

SUSTAINABILITY REPORT



2023-24

Shree Optimum Diamond Pvt. Ltd.

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INTRODUCTION

Shree Optimum Diamond Pvt. Ltd. was founded in 2022. Our company is a modern diamond cutting and polishing company, dedicated to delivering superior craftsmanship and high-quality diamonds. Although a young company, Shree Optimum is built on the foundation of industry expertise, leveraging advanced technologies and skilled artisans to create diamonds that meet the highest standards of brilliance and precision. the company has grown from a small-scale operation into a key player in the diamond value chain, serving customers worldwide with the finest quality diamonds.



Vision

To revolutionize the diamond industry through innovation, sustainability, and integrity.

Mission

We're dedicated to delivering top-notch products and services with unwavering integrity and respect for the environment. Our mission is to drive innovation and quality while upholding ethical practices and promoting sustainability. We strive to make a positive impact on our customers, communities, and the planet, ensuring a brighter, more responsible future for all.



Our Board of Directors

Pritish Sanghani

Director & Compliance Manager

Oversees the overall business strategy and operations, ensuring that the company's objectives are achieved. Responsible for managing the day-to-day operations, including production, quality control, and workforce management.

Harshil Shah

Director

In charge of the financial planning, budgeting, and ensuring compliance with financial regulations. Focuses on building the company's brand, driving sales, and establishing strong relationships with key clients.

MESSAGE FROM OUR LEADERS

"We are steadfast in our commitment to ethical practices, ensuring that every step of our value chain reflects our dedication to environmental stewardship and human rights."

"As the Director of Shree Optimum Diamond Pvt. Ltd., I am proud to lead a company where sustainability and ethical business practices are integral to our operations. We are dedicated to minimizing our environmental impact while ensuring that our processes adhere to the highest standards of social responsibility and compliance.

This sustainability report showcases our efforts to create long-term value not only for our business but for the environment and communities we interact with. We continuously strive to innovate and improve our practices, with a vision to build a sustainable future for the diamond industry."

Harshil Shah

Director

Shree Optimum Diamond Pvt. Ltd.

ABOUT REPORT

We are proud to present Shree Optimum Diamond Pvt. Ltd.'s inaugural Sustainability Report, a landmark in our journey toward building a responsible and ethically-driven business. This report reflects our unwavering commitment to integrating Environmental, Social, and Governance (ESG) principles into every aspect of our operations, and it serves as a blueprint for how we intend to drive sustainable progress in the diamond industry.

In developing this report, we have adhered to the Global Reporting Initiative (GRI) standards, providing a transparent and comprehensive overview of our sustainability initiatives. As a company that values innovation and excellence, our approach to sustainability extends beyond compliance—we view it as an opportunity to lead by example. From ethical sourcing and employee welfare to carbon footprint reduction and community engagement, our initiatives are designed to deliver both business growth and positive societal impact.

Our commitment to environmental stewardship is evident in the implementation of our ISO 14001-certified Environmental Management System (EMS). This certification underscores our dedication to systematically managing and reducing our environmental impact while ensuring the highest levels of operational efficiency. As a company at the forefront of the diamond cutting and polishing industry, we are acutely aware of the need to balance our growth with responsible practices.

While this report marks our first formal documentation of sustainability progress, it is far from the final step. We see this as the beginning of an ongoing journey of continuous improvement. By embedding ESG principles into the core of our operations, we are laying the foundation for long-term, sustainable success. Our vision is not just to meet industry standards but to set new benchmarks that inspire others in the sector.

ABOUT REPORT

To ensure that this report adheres to the highest standards of transparency and accountability, we have partnered with RSM Astute Consultech Pvt. Ltd.. Their expertise has been instrumental in guiding the accuracy and rigor of our sustainability reporting, reinforcing our commitment to excellence.

Through this report, we reaffirm our commitment to fostering a business that thrives on responsibility—ensuring that our success is shared with our employees, the environment, and the communities we serve.

Reporting Standard

This report is prepared with reference to the Global Reporting Initiatives standards (GRI)

GRI 1: Foundation 2021,

GRI 2: General Disclosures 2021, and

GRI 3: Material Topics 2021.

Reporting Period

The information, initiatives, and metrics disclosed in this report are for FY 2023-24 i.e., April 1, 2023, to March 31, 2024.

Reporting Boundary

The scope and boundary of reporting consist of the following business operations:

- Katargam, Surat

OUR CERTIFICATION



Global Reporting Initiative (GRI) Standards

We follow GRI standards for transparent and accountable sustainability reporting, ensuring we monitor and improve our environmental, social, and governance (ESG) efforts.



United Nations Global Compact (UNGC)

As a signatory of the UNGC, we adhere to the Ten Principles focused on human rights, labor, environment, and anti-corruption, aligning our operations with global sustainability goals.



Gem & Jewellery Export Promotion Council (GJEPC)

GJEPC certification ensures that we uphold the highest industry standards, promoting ethical business practices in the diamond cutting and polishing sector.



ISO 14001: Environmental Management System (EMS)

ISO 14001 certification highlights our commitment to reducing environmental impact and ensuring compliance with international environmental standards.

STAKEHOLDER ENGAGEMENT

Identification of key stakeholders



Methods of engagement and communication

01 Employee

- Satisfaction Surveys
- Grievance Redressal Mechanisms

02 Suppliers

- Vendor Assessment

03 Customers

- Customer Satisfaction Survey
- E-mail & Conferences
- Website
- Customer Visits and Audits

