBI), and enhancing patient care through a modern day-care chemotherapy unit. The hospital has also deepened its focus on palliative and supportive care, extended its reach through community cancer screening initiatives via mobile units, and embraced digital transformation with integrated patient services and electronic medical records, while continuing to uphold its strong charitable foundation.

It also extends its care beyond the hospital walls through rural cancer screening camps, tobacco cessation awareness drives, women's cancer awareness programmes, and outreach across schools, communities, and corporate settings. Its mobile cancer screening bus services further enhance access to early detection in underserved areas. Nearly 25% of the hospital's services are provided free of cost or at highly subsidised rates for economically weaker sections.





The following table presents an overview of the key initiatives undertaken by Bhagwan Mahaveer Cancer Hospital and Research Centre. These initiatives are designed to address diverse patient needs while ensuring accessibility and affordability.

Initiative	Focus area	Key impact created in CY 2025
Donate a life	Paediatric blood cancer treatment	286 children treated 178 became cancer-free
Early cancer detection for women	Breast and cervical cancer screening	897 women screened
Freedom from cancer	Leukaemia treatment and monitoring	339 patients registered 205 are on treatment
Wilms tumour project	Paediatric kidney cancer treatment	21 children treated
Breast cancer recurrence prevention	Post-treatment hormone therapy	31 women supported
Cure thyroid cancer project	Thyroid cancer treatment	32 patients treated
Compassionate cancer care	Support for multiple cancer cases in families	3 families supported
Save mother: cervical cancer project	Cervical cancer treatment	19 women treated
Cancer jaanch aapke dwar	Mobile cancer screening and awareness	340 camps organised and 31,787 people screened 127 early cancer cases have been detected



Fulfilling wishes through dreamz foundation

Established on 24th March 2010, Dreamz Foundation was created with a simple purpose of fulfilling the heartfelt wishes of children undergoing treatment at BMCHRC. Over the years, it has fulfilled more than 4,500 wishes, each one adding hope and comfort to a difficult journey.

- **A dream on wheels comes true**
  Manish Kumar, a 17-year-old from Bharatpur, was undergoing treatment for blood cancer when he wished for a bicycle. That simple wish was fulfilled, and it brought him joy, freedom and a reason to smile during tough days.



- **A step towards dreams and education**
  Suraj, a 17-year-old boy from Dholpur, continued to dream of a better future despite his treatment. He wished for a laptop to support his studies, and when it arrived, it gave him the motivation to keep learning and stay focussed on his goals.



- **Dreams of a young heart fulfilled**
  Eighteen-year-old Rajni from Kamalpur had a quiet dream, to learn stitching and become independent. A sewing machine, along with study books, helped her take her first real steps towards that dream, filling her days with hope and direction.





On its 27th Foundation Day, BMCHRC was honoured by the World Book of Records for its dedicated efforts in providing free cancer awareness and treatment to the underserved communities. The organisation was also recognised at the 67th Akashvani Sangeet Sammelan held in Jaipur.

Extending support to girls through Khilti Pari Foundation

As a part of our commitment to inclusive social development, we support the Khilti Pari Foundation, a non-governmental, not-for-profit organisation dedicated to empowering underprivileged girl children in Rajasthan. A key focus area is education support, where the Foundation sponsors the schooling of girls and provides supplementary coaching to strengthen academic performance. Beyond formal education, it also promotes digital literacy, helping girls build essential skills for a rapidly evolving world.

Khilti Pari Foundation's Tunga centre in rural Jaipur runs a set of focussed programmes aimed at empowering girls through education, digital skills, and career readiness. The Foundation provides RSCIT computer training along with modern digital tools such as AI (ChatGPT) and Duolingo, helping girls to build essential skills for higher education and employment. So far, over 1,000 girls have completed the computer course, with 500+ receiving additional AI training.

Alongside this, the centre offers a well-equipped library for around 100 girls, creating a safe and supportive learning space for academic preparation and competitive exams. The Competitive Exam Coaching Programme further supports around 50 girls at a time, preparing them for government job exams such as RAS, Patwari, Police, and REET, with over 400 girls trained to date.

In addition, the Foundation runs a daily tuition programme in three government schools, providing academic support in English, Mathematics and Science to Class 10 girls. This initiative has benefited more than 1,000 students and plays a key role in strengthening foundational learning, improving board exam results, and reducing school dropouts. Overall, these programmes collectively contribute to improving educational access, skill development, and long-term opportunities for rural girls.





KGK Academy: Shaping skills, enabling futures

KGK Academy, an initiative of KGK Group, was created with a simple belief that real growth begins with the right skills and opportunities. With training centres in Surat, India, and Gaborone, Botswana, the Academy has become a platform for nurturing young talent and developing skilled professionals for the diamond and gemstone industry.

At the Academy, learning goes beyond classrooms. Students are trained in diamond cutting, polishing, grading, quality control, and jewellery manufacturing through hands-on experience. The focus is on making learning accessible and meaningful offering both free and affordable courses so that financial limitations do not stand in the way of opportunity.

Since 2014, over 1,500 students have been trained, many of whom have gone on to build their careers within the KGK Group. For many young learners, this journey starts with uncertainty and ends with confidence, employment, and a clear professional path.

