

BRILLIANT EARTH



BRILLIANT EARTH

2020–2021 Sustainability Report

# A Brilliant Future

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Our Company



Transparent



Sustainable



Compassionate



Inclusive



SASB



## Mission

We founded Brilliant Earth because we believe in creating a more transparent, sustainable, compassionate, and inclusive jewelry industry.

# Message from the CEO, Beth Gerstein

We founded Brilliant Earth in 2005 with ambitious goals—to modernize and transform the jewelry industry—and a bold mission—to make the industry more transparent, sustainable, compassionate, and inclusive.

Our business was founded on these key pillars, and we are pleased to release our inaugural Sustainability Report organized around them. Our Mission drives everything that we do, and these four pillars—Transparent, Sustainable, Compassionate, and Inclusive—serve as a strong foundation to anchor us.

Over the last 16 years, we’ve taken steps to lead the industry into a new era, from the transparency we provide into our supply chain, the recycled precious metal content in our jewelry, and new innovations like blockchain-enabled diamonds, to our giving back efforts through the Brilliant Earth Foundation and the intersectionality of diversity in our workforce.

We’re proud of what we’ve accomplished, and we’re pleased to report on it here. But we’re also determined to become better. We know that there is still so much more to do, and that we are nearer to the start of the journey than to its end.

We provide jewelry and experiences that spark joy at special moments in our customers’ lives, and we love that our products and the memories attached to them can last lifetimes. We also know we have a unique responsibility because of that.

We’re proud to serve a new generation of jewelry consumers who share our values. Customers who want thoughtfully designed, unique, and beautiful jewelry. Who care where their jewelry comes from. Who don’t want to compromise between beauty, quality, and conscience. Who share our vision for giving back and having a positive impact on the world.

Even as world events confound and dismay us, our resolve to achieve our goals and our commitment to our Mission remain as steadfast as ever. I am excited to continue building on our progress as a company and leading the industry in the years to come.

Sincerely,



**Beth Gerstein**  
Co-Founder & Chief Executive Officer



# About This Report

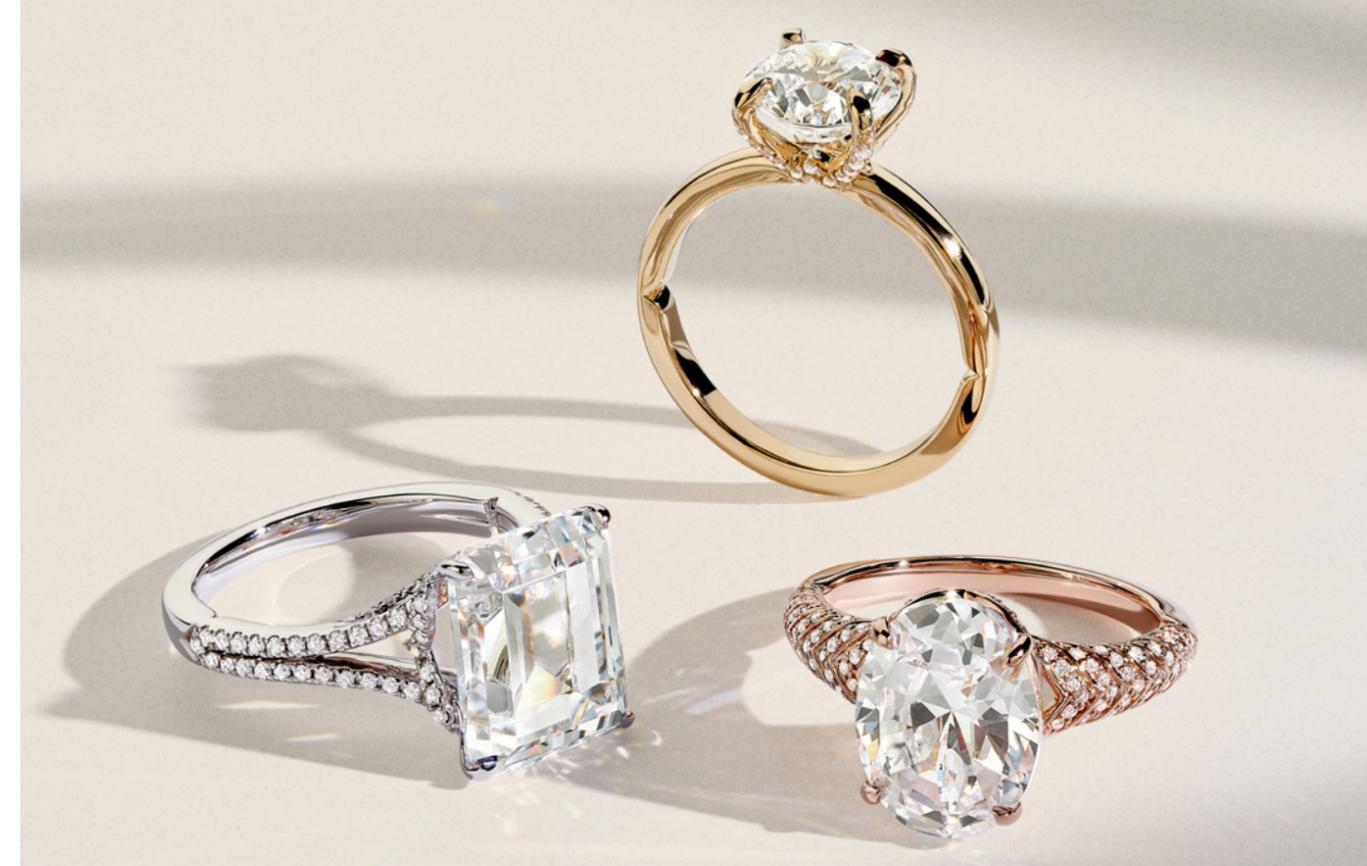
We started Brilliant Earth in 2005 to raise the standards in the jewelry industry, and to create beautiful fine jewelry that is different in every way—how it’s made, how it’s sold, how it’s sourced and crafted, and how it gives back. We go beyond current industry practices for sourcing, use recycled precious metals to minimize our environmental footprint, and support environmental and social causes through our giving back initiatives.