04 Communities

- Corporate Social Responsibility

05 Government & regulators

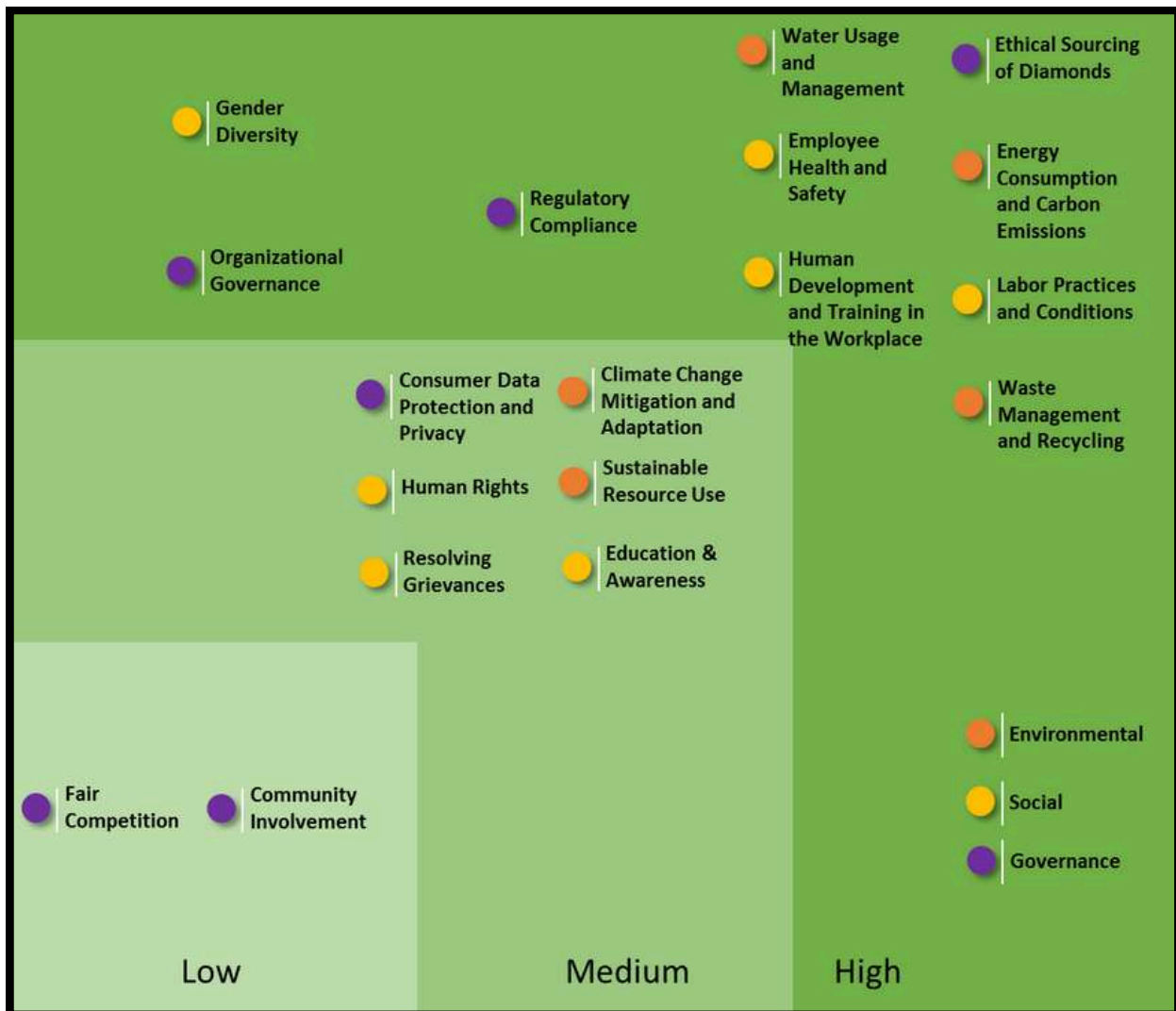
- Statutory Filing

06 Industry Association

- E-mail & Conferences

MATERIALITY ASSESSMENT

To identify the most pertinent issues for reporting, we conducted a materiality assessment following the guidelines of the GRI materiality assessment. It highlights the key issues, stakeholder concerns, business impacts, and priority levels relevant to the company.



ENVIRONMENTAL STEWARDSHIP

Environmental policy and management systems

As part of our commitment to environmental stewardship, our company has implemented a robust Environmental Management System (EMS) in accordance with ISO 14001 standards. The EMS provides a structured approach for managing our environmental responsibilities, ensuring compliance with legal and other requirements, and achieving our environmental objectives.

In 2023, our company achieved ISO 14001 certification for our EMS, demonstrating our commitment to environmental excellence. The certification process involved a thorough review of our environmental policies, procedures, and performance by an independent auditor. This certification not only validates our efforts but also motivates us to continually improve our environmental management practices.

By incorporating an ISO 14001-certified EMS, we ensure that our environmental initiatives are systematic, measurable, and effective. This commitment to environmental management underpins our broader sustainability strategy and supports our goal of minimizing our environmental footprint while contributing positively to the communities and ecosystems in which we operate.

Achievements and Benefits:



ENVIRONMENTAL STEWARDSHIP

Energy consumption and efficiency measures

We recognize the importance of energy efficiency and responsible energy use in its operations. While the company currently relies on non-renewable energy sources, such as electricity from the grid, it is committed to maximizing energy efficiency and minimizing its environmental footprint.

Electricity from the grid is a significant component of Shree Optimum's energy portfolio, powering our operations with a consistent and reliable energy source. We have implemented various energy-saving measures to ensure that this resource is utilized as efficiently as possible.

Through these initiatives, Shree Optimum Company demonstrates its dedication to responsible energy use, contributing to a more sustainable future while maintaining operational excellence.

Electricity consumption

148 MWH

Challenges

Meeting 100% Renewable Energy

Stakeholders

Customers

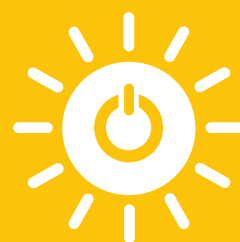
Employees

Company Top Management

Power Distribution Company

SDGs

7 AFFORDABLE AND
CLEAN ENERGY



ENVIRONMENTAL STEWARDSHIP

Water usage and conservation

We recognize water as a vital resource and understand its crucial role in long-term environmental sustainability. Although our operations do not require direct water usage, we ensure access to sanitation and drinking facilities for our employees.

Water consumption

941000 Ltr.

Challenges

Managing peak sanitation water flow during canteen hours

Stakeholders

Employees

Municipal Corporation

SDGs



Waste management and recycling initiatives

We recognize that waste can negatively impact the environment, but it also has the potential to become a valuable resource if circular economy principles are embraced.

Waste generation

4.43 KG

Achievement

We completed waste stream mapping.
Zero hazardous waste generated

Stakeholders

Employees

SDGs



CLIMATE ACTION

Commitment to reducing greenhouse gas emissions

As part of our unwavering commitment to sustainability, we recognize the significant impact of our operations on the environment, particularly in terms of greenhouse gas (GHG) emissions. While we have made notable strides in addressing our direct (Scope 1) and indirect (Scope 2) emissions, the bulk of our carbon footprint lies in Scope 3 emissions

In line with our commitment to carbon neutrality, we have also launched an ambitious tree-planting program to act as a natural carbon offset. By planting trees, we aim to sequester carbon, support biodiversity, and restore natural habitats. This initiative not only helps mitigate our carbon footprint but also reflects our broader dedication to environmental stewardship and the well-being of the planet.

Through these combined efforts, we are working to meet our goal of substantial GHG emission reductions while fostering a more sustainable future for the diamond industry.

Carbon footprint analysis (Scope 1, 2, and 3 emissions)

Diamond cutting and polishing is an energy-intensive process that significantly contributes to greenhouse gas emissions. As sustainability becomes increasingly crucial, Shree optimum is committed to reducing our carbon footprint while maintaining production levels to meet market demand.

Scope 1 (Direct Emissions):

These are emissions from sources owned or controlled by Shree Optimum, such as fuel consumption.