The Academy also ensures that no learner is left behind. Free training is offered at Mumbai facilities for youth above 18 years, along with stipends and accommodation support for outstation students. These small but important enablers make a big difference in helping students focus on learning without worry.

In Botswana, KGK Academy holds a special position as a government-accredited private institution for diamond cutting and polishing. Here, students are also introduced to advanced technologies like Optimus, helping them stay aligned with global industry standards.



Community health and social responsibility initiatives

Across our operations, blood donation camps were organised as a part of our ongoing commitment to community welfare and employee-led social responsibility. These initiatives brought employees together beyond their day-to-day roles, encouraging them to actively contribute towards an important healthcare cause.







Case Study

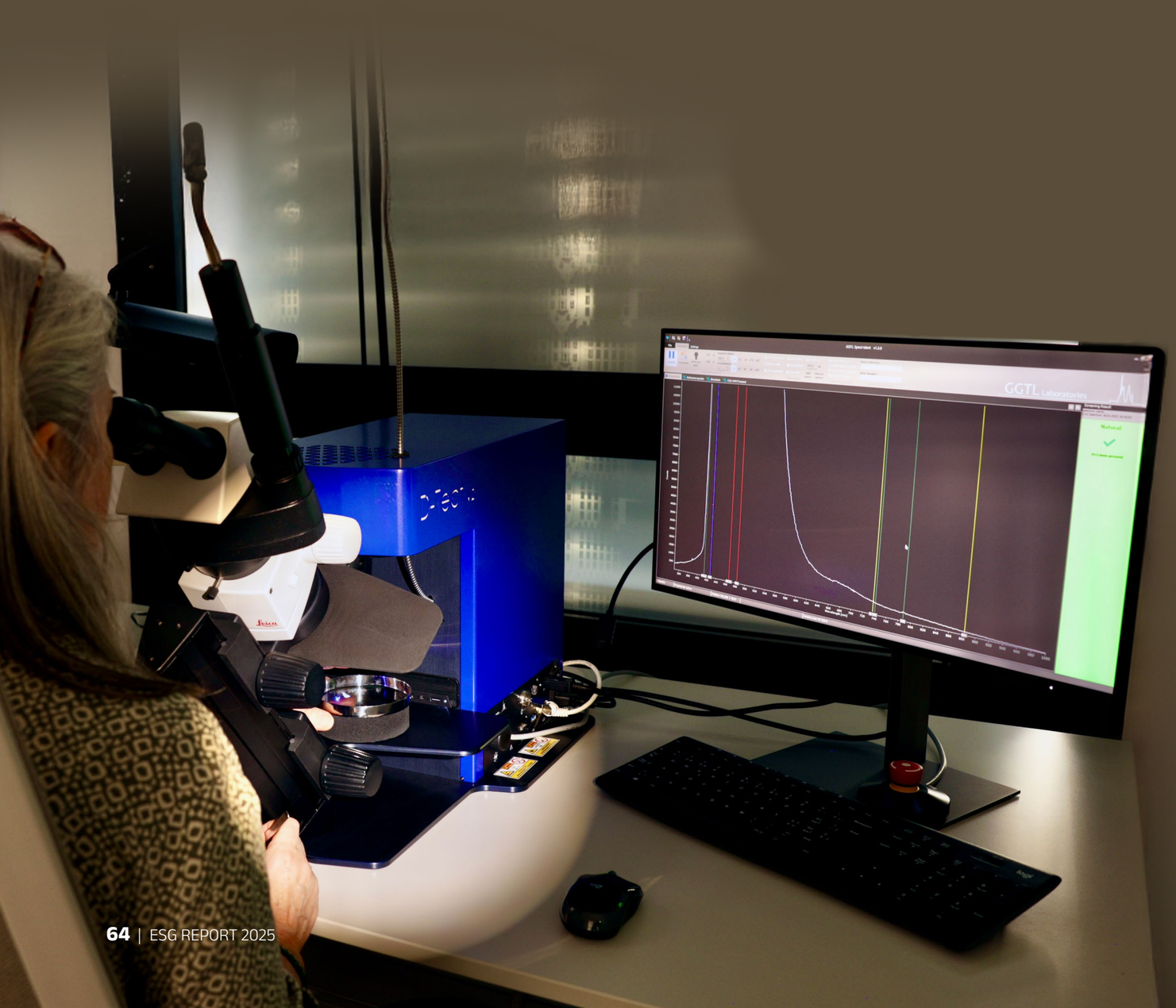
Empowering rural education through Ekal Vidyalaya

As part of our commitment to expanding access to education, we partner with the Ekal Vidyalaya Foundation to support primary education in rural India. The initiative focusses on reaching children in remote and underserved regions, enabling first-generation learners to access basic education within their own villages.

During the reporting year, the partnership supported the education of 601 school children across 21 schools in Rajasthan. The programme follows a unique single-teacher model, where schools are set up within villages, making education more accessible, especially in tribal and geographically isolated areas.