We are pleased to present our inaugural Sustainability Report, based on calendar years 2020 and 2021 except where noted otherwise. This Report also includes our Sustainability Accounting Standards Board (SASB) disclosure, which is aligned with SASB’s standards for the Consumer Goods (CG) and Extractives & Minerals (EM) Processing sectors.

We have organized our efforts around six priority United Nations Sustainable Development Goals, which are a universal call to action to create a more sustainable world by 2030, addressing poverty, inequality, climate action, and economic growth. To promote industry partnership and maximize our impact on these six UN Sustainable Development Goals, we also participated in and contributed to the Responsible Jewellery Council’s 2021 pilot project for the “Roadmap to 2030 and Beyond.”



We look forward to updating this report regularly. We know that these goals require consistent and long-term efforts—by us, by others in the industry, by customers, and by governments—and our commitment is resolute.



## FORWARD-LOOKING STATEMENTS

This Sustainability Report contains certain “forward-looking statements” concerning our expectations, goals, objectives, plans and projections with respect to environmental matters, corporate responsibility, sustainability, inclusivity, employee relations, and procurement. One can identify these forward-looking statements by the fact that they use words such as “believe,” “commit,” “continue,” “expects,” “forward,” “further,” “goals,” “implements,” “intends,” “plans,” “pledges,” “seeks,” and “will” and other words and terms of similar meaning and expression in connection with any discussion of future sustainability initiatives and objectives. One can also identify forward-looking statements by the fact that they do not relate strictly to historical or current facts. The forward-looking statements are based on our current plans and involve inherent uncertainties and assumptions that could cause actual outcomes to differ materially from the current or reported plan. The statistics and metrics included in this Report may be reported as estimates and may be based on assumptions or developing standards. The standards and codes of conduct for third-party suppliers are not guarantees that suppliers will follow the codes in all instances, and suppliers bear primary responsibility for meeting our standards and expectations. We believe that we have been prudent in our plans and assumptions, however no assurance can be given that any sustainability goal or plan set forth in forward-looking statements can or will be achieved and readers are cautioned not to place undue reliance on such statements. We undertake no obligation to update any of the forward-looking information in this report, whether as a result of new information, future events, changes in sustainability objectives and expectations or otherwise.

## TRADEMARKS

Brilliant Earth, Beyond Conflict Free, and other Brilliant Earth marks are trademarks or registered trademarks of Brilliant Earth, LLC in the U.S. and other countries. All other trademarks are the property of their respective owners.

# 2020–2021 Highlights

## TRANSPARENT



We offer  
**thousands of**  
blockchain-enabled diamonds

**RJC Certified**

**Less than 1%**  
of natural diamond suppliers  
meet our rigorous standards

## SUSTAINABLE

**Fairmined**  
Licensed Brand



93% Recycled Gold  
99.8% Recycled Silver

**Carbonfree<sup>®</sup>**  
Partner

## COMPASSIONATE



**\$1,000,000**  
granted to the  
Brilliant Earth Foundation

Support  
**mercury-free mining**  
with Pure Earth

Partnered with Diamond  
Development Initiative  
**rehabilitated**  
**29 mining sites**  
in Sierra Leone

## INCLUSIVE

**BIPOC**

<b>36%</b> Director and above	<b>41%</b> All Employees
-------------------------------------	--------------------------------



**79% Female**

2021 and 2022  
*Built In*  
**Best Places to Work in Colorado**  
*Built In*  
**Best Midsize Places to Work  
in Colorado**

