



RICHOLD S.A. 

SUSTAINABILITY PROGRESS REPORT



2024

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ABOUT THIS REPORT

The scope of this annual report covers a 12-month reporting cycle, from 01/02/2024 until 31/01/2025. We prioritize highlighting relevant changes and key issues, without explicitly mentioning facts and practices that have remained unchanged.

As a first voluntary report, this report focuses on Richold S.A. with the intention to progressively extend the reporting scope to include other group entities by 2028.

The 2024 Sustainability Progress Report was reviewed and approved by the Board of Directors of Richold S.A.

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

FROM THE BOARD

Geneva - April 28th, 2025

At RICHOLD, our legacy spans several decades, built on a foundation of excellence, integrity, and a commitment to sourcing the finest diamonds from the best origins. **When we first began our journey, the word sustainability was not yet part of industry discussions—but responsibility, trust, and quality were always at the heart of what we did.** Over the years, as expectations evolved and global awareness of ethical sourcing grew, we embraced these changes - by joining the Responsible Jewellery Council at an early stage for example - while staying true to the core values that have defined us from the beginning.

Technological advancements have transformed the industry, enabling greater efficiency, traceability, and access to real-time information. These innovations provide new opportunities to enhance transparency and improve our operations. However, while technology allows us to be more efficient, it does not change who we are. **Our mission remains the same: to deliver the best diamonds from the best sources, ensuring ethical, social, and environmental responsibility at every step.**

From early on, we recognize that sustainability is not a destination, but an ongoing process — one that challenges us to go beyond compliance and take a proactive approach. **It is no longer enough to meet today's standards; we must also anticipate future expectations.** This means being open, forward-thinking, and adaptable, ensuring that we are always ready to drive positive change towards a more responsible and sustainable future.

In 2024, we took significant steps to strengthen traceability, due diligence, governance, and ESG initiatives. **This report outlines the milestones we achieved and our ongoing commitment to driving meaningful change.**

While this report is **a voluntary and dynamic overview of our ESG progress**, we remain attentive to the evolving regulatory landscape and the growing emphasis on mandatory sustainability disclosures. For a detailed and structured presentation of our ESG commitments, we invite you to visit [our dedicated webpage](#). Furthermore, our ESG objectives and commitments for the period 2025–2028 are outlined at the end of this progress report.

Looking ahead, we will concentrate our efforts on **strengthening collaboration across our employees, entities, supply chain partners, and clients**, ensuring sustainability is embedded at every level.

FOCUS #1

TRACEABILITY

At RICHOLD, we recognize that transparency is at the core of responsible sourcing. Our commitment to traceability ensures that every step in our supply chain is documented, validated, and aligned with industry best practices.