Integrity from mine to market



At KGK Group, we believe that integrity runs from the mine to the market. This belief shapes how we source our gemstones, how we engage with our communities, and how we build trust with every customer we serve. Our responsible procurement practices are anchored in strict global tracking standards and advanced blockchain technologies, ensuring full transparency at every step of the supply chain. Above all, we value the relationships we have built with our customers over the years, founded on trust, consistency, and a deep sense of responsibility.

Material areas

- Customer centricity
- Supply chain management

Key highlights

- No data breaches or customer identity theft incidents reported
- No non-compliance with marketing communications standards
- Active participation in global jewellery and gemstone exhibitions across key international platforms
- Responsible sourcing aligned with De Beers Best Practice Principles (BPP), RJC, MAP, KPCS, WDC and OECD Guidelines

SDGs aligned



Sourcing with responsibility

Responsible sourcing is the starting point of our journey. We follow globally recognised standards such as the Kimberley Process Certification Scheme (KPCS) and De Beers' Responsible and Ethical Sourcing Assurance. As a De Beers Sightholder, we also use Tracr, a blockchain-based platform supported by AI and IoT. It creates a secure digital record of every diamond, allowing us and our stakeholders to verify where it came from, how it moved, and its key details. This builds confidence in both authenticity and ethical sourcing.

We leverage a range of advanced tools to track diamonds at every stage:

1

Provenance Proof,
a Swiss blockchain platform, records each gemstone's journey in a secure digital system. We were early adopters of this technology and have also introduced nanomarker technology, which helps us trace even very small diamonds below 0.30 carats.

2

Synthetic diamond detection tools
like AMS Micro, AMS2™, SynthDetect™, and D-Tect help us clearly identify whether a diamond is natural, lab-grown, or a simulant, across different sizes and jewellery types.





GIA Source Verification Service (SVS)
GIA, a trusted gem institute, verifies the reported source country of polished diamonds using existing documents and audits participating manufacturers. This program boosts consumer confidence by adding a layer of verification. While it relies on documentation accuracy, GIA SVS is a valuable step towards a more transparent diamond industry.



Origin & Origin Story by De Beers
Origin Story is an extension of De Beers' broader Origin suite, which combines diamond traceability from source (powered by TRACR) with information about the diamond's impact on people and the planet. De Beers Origin Story goes beyond just providing basic traceability data. It aims to create a more engaging experience for retailers and ultimately, consumers.



Sarine Diamond Journey
At the mine, rough diamonds are registered using AutoScan™ Plus capturing their unique characteristics. In cutting and polishing stages, ownership and location information are updated within the Diamond Journey program. The diamond's journey continues to be tracked as it travels through wholesalers and retailers.



Everledger
Everledger uses blockchain technology to create a traceability program for diamonds, aiming to bring transparency & trust to the diamond industry. The program tracks a diamond's journey from mine to consumer, recording details like origin, characteristics, & ownership history on a secure blockchain ledger that creates an immutable record of the diamond's journey.



Tracr by De Beers
TRACR is a leading traceability platform developed by De Beers Group. It utilises a combination of technologies like blockchain, artificial intelligence, and the Internet of Things (IoT) to track a diamond's journey from mine to market.

Redefining diamond traceability through our proprietary GemTrac System

At KGK, every diamond undergoes a traceable journey through our GemTrac program, ensuring transparency at each stage. Along with that, we offer additional traceability options, including GIA SVS, DB Origin, Sarine Diamond Journey, Everledger and Tracr by De Beers, upon request.

Built in-house and embedded into every stage of our manufacturing process, GemTrac ensures that every traceable diamond we deliver carries a verified, documented identity from the moment it arrives as a rough stone to the moment it reaches your inventory.

Unique identification at the source

Every rough diamond parcel entering our manufacturing floor is assigned a unique identification code. This code is the diamond's permanent identity, logged into our ERP system alongside full import documentation and Kimberley Process certification evidence.

End-to-End documentation at every stage

Galaxy scanning and 3D planning to laser cutting and polishing, every process stage is recorded against the diamond's unique ID. Nothing moves forward without being logged, verified, and approved.

A verified record at delivery

By the time a GemTrac diamond leaves KGK, it carries a complete, auditable record of its journey through our manufacturing process. This record is available to buyers as supporting documentation alongside any third-party traceability program of their choice.



A sample of GemTrac Diamond journey

Origin
Tanzania / Africa

Chosen by
Dinesh Kothari

The origin of a diamond is delivered to the manufacturer by a miner or rough trader via a Kimberley Process Certificate. On receipt of the rough parcel, an opening photo is taken and encrypted on a secure cloud server. Each rough diamond is analyzed by a rough assortment expert with years of experience and assigned an Unique Identification (UID). The real time information with the rough diamond video is also encrypted on a secure cloud server.

Architected by
Manoher Pednekar

The impurities of the UID assigned rough diamond are plotted with the help of advanced technology. An expert plans the best possible polished diamond that can be cut from the rough and is recorded on a secure cloud server.

Laser Cut by
Timir Desai

A precise and powerful laser beam is set on the planned markings on the diamond by an expert. The laser divides the rough diamond into two and the pieces are forwarded to the faceting department.

Crafted by
Shailesh D Gondaliya

An Artisan facets the rough diamond on a polishing metal wheel rotating at 3600 RPMs. Based on the planning, the Artisan gives life to the uneven piece of carbon; information of which is then embedded on a secure cloud server.