Scope 2 (Indirect Emissions from Energy):

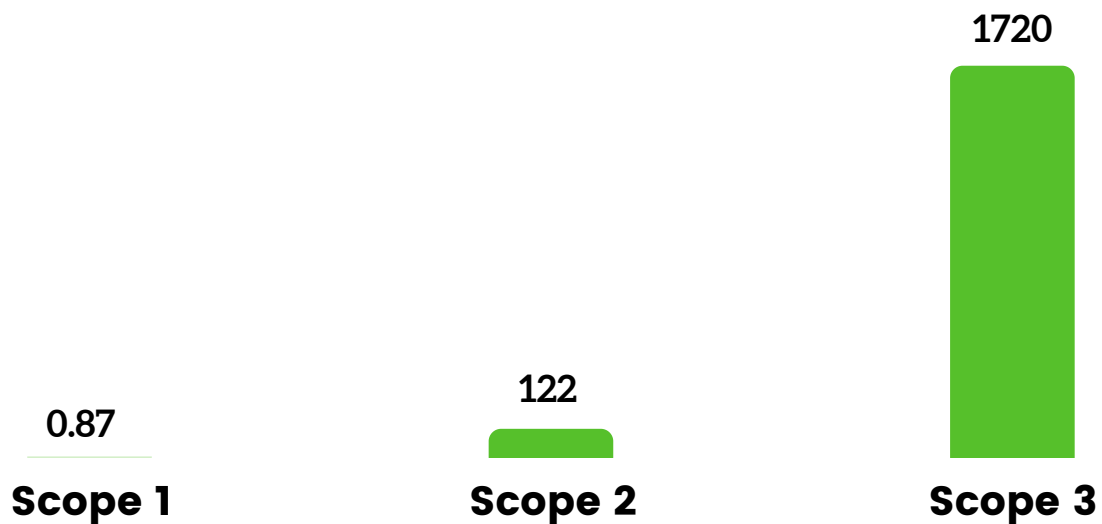
These are emissions from the electricity we purchase to power our operations. Our tracking focuses on understanding the energy requirements of our processes and the associated emissions.

Scope 3 (Other Indirect Emissions):





These emissions cover all other activities along our value chain, including emissions from our suppliers, transportation of goods, and waste management. While these are more complex to track.

Our internal data systems provide the necessary information to track and reduce greenhouse gas emissions. We meticulously monitor and report our direct (Scope 1) and indirect (Scope 2) emissions.

CLIMATE ACTION

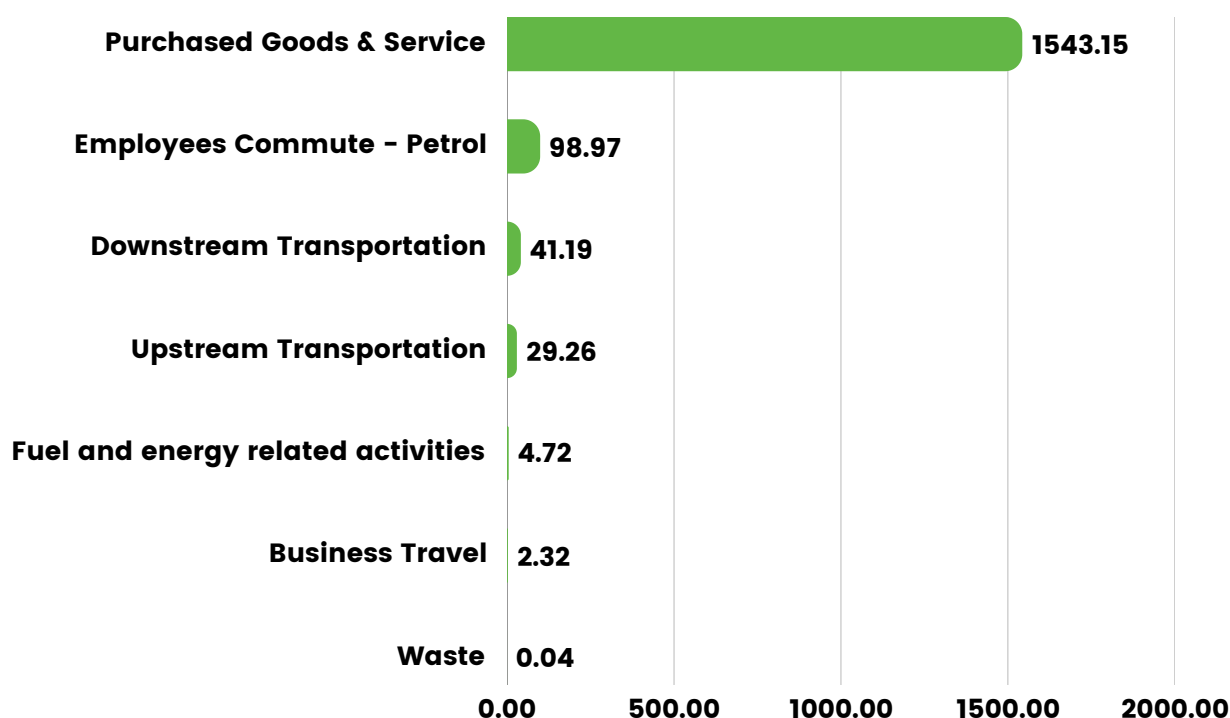


Greenhouse gas emissions due to travelling (tonne CO₂e):

	Auto	0.18
	International (Flight)	1.17
	Taxi	0.02
	Train	0.95

CLIMATE ACTION

The majority of Scope 3 greenhouse gas emissions at Shree Optimum are attributed to the purchased goods and services category, as demonstrated in our scope 3 emissions chart.



Note: Our calculations adhere to the rigorous standards of the Greenhouse Gas Protocol and Global Reporting Initiative. We employ DEFRA-specified emission factors for accuracy and transparency. For Scope 3 emissions, we follow the Greenhouse Gas Protocol's technical guidance and utilize emission factors from DEFRA and CEA.

Climate Risk

Water Availability Risk

Central Ground Water Authority (CGWA) has published area types in Indian cities and classified them as "Safe", "exploited" & "Over Exploited". Surat has been classified as a "Safe" city in terms of groundwater availability.

This indicates that there is no current water-related risk to the city.

CLIMATE ACTION

Government of India

Ministry of Jal Shakti

Department of Water Resources, River Development and Ganga Rejuvenation

Central Ground Water Authority (CGWA)

Application for Issue of NOC to Abstract Ground Water (NOCAP)

List of Non-Notified Areas		
S.No	Sub District	Area Type Category
State: GUJARAT [10]		
District: SURAT		
1	BARDOLI	Safe
2	CHORASI	Safe
3	KAMREJ	Safe
4	MAHUVA	Safe
5	MANDVI	Safe
6	MANGROL	Safe
7	OLPAD	Safe
8	PALSANA	Safe
9	SURATCITY	Safe
10	UMARPADA	Safe

CLIMATE ACTION

Other risks in the Surat as per the report by “Urban Health & Climate Resilience” -

Flooding

- Source: Intense rainfall and rising sea levels.
- Severity: High; results in substantial economic losses and displacement of populations.
- Last Occurred: Major floods in 2019.
- Future Probability: On the rise due to climate change.

Cyclones

- Source: Coastal location.
- Severity: Moderate; damage to infrastructure, economic loss.
- Last Occurred: Cyclone Tauktae, 2021.
- Future Probability: Moderate; increasing intensity.

Heatwaves

- Source: Increasing temperatures.
- Severity: Moderate to High; poses health risks and leads to a surge in energy demand.
- Future Probability: Very high; anticipated to become more intense.

