



WINDIAM   
WE BUILD STRONG RELATIONSHIPS



SUSTAINABILITY REPORT **2024**

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*1.*

FOREWORD  
BY THE MANAGING  
PARTNERS



Since its founding in 1991, Windiam has evolved from a modest business into a globally recognized group headquartered in Antwerp. With a team of over 30 professionals and affiliated operations in Israel, Paris, Italy, and beyond, we have established a strong presence in the diamond industry. Today, we have cemented our position as a leading force in the diamond industry, catering primarily to European markets and prestigious international brands.

Our journey so far is both a testament to our achievements and a call to embrace the challenges ahead. The diamond sector is evolving rapidly, shaped by geopolitical tensions, shifts in supply channels, and changing societal expectations. In particular, the total ban on Russian diamonds in G7 markets, the potential restructuring of De Beers' business model, and the ongoing disruption from lab-grown diamonds require us to adapt swiftly. More than ever, we recognize the importance of moving forward with a broader, more sustainable perspective.

This is why we have embarked on our ESG journey. We believe that this framework will not only accelerate our sustainability efforts but also provide a more structured and impactful approach. It allows us to consolidate our past commitments—traceability, responsible supply chains, and strong governance—into a coherent and future-oriented strategy. Our membership in organizations such as the Responsible Jewellery Council and the Watch & Jewellery Initiative 2030 further strengthens this commitment.

As a dedicated diamond company, we see an opportunity to lead by example, encouraging both our suppliers and clients to join us in enhancing transparency and sustainability across the industry. At the same time, we recognize that our roadmap must be shaped by continuous dialogue with our stakeholders, ensuring that our efforts align with the most relevant and material issues for our business model. We are committed to driving change where we can, according to our 5 clusters: **INSTILLING TRUST, UPHOLDING HUMAN RIGHTS, FOSTERING EQUAL OPPORTUNITIES, CONTRIBUTION TO LIFE and ECONOMIC RELEVANCE.**

We thank our stakeholders for their support. This ESG report is just the beginning, setting the foundation for a responsible and resilient future for Windiam and the industry.

*Gon Raz*  
*Managing Director*

*Alex Jaffe*  
*Partner and Director*

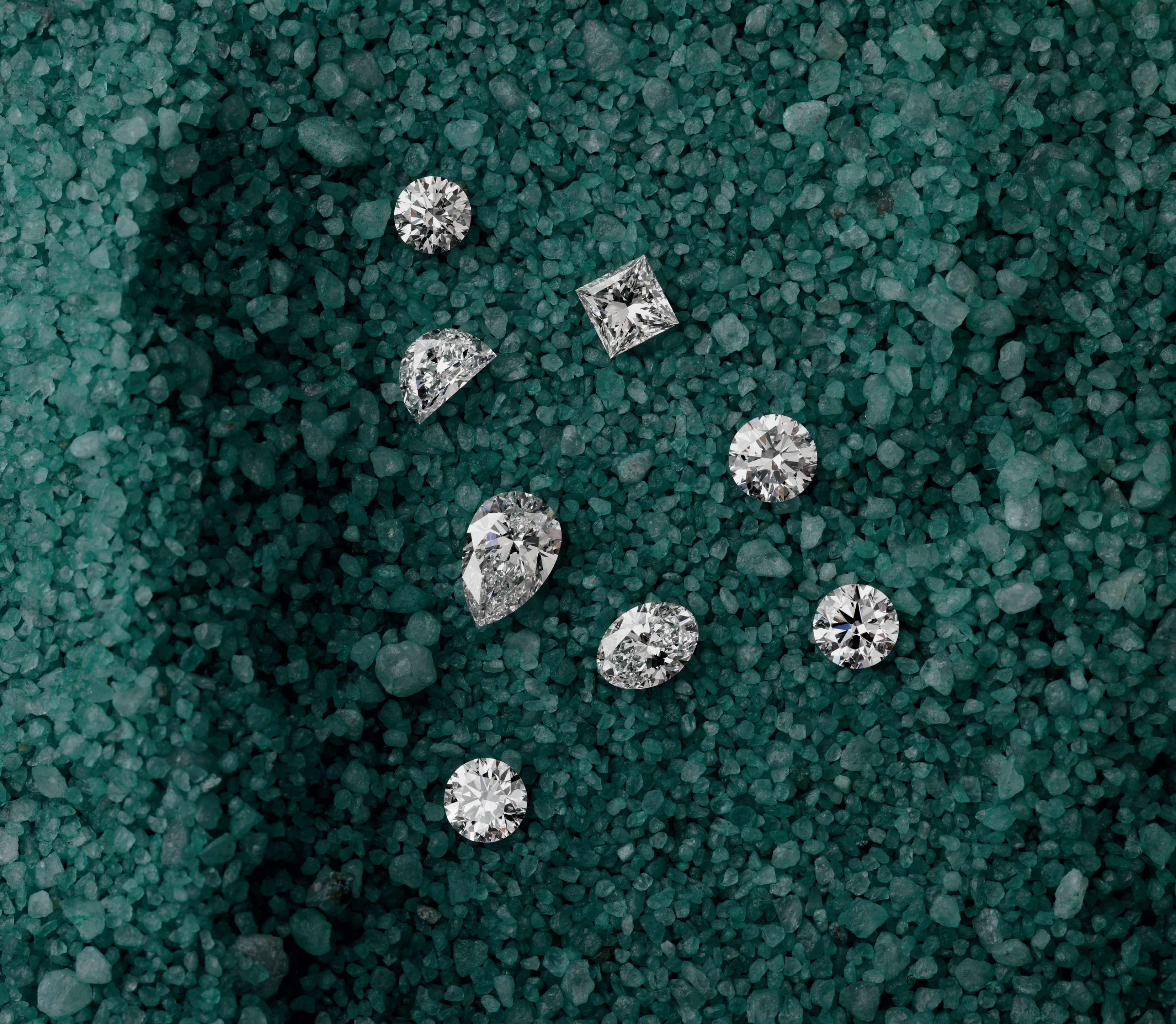


*“Windiam achieved 100% supplier compliance with conflict-free standards in 2024. Our ESG strategy implies full focus on traceability, adhering to the highest governance standards & –over time– participate in a nature regeneration project”*

GON RAZ & ALEX JAFFE, DIRECTORS







2.  
A WORD  
ON WINDIAM



# Our Story

## THREE GENERATIONS OF DETERMINATION

Founded in Israel in 1945, Windiam’s history spans nearly eight decades, intertwining with the evolution of the diamond industry and major global events. What began as a one-man business has grown into a multinational diamond trading company, shaped by three generations of determination, insight, and adaptation to industry shifts.

Windiam’s story starts in an unexpected way —with an orange. In the late 1930s, Gon’s grandfather worked in the orange fields near Netanya, a town about 30 kilometers north of Tel Aviv. While the work was pleasant, he was drawn to an emerging industry that had recently taken root in Tel Aviv: the diamond trade. At that time, Jewish diamantaires from Antwerp were establishing workshops in what was soon to become the state of Israel. Gon’s grandfather found employment as a diamond cutter, gradually honing his craft. In 1945, he founded his own diamond business. A few years later, his son—father of Windiam’s current managing director—joined the business, specializing in non-round diamonds, a niche that set the company apart from the rest of the industry.

When the time came for Gon to enter the family business, his father encouraged him to gain independent experience first. He moved to Antwerp, where he quickly found his footing in the diamond industry. With a natural flair for entrepreneurship, he founded Windiam in 1991—its name a fusion of “winning” and “diamond.”

## EXPANSION AND EVOLUTION

In 1997, Gon partnered with Alex Jaffe, a long-time friend and expert in rough diamonds. Alex brought valuable expertise from his family’s business in rough diamond trading, enabling Windiam to expand its offerings. Realizing the need for growth beyond traditional diamond trading, Gon shifted the company’s focus towards building a robust downstream distribution network.

With a pioneering spirit rare in the traditionally conservative diamond industry, Windiam became a familiar name at international watch and jewelry trade shows. Its presence at Basel (later BaselWorld), as well as at the Antwerp Diamond Pavilions in Hong Kong and Las Vegas, helped build a vast global distribution network.

Between 2000 and 2008, Windiam underwent a phase of rapid international expansion. The company took over its Israel office in 2001 and, in quick succession, established offices in Hong Kong, Thailand, and New York. Each location operated under a model where strong local partners managed sales and operations, while the central office in Antwerp functioned as a service hub. This structure proved to be a powerful driver of global growth.

# Our Story

## STRATEGIC SHIFTS AND ADAPTATION

In 2008, the global financial crisis forced many businesses, including those in the diamond trade, to rethink their strategies. Windiam seized this moment to initiate a restructuring phase and a strategic reorientation. The company gradually shifted its focus from wholesale clients to serving jewelry manufacturers, retailers, and major international brands.

Windiam streamlined its operations, significantly cutting investments in inventory and trade show expenses. The company enhanced its position as a leading diamond supplier in Europe, placing greater emphasis on service quality. Investments in diamond sorting technology and personnel reinforced this transition.

Recognizing the potential impact of lab-grown diamonds early on, Windiam was among the first in the industry to invest in sophisticated detection equipment and establish an in-house gemological department.

## A COMMITMENT TO TRANSPARENCY AND SUSTAINABILITY

As part of its forward-thinking approach, Windiam anticipated the growing demand for enhanced traceability in the diamond supply chain. This led to the creation of the **Windiam Traceability Assurance Platform (WTAP)**. The WTAP is built on a strict and auditable agreement: suppliers must undergo regular audits to verify the provenance of their goods, and Windiam itself allows independent auditors to ensure full traceability back to the source.

Windiam's history is a testament to its adaptability and resilience. With a strong organization, experienced leadership, and a diverse, ambitious team, the company is well-positioned for future growth and to navigate the evolving landscape of the diamond industry.



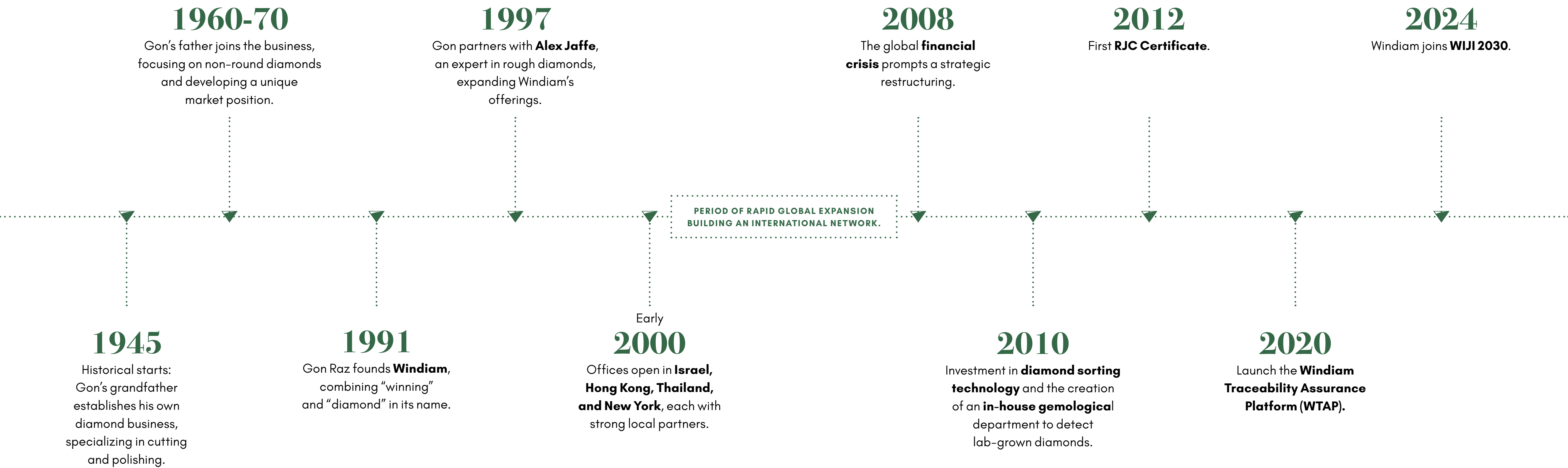
*“Windiam’s history shows a great belief  
in entrepreneurship, in building fantastic teams  
and in re-inventing the company when we need to.”*

GON RAZ & ALEX JAFFE, DIRECTORS





# Windiam Timeline





# Windiam today

## OUR MISSION

Windiam is committed to fostering trust and responsibility within the diamond and jewellery industry by ensuring transparency, ethical sourcing, and sustainability in its operations. The company seeks to align its business model with global sustainability standards while maintaining excellence in diamond trading. Windiam strives to be a leader in responsible supply chain practices, collaborating with industry stakeholders.