Groomed by
Kantilal Prajapati

An experienced diamond grader evaluates 50 parameters beyond the 4Cs in a polished diamond to assign a grade. Any faceting issues are sent back for correction. Below are the final grades given by the Quality Check Artisan.

Certified by
CGL

Diamonds are polished and graded around the world by different institutes. The laboratories use high magnification instruments and various tests to determine the diamond quality or any treatment. Authentication gives you the confidence and peace of mind in purchasing.

Round	VS2	EX-EX-EX	D	1.2	DM08645
Shape	Clarity	Cut	Color	Carat	Report No

Collaboration for better traceability

We have built strong traceability systems that follow each diamond from the moment it is sourced to the time it reaches the customer. Every step is recorded through advanced digital systems, so we always know where a diamond comes from and how it has been handled.

Our work across the midstream and downstream value chain helps us maintain close control over quality and labour standards. To strengthen this further, our processes are independently reviewed by a third-party auditor adding an extra layer of confidence and assurance. We also use an integrated ERP system that brings all operational data together, helping us stay efficient while meeting regulatory requirements and growing expectations for transparency.

Sarine and Tracr, advanced technology platforms, have come together to make diamond tracking even stronger by combining detailed journey data with blockchain verification. With Sarine's technology, we can see every stage of a diamond's transformation, from its initial registration as a rough stone to its final polished form. Advanced scanning and AI tools help us track each step with accuracy and in real time. Tracr adds another layer of trust by creating a permanent digital record of each diamond on a blockchain system. This allows different stakeholders to check a diamond's origin, journey, and ownership history anytime. By combining this with AI and IoT, we can track diamonds seamlessly from mine to market.

Alignment with responsible sourcing standards

Framework / certification	Key focus	Our approach
De Beers Best Practice Principles (BPP)	Ethical business practices and supply chain integrity	De Beers Sightholder since 1997, adheres to BPP standards with end-to-end traceability and oversight by a dedicated BPP Coordinator
Responsible Jewellery Council (RJC)	Responsible sourcing, human rights, and environmental practices	Certified member, follows RJC Code of Practices across operations
Melee Assurance Protocol (MAP)	Integrity of small diamonds (melee)	Ensures segregation and prevents mixing with lab-grown or treated diamonds through strict control measures
Kimberley Process (KPCS) and WDC System of Warranties	Conflict-free diamond sourcing	Ensures all diamonds are sourced ethically and comply with global conflict-free standards
OECD Guidelines	Responsible sourcing and product security	Follows OECD-aligned practices to ensure ethical sourcing, product protection, and strict action against non-compliant suppliers

Approach to sustainable procurement

Sustainable procurement at KGK Group is guided by a structured and responsible strategy that focusses on due diligence, risk assessment, and continuous monitoring of suppliers across all business segments.

In the diamond operations, sourcing is limited to approved suppliers who comply with the Kimberley Process, Responsible Jewellery Council (RJC) standards, OECD guidelines, and internal business principles. This is supported by strong chain-of-custody documentation, audits, and traceability systems that help ensure ethical and conflict-free sourcing.

In the gemstone operations, suppliers are carefully vetted with a focus on legal compliance, transparency, and verified origin. These checks help ensure that every stone is sourced responsibly and handled with integrity across the value chain.

In the jewellery operations, KGK Group brings together responsibly sourced diamonds, gemstones, and precious metals, including recycled materials wherever possible. Suppliers are evaluated based on ESG criteria, quality standards, and responsible sourcing expectations, supported by audits and corrective actions when required.

To strengthen this further, KGK Group follows a comprehensive supply chain risk management approach. Risks are identified at the onboarding stage, monitored continuously through compliance and traceability checks, and addressed through approved sourcing practices, corrective actions, or disengagement when necessary. This ensures transparency, ethical sourcing, and a resilient supply chain across all operations.

Creating meaningful customer journeys

KGK Group places customer satisfaction at the top by consistently delivering high-quality products and quality assurance systems. Customer trust is reinforced through reliable supply chains, adherence to international standards, continuous stakeholder engagement, and responsive relationship management, enabling it to effectively meet evolving expectations across global markets.

A key milestone during the year was the establishment of a state-of-the-art diamond manufacturing facility in Sharjah, UAE. Strategically located to serve key global markets, the facility enhances KGK Group's ability to deliver products with improved efficiency, scale, and responsiveness, thereby strengthening customer accessibility and service capability across geographies.

Quality standards and product assurance in action

We follow a structured product testing and authentication process across diamonds, gemstones and jewellery to ensure quality, consistency and authenticity. Our products undergo multi-stage inspection processes, including visual assessment, material verification and craftsmanship evaluation, supported by standardised grading protocols and internal quality controls. Authentication is reinforced through comprehensive documentation, traceability records, and compliance with industry-recognised standards, with final inspection and verification conducted prior to product release to customers.