Sea Level Rise

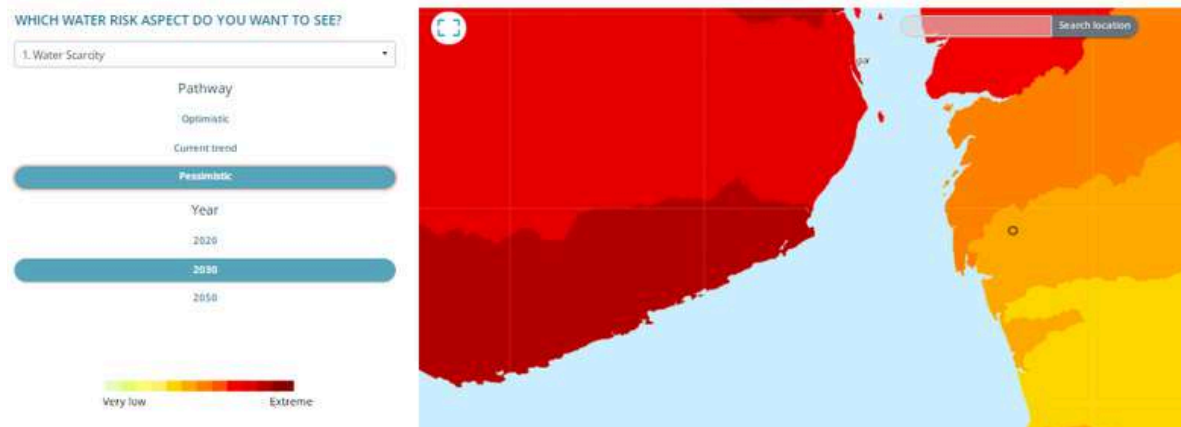
- Source: Global warming.
- Severity: High; long-term risk to coastal areas.
- Future Probability: High; projected continuous rise.

Scenario Analysis

A scenario Assessment has been done for the Water scarcity.

This scenario analysis is based on all the GHG concentration world scenarios i.e. moderate reduction of GHG emissions (RCP2.6 /RCP4.5), intermediate GHG emission levels (RCP4.5/RCP6.0), leading to an increase of global mean surface temperature of approximately 2°C by the end of the 21st century and high GHG emission levels (RCP6.0 /RCP8.5), leading to an increase in global mean surface temperature of approximately 3.5/4°C by the end of the 21st century.

CLIMATE ACTION



Water scarcity Risk: Surat is at risk even less than moderate for the pessimistic pathway. i.e. if the concentration of GHG becomes very high and the concentration of emission is as per (RCP6.0 /RCP8.5). Surat is a safe region even in such high temperature increase scenarios.



There is a high flooding risk at Surat even at the optimistic pathways i.e. maximum temperature rise is limited to 1.5 degrees.

SUPPLY CHAIN MANAGEMENT

Ethical sourcing and procurement

Ethical sourcing and procurement are pillars of our commitment to sustainable and responsible business practices. We ensure that all our raw materials, particularly diamonds, are sourced from suppliers who adhere to strict ethical standards. This involves rigorous vetting processes to confirm that our suppliers uphold human rights, fair labor practices, and environmental sustainability. We prioritize partnerships with suppliers who demonstrate a commitment to ethical conduct and transparency, ensuring that every diamond we procure is mined and traded in ways that respect people and the planet.

Our procurement strategy includes regular audits and assessments of our suppliers to ensure they comply with international labor laws, environmental regulations, and fair trade practices. We engage with local communities and support initiatives that promote social and economic development, ensuring that our supply chain not only minimizes harm but also positively impacts the areas from which we source our materials.

Diamond traceability and certification

In an industry where provenance is crucial, we have implemented advanced traceability systems to ensure the authenticity and origin of our diamonds. Our company employs a robust traceability system to ensure accountability and transparency throughout the diamond manufacturing process, from the receipt of rough diamonds to the final polished product. We utilize two primary software systems: XSS and Diasoft, to manage and monitor the entire workflow.

Inwarding Process: Upon receiving rough diamonds, we register them in the XSS software, where each stone is assigned a unique Mother Number. This Mother Number serves as the key identifier for traceability throughout the production process, ensuring that each diamond can be tracked from the very beginning.

SUPPLY CHAIN MANAGEMENT

Packeting and Barcoding: Before issuing the diamonds for manufacturing, each stone is individually packeted and labeled with a unique barcode. This barcode is traceable throughout the entire process, ensuring that each stone can be tracked independently from start to finish. This step is crucial for maintaining the integrity of the traceability system and ensuring that each diamond's journey is accurately recorded.

Manufacturing Process (Diasoft Integration): The Mother Number generated in XSS is entered into our Diasoft software when issuing goods to the shop floor for manufacturing. The entire production process, from cutting to polishing, is conducted and tracked within the Diasoft system. Every step in the process is recorded and linked to the stone's unique barcode, providing a comprehensive record of each diamond's transformation.

Post-Manufacturing and Final Inwarding: Once the manufacturing process is completed, individual stones—each with its unique barcode—may be consolidated into a single packet while retaining their traceability. The polished diamonds are then re-entered into the XSS system, maintaining their unique identifiers for sale. This final step ensures that each diamond's history is preserved, providing full visibility and accountability from rough to polished.

This traceability system enables us to provide full visibility of each diamond's journey, from rough to polished, ensuring compliance with industry standards and facilitating precise record-keeping for our clients.

Supplier relationship

Building and maintaining strong relationships with our suppliers is integral to our business strategy. We believe in fostering partnerships based on mutual trust, respect, and shared values. Our supplier relationships are built on long-term commitments and collaboration, ensuring consistent quality and ethical standards. We work closely with our suppliers to enhance their sustainability practices and provide support through training and development programs.

SUPPLY CHAIN MANAGEMENT

Our approach includes regular site visits and audits to ensure our suppliers adhere to our strict ethical guidelines. We also engage in open dialogue with our suppliers, encouraging transparency and continuous improvement. By working together, we can address challenges, share best practices, and innovate for a more sustainable future. Our commitment to these relationships ensures that our supply chain remains resilient and aligned with our values.

Conflict free diamond policy

Our conflict-free diamond policy is a testament to our dedication to ethical practices and social responsibility. We are committed to ensuring that none of our diamonds contribute to funding armed conflict or human rights abuses. Our diamonds are sourced from regions compliant with the Kimberley Process Certification Scheme (KPCS), an international initiative designed to prevent the trade in conflict diamonds.

By adhering to the KPCS and other stringent international standards, we guarantee that every diamond we offer is conflict-free. This involves thorough documentation and verification processes to ensure that our diamonds do not originate from conflict zones. We also collaborate with industry partners and stakeholders to promote peace and stability in diamond-producing regions.

Our conflict-free diamond policy provides peace of mind to our customers and contributes to global efforts for a more ethical diamond industry. We believe that by promoting ethical sourcing and transparent practices, we can help create a better future for communities around the world and maintain the trust and confidence of our clients.