### Our Core Values

- 1

**Ethical Business Practices** – As a long-standing member of the Responsible Jewellery Council (RJC), Windiam upholds high standards of governance, human rights, and corporate responsibility.
- 2

**Diversity & Inclusion** – Windiam champions gender equality and non-discrimination, with a workforce that reflects cultural diversity and a commitment to equal opportunities.
- 3

**Environmental Responsibility** – The company follows a structured ESG roadmap, with commitments to climate resilience.
- 4

**Transparency & Traceability** – Windiam is dedicated to ensuring 100% traceability of its diamonds, implementing rigorous due diligence processes and supplier audits to maintain ethical sourcing.
- 5

**Collaboration & Industry Leadership** – The company actively engages in sector-wide initiatives such as the Watch & Jewellery Initiative 2030 (WJI), contributing to industry-wide sustainability and best practices.

Windiam's mission and values collectively reinforce its role as a forward-thinking and responsible diamond trading company, poised to set new standards for ethical business conduct in the industry.

### Our Product

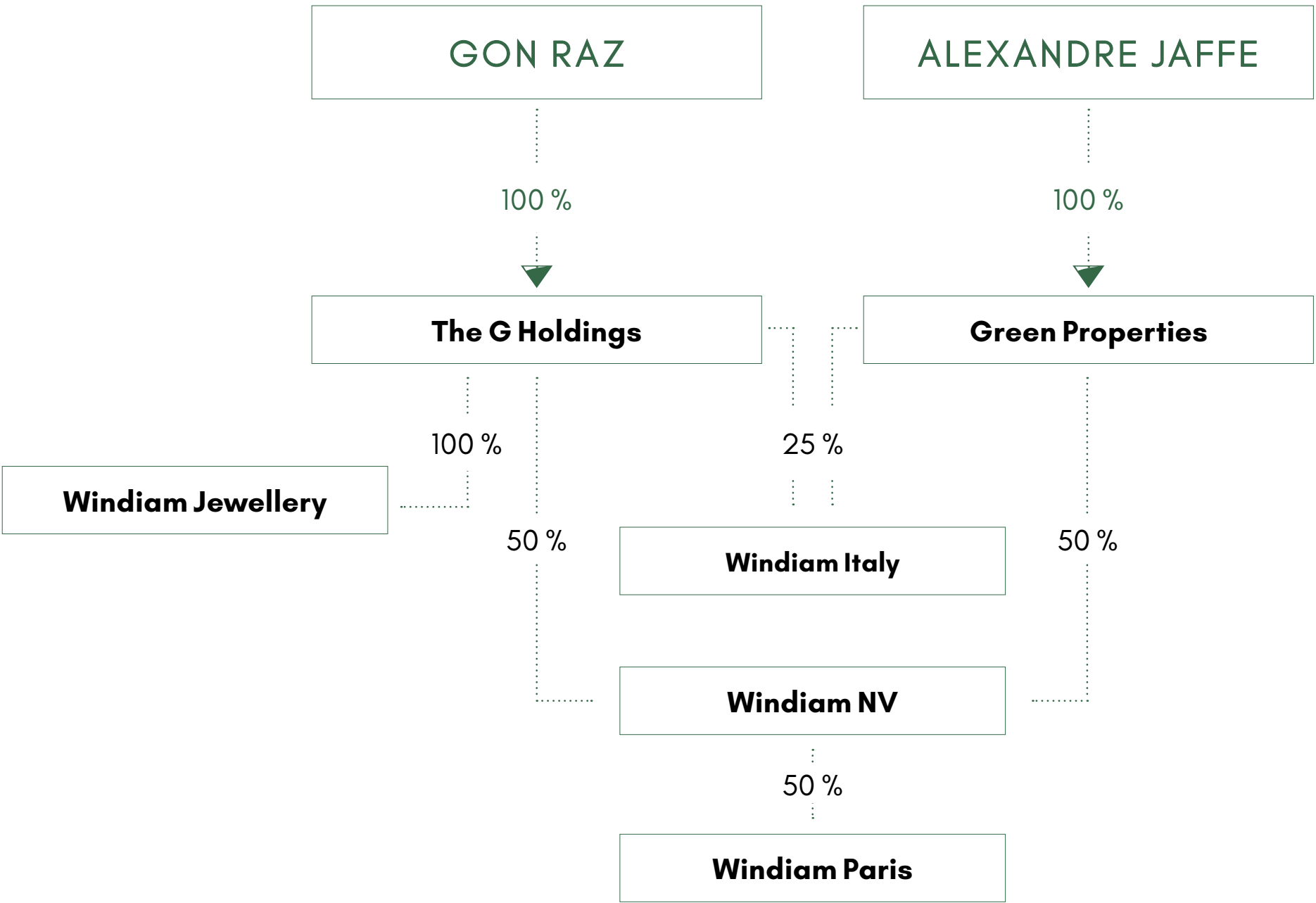
- Windiam offers a broad range of diamonds but is best known for its **perfectly calibrated stones**, particularly in smaller and specialty sizes, making them ideal for watch and jewellery manufacturers.
- In this industry, exceptional service is as crucial as product quality. Windiam has built a **superior service model**, ensuring its diamonds meet the highest standards through top-tier sourcing, precision cutting, meticulous calibration, and expert sorting. For baguettes and fancy cuts, nano-precision is essential, as even the slightest deviation can affect final settings.
- With lab-grown diamonds gaining prominence, ensuring **product integrity** is paramount. Windiam has implemented strict verification protocols and invested in cutting-edge detection equipment to safeguard authenticity, with final checks conducted by specialized labs like GIA, IGI, or HRD when needed.
- Windiam's expertise in **quality, traceability, and responsible sourcing** has far-reaching ESG implications, impacting legal compliance, human rights, product integrity, and consumer trust.

# Windiam today

## Our Corporate Structure

• Windiam’s current corporate structure reflects the significant transformations the company has undergone since its strategic shift in 2008. With only two **Ultimate Beneficial Owners** (UBOs), Gon Raz and Alexandre Jaffe, the company maintains a clear and transparent framework in terms of shareholding, ownership, and governance. As both shareholders/UBOs are actively involved in managing the company—each with a specific focus on his respective product category—this structure ensures maximum transparency, efficient decision-making, and effective representation to external stakeholders such as financial service providers and governmental agencies.

• The Windiam group of companies is centered around **Windiam NV**, equally owned by both shareholders, serving as the central service provider for all other entities within the group. Windiam NV is also the principal shareholder of Windiam Paris, which supplies major brands in Paris with highly selective assortments.



# Windiam today

## Our Company Structure

- With a total headcount of 32 (including management), Windiam NV has one of the highest staff levels in the diamond trading business, reflecting its specialization and high service standards for an international clientele.
- The company operates through two main divisions: the **polished diamond department** and **the rough diamond department**, both supported by a central administrative team and a tailor-made ERP system integrating all operations.
- While both divisions are equally important, the polished diamond department has the larger workforce, given Windiam’s deep expertise in serving the high-end jewellery market.
- Windiam also invests heavily in its **Laboratory Services**, both in skilled personnel and cutting-edge equipment. This department ensures strict quality control—matching diamonds to precise customer requirements—and detects any non-natural stones.

## Windiam Organizational Structure



# Our Sustainability Journey so far

<p>STRENGTHENING COMPLIANCE &amp; GOVERNANCE</p> <ul style="list-style-type: none"><li>▼ <b>Since 2012</b>, Windiam has developed <b>a comprehensive corporate policy framework</b>.</li><li>▼ <b>2022</b>: Launch of the <b>Windiam Policies &amp; Procedures Handbook</b> (25+ policies).</li><li>▼ <b>2024</b>: Appointment of a <b>Compliance Manager</b> to oversee sustainability strategy, reporting &amp; training.</li><li>▼ Integration of compliance &amp; sustainability into corporate strategy.</li><li>▼ Subjected to <b>12+ independent audits</b>, ensuring best-in-class governance.</li></ul>	<p>CERTIFIED MEMBER OF THE RESPONSIBLE JEWELLERY COUNCIL (RJC)</p> <ul style="list-style-type: none"><li>▼ <b>Since 2012</b>, Windiam has been among the pioneering diamond companies in Antwerp to obtain RJC certification.</li><li>▼ Continuous recertifications have made Windiam one of <b>the oldest RJC members</b> in the global diamond trade.</li><li>▼ Proactively extended certification to <b>subsidiaries</b> (Windiam Paris SAS) &amp; <b>suppliers</b> to ensure a chain of trust.</li></ul>	<p>MEMBER OF THE WATCH &amp; JEWELLERY INITIATIVE 2030 (WJI 2030)</p> <ul style="list-style-type: none"><li>▼ <b>2024</b>: Windiam becomes one of the <b>first diamond trading companies</b> to join <b>WJI 2030</b>.</li><li>▼ Commitments in <b>three key areas</b>:<ul style="list-style-type: none"><li>• <b>Climate resilience</b> – Alignment with the SBTi climate targets.</li><li>• <b>Resource preservation</b> – Engaging in sustainable sourcing &amp; packaging.</li><li>• <b>Inclusiveness</b> – Adhering to the Women’s Empowerment Principles (WEPs).</li></ul></li></ul>	<p>MEMBER OF THE WATCH &amp; JEWELLERY INITIATIVE 2030 (WJI 2030)</p> <ul style="list-style-type: none"><li>▼ <b>2024: GHG Emission Measurement &amp; Reduction</b><ul style="list-style-type: none"><li>• Windiam commissioned Greenly to calculate its total carbon footprint (Scopes 1, 2, and 3).</li><li>• Emissions 25% lower than competitors, aligning with sustainability goals.</li><li>• Next step: Developing a SBTi-approved carbon strategy.</li></ul></li><li>▼ <b>Social Impact</b><ul style="list-style-type: none"><li>• Long-standing support for <b>Action in Focus</b> (education, infrastructure, healthcare in Kenya).</li><li>• <b>2024 Goal</b>: Sponsorship of 10 students and funding a borehole project for water access.</li></ul></li></ul>
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*3.*  
ESG STRATEGY  
& ROADMAP



# Our Double Materiality Matrix

WINDIAM DEVELOPED ITS OWN MATERIALITY FRAMEWORK USING A FIVE-STEP PROCESS BASED ON DOUBLE MATERIALITY.