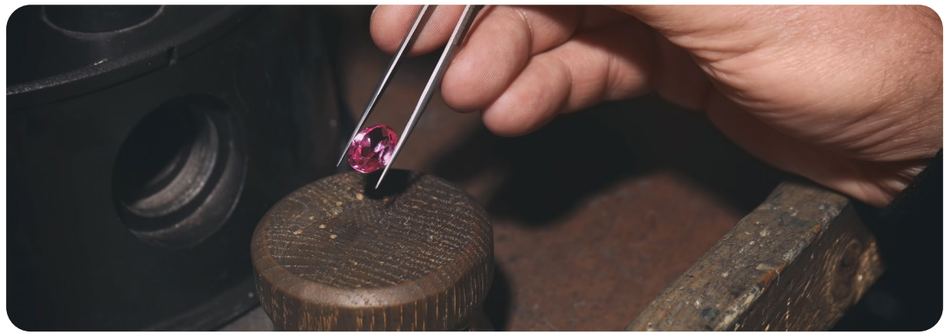
Diamonds: Processing, grading and distribution practices

Our diamonds are cut and polished at facilities across the world, where skilled craftsmanship and technology-based quality controls help ensure traceability throughout the value chain. Quality grading and standardisation are managed through stringent internal processes supported by certified gemmologists, with verification by internationally recognised laboratories such as GIA. Finished diamonds are distributed through key global trading hubs including Antwerp, Dubai, Mumbai, Hong Kong, and the United States, serving wholesalers, brands, and retail channels with a strong emphasis on transparency and regulatory compliance.



Gemstones: Processing and quality control practices

Gemstone processing, including cutting, polishing, and finishing, is carried out at integrated facilities using skilled craftsmanship and standardised procedures to ensure precision and consistency. Quality control and authentication are maintained through detailed visual inspections, colour consistency checks, clarity and inclusion analysis, as well as cut and proportion assessments to ensure optimal symmetry and light performance. Measurements and weight are verified using calibrated systems to ensure accuracy and reliability.



Jewellery: Quality assurance system

KGK Group operates a multi-layer quality assurance system in jewellery manufacturing encompassing design validation, raw material inspection, and in-process quality checks at every stage of production. Quality is ensured through precise stone setting inspection, metal purity verification, and finishing checks supported by skilled craftsmen and standardised processes. Final products undergo comprehensive visual inspection, weight and dimension verification, and compliance checks to ensure consistency, reliability, and adherence to global quality standards.



Creating meaningful engagement opportunities

KGK Group continues to build a customer-centric ecosystem grounded in quality, trust and long-term partnerships across international markets. This is supported through active participation in global exhibitions that help strengthen connections with customers and reinforce the Group's presence worldwide. Strategic expansion initiatives further enhance reach and improve responsiveness across key geographies. Alongside this, immersive customer experiences offer stakeholders closer exposure to KGK Group's craftsmanship and quality standards.

Strengthening global presence through leading trade platforms

During the year, KGK Group actively participated in leading global jewellery and gemstone exhibitions, including INHORGENTA Munich, the Hong Kong International Jewellery Show, Jewellex Africa, the 71st Bangkok Gems and Jewellery Fair, the India International Jewellery Show 2025 in Bengaluru, and JCK Las Vegas at The Venetian Expo. These platforms enabled us to showcase our collections, engage directly with global customers and partners, and align with evolving market trends.



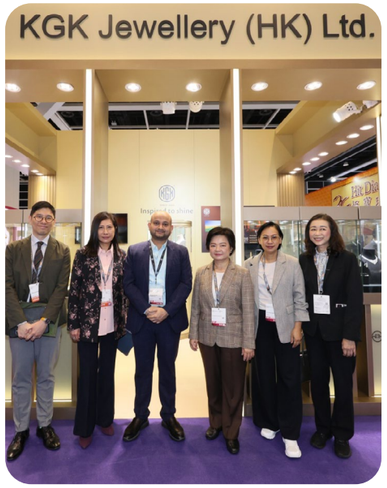
Voices of KGK

I have been a part of KGK Entice for the past 22 years. Over the years, I have witnessed the dedication and efforts of various teams at KGK. It has been an honour to be part of this journey and contribute through my role in design. I look forward to continuing to grow alongside the organisation while embracing new challenges in the years ahead.

Lam Ching Yin
Sr. Designer, Designing,
Hong Kong









Customer feedback and data management process

KGK Group manages customer feedback and grievances through structured and transparent mechanisms. Feedback is received through direct engagement channels, customer relationship teams, and formal communication systems, while grievances are addressed through defined escalation and resolution processes aligned with KGK's business ethics framework.



Customer data privacy is also given high importance. Customer information is protected through robust governance systems and controlled IT infrastructure aligned with ethical business practices. Data security is ensured through access-controlled systems, secure handling protocols, and role-based permissions, while cybersecurity risks are managed through ongoing monitoring, internal reviews, and compliance with applicable data protection regulations.





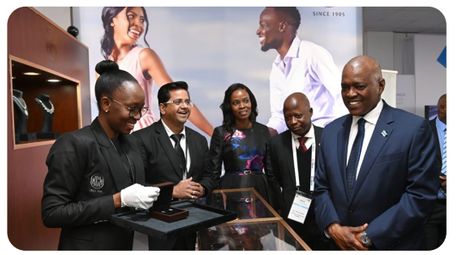
Creating unique brand and customer experiences

We strengthened customer and stakeholder engagement through curated experiences that provided closer exposure to our craftsmanship and operations. Our association with Miss Namibia 2025, along with the visit of Miss World participants, enabled cultural exchange and enhanced global visibility. Similarly, the visit of the Assam State Cricket Team offered insights into diamond cutting and polishing processes.