SOCIAL RESPONSIBILITY

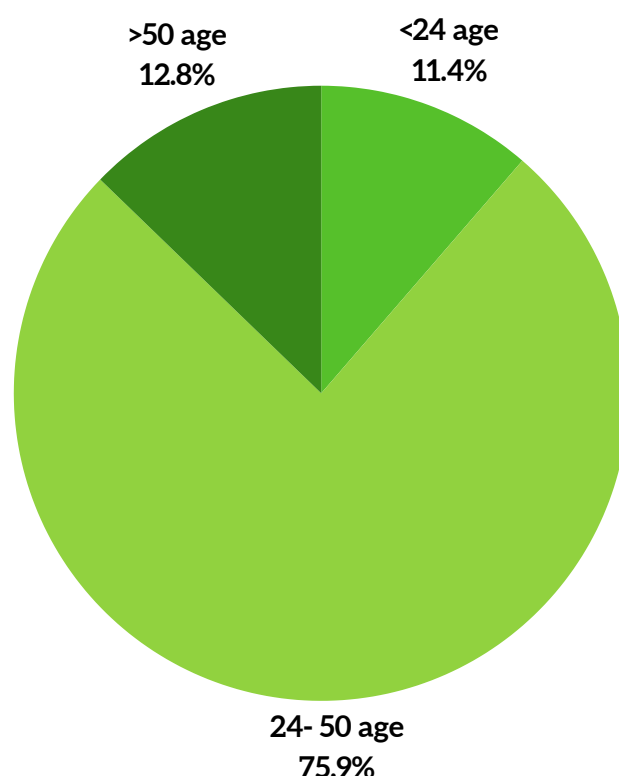
At Shree Optimum, we are committed to fostering a socially responsible and inclusive environment, ensuring that our operations benefit not only our business but also the broader community. We uphold the highest standards in ethical labor practices, community engagement, and social responsibility.

Ethical Labor Practices

We adhere to strict guidelines that ensure responsible business practices throughout the supply chain. This includes our firm stance against forced labor, child labor, and exploitation in any form. We also follow all relevant laws and regulations regarding working conditions, wages, and hours, ensuring fair treatment and respect for every employee. Our operations prioritize dignity and equality, providing a safe and empowering workplace for all.

Diversity, inclusion, and equal opportunity initiatives

We believe in the strength of diversity and are committed to creating an inclusive workplace where individuals from all backgrounds can thrive. We continuously strive to foster a culture of respect and equality. This involves not only ensuring diversity in hiring but also creating opportunities for underrepresented groups and promoting equity at all levels of the organization. Our DEI initiatives extend beyond internal practices, encouraging our suppliers and partners to uphold the same standards.



SOCIAL RESPONSIBILITY

Employee Welfare and Development

At Shree Optimum Diamond Pvt. Ltd., we firmly believe that our success is deeply rooted in the well-being and development of our employees. This belief has driven us to embrace a holistic Environmental, Social, and Governance (ESG) approach that not only nurtures professional growth but also enriches the personal lives of our team members. Our commitment extends beyond the workplace, emphasizing the importance of creating a supportive and enriching environment for both employees and their families.

Holistic Professional Growth

Our dedication to enhancing employee skills and fostering a collaborative work culture has led to the implementation of comprehensive communication training programs. These sessions go beyond basic skill development; they strengthen team dynamics and cultivate a harmonious work environment. By investing in our employees' communication skills, we empower them to collaborate more effectively, fostering an atmosphere of mutual respect and cooperation.

Supporting Families for a Balanced Life

Recognizing the interconnectedness of our employees' personal and professional lives, we have extended our support to their families. This includes offering career counseling sessions for their children, guiding the next generation toward successful futures. By demonstrating our commitment to the overall well-being of our employees and their families, we ensure that our support network reaches beyond the workplace, promoting a healthy work-life balance.

Maintaining a Harassment-Free Workplace

The Internal Complaints Committee (ICC) is an integral part of our commitment to maintaining a harassment-free workplace. Comprising trained members from different levels of the organization, the ICC ensures fair and impartial handling of complaints. The roles of the ICC include:

- **Complaint Handling:** Receiving and investigating complaints of sexual harassment confidentially and sensitively.
- **Mediation and Resolution:** Facilitating mediation between parties when appropriate and recommending disciplinary actions when necessary.
- **Annual Reports:** Preparing annual reports detailing the number of cases received and resolved, which are submitted to relevant authorities as required by law.

SOCIAL RESPONSIBILITY

Celebrating Together as a Family

At Shree Optimum, we take pride in celebrating festivals together, creating a vibrant and inclusive atmosphere. Whether it's Diwali, Holi, or Navratri, we come together to embrace the cultural richness that defines our team. These celebrations are a time of joy and bonding, where employees and their families share in the festive spirit. By fostering a sense of belonging and unity, these collective experiences enhance our workplace culture, making it not just a place to work, but a community where we celebrate life's special moments together.

Grievance Mechanisms

At Shree Optimum Diamond Pvt. Ltd., we believe in maintaining an open and transparent workplace where employees feel empowered to voice their concerns. Our grievance mechanism is designed to provide a clear and confidential process for employees to report any issues or concerns they may have. Key features include:

- **Accessibility:** Employees can submit grievances through various channels, including email, suggestion boxes, and direct communication with HR representatives.
- **Confidentiality:** All grievances are handled with strict confidentiality to protect the privacy of the employee.
- **Timely Resolution:** We are committed to resolving grievances promptly. Our dedicated team investigates each complaint thoroughly and provides feedback to the employee within a specified time frame.
- **Non-Retaliation:** Employees can raise concerns without fear of retaliation. We ensure that no adverse actions are taken against employees for reporting grievances.

POSH Policy

Prevention of Sexual Harassment (POSH) Policy

Shree Optimum Diamond Pvt. Ltd. is dedicated to creating a safe and respectful work environment for all employees. Our POSH policy is in line with the guidelines laid out by the Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013.

Key elements include:

- **Zero Tolerance:** We have a zero-tolerance policy towards any form of sexual harassment at the workplace.
- **Awareness and Training:** Regular training sessions are conducted to educate employees about what constitutes sexual harassment and how to report it.
- **Complaint Mechanism:** A clear procedure is established for reporting incidents. Employees can file complaints directly with the Internal Complaints Committee (ICC).
- **Support and Redressal:** The ICC is responsible for investigating complaints and recommending appropriate action. We ensure that the complainant receives support and protection throughout the process.

SOCIAL RESPONSIBILITY

Fair Compensation

At Shree Optimum Diamond Pvt. Ltd., we believe that fair compensation is fundamental to the well-being and motivation of our employees. We are committed to providing salaries and benefits that not only comply with but exceed the legal requirements set by labour laws. This commitment ensures that our employees are rewarded fairly for their skills, experience, and contributions to the company.

Above Minimum Wage: Our wage structure is designed to ensure that all employees receive salaries significantly higher than the statutory minimum wage. This reflects our dedication to supporting the financial stability and quality of life of our workforce.

Regular Reviews: We conduct regular salary reviews to ensure our compensation packages remain competitive and fair. Adjustments are made to account for inflation, market conditions, and individual performance.

Compliance with Labour Laws

Shree Optimum Diamond Pvt. Ltd. strictly adheres to all relevant labour laws and regulations to ensure the fair treatment and protection of our employees. Our compliance efforts include:

Legal Compliance: We fully comply with national and regional labour laws, including regulations on wages, working hours, and overtime. This compliance ensures that our employees are treated fairly and their rights are protected.

Benefits and Allowances: In addition to competitive salaries, we provide various benefits such as Provident Fund (PF), bonuses, health insurance (mediclaim), and other allowances. These benefits are designed to enhance the overall well-being and security of our employees.

Safe and Healthy Workplace: We are committed to maintaining a safe and healthy working environment. Our health and safety programs are designed to prevent workplace accidents and promote the well-being of our employees.

0

Health Incident

0

Safety Complaints

0

Harassment Incident

SOCIAL RESPONSIBILITY

Human Rights

At Shree Optimum, we are deeply committed to upholding the core principles of human rights, as outlined by the Responsible Jewellery Council (RJC). Our dedication to respecting and protecting the rights of all individuals within our operations is integral to our business philosophy. We have developed a comprehensive human rights management system, aligned with the RJC Code of Practices, which is subject to continuous improvement to ensure its effectiveness.