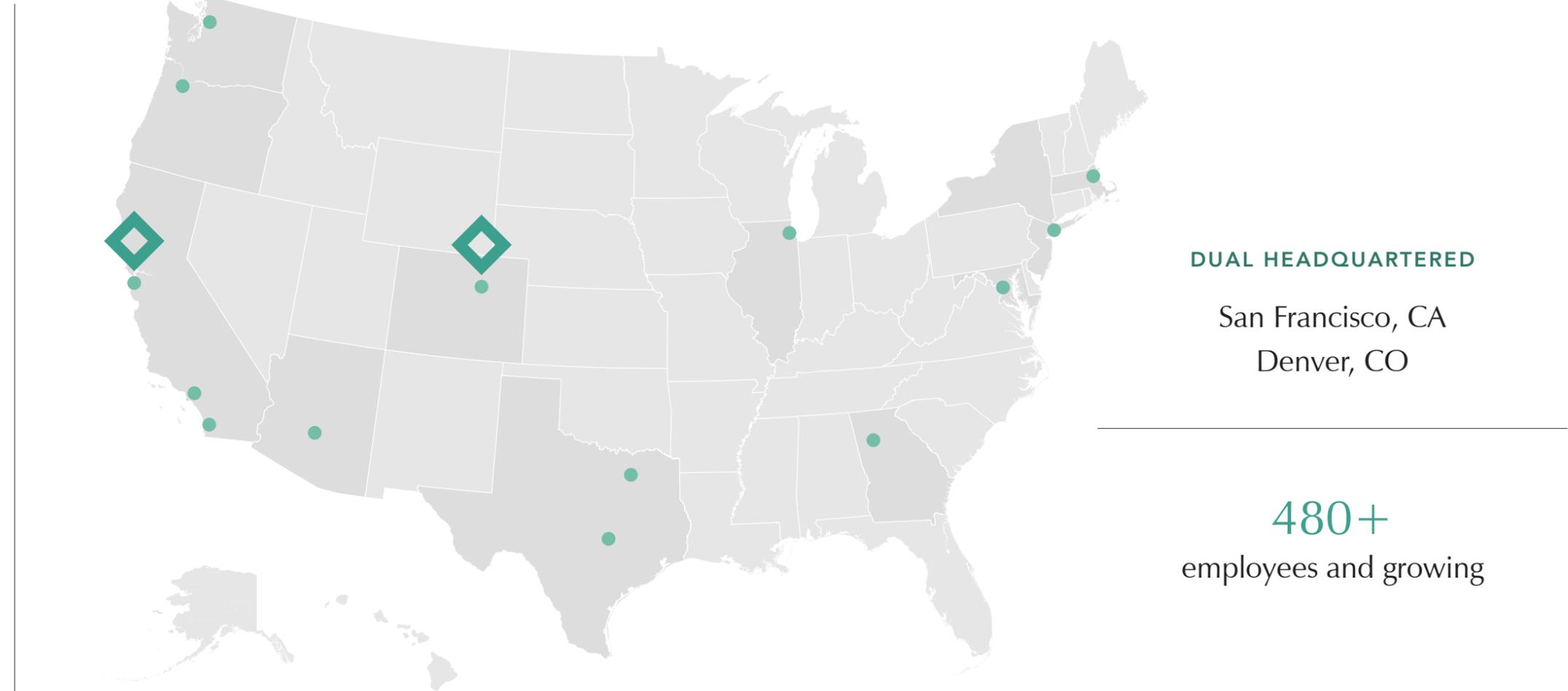


# Brilliant Earth at a Glance

**\$380 Million**  
2021 Net Sales

Nearly  
**500,000**  
customers

Customers in more than  
**50 countries**



**480+**  
employees and growing

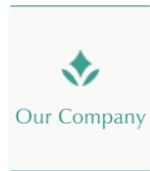




## ESG Goals

# Living Our Mission

As part of the global effort to create a more sustainable world by 2030, we are proud to announce our Environmental, Social, and Governance (ESG) Goals, aligned with the four pillars of our Mission: Transparent, Sustainable, Compassionate, and Inclusive.



# ESG Goals

Since our founding, our Mission—to create a more transparent, sustainable, compassionate, and inclusive jewelry industry—has been at the core of everything we do. Advancing our Mission and our ESG Goals is ingrained in our culture, and is part of everyone’s responsibility at Brilliant Earth.





# ESG Goals

● Transparent ● Sustainable ● Compassionate ● Inclusive

## By 2022

- Measure and publish science-based GHG emissions reduction targets to corresponding target dates according to a baseline.
- Establish and implement guidelines for the energy, pollution, water, and waste impacts of all new construction, expansion, and renovation of office, retail, and distribution in line with green building standards.
- Integrate sustainability into our design and manufacturing processes, and continually incorporate innovations that reduce material use and key waste streams in Tier 2 manufacturing locations.
- Reduce the amount of paper-based packaging in our consumer-facing boxes while maintaining 100% FSC-certified recycled content.
- Promote circularity and longer use of jewelry through repair, refurbishment, diamond upgrade, recycle precious metal program, and recycled diamond offerings.
- In addition to our efforts to increase transparency and improve jewelry industry standards, leverage the Brilliant Earth platform to also advocate for environmental protection by supporting relevant causes, events, political and social movements, and employee education.
- Further commitments to restore habitats where mining and other extraction activities have occurred.

- Contribute to the development of local livelihoods for mining and farming communities that respect the balance of natural ecosystems.
- Annually assess our compensation packages to continue to offer competitive and comprehensive packages that are also equitable and inclusive.
- Maintain an employee engagement score of at least 75% or above.
- Continue to broaden our product offerings to reflect our diverse customer base.
- Identify new opportunities for inclusive designs and collections.
- Continue to train, educate and support all employees in creating and fostering diverse teams through a variety of DEI focused initiatives such as online trainings, guest speakers, ERGs, and other resources.
- Continue to integrate and evaluate inclusive practices in marketing activities to reflect the diversity of our consumer base, by expanding and improving diverse representation.
- Perform annual surveys to understand the intersectionality of the diversity of our employees. Support the continued growth and development of staff to support internal mobility and maintain diverse employee, leadership, and executive representation.