Responsible marketing communications

KGK Group ensures ethical marketing communications and product safety through robust governance frameworks, transparent disclosures, and compliance with applicable industry standards. Marketing practices are guided by responsible advertising principles, accurate product representation, and ethical conduct. Product safety is ensured through stringent quality control, testing, authentication, and traceability processes, supported by internal audits and adherence to Responsible Jewellery Council standards.



Approach to innovation, craftsmanship and sustainable materials

KGK Group has in-house design teams that collaborate closely with manufacturing units to translate market trends and customer requirements into scalable products. The Group leverages modern manufacturing technologies, standardised processes, continuous improvement practices, and skilled craftsmanship to enhance precision, efficiency, consistency, and sustainability across jewellery production.

Craftsmanship is being strengthened through structured training programmes, on-the-job learning, and continuous skill development initiatives for artisans across operations. KGK Group invests in technical training, mentorship by experienced craftsmen, and capability building through internal platforms such as KGK Academy, enabling artisans to enhance precision, quality, and innovation while preserving traditional expertise alongside modern techniques and standards.

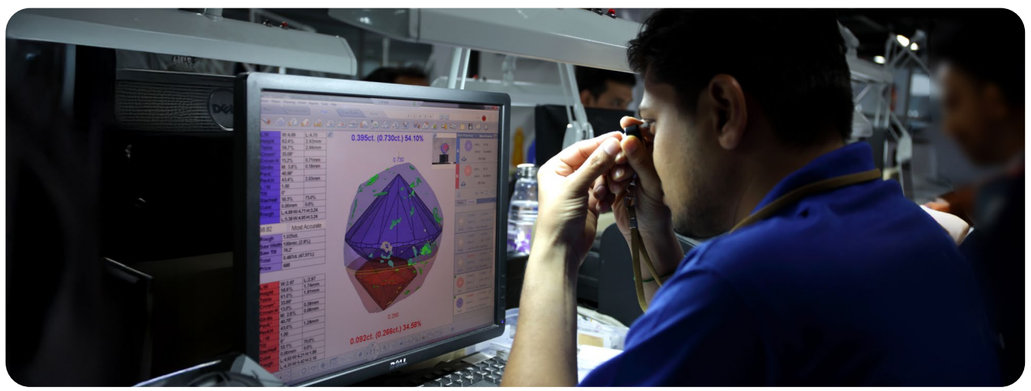
In addition, sustainable material practices are integrated across operations. Recycled precious metals are used wherever feasible. Material loss is minimised through recovery and reuse systems. Metals are sourced from approved and responsible suppliers to support sustainable procurement practices.



Voices of KGK

I have been with KGK for 23 years, and quality has always been at the core of everything we do. In my role, I ensure that every product meets our standards and excellence. This focus is enabled through structured processes and continuous checks, enabling us to deliver reliable outcomes to our customers.

Sunny
Quality Control Supervisor, Panyu, China



Introducing One Stop for Diamonds, Gemstones & Jewellery

KGK ONE

An integrated value chain, from source to finished piece, under one framework

KGK One extends the Group's integrated value chain into a single offering for our clients in the USA. It brings our diamond, gemstone, jewellery and manufacturing businesses under one operating framework. This ensures that the sourcing, processing and manufacturing capabilities the Group has built over more than a century now reach our clients through one relationship, one point of contact, and one shared set of standards.

Vertical integration has defined how KGK operates from the beginning. Rough procurement, cutting and polishing, gemstone and diamond sourcing; finished jewellery manufacturing has long sat within the Group. KGK One connects these capabilities end to end, so that a single stone can move from the mine through to a finished piece without leaving our value chain. One relationship, across the full breadth of what our clients need.

The credentials that govern our diamond, gemstones & jewellery businesses govern the full chain within KGK One. Our status as a De Beers Sightholder, our certification with the Responsible Jewellery Council, our alignment with the Best Practice Principles and our participation in the Forevermark Pipeline Integrity programme apply as one governance layer across the businesses within KGK One, rather than as separate assurances at each stage. Our manufacturing footprint across Botswana, Namibia, Angola and South Africa operates within the same framework.

The traceability our clients rely on, delivered through the five programmes described on the preceding pages, continues past the polished stone. Within KGK One, the same chain of custody extends through setting and manufacturing into the finished piece delivered to market.

KGK One is how our integrated value chain reaches our clients as a single, coherent offering. Its significance lies in what it makes possible: standards, traceability and responsibility carried without interruption from where we source to where we deliver.

Advancing responsible leadership



At our company, ethical conduct, transparency, and accountability form the foundation of our governance practices. We believe that how we do business matters as much as what we achieve. Our governance framework is the backbone of that belief. It creates the conditions for disciplined decision-making, proactive risk management, and the kind of trust that our investors, customers, employees, suppliers, and communities place in us and that we continuously strive to earn. As a result, our company's growth trajectory is being shaped not just for today's performance, but for long-term resilience and sustained competitiveness.