All employees and contractual workers are provided with regular, in-depth training on human rights, informed by both our Code of Conduct and our overarching human rights policy. This training emphasizes our zero-tolerance stance on any form of discrimination, including but not limited to race, color, gender, age, religion, nationality, or disability. We ensure that all individuals in our operations are treated with equal respect, dignity, and fairness.

Our workplace is designed to be open and inclusive, encouraging employees to voice their views and concerns without fear of retaliation. Although we do not have a formal collective bargaining agreement in place, we fully recognize and respect our workers' rights to engage in dialogue and collective action to address any human rights issues that may arise.

As part of our commitment to ethical business practices, our employees are trained to actively identify and report instances of child labor or forced labor within our supply chain. This vigilance is crucial to ensuring that our supply chain adheres to the highest standards of social responsibility.

Health and safety programs

We are unwavering in our commitment to ensuring zero harm to all employees. Our diamond-cutting and polishing units have consistently maintained a record free from fatalities, underscoring the importance we place on a safe working environment. Health and safety hazards within the workplace are treated as a top priority. We adopt a proactive approach by thoroughly analyzing all significant near misses and accidents, identifying their root causes, and implementing effective mitigation or prevention measures to ensure continuous improvement and safety for our workforce.

SOCIAL RESPONSIBILITY

Training and education opportunities for employees

We recognize that our employees are our most valuable asset. To cultivate a high-performance culture, we are dedicated to nurturing their growth and development. By offering extensive opportunities for learning and career progression, we aim to empower our team with the skills and expertise needed to excel in their roles and drive the company's success. Our business unit has also implemented targeted training sessions for key employees, ensuring that they are well-prepared to meet both current and future challenges.

Our business unit has conducted training sessions for key employees:

Topic	Unit	Value
Induction Training	Employees	141
POSH Training	Employees	108
Mock Drill Training	Employees	141
First Aid Training	Employees	141
Fire Fighting Training	Employees	11
ISO & RJC Audit Training	Employees	141
Chemical Handling Hazardous Training	Employees	10
AML/CFT/Kimberly process, SOW, Disclosure	Employees	141
Anti-Bribery & Facilitation Awareness	Employees	141
Health Safety and Human Rights Training	Employees	141
Soft Skill	Hours	200
Technical Skill	Hours	92
Lean Tools	Hours	84
Quality FTR/ FTA	Hours	84
Safety	Hours	705
ERP Software	Hours	20

GOVERNANCE AND ETHICS

Risk management and compliance

Risk management is a fundamental component of Shree optimum diamond provate limited's governance framework. The company adopts a proactive approach to identifying, assessing, and mitigating potential risks that could impact its operations, reputation, and financial performance.

Risk Type	Risk Assessment	Mitigation	Opportunities
Regulatory Compliance Risk	Non-compliance with local and international regulations, leading to fines or legal actions.	Regular compliance audits and updates to policies. Employee training on legal and regulatory requirements.	Strengthening of the company's reputation for compliance and ethical conduct.
Reputational Risk	Negative publicity due to ethical issues, product quality concerns, or social media backlash.	Strict quality control measures. Transparent and ethical business practices. Active reputation management.	Enhancement of brand loyalty through ethical practices and high-quality standards.
Cyber security Risk	Threats to data security leading to breaches of customer or corporate information.	Implementation of advanced cyber security measures. Regular cyber security audits and employee training.	Building customer trust through strong data protection measures.
Operational Risk	Equipment failure, supply chain disruptions, and accidents in diamond cutting units.	Regular maintenance of machinery. Supplier diversification. Health and safety training.	Investment in technology for predictive maintenance. Develop a risk-resilient supply chain.

GOVERNANCE AND ETHICS

Code of Conduct and ethical guidelines

We adhere to a comprehensive Code of Conduct that sets the standards for ethical behavior, both within our organization and in our interactions with stakeholders. This code emphasizes our commitment to legal compliance, ethical business practices, and respect for human rights.

we are committed to upholding the highest ethical standards in all aspects of our operations. Our Code of Conduct and Ethical Guidelines form the foundation of how we conduct business with integrity, fairness, and respect for all stakeholders. These guidelines ensure that every decision we make aligns with our values of sustainability, social responsibility, and transparency.

Key Topics:

Ethical Marketing

Due Diligence and compliance

Anti Competitive behavior

Political Involvement

Anti-Corruption

Data Privacy and Security

Training and Education

Health and Safety

Ethical Marketing

Shree optimum Diamond Private Limited is committed to upholding the highest ethical standards in all its marketing and promotional activities. Ethical marketing is integral to maintaining the trust and loyalty of customers, enhancing the brand's reputation, and promoting sustainable business practices. Key principles of ethical marketing at Shree Optimum include:

- Truthfulness
- Fair Competition
- Responsible Messaging



GOVERNANCE AND ETHICS

Due Diligence & Compliance

At Shree Optimum, we adhere to all applicable national laws and regulations in alignment with our Code of Conduct (CoC). Every year, our employees and business associates reaffirm their support and commitment to the CoC requirements. We also conduct regular training on key areas such as Human Rights, Anti-corruption, Data Privacy, and Business Ethics to ensure continuous compliance and awareness.

Anti-Competitive Behavior

Shree Optimum strictly complies with the Competition Act 2002, ensuring that neither employees nor members of our governance body engage in anti-competitive practices. To date, we have not faced any violations of this Act, and we aim to maintain this exemplary record for years to come.

Political Involvement

Shree Optimum ensure that none of our activities are perceived as political. We refrain from engaging in or supporting any political agendas, and employees are prohibited from expressing political views on behalf of the company.

Anti-Corruption

We are committed to preventing corruption and bribery in all business proceedings. Shree Optimum ensures that both board members and employees receive training to recognize and prevent corruption, upholding our ethical business standards across all operations.

Data Privacy & Security

The privacy and security of customer and supplier data are of utmost importance to Shree Optimum. We never share such data with third parties, and access is restricted to designated departments for internal training purposes only. All data is retained according to our retention schedule and is securely destroyed at the end of its life cycle. We data security audit to prevent data theft to popular channel like Blocking of USB drive, Whatsapp, Personnel gmail etc.

OUR COMMITMENT TOWARDS UN SDGS

1. No Poverty (SDG 1) – Paving a Path to Prosperity

- **Fair Wages and Ethical Sourcing:** Shree Optimum recognizes that fair wages are the foundation of lifting individuals out of poverty. By ensuring fair pay and ethical sourcing, particularly in regions where diamonds are mined, the company plays a key role in reducing poverty.
- **Supporting Economic Opportunities:** Beyond wages, Shree Optimum contributes to creating sustainable livelihoods, providing economic stability to communities tied to the diamond supply chain. Our actions ensure that prosperity is shared across all levels of our value chain.



2. Zero Hunger (SDG 2) – Nourishing Lives Through Economic Empowerment

- **Economic Empowerment for Food Security:** While we don't operate directly in food production, Shree Optimum understands that economic empowerment helps communities achieve food security. Fair wages allow families to access adequate nutrition, contributing indirectly to eradicating hunger.
- **Community Support Programs:** The company also engages in local community initiatives that contribute to overall well-being, which can help tackle hunger by supporting local economies and livelihoods.