## By 2023

- Since 2018 we have offset our emissions from our corporate and showroom energy use, packaging, shipping, employee travel, and commuting. In addition to this, we will neutralize quantifiable pre-2018 Scope 1 and 2 emissions.
- Conduct a Lifecycle Assessment of key raw materials to measure impacts on biodiversity, water, and energy use.
- Continue to expand use of traceability technology, such as blockchain and GIA Diamond Origin Report, increasing blockchain diamonds to 20% of our natural diamond inventory.
- Support Mutual Recognition and 100% participation of moderate to high-risk Tier 1 diamond and jewelry vendors to an acceptable standard such as RJC, DTC BPP, or Sedex.
- Support Mutual Recognition and 100% participation of moderate to high-risk Tier 2 diamond and jewelry vendors to an acceptable standard such as RJC, DTC BPP, or APSCA Member Firms.
- Double employee volunteering hours.
- Identify a focused leader to spearhead and execute the Company's DEI program and initiatives.

## By 2025

- Eliminate single-use plastics in showrooms and corporate spaces.
- 50% of lab-grown diamonds will be certified to an environmental product standard.
- 100% of gold and silver will be sourced from recycled sources with year over year increases in the percentage of recycled platinum used in our products.
- Communicate key metrics on factory audit findings, including risks identified and remediation efforts.
- Support new Fairmined certifications of ASM gold mines and increase purchase of Fairmined gold from these mines year over year.

## By 2030

- Achieve zero waste in showrooms and corporate spaces.
- Neutralize Scope 2 and 3 emissions (purchased electricity, manufacturing, digital communications, B2B and B2C transportation, and employee commutes and travel) by engaging key business partners to implement renewable energy or investments in renewable energy projects.



## Transparent

# Driving Industry Change

We prioritize transparency throughout our business and focus on ethical practices and governance, sourcing materials with environmentally and socially responsible origins, and proactively communicating our approach. We believe that demonstrating transparency and enforcing rigorous protocols throughout our supply chain are important to driving change in our industry.





# Selecting Our Natural Diamond Sources

We go above and beyond current industry standards to offer Beyond Conflict Free Diamonds™ that have been selected for their ethical and environmentally responsible origins.

Our select group of natural diamond suppliers agree to our robust Chain of Custody Protocol, which is thoughtfully designed to provide our customers with more transparency and greater confidence in the integrity of their diamonds' origins.

Our Chain of Custody Protocol requires suppliers to source diamonds from specific mine operations in specific countries that have demonstrated their commitment to internationally recognized labor, trade, and environmental standards; to track and segregate diamonds by origin for Brilliant Earth-eligible inventory; and to maintain systems and records that support their compliance.

**Less than 1%**  
of natural diamond suppliers  
meet our rigorous standards.

Suppliers must also agree to our strict Supplier Code of Conduct, which addresses social and environmental responsibility, industry-recognized third-party audits such as Responsible Jewellery Council (RJC) certification, traceability systems, supply chain integrity, and adherence to our business and regulatory standards.

Our natural diamonds are sourced from approved mines in countries ranked according to risk based on the Gemstones and Jewellery Community Platform Index for Conflict-Affected and High Risk Areas.<sup>1</sup> The labor, trade, and environmental standards of the natural diamond mining companies from which we source have been evaluated by screening information such as RJC certifications, the world's leading standard setting organization for the jewelry industry, publicly available internal mining practices such as the DTC Best Practice Principles, and Global Reporting Initiative, an internationally recognized ESG disclosure framework.

We perform ongoing evaluations of our suppliers, including due diligence of their internal inventory management systems and available third-party traceability audits that document their capabilities to identify, track, and report the origin of their diamonds. Potential suppliers must demonstrate that they can meet and maintain our standards.