## FIVE-STEP MATERIALITY ASSESSMENT PROCESS



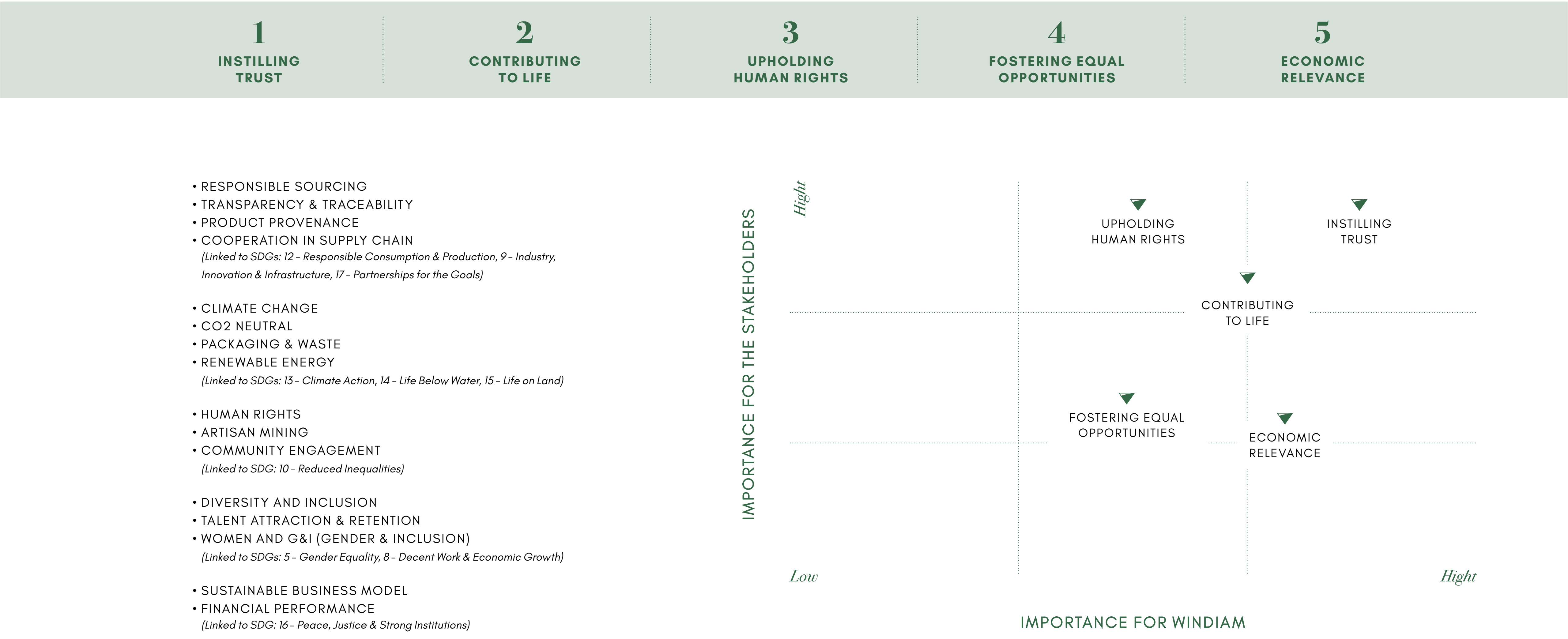
# Our Double Materiality Matrix

STAKEHOLDER ENGAGEMENT HIGHLIGHTS: FOCUS EXTENDED BEYOND SUPPLIERS & CUSTOMERS TO INCLUDE EMPLOYEES, FINANCIAL INSTITUTIONS & NGOS.

STAKEHOLDER GROUP	ENGAGEMENT CHANNELS	FREQUENCY	ESG ASPECTS DISCUSSED
EMPLOYEES & MANAGEMENT	Induction programmes	At introduction	Work conditions
	Yearly performance review meetings	Yearly	Good governance
	Compliance training sessions	Yearly or before one of 6 yearly audits	Handbook Policies and Procedures Windman
	Open-door policy	Open space work environment facilitates discussions & interactions	Day-to-day issues
	Internal Grievance & Complaint Mechanism	Open to all at all times	Issues as they arise
CUSTOMERS	Frequent interactions one-on-one	Almost daily e-interaction, yearly visits to platform	Traceability, origin and naturality
	Company website	Permanent	Information on all ESG aspects/Policies/verify Sustainability & Governance
	External Grievance & Complaint Mechanism	Permanently accessible through website	Issues as they arise
	Meetings at trade shows	Yearly to bi-yearly (frequency much reduced)	Issues as they arise
	Windiam Newsletter	Monthly	All ESG subjects
SUPPLIERS	Regular interactions	Almost daily e-interaction. Half-yearly, annual and/or demand-based formal meetings	Open discussions on ESG aspects focused on supply chain, traceability & integration issues
	Supply Chain Due Diligence programme	Yearly check	EDD (Vendor supply chain due diligence for CAH&SA)
	Windiam ESG Report	Annually	All ESG subjects
INDUSTRY ASSOCIATIONS	Meetings, emails and other correspondence	As need arises	Legal, Sanctions related, Transparency, traceability & governance issues
	Conferences	Several times a year (trade shows, country per country events...)	Compliance issues, CSRDD, ESG progress etc.
	Association courses and initiatives	In initiatives setlist, CSRD and WPP	Supply Chain Due Diligence
FINANCIAL SERVICES	One-to-one meetings	Annual, half-yearly, quarterly and demand-based	Financial and non-financial performance
	Financial results communication	Yearly	National and international compliance issues
	Non-financial results communication	Yearly	Overall Compliance Issues
GOVERNMENTAL AGENCIES & NGOS	Meetings, emails and other correspondence	As need arises	Overall Compliance Issues

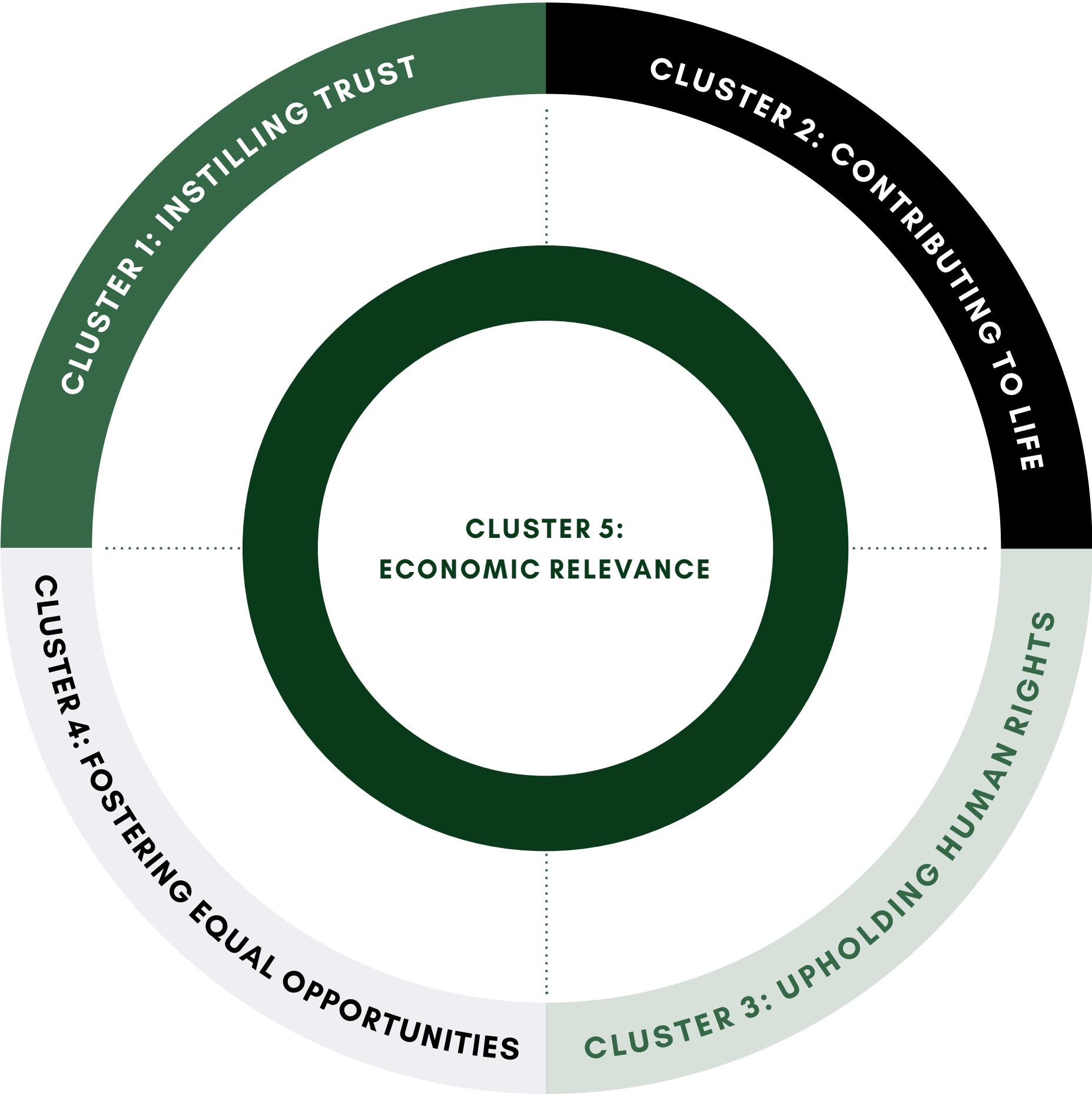
# Our Double Materiality Matrix

WE DESIGNED 5 CLUSTERS. EACH CLUSTER IS ACTIONABLE, MEASURABLE THROUGH KPIS, AND ALIGNED WITH THE UN SDGS.





# Our Roadmap



- CLUSTER 1:**

  - RESPONSIBLE SOURCING
  - TRANSPARENCY & TRACEABILITY
  - PRODUCT PROVENANCE
  - COOPERATION IN SUPPLY CHAIN
- CLUSTER 2:**

  - CLIMATE CHANGE
  - CO2 NEUTRALITY
  - PACKAGING & WASTE RENEWABLE ENERGY
- CLUSTER 3:**

  - HUMAN RIGHTS
  - ARTISANAL MINING
  - COMMUNITY ENGAGEMENT
- CLUSTER 4:**

  - DIVERSITY & INCLUSION
  - TALENT ATTRACTION & RETENTION
  - WOMEN AND GIRLS
- CLUSTER 5:**

  - SUSTAINABLE BUSINESS MODEL
  - FINANCIAL PERFORMANCE





CLUSTER *1.*



# Cluster 1: Instilling trust

## OUR COMMITMENT:

WINDIAM is dedicated to fostering trust and confidence in the integrity of its supply chain. As a mid-segment, independent diamond trader (TIER 2) without direct mine access, it relies on strong supplier relationships and its significant buying power in the secondary market. WINDIAM aims to use this position to enhance supply chain integrity, setting objectives and KPIs aligned with this commitment.

## MAIN TOPIC 1: RESPONSIBLE SOURCING

### *Our Commitment:*

- WINDIAM dedicates all available resources to ensuring a **100% responsible supply chain**, building trust and integrity while protecting reputations and strengthening stakeholder relationships. The company follows the **OECD Due Diligence Guidance for Responsible Sourcing**, using its 5-step process to assess and mitigate human rights risks across its supply chain.
- Already integrated into WINDIAM's operations through its RJC Certification, this methodology is supported by a clear Supply Chain Policy, structured procedures, and an effective supply chain management system.
- WINDIAM's ESG strategy defines Key Performance Indicators (KPIs) to create a measurable path toward achieving its goals. This approach enables the company to track progress, identify potential gaps, and take additional steps to continuously improve responsible sourcing practices.