OUR COMMITMENT TOWARDS UN SDGS

3. Good Health and Well-Being (SDG 3) – Prioritizing Wellness for All

- **Zero Harm Policy:** Shree Optimum's commitment to a zero-harm workplace ensures the health and safety of every employee. Rigorous safety protocols, regular health assessments, and continuous monitoring make workplace well-being an integral part of our corporate culture.
- **Work-Life Balance Initiatives:** Employee wellness goes beyond physical safety. The company promotes mental health and well-being through initiatives that focus on creating a balanced and supportive work environment.



4. Quality Education (SDG 4) – Fostering Lifelong Learning

- **Empowering Employees through Learning:** Shree Optimum believes that learning should never stop. By providing ongoing training and development opportunities, the company invests in its employees' growth, equipping them with the skills they need to succeed in an ever-evolving industry.
- **Creating a Knowledge-Driven Culture:** From entry-level workers to senior management, the company fosters a culture of continuous learning, ensuring that every team member is equipped to excel, innovate, and contribute to long-term success.

OUR COMMITMENT TOWARDS UN SDGS

5. Gender Equality (SDG 5) – Leveling the Playing Field

- **Commitment to Diversity:** Gender equality is a key focus for Shree Optimum, where policies ensure that women and men are treated equally, have access to the same opportunities, and can thrive in a workplace free from discrimination.
- **Supporting Female Leadership:** We actively promote the advancement of women into leadership roles, creating a supportive environment where female talent is recognized, nurtured, and empowered.



6. Clean Water and Sanitation (SDG 6) – Safeguarding Vital Resources

- **Efficient Water Use in Operations:** Water is a critical resource, and Shree Optimum ensures its conservation through efficient use and recycling within its diamond processing units. The company adopts measures to minimize water wastage and reduce its impact on local water supplies.
- **Ensuring Safe Disposal:** Responsible disposal of wastewater and harmful chemicals is central to our commitment to protecting local water systems, ensuring clean water for surrounding communities.

OUR COMMITMENT TOWARDS UN SDGS

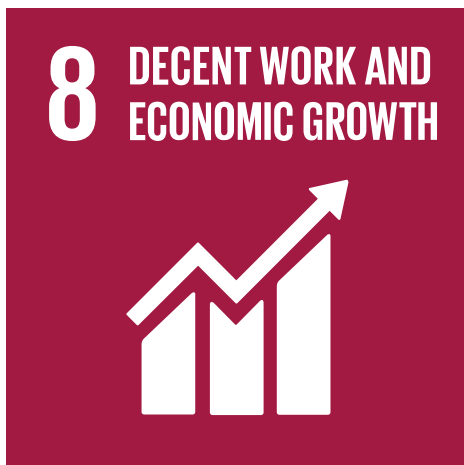
7. Affordable and Clean Energy (SDG 7) – Powering Operations Responsibly

- **Energy-Efficient Operations:** Shree Optimum is committed to reducing its energy consumption through the adoption of energy-efficient technologies. From upgrading machinery to introducing smart energy management systems, the company is actively working to reduce its carbon footprint.
- **LED lighting** is an energy-efficient solution that significantly reduces electricity consumption. This initiative not only lowers energy costs but also contributes to a reduction in greenhouse gas emissions.



8. Decent Work and Economic Growth (SDG 8) – Building Success on a Foundation of Fairness

- **Safe and Fair Workplaces:** Shree Optimum's focus on decent work is reflected in its commitment to fair wages, safe working conditions, and opportunities for professional development. The company contributes to sustained economic growth by fostering a culture of dignity and respect.
- **Contributing to Global Economic Growth:** Beyond local impacts, Shree Optimum's global trade connections support economic growth, both at home and abroad. Ethical business practices and responsible sourcing contribute to the global economy without compromising human rights.



OUR COMMITMENT TOWARDS UN SDGS

9. Industry, Innovation, and Infrastructure (SDG 9) – Innovating for a Sustainable Future

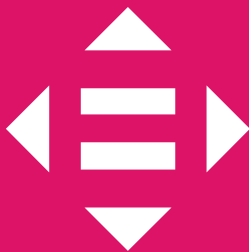
- **Adopting Cutting-Edge Technologies:** The company continuously seeks new technologies to enhance the precision and efficiency of diamond processing. Innovation not only improves product quality but also reduces waste and energy consumption, making the business more sustainable.
- **Building Sustainable Infrastructure:** By investing in advanced facilities and technologies that minimize environmental impact, Shree Optimum contributes to the creation of resilient infrastructure that supports long-term industrial sustainability.

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



10. Reduced Inequalities (SDG 10) – Promoting Fairness Across Borders

10 REDUCED INEQUALITIES



- **Fostering Diversity and Inclusion:** Shree Optimum champions diversity at all levels of the company, ensuring that all employees, regardless of their background, are treated equally. Inclusive hiring and promotion practices ensure that everyone has the opportunity to succeed.
- **Ethical Global Sourcing:** In global supply chains, Shree Optimum prioritizes ethical partnerships with suppliers who share our values, ensuring fair treatment and reducing inequalities at every stage of the diamond supply process.

OUR COMMITMENT TOWARDS UN SDGS

11. Sustainable Cities and Communities (SDG 11) – Building Resilient Communities

- **Community Engagement and Support:** Shree Optimum takes its role in supporting local communities seriously. By providing jobs, supporting local suppliers, and engaging in community projects, the company contributes to the resilience and sustainability of the cities and towns where it operates.
- **Eco-Friendly Practices:** The company minimizes its environmental footprint through sustainable practices, from waste management to resource efficiency, contributing to the broader goal of creating sustainable cities.



12. Responsible Consumption and Production (SDG 12) – Shaping a Sustainable Supply Chain



- **Ethical Sourcing and Responsible Practices:** Shree Optimum ensures that every diamond it works with is ethically sourced, aligning with RJC standards. By focusing on responsible production and waste reduction, the company ensures its products leave a minimal environmental impact.
- **Minimizing Waste:** Through resource optimization and sustainable production practices, Shree Optimum reduces waste and promotes the responsible consumption of raw materials, ensuring that sustainability is embedded in every step of the production process.

OUR COMMITMENT TOWARDS UN SDGS

13. Climate Action (SDG 13) – Responding to the Climate Challenge

- **Commitment to Carbon Reduction:** Shree Optimum is taking active steps to reduce its carbon emissions, including implementing energy-efficient processes, reducing waste, and investing in renewable energy. Addressing Scope 3 emissions through partnerships and innovation forms a core part of our climate strategy.
- **Sustainability Reporting and Accountability:** The company's commitment to transparency is evident in its sustainability reporting, which tracks its progress toward reducing its environmental impact and contributing to global climate action.



14. Life Below Water (SDG 14) – Protecting Marine Ecosystems



- **Preventing Ocean Pollution:** Though not directly tied to marine industries, Shree Optimum understands that responsible waste management on land has a direct impact on marine ecosystems. The company ensures that harmful chemicals and waste from operations do not contaminate local water bodies, protecting marine life.
- **Sustainable Supply Chain:** By sourcing materials responsibly and ensuring environmentally friendly processes, the company indirectly contributes to the preservation of marine ecosystems.