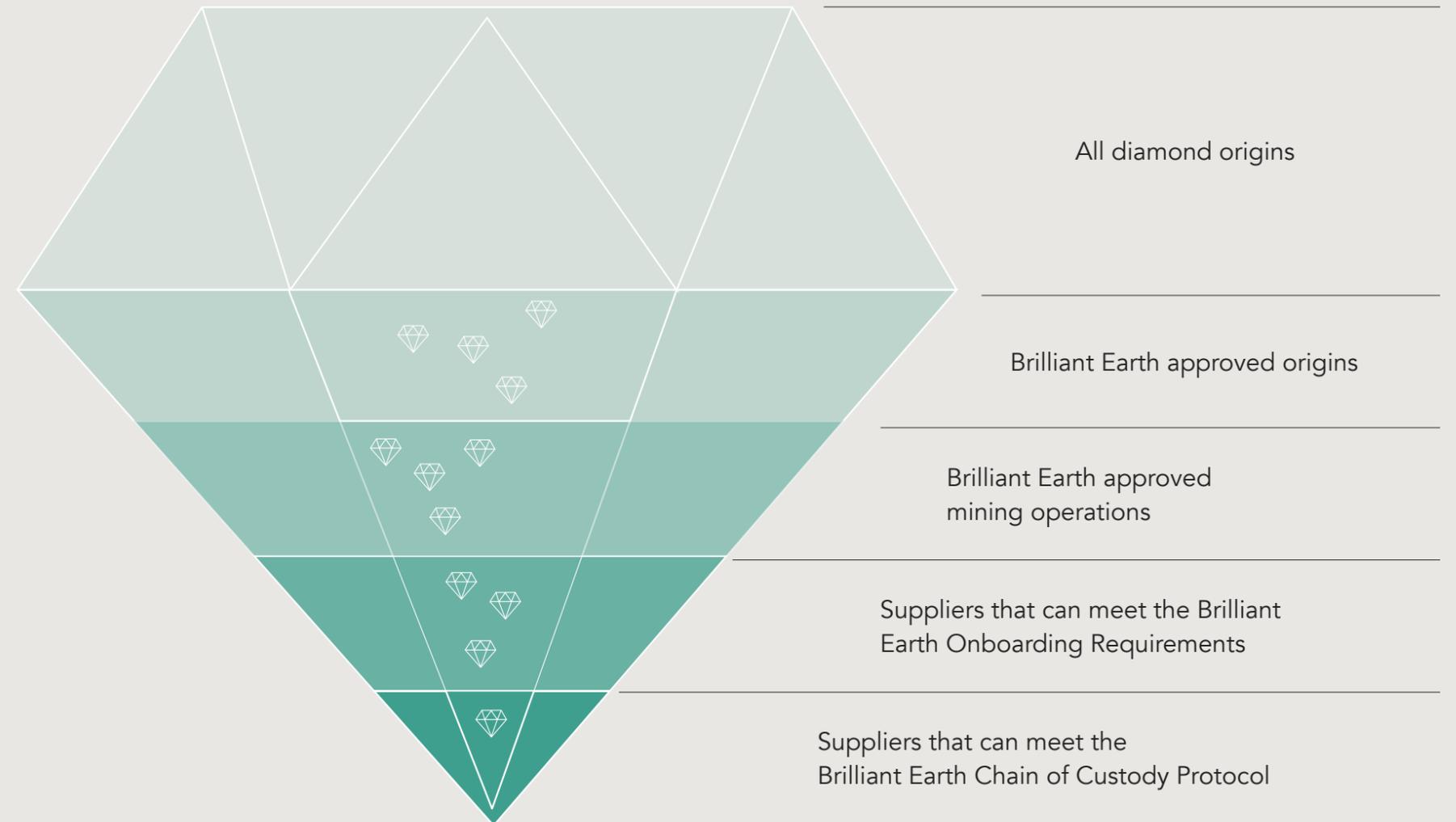
<sup>1</sup> This index combines eleven indices from international research institutions that measure conflict, corruption and governance weakness, and shortcomings in human rights and labor rights.



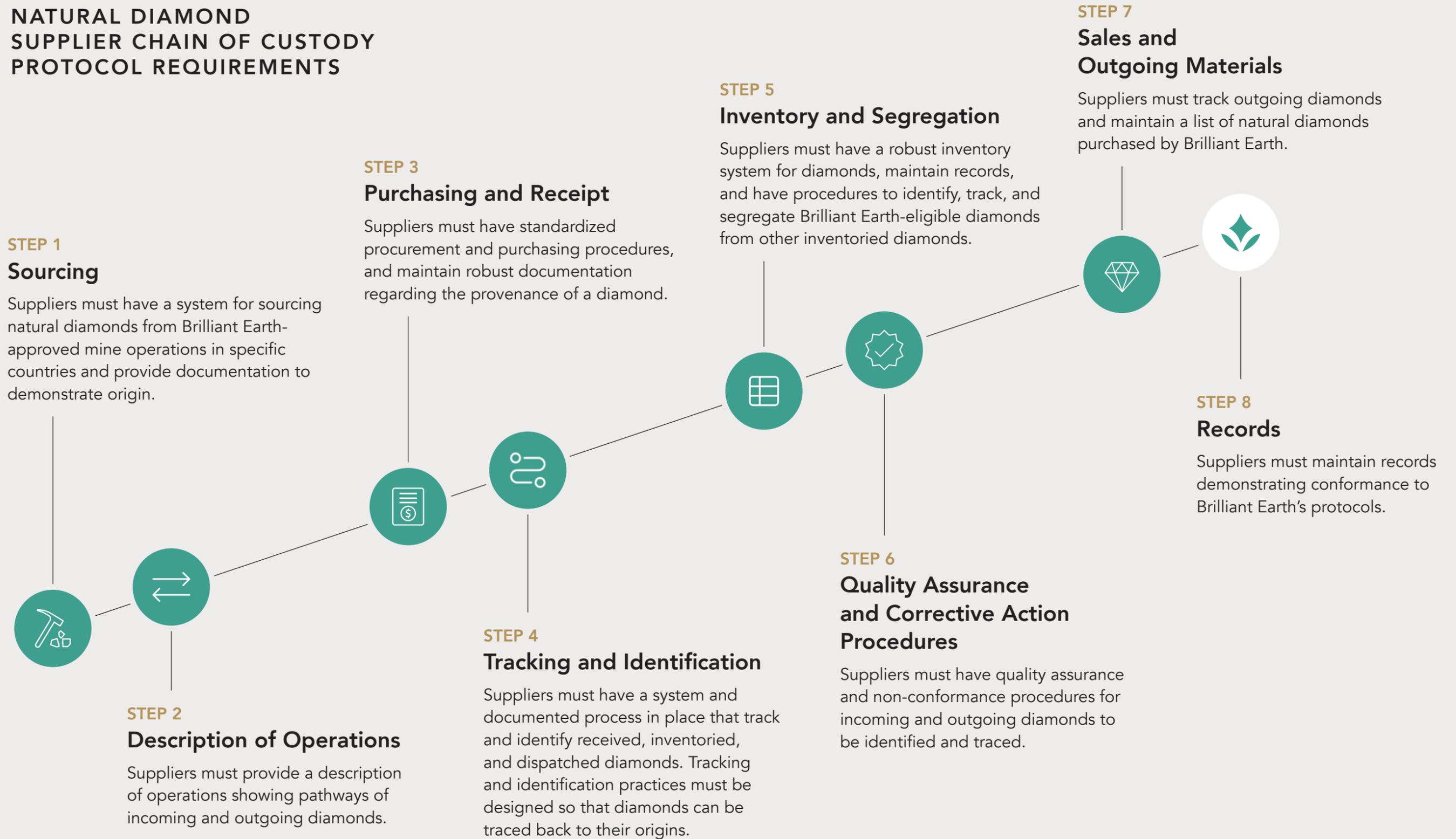
Active suppliers undergo regular Traceability Reviews to evaluate their compliance with our Chain of Custody Protocol. We are continuously improving our processes and working with our partners toward increasingly rigorous procedures related to our origin verifications. Our goal is to work with our suppliers and industry partners to continue leading the diamond industry in traceability.