Material areas

- Risk management
- Corruption and bribery
- Regulatory compliance
- Business ethics
- Traceability and responsible sourcing

Key highlights

- No instances of non-compliance with applicable laws and regulations
- No cases of corruption, bribery, or unethical conduct
- No instances of conflicts of interest
- No incidents of anti-competitive behaviour
- No breaches of regulatory or statutory requirements

SDGs aligned

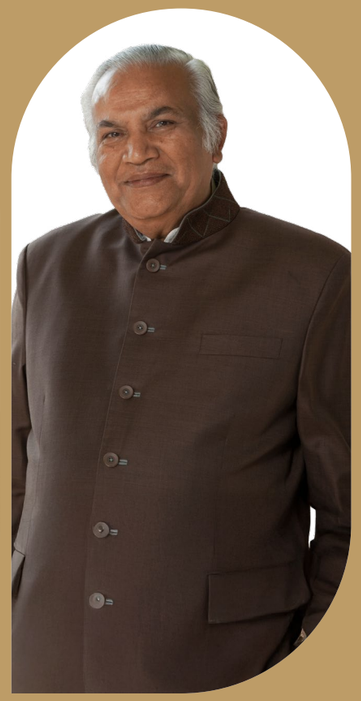


Governance structure overview

Our Board of Directors carries ultimate responsibility for the strategic stewardship of KGK Group. They set the standard for how we lead, how decisions are made, and what values guide them. Central to this is the oversight of senior management, the formulation of corporate policy, and ensuring that all operations remain aligned with applicable legal frameworks and KGK's ethical commitments. The Board evaluates financial performance with rigour while maintaining an equally disciplined focus on risk and long-term sustainability. Importantly, the Board treats environmental and social responsibility as equal to our strategy and operational conduct. The Board of Directors is appointed in accordance with the provisions of the Companies Act, ensuring robust governance and accountability.



Sandeep Kothari
Managing Director



Navrattan Kothari
Chairman



Sanjay Kothari
Vice-Chairman



Sunil Agarwal
Chief Financial Officer (EMEA)



Kelly Atlass
Partner KGK Atlass BV



Ashish Chavan
Lead, ESG and Sustainability



Nitin Dhadda
Chief Manufacturing Officer



Amit Ghiya
Chief Financial Officer (India)



Neeraj Jain
Sales Director, Thailand



Rajesh Jain
Rough Procurement (International)



Dinesh Kothari
Chief Commercial Officer (India)



Sonu Kothari
Partner (USA)



Vivek Mehta
Sales Director, China and Hong Kong



Hasmukh Ramani
Chief Commercial Officer (International)



Patrik Schaefer
Partner (Switzerland)



Radhika Vaiude
Company Secretary

Commitment to ethics

Ethics form the basis of our everyday conduct, in every country in which we operate. We have laid out clear codes of conduct, but beyond the rules, we work hard to build a culture where fairness and respect come naturally. Our Code of Conduct sets out the principles that guide how every person in our company is expected to think, act and engage with others. It covers aspects like human rights, fair treatment of workers, care for the environment, and a firm stand against corruption. It applies to everyone, regardless of role or seniority.

Our people are encouraged to speak up if something does not feel right, and we take every such concern seriously. We also conduct regular audits to make sure we are living up to our commitments and remain firmly opposed to corruption in any shape or form. We are equally mindful of the people who are affected by our decisions, our customers, our employees, our suppliers, our business partners, and the communities we are part of. Their interests are not an afterthought. They sit at the centre of how we operate. To make sure we stay on the right side of evolving regulations, we have a dedicated compliance structure in place, including a Compliance Register and Compliance Officials at both the group and the entity levels. They keep a close watch on regulatory developments, work with auditors and industry bodies, and bring in external expertise wherever needed.



Our policies

We have put in place a robust set of policies that translate our values into clear and practical guidance. These are not documents that sit on a shelf. They shape how decisions get made and how people are expected to behave across every part of the business.

- **ESG and Sustainability Policy**
- **Human Rights Policy**
- **Non-Discrimination Policy**
- **Child Labour Policy**
- **Prevention of Sexual Harassment (POSH) Policy**
- **Anti-Bribery and Anti-Corruption Policy**
- **Environment Policy**
- **Forced Labour Policy**
- **Responsible Sourcing Policy**
- **Health and Safety Policy**
- **Ethics and Integrity Policy**

Risk management overview

At KGK Group, we are clear-eyed about the risks that can affect our operations, whether they come from shifting markets, supply chain pressures, operational complexities, or an evolving regulatory landscape. Rather than simply responding to these challenges as they arise, we have built a comprehensive risk management framework designed to identify, assess, and address them before they become problems.



One of the most significant risks in our industry is the presence of undisclosed synthetic diamonds. Our response includes rigorous supplier verification, advanced testing and screening protocols, comprehensive traceability systems, and tight factory controls. We also run regular training programmes so that our teams are equipped to identify synthetic diamonds and uphold ethical practices.