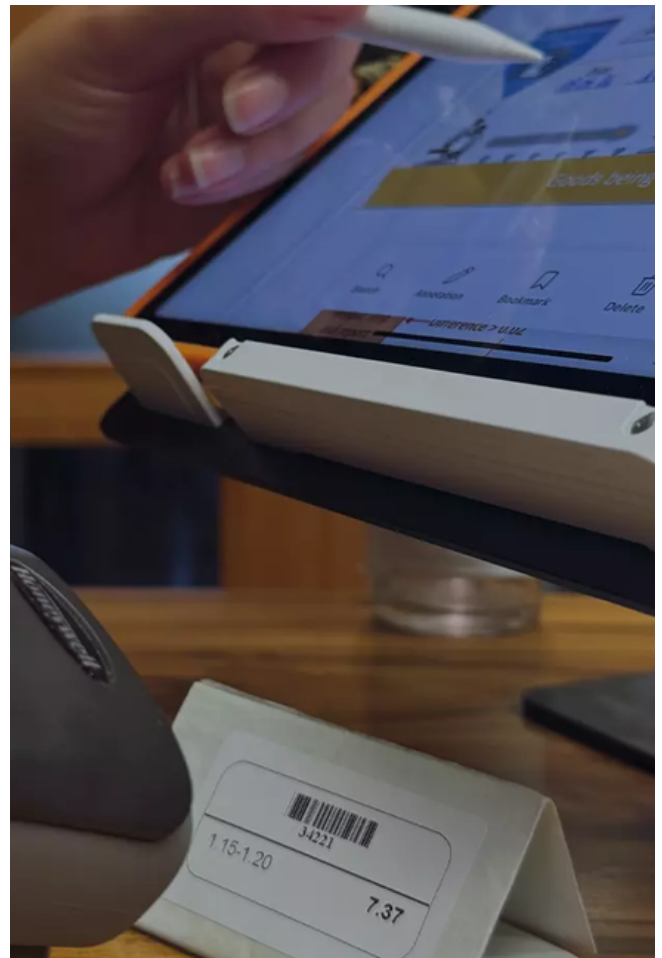
1.1 NEW TRACEABILITY SYSTEM

Developed in 2023 and fully rolled out in 2024, our new Traceability System is designed to strengthen supply chain oversight and operational efficiency. This system enables us to:

🌐 **Implement full tracing from purchase to sale:** Each lot is meticulously documented from entry into our entities' office to its final sale, with full backward traceability linking it to its mother lot, invoice number, and mining origin.

Strengthen client integration and assurance: As client expectations evolve, our enhanced system allows us to validate and prove the origin of goods in details. While manual tracking was always possible, this digital system provides additional accuracy and efficiency.

Enhance stock management efficiency: By digitizing and automating inventory tracking, we can retrieve information faster, reduce errors, and optimize stock management.



I.2 TRACEABILITY REPORTING

To reinforce supply chain transparency, RICHOLD has implemented a comprehensive Traceability Reporting framework, providing our clients with increased visibility into the provenance of their purchases. Key features include:



QR codes on all invoices, granting direct access to provenance details.

Custom traceability reports (monthly, quarterly, or yearly), detailing provenance breakdowns by carat or percentage.

IN NUMBERS

590

QR-Code generated

20+

Traceability Reports

I.3 MINING COUNTRY OF ORIGIN

Verified provenance information is compiled and available in our traceability system, ensuring that **the mining country of origin is known for 100% of our stones**. Consequently, we fully exclude sourcing from CAHRA (Conflict-Affected and High-Risk Areas), and any other country subject to international sanctions affecting the trade of diamonds. This approach ensures a supply chain with no provenance Red Flags.

Even if *melée*'s lots have been mixed or split, we can provide detailed origin information, specifying the mining country's breakdown by percentage or carat.