By contrast, the industry norm for diamond sourcing is the Kimberley Process, which narrowly defines conflict diamonds as those used to finance wars against governments. The limited Kimberley Process allows diamonds to enter the supply chain that are tarnished by forced labor, child labor, worker exploitation and low wages, unsafe working conditions, and irresponsible mining leading to soil erosion, deforestation, and even ecosystem collapse. We go beyond the Kimberley Process, and created the Beyond Conflict Free™ standard—so our customers do not have to compromise between beauty, quality, and conscience.

## LESS THAN 1% OF NATURAL DIAMOND SUPPLIERS MEET OUR STANDARDS



## NATURAL DIAMOND SUPPLIER CHAIN OF CUSTODY PROTOCOL REQUIREMENTS



### Promoting Traceability with Blockchain

We are one of the first jewelers to deploy innovative blockchain technology at scale to a growing collection of diamonds that integrates various partners throughout the supply chain. Blockchain technology is used to track a diamond from its origins at the mining operator, through cutting and polishing, all the way to the customer. Using a leading independent blockchain technology provider, we are able to showcase transparency for this collection of diamonds and provide a digital asset for the customer with detailed information about their diamond's origin and journey.

Blockchain technology automates traceability across the global supply chain from mining operator all the way to ultimate end consumer. This is the future of supply chain traceability and an investment we are proud to make and grow.

We offer **thousands of** blockchain-enabled diamonds.

#### ESG Goal

Continue to expand use of traceability technology, such as blockchain and GIA Diamond Origin Report, increasing blockchain diamonds to 20% of our natural diamond inventory by the end of 2023.

### GIA Diamond Origin Report

We also offer a collection of GIA Origin Report Diamonds that trace the diamond from its source to its final polished state by uniquely leveraging advanced scientific analysis to deliver rough-to-polish diamond matching. This report provides confirmation of a diamond's origin and a unique identification number to further establish traceability from retailer to the customer.



# Using Recycled Precious Metals

Using recycled metals is one of our solutions to sourcing traceable, responsible precious metals and reducing our social and environmental footprint. We do not use so called “dirty gold,” the mining of which has a history of civil war and is one of the most environmentally destructive types of mining, where miners of “dirty gold” often earn low wages in dangerous working conditions. Our precious metals are sourced from certified responsible refiners that have been audited for standards set by organizations such as the Responsible Jewellery Council, Responsible Minerals Initiative, and London Bullion Market Association. We continually work with our suppliers to increase the use of recycled metals in our products, and we continue to make advances in the complex area of traceability and verification of recycled metals.

## ESG Goal

By 2025, 100% of gold and silver will be sourced from recycled sources with year over year increases in the percentage of recycled platinum used in our products.

93% of our gold and  
99.8% of our silver  
is from recycled sources.



# Leading Change: Colored Precious Gemstones

We strive to offer gemstones sourced in alignment with safe working conditions and environmentally responsible principles. By partnering with our colored gemstone suppliers to improve standards and traceability, we aim to promote higher standards for gemstone sourcing to improve dangerous mining conditions and encourage responsible practices.