OUR COMMITMENT TOWARDS UN SDGS

15. Life on Land (SDG 15) – Preserving the Planet's Biodiversity

- Promoting Biodiversity through Ethical Sourcing: Shree Optimum ensures that the diamonds it sources do not come at the expense of biodiversity. By working with suppliers who prioritize responsible land use and environmental protection, the company safeguards terrestrial ecosystems.
- Rehabilitation and Restoration Initiatives: The company is also involved in initiatives that support reforestation and land restoration, contributing to the preservation of biodiversity in areas affected by mining or industrial activities.



16. Peace, Justice, and Strong Institutions (SDG 16) – Upholding Integrity in Every Action



- Commitment to Ethical Business Practices: Shree Optimum is dedicated to promoting justice and transparency in its operations. By adhering to anti-corruption policies, respecting human rights, and maintaining transparent business practices, the company helps create a more just and equitable industry.
- Fostering Trust and Accountability: The company builds trust with stakeholders through strict adherence to ethical guidelines and regular audits, ensuring that its operations are transparent, fair, and accountable.

OUR COMMITMENT TOWARDS UN SDGS

17. Partnerships for the Goals (SDG 17) – Collaborating for Global Impact



- **Building Strong Industry Alliances:** Shree Optimum understands that achieving sustainability requires collaboration. By partnering with organizations like the Responsible Jewellery Council, UNGC, and GRI, the company works with global stakeholders to drive meaningful change across the industry.
- **Engaging with Local and Global Communities:** From local partnerships that support community development to global initiatives that promote sustainability, Shree Optimum is committed to fostering partnerships that amplify impact and create lasting change.

PERFORMANCE DATA AND METRICS

KPI Category	KPI	Data / Outcome
Environmental	Energy Consumption (kWh)	148443
	Water Usage (liters)	941000
	Carbon footprint (Tonne CO2e)	1843
Social	Workplace Safety (incidents/1,000 employees)	0
	Employees Trained on Human Rights	141 (100%)
	Inclusivity index (% Women)	11 %
Governance	Data Privacy Incidents (number/year)	0
	Corruption Incidents (number/year)	0
	Bribery reported (number/year)	0

GRI INDEX

Statement of Use	Shree optimum diamond Pvt. Ltd. has reported the information cited in this content index for the period April 2023 to March 2024 with reference to the GRI standards.
GRI Used	GRI 1: Foundation

GRI Standard	Disclosure	Report Section	Mapping to other standard
GRI 2 General Disclosures	2-1 Organizational Details	Introduction	-
	2-2 Entities included in the organization's Sustainability Progress Reporting	About Report	-
	2-3 Reporting period, frequency and contact point	About Report	-
	2-6 Activities, value chain and other business relationships		-
	2-7 Employees	Social Responsibility	SDG 8
	2-9 Governance Structure & Composition	Governance and ethics	SDG 5
	2-29 Approach to stakeholder engagement	About Report	-

GRI 3 Material Topics 2021	3-1 Process to determine material topics	About Report Materiality Assessment	-
	3-2 List of material topics	About Report Materiality Assessment	-
	3-3 Management of material topics	About Report Materiality Assessment	-
GRI 205 Anti-Corruption	205-2 Communication and training about anti-corruption policies and procedures	Social Responsibility	-
	205-3 Confirmed incidents of corruption and actions taken	Social Responsibility	-
GRI 302 Energy 2016	302-1 Energy consumption inside the organization	Environmental Stewardship	SDG 7,8,11,12,13
	302-2 Energy consumption outside of the organization	Environmental Stewardship	SDG 7,8,11,12,13
	302-3 Energy intensity	Environmental Stewardship	SDG 7,8,11,12,13
GRI 302: Energy 2016	302-1 Energy Consumption Within Organization	Environmental Stewardship	SDG 7,8,11,12,13
	302-3 Energy Intensity	Environmental Stewardship	SDG 7,8,11,12,13
GRI 303: Water and Effluents 2018	303-3 Water Withdrawal	Environmental Stewardship	SDG 6,12
	303-4 Water Discharge	Environmental Stewardship	SDG 3,6,8,12
	303-5 Water Consumption	Environmental Stewardship	SDG 6,8,12

GRI 305: Emissions 2016	305-1: Direct (Scope 1) GHG Emissions	Environmental Stewardship	SDG 13
	305-2 Energy indirect (Scope 2) GHG Emissions	Environmental Stewardship	SDG 13
	305-3 Other indirect (Scope 3) emissions	Environmental Stewardship	SDG 13
	305-4 GHG Intensity	Environmental Stewardship	SDG 13
GRI 306: Waste 2020	306-3 Waste Generated	Environmental Stewardship	
	306-4 Waste Diverted From Disposal	Environmental Stewardship	SDG 8,12
	306-5 Waste Diverted To Disposal	Environmental Stewardship	SDG 8,12
GRI 401 Employment 2016	401-1 New Employee Hire and Employee Turnover	Social Responsibility	SDG 5,8,10
	401-3 Parental Leave	Social Responsibility	SDG 5,8
GRI 403 Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Social Responsibility	SDG 8
	403-2 Hazard identification, risk assessment, and incident investigation	Social Responsibility	SDG 3,8
	403-9 Work-related injuries	Social Responsibility	SDG 8
	403-10 Work-related ill health	Social Responsibility	-
GRI 404 Training And Education 2016	404-1 Average Hours of training per year per employee	Social Responsibility	SDG 4, 5, 8
	404-2 Programmes for upgrading employee skills and transition assistance program	Social Responsibility	SDG 8

GLOSSARY

Carbon Footprint: The total amount of greenhouse gases (GHG) emitted directly or indirectly by an organization, event, product, or individual, expressed as a carbon dioxide equivalent (CO₂e).

Carbon Neutrality: Achieving a balance between emitting carbon and absorbing carbon from the atmosphere in carbon sinks, resulting in a net-zero carbon footprint.

Climate Risk: The potential for adverse impacts on the environment, society, and economy caused by climate change and its effects.

Environmental Conservation: Efforts made to protect and preserve the natural environment, including reducing pollution, conserving natural resources, and supporting biodiversity.

Greenhouse Gas Emissions (GHG): The release of gases into the atmosphere that contribute to the greenhouse effect by absorbing infrared radiation, e.g., carbon dioxide (CO₂) and methane (CH₄).

Inclusivity Index: A measure of how inclusive and equitable the work environment is at Hari Krishna Exports, ensuring diversity and equal opportunities for all employees.

Materiality: The process of identifying and prioritizing the most significant environmental, social, and governance (ESG) issues that impact Hari Krishna Exports and its stakeholders.

Scope 1, Scope 2, Scope 3: Different categories of greenhouse gas emissions:

- Scope 1: Direct emissions from owned or controlled sources.
- Scope 2: Indirect emissions from the generation of purchased energy.
- Scope 3: All other indirect emissions that occur in the value chain of the reporting company.

Social Impact: The effect of an organization's activities on the well-being of the community and society, including initiatives for employee wellness and community development.

Sustainable Procurement: The acquisition of goods and services in a way that achieves value for money while ensuring positive social, environmental, and economic impacts throughout the supply chain.

ACKNOWLEDGEMENTS

*We thank you for your continued support
in our sustainability Journey*

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