*“I cannot stress enough that transparency is vital for ensuring ethical sourcing within our industry. It is simple; without transparency, there is no accountability.”*

GON RAZ, DIRECTOR



KPI1:  
MAXIMIZING OUR RJC CERTIFIED SUPPLIER BASIS

- The Responsible Jewellery Council (RJC) is the leading sustainability standard in the diamond and jewellery supply chain. Its **Code of Practice 7** (COP 7) establishes a credible and auditable framework for due diligence in responsible sourcing, ensuring compliance through independent third-party audits. RJC certification serves as a key benchmark for supplier quality.
- Since 2021, WINDIAM has actively promoted RJC membership among its key suppliers of rough and polished diamonds. Through awareness campaigns and personalized one-on-one engagements, it has educated suppliers on the benefits and requirements of certification. This initiative has significantly increased the number of RJC Certified suppliers, though WINDIAM recognizes that further progress is necessary.

REALISTIC OBJECTIVES FOR SUPPLIER CERTIFICATION

- WINDIAM has successfully convinced its most critical suppliers (following the 20/80 rule) to become RJC Certified Members, largely due to the certification’s importance in their customer mix.
- Given the slow adaptation of many diamond companies to sustainability and compliance standards, WINDIAM anticipates a gradual but steady increase in certification among less critical suppliers over the next three years.
- While achieving 100% RJC certification among suppliers is unrealistic due to business constraints, WINDIAM remains committed to balancing sustainability with commercial objectives. Its measurable approach allows for adjustments over time if supplier engagement improves.


BASELINE FIGURES (2024): Share of RJC certified suppliers



TARGET FIGURES (2025-2027): Share of RJC certified supplier







*“Enhanced due diligence allows us to identify  
& assess potential risks throughout our supply chain.  
This proactive approach helps mitigate risks  
before they escalate into significant issues.”*

DIMITRI ROZENBAUM, MANAGING PARTNER



KPI2:  
ENHANCED SUPPLY CHAIN DUE DILIGENCE (SCDD)

WINDIAM initiated its Supply Chain Due Diligence (SCDD) in 2021 as part of its RJC Certification, following the OECD 5-step Framework for responsible sourcing from conflict-affected and high-risk areas (CAHRAs). A third-party audit in January 2022 confirmed compliance with no non-conformances under COP 7. While strong foundations are in place, WINDIAM aims to strengthen risk identification and assessment (Step 2) by refining its Supply Chain Due Diligence Questionnaire.

Key challenges identified include:

- **Lack of awareness:** Many suppliers are unfamiliar with the OECD framework and its implications.
- **Limited certification:** Many suppliers lack RJC or equivalent certification, making it difficult to verify their policies and management systems.
- **Reluctance to share origin data:** Due to the confidential and competitive nature of the diamond industry, suppliers often withhold or approximate information on the origin of rough and polished diamonds.

BASELINE FIGURES (2022-2024): Returned SCDD Reports



WINDIAM acknowledges these challenges and seeks to enhance supplier awareness and data transparency while maintaining a realistic approach to industry limitations.

With these learnings in mind – which we believe are typical for any player in the mid-segment like Windiam– we decided to split KPI2 in a number of sub-goals:

KPI 2A: COMPLETE RETURNS ON SUPPLY CHAIN DUE DILIGENCE (SCDD) REPORTS

- WINDIAM aims for full compliance in SCDD reporting, ensuring **100% of suppliers submit reports**, including all new contracted suppliers. Significant progress has been made over the past three years, but **18% of suppliers remain unresponsive**, posing a challenge.
- Moving forward, WINDIAM will focus on engaging reluctant suppliers while considering difficult decisions regarding uncooperative ones. Once this target is met, maintaining compliance will be easier with a core of trustworthy, compliance-oriented suppliers.

TARGET FIGURES (2025-2027): Returned SCDD Reports





KPI 2B: ASSESS THE QUALITY OF THE SUPPLY CHAIN DUE DILIGENCE REPORTS

WINDIAM has focused on collecting SCDD reports and identifying potential red flags, though none have been raised so far. Now, the company is ready to assess the quality of supplier responses to ensure accuracy and reliability. To achieve this, WINDIAM has developed a roadmap that will be implemented starting early 2025.

Roadmap steps to quality assessment of scdd information

The roadmap aims to categorise all suppliers into 3 different categories.



1. Low Risk Suppliers

Suppliers with RJC or similar certifications (24.9% of total suppliers) will be categorized as low risk. Their only ongoing task will be to maintain their certification status. If certification lapses, they will be moved to the Medium Risk category.

2. Medium Risk Suppliers

These suppliers haven't undergone an independent third-party audit. Windiam will first prioritize suppliers from countries with a Corruption Perceptions Index (CPI) below 40. The assessment will include:

- Invoice analysis to compare declared origins with SCDD report information.
- Direct interviews to discuss issues and help suppliers align with Windiam's policies (e.g., Human Rights and OECD Due Diligence).

Suppliers who do not cooperate or meet standards will be moved to High Risk, while satisfactory suppliers will be moved to Low Risk.

3. High Risk Suppliers

These fall into three categories:

1. Non-respondents (18% of suppliers).
2. Non-cooperative Medium Risk suppliers.
3. Medium Risk suppliers who fail to meet expectations after an assessment. High-risk suppliers will be reviewed at the annual sustainability meeting where management will take the necessary actions.

TARGET FIGURES (2025-2027): Supplier risk rating



Starting with 25% low-risk suppliers at the end of 2024, WINDIAM aims to achieve at least 30% low-risk suppliers by the end of Year 1 of the 3-year plan and 60% by 2027.

This KPI involves three key measurements:

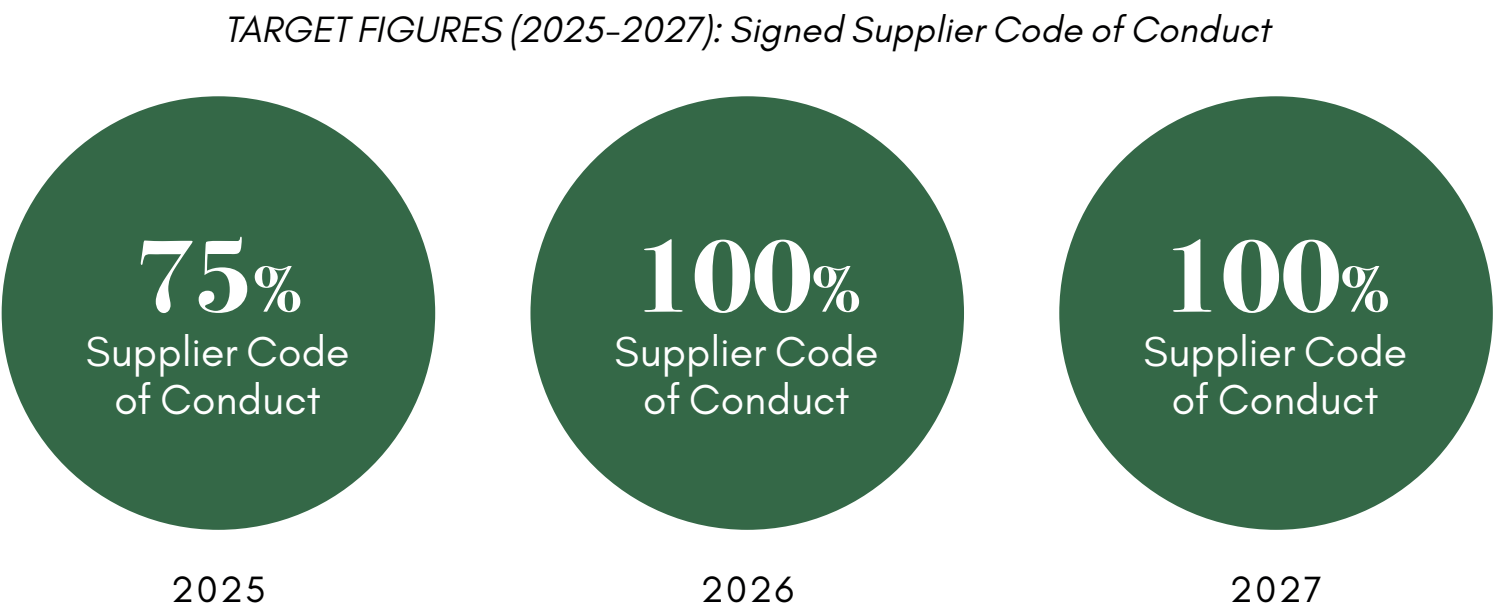
1. The migration of medium-risk suppliers to the low-risk category.
2. The migration of high-risk suppliers to other categories or termination of cooperation.
3. The overall reduction in high-risk suppliers.



KPI3:  
SUPPLIERS AGREEING TO WINDIAM’S SUPPLIER CODE OF CONDUCT

Historically, the diamond industry relied on the reputation of suppliers and small, community-based businesses to build trust. Despite this, the sector faced crises related to human rights, money laundering, and synthetic diamond integrity.

To mitigate these risks, Windiam will introduce a Supplier Code of Conduct in 2025, which all suppliers must sign. Windiam aims to achieve 100% supplier compliance by the second year of implementation and maintain this standard going forward.



The **Windiam Supplier Code of Conduct** sets forth ethical and operational standards for suppliers in the diamond industry, covering the following key areas:

- **Ethical Standards:** Suppliers must uphold integrity, honesty, fairness, and compliance with applicable laws.
- **Human Rights:** Suppliers must respect human rights, prohibit child labor and forced labor, and treat all employees with dignity.
- **Health and Safety:** Suppliers must ensure a safe and healthy work environment, implement safety protocols, and provide necessary personal protective equipment (PPE).
- **Environmental Responsibility:** Suppliers must minimize environmental impact and adopt sustainable practices, continuously improving their environmental performance.
- **Fair Labor Practices:** Suppliers must respect workers' rights to organize, provide fair wages, ensure reasonable working hours, and promote non-discriminatory practices.
- **Anti-Corruption Measures:** Zero tolerance for bribery, corruption, and unethical behavior, ensuring transparency and avoiding conflicts of interest.
- **Supply Chain Transparency:** Suppliers must disclose information about their supply chains, ensuring materials are ethically sourced and do not contribute to conflict or human rights abuses.
- **Grievance Mechanism:** Suppliers must establish processes for workers and stakeholders to report concerns confidentially, addressing them without retaliation.
- **Compliance and Monitoring:** Suppliers must comply with the Code and allow for audits to verify adherence.
- **Commitment to Continuous Improvement:** Suppliers should actively seek ways to improve their practices in alignment with ethical sourcing standards.

Windiam aims for **100% compliance** with this Code by the second year of implementation.



MAIN TOPIC 2: TRANSPARENCY & TRACEABILITY

*Our Commitment:*

- Windiam is addressing the growing importance of traceability in the diamond industry, driven by geopolitical tensions and regulatory pressures. The company has formed a **long-term partnership with Trau Bros NV**, ensuring access to high-quality diamonds from De Beers’ mines, with a focus on sustainable and traceable sourcing. Windiam is committed to achieving **100% transparency** by linking diamonds to their country of origin and excluding countries with human rights concerns from its supply list.
- To ensure full traceability, Windiam has created **the Windiam Traceability Assurance Platform (WTAP)**, which requires suppliers to guarantee traceability and undergo regular independent audits. These audits are unannounced and occur every 2-3 months or at least annually. Suppliers with negative audit results may be removed from the platform. Windiam itself will also undergo annual audits and publicly report on its performance and that of its suppliers, setting a new standard of transparency in the industry.