We continuously evaluate our colored gemstone sources to gain as much visibility as possible into the supply chain, and we require our suppliers to provide documentation to demonstrate proof of origin. For example, most of our sapphires originate from Sri Lanka, where local miners employ age-old, low-impact, and government-regulated mining techniques that yield high quality Ceylon sapphires while minimizing environmental damage and promoting the remediation of the land. Operating in small cooperatives, artisanal miners share the costs, labor, and profits from gemstone sales, and new ventures must undergo an assessment by environmental groups.

## Our Partner: Moyo Gems

We launched our Moyo Gems Collection in 2021, facilitating access to responsibly sourced colored gemstones from Tanzanian artisanal small-scale miners in a part of the gem sector where traceability is often more difficult. Named after the word for ‘heart’ in Swahili, Moyo Gems empowers female artisanal miners through safer work environments, better mining practices, and improved equity in fair trade markets. Female artisanal miners in Tanzania earn 3 to 5 times what they previously earned for rubies, sapphires, tourmaline, garnets, citrines, and amethysts.

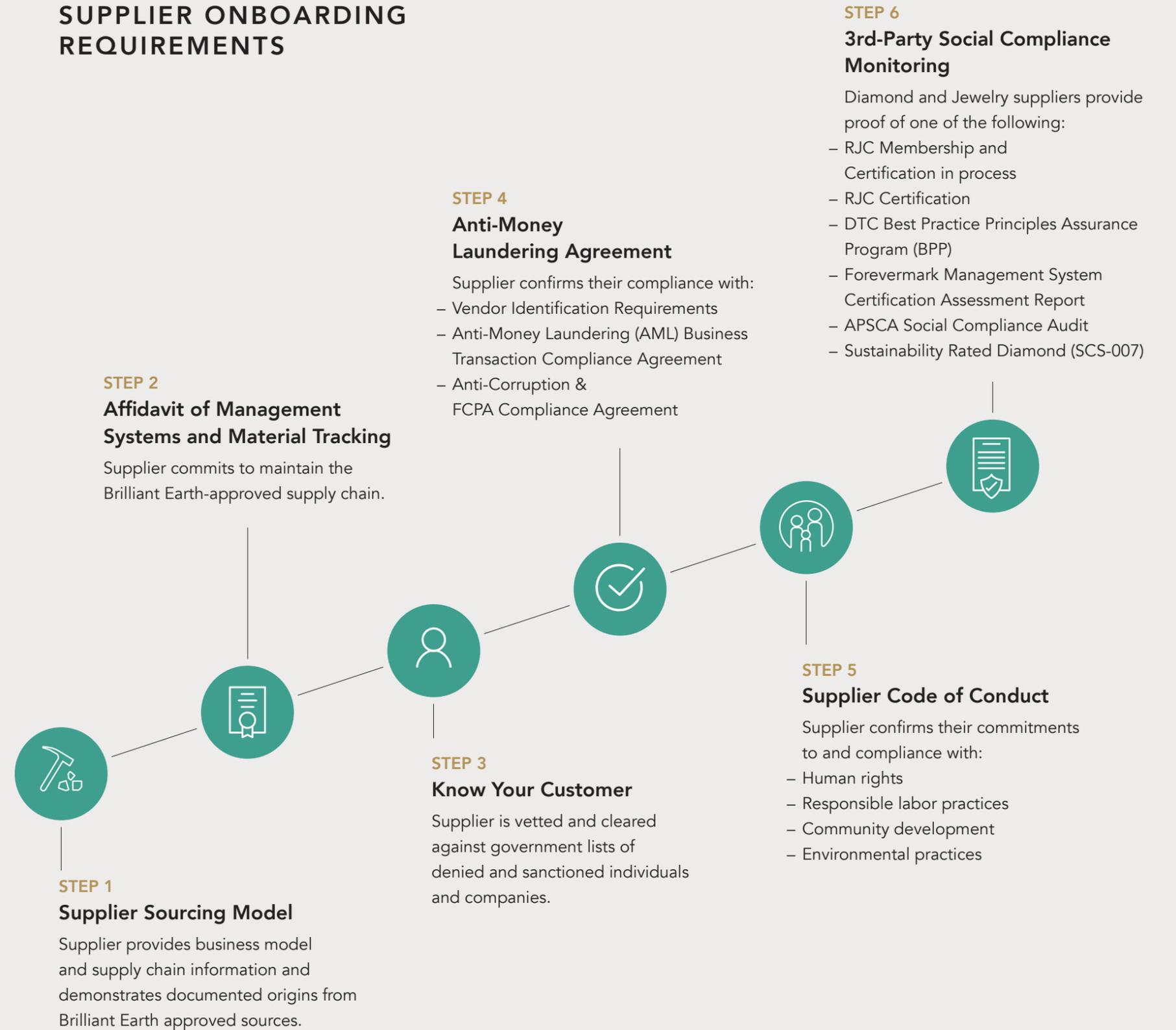
In 2022, we made a grant through the Brilliant Earth Foundation to help fuel the long-term commercial success and expansion of Moyo Gems into neighboring Kenya. The grant also includes funding for a micro-banking and financial literacy-focused initiative in Kenyan Moyo communities that encourages female financial empowerment, community building, and a social safety net.