We are equally attentive to the risks associated with Artisanal and Small-Scale Mining (ASM). We monitor site conditions closely and work directly with mining communities through training, technical support, and advisory initiatives with the aim of improving working conditions, reducing environmental impact, and strengthening health and safety standards on the ground.

Climate risk mitigation approach

Climate-related factors have become increasingly important in shaping how we operate and plan for the future. We face risks such as fluctuations in energy costs, water stress in certain operating regions, and tightening regulations around emissions and resource use. These challenges can increase operating costs and may require additional investments to ensure compliance and continuity.

Physical risks like water scarcity and extreme weather conditions can affect manufacturing activities and increase the cost of managing essential resources. At the same time, stricter climate and energy regulations may lead to higher compliance requirements and capital expenditure for upgrades and reporting.

However, these challenges also present opportunities for improvement. The adoption of renewable energy, particularly solar power, helps reduce long-term energy costs and emissions. Efforts around energy efficiency and water recycling support better resource management, improve cost efficiency, and make operations more resilient. These steps also strengthen our ESG performance, helping build trust with customers and align with investor expectations.

To manage these evolving risks and opportunities, we have started integrating climate considerations into our business continuity and risk management processes. This helps us make more informed decisions around operations, resource use, and compliance, ensuring that we remain resilient and prepared in a changing environment.



Our Industry Associations

Our memberships with leading industry bodies and associations allow us to stay aligned with global standards and adopt best practices across our operations. Through these associations, we actively engage with peers, regulators, and stakeholders across geographies, strengthening our approach to ethical sourcing, transparency, and sustainable growth.

- Responsible Jewellery Council (RJC)
- Kimberley Process Certification Scheme (KPCS)
- The Gem and Jewellery Export Promotion Council
- Federation of Indian Chambers of Commerce and Industry
- Rapaport USA INC
- Botswana Diamond Manufacturers Association
- Bharat Diamond Bourse
- Diamond Manufacturing Association of Namibia
- Federation of Indian Export Organisations
- Legal Entity Identifier India Ltd.
- The Jewellery Council of South Africa
- South African Diamond Manufacturers Association
- The Rough Diamond Dealers Association of South Africa
- Sitapura Gems & Jewellery Industry Association
- Guangzhou Panyu Jewellery Association
- Guangdong Panyu Jewellery Association
- Thai Gems & Jewellery Industry Traders Association
- Indian Thai Diamond and Colourstone Association
- Hong Kong Gemstone Manufacturers' Association Ltd.
- Hong Kong Jewellery Manufacturers' Association Ltd.
- Diamond Federation of Hong Kong, China Ltd.
- International Coloured Gemstone Association
- Hong Kong Indian Diamond Association



Way forward

As we look ahead, we recognise that sustainability requires consistent effort and a long-term perspective. Our immediate focus will be on increasing the use of renewable energy across our operations, including the commissioning of our upcoming solar parks in Surat and Jaipur. These projects will help reduce our reliance on conventional energy sources while strengthening energy security across key facilities.

At the same time, we are working to gain a clearer understanding of our value chain impacts by expanding our greenhouse gas accounting to include Scope 3 emissions. This will provide greater visibility into indirect emissions and help us identify areas where further improvements can be made.

Alongside these priorities, we will continue to strengthen responsible sourcing practices, improve operational efficiency, and uphold the principles of transparency, integrity, and accountability that have guided KGK Group for more than a century.

As the fifth generation of the family steps into the business, they bring with them a new lens, one that sees sustainability not as an initiative, but as inheritance, and a responsibility to build forward, not just onward.



GRI index

Statement of use : The Company has reported the information cited in this GRI content index for the period 1st January, 2025 to 31st December, 2025 with reference to the GRI Standards.

GRI 1 used : GRI 1: Foundation 2021

GRI standard	Disclosure	Location
GRI 2: General Disclosures 2021	2-1 Organizational details	8-15
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	2-6 Activities, value chain and other business relationships	8-15
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GRI 3: Material Topics 2021	3-1 Process to determine material topics	28-29
	3-2 List of material topics	29-31
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GRI 201: Economic Performance 2016	201-2 Financial implications and other risks and opportunities due to climate change	87
GRI 203: Indirect Economic Impacts 2016	203-2 Significant indirect economic impacts	56-63
GRI 205: Anti-corruption 2016	205-2 Communication and training about anti-corruption policies and procedures	84-85
	205-3 Confirmed incidents of corruption and actions taken	20, 81
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	81
GRI 302: Energy 2016	302-1 Energy consumption within the organization	34-35
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	36-37
	303-2 Management of water discharge-related impacts	36
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GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	34-35
	305-2 Energy indirect (Scope 2) GHG emissions	34-35
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	38
	306-2 Management of significant waste-related impacts	38
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	66-71
GRI 401: Employment 2016	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	46-50
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	52-54
	403-2 Hazard identification, risk assessment, and incident investigation	52-54
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GRI 404: Training and Education 2016	404-2 Programs for upgrading employee skills and transition assistance programs	47-49, 62
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	82-83
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	41, 44, 55
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	41, 45, 86
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	41, 45, 86
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	56-63
GRI 417: Marketing and Labeling 2016	417-3 Incidents of non-compliance concerning marketing communications	65
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	21, 65

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