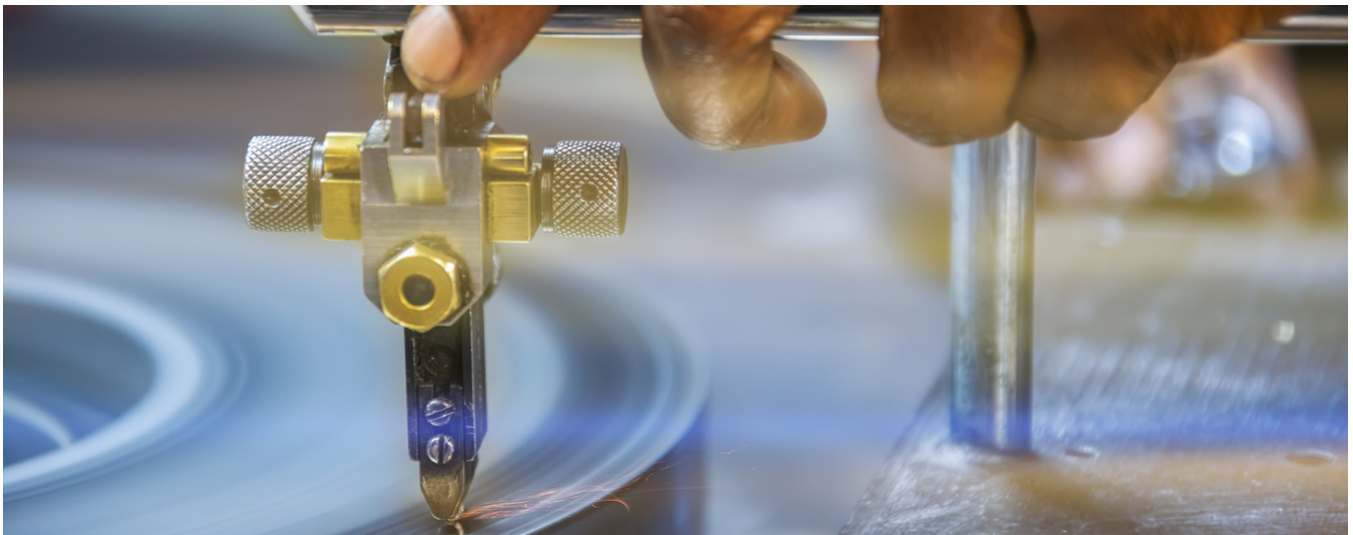
I.4 TRACEABILITY TRAINING

To ensure successful implementation, RICHOLD invested in **48+ hours of dedicated training** for employees across Procurement, Quality Control, and Logistics. These training sessions empower our teams to uphold and effectively execute our rigorous traceability standards.

FOCUS #2

DUE DILIGENCE

At RICHOLD, we hold ourselves and our suppliers to the highest ethical standards. Our due diligence framework is built on stringent compliance, regular audits, and proactive risk assessment to uphold responsible sourcing.



2.1 AUDIT

To ensure full compliance with responsible sourcing principles, RICHOLD underwent comprehensive external audits conducted by third-party experts and client-appointed auditors.

 **Onsite Audits:** We facilitated **10+ third-party and client audits across Switzerland, Thailand, Sri Lanka, and India**, reinforcing ethical, social and environmental standards in our supply chain.

Desktop Audits: Over **100 compliance documents** were completed by RICHOLD, covering anti-money laundering policies, supply chain due diligence, codes of conduct, and traceability reports, ensuring adherence to industry regulations and ethical guidelines.

2.2 NEW DUE DILIGENCE PROCESS

In 2024, we **expanded the scope of our Supplier Risk Assessment** to deepen transparency further along our supply chain, — while continuing to align our approach with the OECD Guidelines for Responsible Business Conduct. In previous years, our focus was primarily on ensuring full visibility and control over our direct suppliers — securing mining origin traceability and working exclusively with RJC-certified direct partners.

With these foundations firmly in place, we have now **extended our due diligence to Tier 3 supply-chain activities by implementing a new set of compliance documentation** that we request all our direct partners to complete. This new documentation — composed of the RICHOLD Supplier Code of Conduct, mandatory compliance criteria, and a comprehensive Traceability and Due Diligence questionnaire — must be signed by each supplier. It enables us to

gather structured information on upstream practices, further strengthening the transparency and ethical integrity of our sourcing.

In parallel, the number of direct suppliers has been reduced to approximately 20, allowing for closer interaction and more effective monitoring of their practices.

This broader approach also **supports our clients in meeting their own responsible sourcing commitments**.

IN NUMBERS

100%

of our melee suppliers
are

RJC
CERTIFIED

or undergoing the
(re)certification process

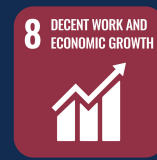
2.3 SYSTEM OF WARRANTIES - WDC

We reinforced our commitment to ethical sourcing by joining the **WDC System of Warranties (SoW)**, a key initiative that **strengthens provenance claims across our supply chain**. This system is built upon the principles of the Kimberley Process, ensuring that our sourcing practices align with internationally recognized standards for conflict-free diamonds.

By joining this initiative, we are adding an additional layer of commitment to our overall chain of custody, reinforcing responsible sourcing practices not only from our suppliers but also extending to our clients.



**WORLD
DIAMOND
COUNCIL**



FOCUS #3

GOVERNANCE

At RICHOLD, we believe that strong governance is fundamental to our sustainability strategy. Our governance structure ensures accountability, ethical leadership, and compliance with evolving ESG standards.