*“Windiam is writing a new chapter in diamond traceability that is absolutely unique for a company it’s size in the diamond trading segment.”*

DIMITRI ROZENBAUM, MANAGING PARTNER

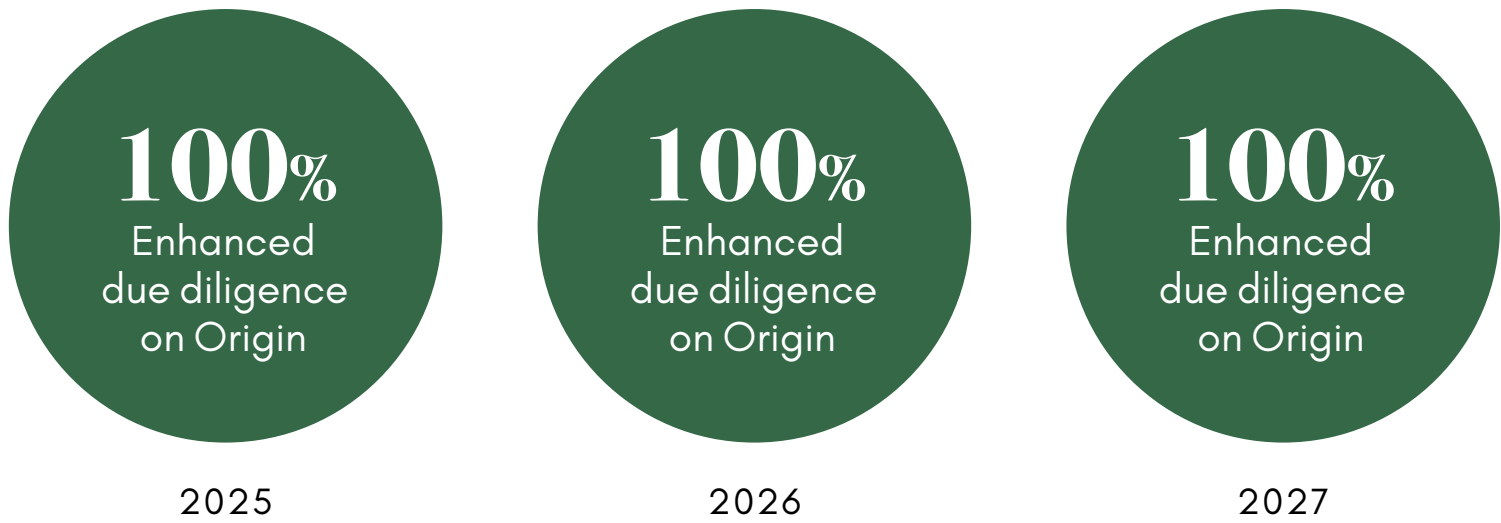




KPI1:  
ENHANCED DUE DILIGENCE ON DIAMOND ORIGIN

- To address evolving rules on diamond provenance and origin claims, Windiam implemented an enhanced **due diligence check on diamond origin** starting January 2023. This measure requires suppliers to sign a document for each order, confirming the countries of origin and manufacturing. This declaration provides auditable proof of origin and is a key document for processing supplier invoices.
- The system underwent testing and evaluation before being fully rolled out across the company in 2024. By the end of the year, 82% of all orders were traceable to their origin using this system.
- The company aims to reach **100% traceability** in the next three years, with specific targets in place to close the gap.

TARGET FIGURES (2025-2027)



KPI2:  
INTERNAL AUDIT SYSTEM

- To ensure continuous monitoring of traceability performance, Windiam has created an **internal Compliance Auditor** role. The Internal Auditor will conduct biannual assessments, randomly reviewing invoices and verifying data in the ERP system, ensuring that all entries align with enhanced due diligence documentation. The goal is 100% traceability for each invoice.
- An internal report with key findings will be presented to management at the annual **Sustainability and Compliance meeting**, where decisions will be made to improve or maintain audit results. To strengthen traceability, the Internal Audit function will progressively increase the number of invoices checked, allowing for the establishment of key performance indicators (KPIs) to measure progress.

TARGET FIGURES (2025-2027)





MAIN TOPIC 3: COOPERATION IN THE SUPPLY CHAIN & COMPLIANCE

*Our Commitment:*

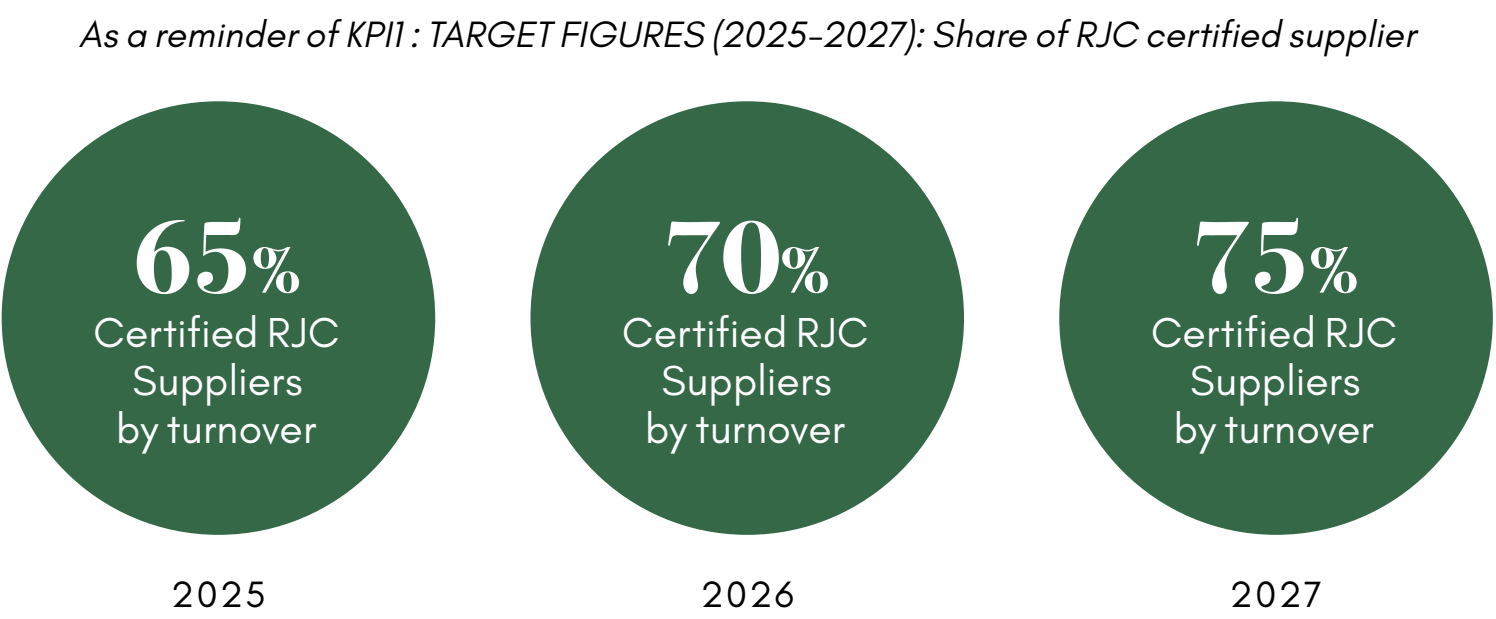
• Windiam is committed to collaborating with key players in the diamond and jewelry industry to build trust in the supply chain. Traditionally, the industry has been competitive and individualistic, with cooperation typically occurring during crises or regulatory shifts. However, due to global challenges in climate, social issues, and governance, Windiam recognizes that it can no longer operate effectively in isolation. By increasing cooperation with relevant stakeholders, Windiam aims to leverage collective expertise and address complex global challenges that no single company can solve alone.





THE RESPONSIBLE JEWELLERY COUNCIL (RJC):

The Responsible Jewellery Council (RJC) has **1,900 active members**, with about **1,600 certified members** who undergo a third-party audit every three years. This makes the RJC a reliable and sustainable organization in the diamond and jewelry sector. Windiam has been a part of the RJC since 2012, being one of the first 300 companies to join. It has followed RJC’s progress through various certifications and will undergo its fourth recertification in 2025. Being RJC certified offers Windiam benefits such as increased credibility, better market access, regulatory compliance assurance, a framework for continuous improvement, and valuable networking. Windiam has encouraged its suppliers to become RJC certified, formalizing its commitment with quantified objectives under its KPI 1.



WATCH & JEWELLERY  
INITIATIVE 2030

WATCH & JEWELLERY INITIATIVE (WJI 2030):

The Watch & Jewellery Initiative (WJI 2030), founded by Kering and Cartier, brings together companies, civil society, academia, and experts to drive responsibility and change in the industry. Windiam joined in January 2024. The initiative focuses on three key sustainability pillars:

- 1. Building Climate Resilience:** Windiam must identify its baseline greenhouse gas emissions within 12 months of membership and develop a roadmap to meet Science-Based Targets (SBTi) commitments within 24 months.
- 2. Preserving Resources:** Windiam is required to set a roadmap for nature sustainability and monitor resource usage, aiming for responsible resource management within 12 months.
- 3. Fostering Inclusiveness:** Windiam must develop a human rights policy, conduct due diligence aligned with UN and OECD guidelines, and commit to the Women's Empowerment Principles (WEPs) within 12 months. The company must also promote decent working conditions and human rights in its operations and supply chains.

Windiam acknowledges the significant effort required to meet these commitments but views it as an opportunity for growth and industry leadership. Despite challenges, particularly in influencing emissions or resources in the diamond sector, Windiam is committed to advancing sustainability and positioning itself as a responsible leader in the industry.



*“WJI 2030 isn't just a vision; it's a collaborative movement where companies come together to innovate & drive positive change.”*

GON RAZ, DIRECTOR







## CLUSTER *2.*



# Cluster 2: Upholding human rights

## OUR COMMITMENT:

Human rights are a fundamental concern for all businesses, regardless of their size, sector, or geographic location. At Windiam, we recognize that the diamond industry has a particular responsibility to uphold human rights. Windiam operates under strict Belgian labor laws and provides above-average employee benefits. However, evolving European regulations require broader corporate responsibility across the supply chain, particularly in human rights. Windiam acknowledges its industry’s responsibility and is committed to ethical practices, building on progress since the Kimberley Process Certification Scheme (2003).

## HUMAN RIGHTS

<i>Social, cultural &amp; economic rights</i>	<i>Labour rights</i>	<i>Civil &amp; political rights</i>
The right to participate in cultural activities, the right to food, the right to clean drinking water & sanitation & the right to education;	The right to freedom of association & effective recognition of the right to collective bargaining, & freedom from forced labor, child labour & discrimination;	The right to life & liberty, freedom of expression, and equality before the law. While some of these human rights might sound abstract from a business perspective, they are often the underlying rationale for a company’s policies & procedures.

The company upholds fundamental human rights, including social, labor, and civil rights, through established policies such as:

- Human Rights & Due Diligence Policy
- Child & Forced Labour Policies
- Freedom of Association & Collective Bargaining Policy
- Non-Discrimination Policy
- Kimberley Process (KP) Policy

These policies are enforced internally and verified by third-party audits (RJC). Windiam also publicly reports on its human rights initiatives and seeks to influence stakeholders to strengthen ethical practices across the supply chain. As such, one of the main tasks for Windiam in this field is to use its influence to further contribute to uphold Human Rights efforts with its other stakeholders.e ethical practices throughout the industry.

## MAIN TOPIC 1: RESPONSIBLE SUPPLY CHAINS

### *Our Commitment:*

WINDIAM commits to expand its efforts to create the highest awareness on Human Rights in its supply chain.