3.1 ESG STRUCTURE

To further integrate sustainability into our corporate strategy, RICHOLD established a new position:



Head of ESG, reporting directly to the top management, ensuring ESG priorities are embedded in every aspect of our business, while fostering alignment and consistency in ESG execution at a global level.

This role also plays a pivotal role in coordinating the local ESG project leaders at the group entity level, ensuring a synchronized and coherent implementation of ESG initiatives across all divisions.

3.1 CYBERSECURITY

Recognizing the growing importance of data security, we implemented key cybersecurity initiatives in 2024, including:



New state-of-the-art network embedding native cybersecurity solutions;

Enhanced security protocols to protect clients and suppliers data;

Regular cybersecurity audits to mitigate risks and reinforce system and data integrity.

By prioritizing digital security, RICHOLD safeguards its operations and maintains client trust.

3.2 HSE COMMITTEE

To perpetuate our approach and involve our staff, we established a Health, Safety, and Environment (HSE) Committee, which:

- Develops and implements industry-aligned **health and safety policies**;
- Conducts **regular HSE risk assessments** to identify and mitigate hazards;
- Provides **ongoing training** for employees on workplace safety and emergency response.

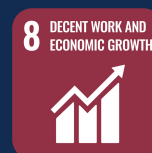
IN NUMBERS

7 members

4 meetings / year

This initiative reflects RICHOLD's ongoing commitment to fostering a safe and healthy work environment.

FOCUS #4 ESG INITIATIVES



Beyond compliance, RICHOLD actively invests in sustainability initiatives that drive positive impact. A structured ESG action plan is currently being developed, laying the foundation for measurable progress to be implemented starting in 2025. While the full plan will unfold over the coming years, several concrete actions have already been initiated during the year:

- GOVERNANCE: Swiss Triple Impact (STI) Program**
We **joined the STI program**, drafting an impact action plan with measurable sustainability goals that will roll out from 2025 onwards.



- SOCIAL: Philanthropic Engagement**

In 2024, **over 1% of our turnover** was dedicated to local charities. In addition, a large number of our employees participated in the Course de l'Escalade in Geneva, in support of the Theodora Foundation — a moment of shared commitment and engagement beyond the workplace.

- ENVIRONNEMENTAL: Energy source and consumption (Geneva HQ)**

In 2024, we transitioned to **100% green energy** (Vital Vert), compared to 10% the previous year. Our electricity consumption also decreased to 28,800 kWh — a 5.28% reduction compared to 2023.

LOOKING AHEAD

As we move into 2025, RICHOLD remains committed to strengthening its sustainability initiatives with clear goals and strategic actions.

We recognize, however, that the current global environment is marked by economic and regulatory uncertainties that may affect the pace of certain large-scale investments. While these external factors may influence the timing of some projects, they will not diminish our commitment to responsible business practices, ethical sourcing, and continuous improvement across our operations.

Our 2025–2028 ESG priorities will be structured into a clear action plan, driven by targeted initiatives and supported by measurable progress tracking. We will focus on:

- 1. Developing Audit Solutions & Support:** by conducting proximity audits and providing audit support to our main suppliers, not only to assess compliance with our ethical sourcing standards, but also to accompany them throughout the improvement process.
- 2. Defining and tracking key performance indicators (KPIs):** establishing clear and measurable performance indicators to set objectives, track progress, and ensure continuous improvement in our ESG initiatives.
- 3. Monitoring and reducing our carbon footprint:** by optimizing stakeholders commuting, minimizing waste, and implementing responsible manufacturing practices.
- 4. Empowering employees through training and engagement:** equipping every team member with the knowledge, tools, and opportunities—such as training and volunteering—to contribute to the company's prosperity while growing both professionally and personally.

We firmly believe that knowing where we want to go is essential — but we also recognize that the solutions and pathways we adopt must remain flexible and responsive to a changing environment.

By setting clear objectives, measuring progress, and staying pragmatic and adaptive, RICHOLD is committed to shaping a more sustainable and responsible future for the industry.



RICHOLD S.A.

10 cours de Rive
1204 Geneva
 SWITZERLAND

 +41 22 731 31 50
 info@richold.com
 www.richold.com