*“Companies that ignore human rights are building their success on unstable foundations. They cannot truly thrive if they turn a blind eye to fundamental rights in the societies in which they operate.”*

ABEND YIGAL





**KPI1:**  
**RESPONSIBLE PROCUREMENT**

Responsible sourcing is a key ESG priority for Windiam, especially in mitigating risks linked to conflict-affected and high-risk areas (CAHRAs). The company recognizes that unethical supply chain activities can contribute to serious human rights violations, including conflict financing and forced labor.

Windiam enforces a strict responsible sourcing policy to ensure ethical procurement. Suppliers of rough and polished diamonds must comply with:

- **Kimberley Process Certification Scheme**
- **World Diamond Council System of Warranties**
- **OECD Due Diligence Guidance**

All suppliers must provide valid KP Certificates, correct SoW statements, KYC documentation, and Enhanced Due Diligence Templates—an initiative Windiam pioneered in early 2023. Additionally, suppliers must avoid sourcing from CAHRAs and entities under sanctions, aligning with Windiam’s Code of Conduct.

KPIs for responsible procurement align with those in the **‘Instilling Trust’** chapter.



*“At Windiam, we choose to broaden our definition of ‘communities’ to those where help is most needed, least provided, and organized by very committed organisations.*

*This is why we actively support Action in Focus in Kenya. We have done so for more than 10 years, and will continue to do so.”*

GON RAZ, DIRECTOR





MAIN TOPIC 2: COMMUNITY ENGAGEMENT

*Our Commitment:*

WINDIAM commits to expand its efforts in community engagement with trusted partners.

ACTION IN FOCUS INITIATIVES

The company’s year-long and constant support of ‘Action in Focus’ is testimony to an approach of social issues that creates a direct and meaningful impact where it is needed most. In the absence of both mining and manufacturing operations, Windiam has, for many years, concentrated on a specific initiative not directly connected to its business model: Action in Focus. Windiam has chosen to engage with this trusted NGO, active in Kenya, on a long-term basis rather than creating its own diamond-related initiatives.

According to Gon Raz, Windiam’s Director, one of the core reasons for supporting Action in Focus is that the organization provides efficient farming techniques in small rural communities as well as medical aid and food relief to areas affected by drought.



DEVELOPMENT PROJECTS

Since 2010, Action in Focus has empowered a small rural community in Nyanza province. Many smallholder farmers in this region struggle to provide food for their families, with 60-70% of the population living on less than \$1 per day. Many rely on remittances from relatives working in cities.

The primary economic activity is rain-fed farming, which has been severely impacted by climate change, prolonged drought, and low soil fertility. Encouraging farmers to diversify into vegetable farming using modern technology—such as drip irrigation and greenhouses—can maximize returns on small plots of land, minimize production costs, increase yields, and generate income.

In collaboration with local entities, Action in Focus aims to establish a model farm and a self-sustaining research center to improve food security, create jobs, and promote new irrigation methods, rainwater harvesting, and water-saving techniques for farmers and local communities.





MEDICAL CAMPS

Regularly, Action in Focus procures a wide range of medicines, assembles a volunteer team of doctors, pharmacists, and nurses, and provides free healthcare services to those who cannot afford medical care. These initiatives take place in slums and remote rural areas. Thousands of people benefit from this service every year, receiving treatment for illnesses that would otherwise go untreated.

FAMINE RELIEF

Over the past decade, seasonal droughts have led to recurrent famines in various parts of Kenya. Entire communities fall victim to these crises, and in the absence of government intervention, they rely on NGOs with reliable distribution networks and adequate resources. Action in Focus has consistently provided food relief to affected areas and will continue to do so.

EDUCATION

Education is a key pillar of Action in Focus, and Windiam has chosen to focus its support on this initiative. The company believes that, given a fair chance at education, children in need can reach their full potential.

Over the past 10 years, Windiam has provided the necessary financial resources for hundreds of children to attend elementary school in underserved communities, ensuring they receive a primary education and proper nutrition throughout their studies.

Since 2024, Windiam has expanded its efforts by supporting 10 students through secondary school, helping to break the cycle of poverty and lack of education. The company expects to continue and expand these efforts in the coming years.

ADDITIONAL SOCIAL COMMITMENTS

- Windiam has also supported various social causes. One such initiative is the company’s long-standing support for Action in Africa, a non-profit organization focused on education, rural infrastructure, and medical care. Founded in 1997, Action in Africa operates in Kenya and relies on fundraising and volunteers to implement its projects.
- Windiam has actively supported the organization and its founders for many years. In 2023 alone, the company helped 150 Kenyan children complete primary school through a dedicated funding program.
- For 2024, Windiam has broadened its impact by sponsoring 10 promising junior students from the Jobenfa Community School, ensuring they can continue their education. Additionally, the company is studying a borehole project in the Kimana-Mbirikana area to provide a stable water supply for the region, supporting alternative farming techniques and mitigating the effects of recurring droughts.

**Windiam’s voluntary and sustained support for initiatives like Action in Focus and Action in Africa goes beyond mere compliance with labor and social legislation. The company’s ‘social footprint’ remains predominantly in Europe, benefiting not only employees but also an extensive network of suppliers dealing with rough and polished diamonds.**





# CLUSTER *3.*



# Cluster 3: *Fostering equal opportunities*

## OUR COMMITMENT:

Windiam is committed to equal employment opportunities regardless of age, sexual orientation, gender, pregnancy, religion, nationality, ethnic origin, disability, medical history, skin colour, marital or parental status. We base all our employment decisions on merit, job requirements and business needs.

## MAIN TOPIC 1: THE PEOPLE AT WINDIAM

### *Our Commitment:*

The high degree of specialization, international reach, and efficiency required in both the polished and rough diamond divisions of Windiam naturally demand a highly skilled and motivated workforce. Both founders consider this workforce to be the company's most valuable asset. With a team of 22 people in Antwerp, Windiam is a prominent employer in the diamond sector, recognized for its commitment to diversity and workforce balance.



*“A workplace that embraces diversity & practices non-discrimination is not just fair; it’s smart business and key to growth”*

GON RAZ, DIRECTOR





GENDER BALANCE

- With an almost equal amount of women and men employed, Windiam excels in creating a balanced gender environment where management positions are not only – as is the case in almost all other diamond companies – reserved for male employees.
  - ▼ The company has achieved a remarkable gender equilibrium, with women representing **43%** of its global team.
  - ▼ Several of these women hold key management positions, including roles such as Quality Control Officer and Administration Officer.
- This gender balance not only reflects modern workplace values but also positions Windiam at the forefront of equality initiatives within the diamond industry.

CULTURAL DIVERSITY

- The diamond business is traditionally characterised by its international reach and its open-mindedness when it comes to providing equal opportunities for all. This is even more the case in Antwerp, with its cosmopolitan background inspired by its portuary history; in the Antwerp diamond district more than twelve communities co-exist; almost each with a different cultural and religious background and even dietary customs. More than in any other diamond centre, cultural diversity is celebrated, accepted and appreciated.
- Windiam is no exception to the rule, it is even fair to say that it is a leading example of the diversity rule. Windiam’s international and multicultural team is another testament to its inclusive ethos. Employees hail from **seven different nationalities**, enriching the company’s workplace with diverse perspectives. This global outlook is further reflected in the presence of team members from varied backgrounds, including a Tibetan Customer Support representative, underscoring Windiam’s openness to cultural diversity.
- Windiam places a strong emphasis on respect, equality, and open dialogue within its corporate culture. The company upholds a strict **non-discrimination policy**, ensuring that merit is the primary criterion for hiring and promotions. Several policies are in place to cultivate a fair and supportive work environment, where every employee has the opportunity to thrive.

CONTINUOUS IMPROVEMENT

- At Windiam, every team member understands the importance of continuous improvement, striving to be better every day while maintaining uncompromising quality. In the right environment, these values make work both exciting and rewarding. The Windiam team works hard, laughs hard, and supports one another every day.

STAFF SENIORITY AND RETENTION

- The positive working climate which has been created by the company founders also leads to exceptionally long careers of 15 years and more, which again is relatively exceptional in the diamond business, at least on employee level. The company boasts a high staff retention rate and employee loyalty.
  - ▼ **Employees with 10+ Years of Service: ~50%** of the workforce
  - ▼ **Employees with 20+ Years of Service: 30%** of the workforce

WORKFORCE COMPOSITION

- ▼ **Experienced Professionals:** Long-tenured employees providing mentorship
- ▼ **Younger Staff:** Bringing energy and innovation

WORK ENVIRONMENT IMPACT





MAIN TOPIC 2: PROMOTE GENDER EQUITY

Our Commitment:

The main challenge for Windiam in the coming years is to maintain this balance, at least where its own workforce is concerned. As with a number of other material topics, the external challenge is to influence other stakeholders to adopt an equal opportunity strategy for themselves. WINDIAM commits to align its external diversity goals with those advocated by the Women Empowerment Programme (WEP). We believe it is one of the main drivers in this aspect as championed by the Watch and Jewellery Initiative 2030.

- The Women’s Empowerment Principles (WEPs), established by UN Women and the UN Global Compact, guide businesses in advancing gender equality in the workplace, marketplace, and community. Rooted in international labor and human rights standards, WEPs help corporations fulfill gender equality commitments under the 2030 Agenda and UN Sustainable Development Goals.
- By joining the WEPs community, Windiam signals its commitment to this agenda at the highest levels of the company and **to work collaboratively in multi stakeholder networks** to foster business practices that empower women.
- As a company, we look forward to our journey across the **7 principles for the Women Empowerment programme**. These include equal pay for work of equal value, gender-responsive supply chain practices and zero tolerance against sexual harassment in the workplace. Our KPI’s on this topic will be aligned with our implementation of the WEP agenda.

TARGET FIGURES (2025-2026)





MAIN TOPIC 3: FOSTER INCLUSIVENESS & EQUALITY IN THE SUPPLY CHAIN

*Our Commitment:*

WINDIAM commits to use its influence to foster inclusiveness and equality in its supply chain. Coming back to Windiam’s position in the middle of the diamond value-chain, our biggest leverage to achieve more inclusiveness and equality is obviously through an enhanced cooperation with its suppliers. Although much has changed for good in the past 10 years in the international diamond sector, we believe that especially in the manufacturing segment of our business, more can be done to increase inclusiveness and equality.

- One of the first actions to be undertaken is to insert **inclusivity and equality clauses** in our **Supplier Code of Conduct** document, which is a first but important step towards raising awareness among our partners for this important topic.
- The KPI for this topic will as such be similar to the one we already established in the "Instilling Trust" chapter of this report. Windiam will aim to have **75% of its suppliers** to subscribe to this Code of Conduct as from next year, and gradually increase this to include **100% of all suppliers**.





CLUSTER 4.



# Cluster 4: Contribution to life

## OUR COMMITMENT:

Windiam is committed to minimizing its environmental impact, recognizing the need to combat climate change and reduce its carbon footprint. While the company's direct impact is limited due to its small-scale operations—32 employees, one office, and minimal logistics—it acknowledges that the bulk of environmental concerns arise at the mining stage.

## MAIN TOPIC 1: CLIMATE CHANGE

### Carbon Assessment

• Windiam has initiated a project to calculate its greenhouse gas (GHG) emissions, commissioning Greenly, a French consultancy, to assess emissions across Scope 1, 2 and 3. The total GHG emissions are 35.4ktCO<sub>2</sub>e, or 2.4kt per employee, with emissions under scope 1 & 2 being limited to 12tCO<sub>2</sub>e, reflecting Windiam’s small operations (no manufacturing, limited logistics, and office space). Compared to competitors, Windiam emits about **25% less**, according to the Greenly benchmark. The company’s focus will be on addressing Scope 3 emissions within its supply chain, raising awareness of climate issues, and promoting sustainability practices among its suppliers, rather than implementing large-scale measures within its own infrastructure.

## GHG EMISSION ASSESSMENT RESULT

SCOPE 1 & 2	12tCO <sub>2</sub>	0.8tCO <sub>2</sub> e
SCOPE 3	35.4ktCO <sub>2</sub> e	2.4ktCO <sub>2</sub> e
TOTAL	35.4ktCO <sub>2</sub> e	2.4ktCO <sub>2</sub> e

## SECTOR BENCHMARK

IMPORT-EXPORT & TRADING ▼ **319TCO<sub>2</sub>E/EMPLOYEE ▼ SCOPE 1,2 & 3**

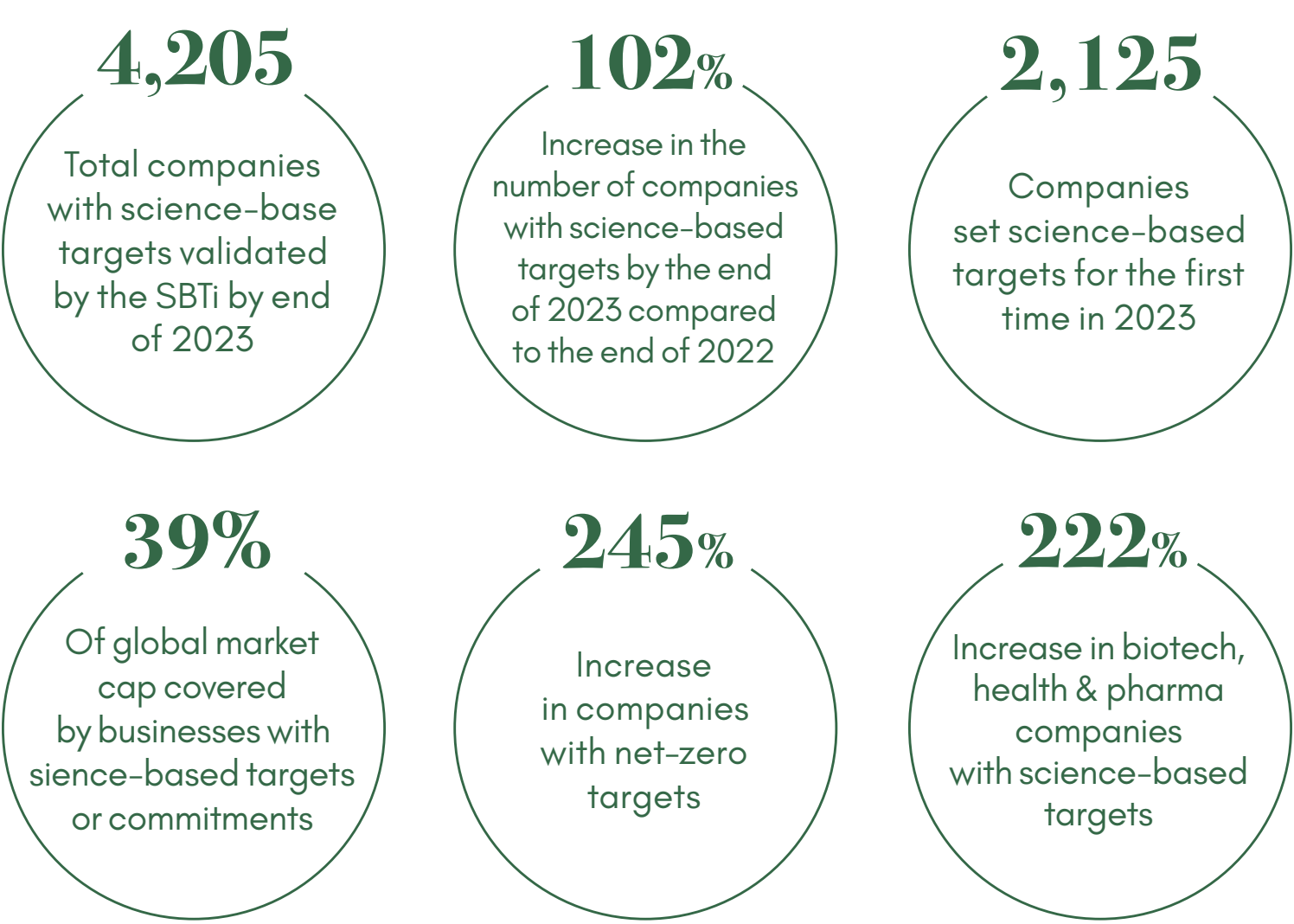
Based on 19 companies in the sector.

• Windiam's emissions are primarily from **Scope 3 (99%)**, with Scope 1 and 2 contributing just over 1%. This highlights the company's minor environmental impact and its limited ability to reduce it. To make a meaningful contribution, Windiam plans a two-fold strategy:

- 1.Improve GHG emissions in specific categories**, like packaging, where it has control over materials used.
- 2.Collaborate with upstream stakeholders**, particularly in mining, to improve downstream impact.

Given its limited direct influence on suppliers, Windiam is exploring environmental initiatives that could significantly reduce its overall GHG emissions. The goal is to reach **zero-carbon** emissions or even become a positive CO<sub>2</sub> contributor. Windiam is also engaging with SBTi to establish a carbon strategy for Scope 1 and 2 emissions.

### SBTi achievements 2023





# Cluster 4

Windiam is committed to aligning with the Science Based Target Initiative (SBTi), in line with the Paris Agreement's goal to limit global warming to 1.5°C, aiming for net-zero emissions by 2050. Windiam’s overall impact is minor but will adopt a dual strategy to reduce emissions where possible and encourage improvements across its supply chain.

- ▼ **Goal: Limit global warming to 1.5°C (Paris Agreement).**
- ▼ **2030: Halve GHG emissions.**
- ▼ **2050: Net-zero emissions.**

*For Windiam, it means:*

- ▼ **to aim for zero-carbon emissions or even becoming a positive CO2 contributor.**
- ▼ **to focus on achieving zero-carbon emissions on Scope 1 & 2.**

## KEY DATA

- **Total CO2 Emissions:** 35,4ktCO2e (2.4kt/employee).
- **Scope Breakdown:**
  - ▼ **Scope 1 & 2 (Direct emissions):** 12t CO2e (0.03% of total).
  - ▼ **Scope 3 (Supply chain emissions):** 35.4kt CO2e (99.97% of total).
- **Windiam emits** emits 25% less CO2 compared to competitors.

The SBTi report shows major progress, inspiring the diamond sector to adopt its standards, with WJI leading the way. This will streamline SBTi through sector-specific data.

- **Scope 1 & 2 - 12t CO2e is equivalent to:**
  - ▼ 5.82 Brussels–New York round trips.
  - ▼ The annual emissions of 0.007 Belgians.
  - ▼ The amount of CO2 sequestered annually by 1 hectare of growing forest in Europe or 2 hectares in Sub-Saharan Africa.
- **Scope 3 - 35.4kt CO2e is equivalent to:**
  - ▼ 19.4k Brussels–New York round trips.
  - ▼ 2.4k Belgians' annual emissions.
  - ▼ CO2 sequestered by 3.0k hectares of growing forest in Europe & double that in Sub-Saharan Africa.



*“Our carbon footprint is as expected: moderate  
& lower than that of most colleagues.  
It still means we can do better.”*

YIGAL ABEND, ESG PROMOTOR





**KPI1:**  
ESTABLISHING THE CORRECT BASELINE (SBTI)

- The Greenly 2024 study serves as an initial step for estimating Windiam's CO2 emissions. Windiam will launch a comprehensive SBTi study for its CSRD obligations by 2026, based on 2025 data, to establish a baseline and set future emission reduction targets.

**KPI2:**  
ADDRESSING SCOPE 3 EMISSIONS

- Windiam's CO2 impact in Scope 1 and 2 will remain minimal, with meaningful action focusing on Scope 3. This said, our direct impact on large mining companies can be assumed minimal but we are determined to support a nature related project which offers compensation in terms of sequestering a meaningful amount of CO2 as calculated in our **scope 3** emissions.

CLIMATE ACTION STRATEGY AND MEASUREMENT:

Starting in 2025, Windiam will assess its top 10 suppliers on CO2 emissions and climate action plans. Suppliers will be categorized by climate risk (low, medium, high) based on their efforts and public plans for emission reduction. Feedback will be provided to encourage suppliers to maintain or improve their efforts, with clear KPIs to track progress.

TARGET FIGURES (2025-2027)



**KPI3:**  
MAINTAIN RENEWABLE ENERGY EFFORTS.

- Windiam envisages to switch to a **100% renewable energy provider**. Even the installation of solar panels on the roof is under consideration.





MAIN TOPIC 2: WASTE REDUCTION

Our Commitment:

At Windiam, we are committed to minimizing our environmental footprint by actively reducing packaging waste and enhancing recyclability across our operations. We continuously seek eco-friendly alternatives for packaging materials, prioritizing recyclable, biodegradable, and sustainably sourced options. By optimizing our supply chain and collaborating with responsible partners, we aim to eliminate unnecessary waste, improve material efficiency, and support a circular economy.

KPI1:  
DEMONSTRATE COMMITMENT TO CONTINUOUS IMPACT  
ON SCOPE 1 & 2

Climate Action @ Windiam: A real-life example of company commitment to reduce packaging waste and enhance recyclability.

Windiam has created a small in-house climate team with co-workers from every operation to examine each aspect of Windiam’s operations and their impact on emissions and to come up with directly actionable solutions to reduce these. Priority was given to immediately visible solutions to serve as a catalyst not only for future Windiam actions, but also to inspire other companies to undertake action where they can. One initiative involved replacing its fossil-based LCA grip-bags with bio-based alternatives, reducing CO2 emissions by 75%. Despite higher costs, the bio-based bags were chosen for all sales and shipping departments, and Windiam continues to explore further sustainable initiatives.

Impact Category /1000 pieces	Bio-Based Grip Bag	50% Recycled Grip Bag	Conventional PE Grip Bag
Land Use (m².yr crop)	32,1	3,2	3,1
Global Warming Potential (kg CO2 eq)	6,4	20,0	26,7
Water Usage (m³)	4,3	0,3	0,4
Material Circularity (n)	0,2	0,3	0,2
Fossil Fuel Scarcity (kg oil eq)	6,8	6,8	12,6

MAIN TOPIC 3: BIODIVERSITY

Commitment:

- As a WJI 2030 member, WINDIAM makes a commitment to set a roadmap for nature commensurate to its level of ambition and capabilities. From making this initial commitment to developing and implementing its own roadmap, Windiam is working together with other Members in response to the nature and biodiversity crisis.
- From building internal capacity and processes to seeking external stakeholder engagement, Windiam is on its journey towards making Nature Positive contributions.





## CLUSTER *5.*



# Cluster 5: Economic relevance

## OUR COMMITMENT:

Windiam is committed to building a resilient and responsible business model by balancing sustainability and financial performance. Our journey toward the most sustainable business model focuses on long-term value creation while integrating ethical and environmental considerations. We strive to strike the right balance between growth and responsibility, ensuring that compliance with evolving governance and regulatory standards strengthens our transparency and accountability. Through this commitment, we aim to secure economic relevance while upholding integrity and sustainability at the core of our operations.

## MAIN TOPIC 1: JOURNEY TO THE MOST SUSTAINABLE BUSINESS MODEL

### *Our Commitment:*

By striving to an increasing percentage of our polished purchases being RJC-certified, adhering to the most ethical standards, empowering women and gradually compensate for our scope 3 carbon footprint we truly embarked on a sustainability journey.

## MAIN TOPIC 2: STRIKING THE BALANCE

### *Our Commitment:*

The diamond industry is experiencing an unprecedented recession, with a challenging near-term outlook. Key challenges are disrupting this traditionally stable sector, significantly impacting the profitability of diamond companies. As an important economic player in the diamond industry, Windiam has a major responsibility toward its employees and stakeholders. The company must maintain a healthy balance between achieving its sustainability goals and ensuring financial stability.

- For sustainability efforts to be viable, companies must maintain strong financial performance to cover the rising costs of compliance and sustainability. Over the past three years, the cost of sustainability has significantly increased due to new regulations and initiatives.
- While Windiam is a strong advocate for sustainability, the company must account for additional costs, including multiple audits, specialized manpower, management focus, and consultancy budgets. These expenses have a structural impact on profitability, as compliance and sustainability efforts are ongoing financial commitments. In the coming years, SBTi and CSRD compliance will be major cost factors that must be strategically integrated into Windiam’s business planning.
- Windiam is dedicated to require that similar policies as their own are applied by its strategic business partners.



MAIN TOPIC 3: GOVERNANCE & COMPLIANCE

Our Commitment:

Windiam is a pioneer in modern governance in the diamond sector. We are committed to strong governance and strict compliance to maintain trust. We adhere to international standards and regulatory frameworks, integrating robust policies to uphold integrity across our operations.

Appointment of an international Compliance Manager:

- To create an overall compliance strategy for the short-, mid- and long-term;
- To integrate existing compliance and sustainability efforts in the global strategy;
- To manage the execution of the diverse elements of the strategy,
- To make sure that all relevant functions are fully trained on compliance and sustainability issues,
- To oversee reporting to the company’s stakeholders, and
- To interact with Windiam’s customer’s compliance & sustainability departments.
- The Compliance Manager reports directly to the Managing Director of the company to ensure short communication lines and management support.
- Since 2023, the compliance management role has been responsible for the fast implementation of and training on the Company handbook on Policies and Procedures, the RJC Certification of remaining Windiam Entities, the membership application and admission of Windiam to the WJI 2030, the supervision of several sustainability audits and the draft, execution and final publication of this ESG report.
- The partners, the head of sales and the head of finance gather monthly with the Compliance Manager in order to discuss the progress on our KPI’s and any sustainability related matters.

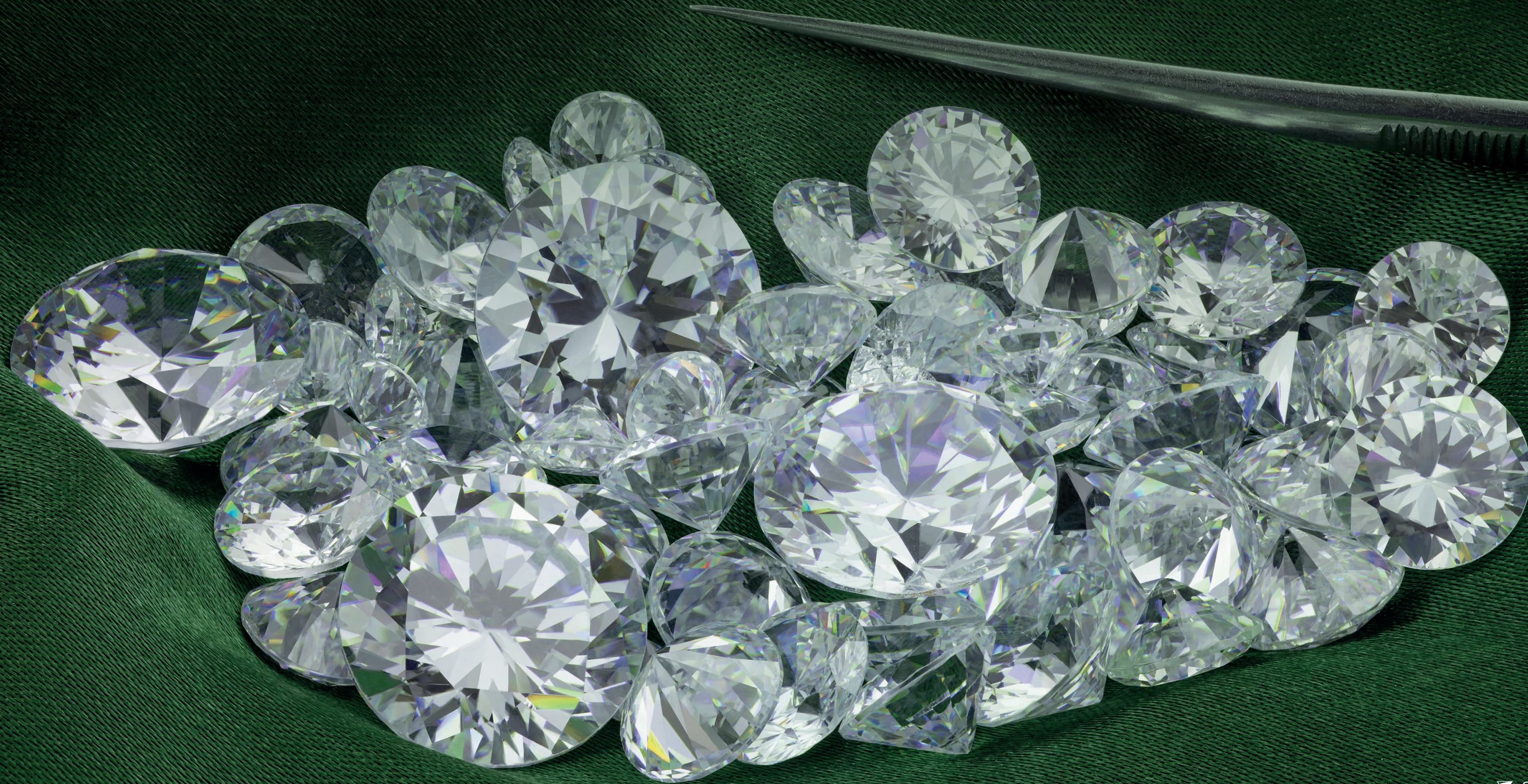
Windiam Policies & Procedures Handbook.

- Since 2012, the company has been building a comprehensive set of corporate policies and procedures aligned with the Responsible Jewellery Council’s (RJC) Code of Practices (COP). As the business evolved and industry attitudes shifted, more policies and procedures were introduced. By 2022, these policies were consolidated into the **Windiam Policies & Procedures Handbook**.
- The Handbook currently contains 25 policies and associated procedures, covering the four key practice areas of RJC COP 2019, alongside general compliance requirements:
  - ▼ **Responsible Supply Chains, Human Rights, and Due Diligence**
  - ▼ **Labour Rights and Working Conditions**
  - ▼ **Health, Safety, and Environment**
- **Product-Related Standards**
  - This framework has undergone over **12 audits** from various stakeholders, ensuring continuous refinement and compliance with the latest standards. Windiam also provides annual governance training for all employees to keep them informed on evolving governance issues.
  - Given the recent global instability, Windiam remains **vigilant** and **adaptable** in its governance approach. The company is committed to continuously evolving its policies to meet the highest standards of ethical business practices.



*“The creation of a central Compliance & Sustainability function in the company signals our structural approach to ESG issues.”*

GON RAZ, DIRECTOR





POLICY & PROCEDURES FRAMEWORK

General Requirements	Legal Compliance	Fair Competition	Sustainability/RJC Policy	Reporting Policy
Responsible Supply Chains, Human Rights & Due Diligence	Human Rights	Responsible Sourcing	Bribery & Facilitation Policy	Anti Money Laundering & Combatting of Terrorisms
	Security Policy	Provenance Claim Policy		
Labour Rights & Working conditions	General Employment Policy	Working Hours Policy	Remuneration Policy	Harassment, Discipline & Grievance
	Non Retailiation	Child & Forced Labour	Non-Discrimination	Freedom of Association & Collective Bargaining
Health, Safety & Environment	Health & Safety Policy	Environmental Policy	Hazardous Substances	Wastes & Emissions
Product Related Standards	Product Disclosure	Kimberley Process Certification Scheme	World Diamond Council System of Warranties	



# Conclusion

Windiam's 2024 Sustainability Report marks a pivotal step in our commitment to ESG leadership. Through responsible sourcing, human rights advocacy, climate action, and strong governance, we are shaping a more ethical, transparent, and sustainable diamond industry. While challenges remain, we are confident that our measurable actions, continuous improvements, and stakeholder engagement will drive long-term impact and resilience.

This report is not an endpoint but the foundation of our sustainability journey. We look forward to collaborating with our partners, employees, and stakeholders to achieve our shared vision of a responsible diamond sector.

For inquiries or feedback, contact: [esg@windiam.com](mailto:esg@windiam.com)



**Reporting Scope:**

The WINDIAM group of companies is composed of:

- WINDIAM NV (Belgium)
- WINDIAM JEWELLERY BV
- WINDIAM PARIS SAS (France)
- WINDIAM ISRAEL LTD
- WINDIAM ITALY SRL

**Reporting Principles:**

This report refers to the Global Reporting Initiative (GRI : Foundation 2021) Standard, and follows the Guidelines, Required Disclosures and Material Topics as laid down respectively in the GRI 1, GRI2 and GRU 3 Universal Standards. Where necessary, reference is made to relevant Topic Standards. In time; we may adopt reporting principles as laid down either by legal initiatives (like the Corporate Sustainability Reporting Directive\_CSRD) or sector-initiatives like the Watch & Jewellery Initiative 2030.

**Reporting Period:**

This report covers the period from January 1st 2024 to June 31st 2024, with a second part aiming to be finalised by end of 2024 and containing the final ESG roadmap for the future.

**Reporting Methodology:**

In preparation of this report, a task force team was set up consisting of staff from all entities to analyse our sustainability roadmap and to include diversified stakeholder opinions to define our material issues.  
To ensure the credibility of the report content, we will be seeking third party assurance. For further information, remarks and suggestions on this report, please contact us at **ESG@Windiam.net**

**List of Acronyms**

- **CAHRAs** – Conflict-Affected and High-Risk Areas
- **COP** – Code of Practices (RJC)
- **CSRD** – Corporate Sustainability Reporting Directive
- **ESG** – Environmental, Social, and Governance
- **EU** – European Union
- **GHG** – Greenhouse Gas
- **GRI** – Global Reporting Initiative
- **HRD** – Hoge Raad voor Diamant (Diamond High Council)
- **IGI** – International Gemological Institute
- **ISO** – International Organization for Standardization
- **KPI** – Key Performance Indicator
- **KYC** – Know Your Customer
- **LCA** – Life Cycle Assessment
- **NGO** – Non-Governmental Organization
- **OECD** – Organisation for Economic Co-operation and Development
- **RJC** – Responsible Jewellery Council
- **SBTi** – Science-Based Targets initiative
- **SCDD** – Supply Chain Due Diligence
- **SDGs** – Sustainable Development Goals
- **SoW** – System of Warranties (World Diamond Council)
- **UBO** – Ultimate Beneficial Owner
- **UN** – United Nations
- **WEPs** – Women’s Empowerment Principles
- **WJI** – Watch & Jewellery Initiative
- **WTAP** – Windiam Traceability Assurance Platform