# Supplier Diligence

Our suppliers for diamonds, colored gemstones, and fine jewelry are subject to a diligent vetting process. They are expected to adhere to our strict sourcing and compliance requirements, with a focus on sourcing and segregation systems. We regularly evaluate our processes to improve our supplier due diligence efforts.

## SUPPLIER ONBOARDING REQUIREMENTS





## Supplier Manufacturing: Safe Working Conditions

To provide for safe working conditions at the supplier facilities where our products are being manufactured, Brilliant Earth requires suppliers to comply with our Supplier Code of Conduct. Suppliers must use fair and responsible labor practices and treat employees with full respect and dignity. Suppliers are prohibited from subjecting workers to discrimination, harassment, or abuse, and from using child or forced labor. They must provide employees with fair wages and benefits in a healthy and safe working environment where excessive overtime is not required. Suppliers must also commit to not supporting non-state armed groups when purchasing raw materials. Suppliers are evaluated for their investments in community development and environmental protection in their surrounding area.

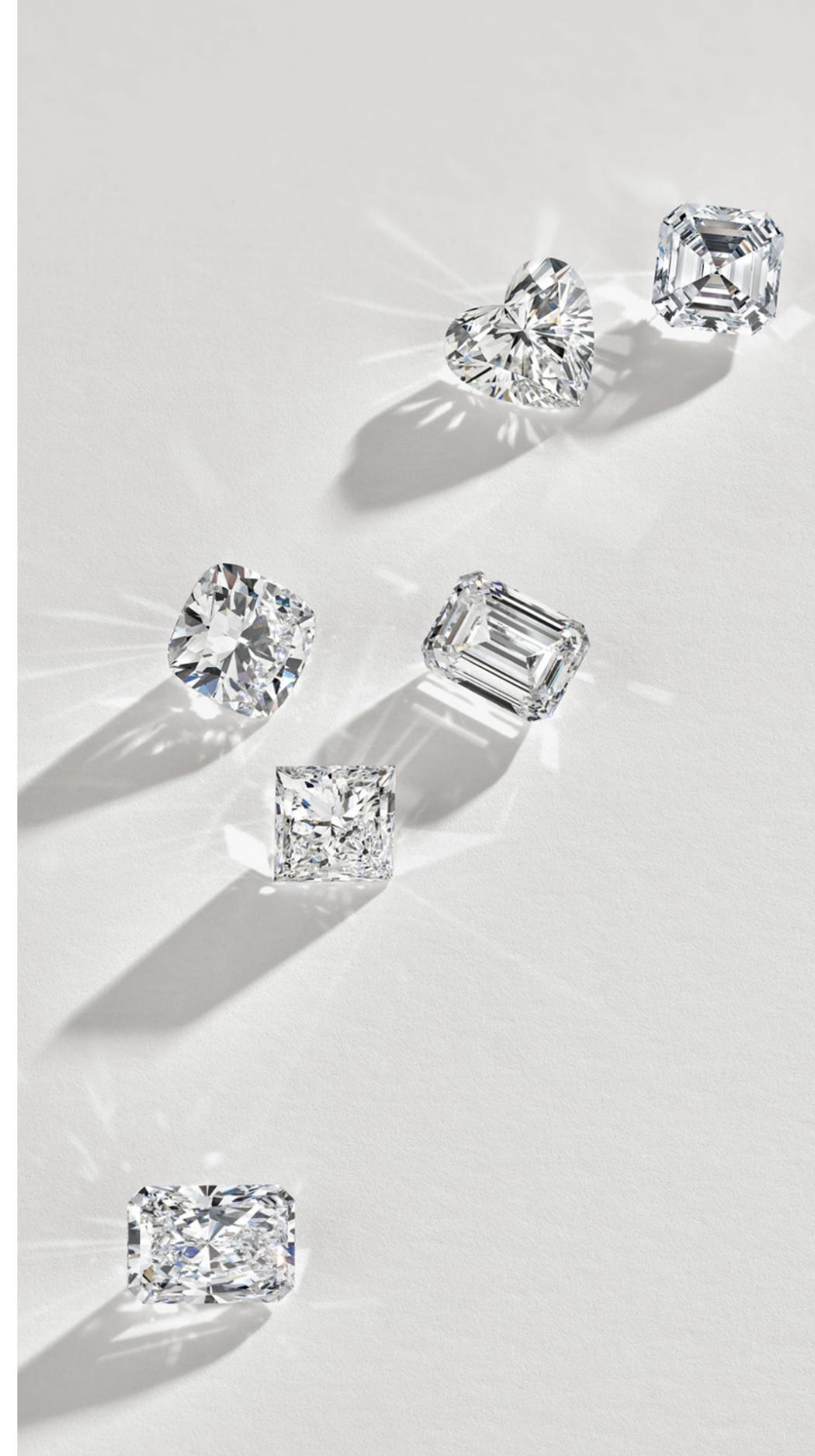
We categorize suppliers based on a variety of factors including product or service supplied, location and governance as defined by the European Commission and OECD definitions of Conflict-Affected and High-Risk Areas, type of business (sales or fulfillment office or manufacturer), traceability of products, length of time in business, data collected directly from suppliers, and other publicly available information. We categorize our suppliers' facilities as either Tier 1 or Tier 2. Tier 1 comprises mainly U.S. sales offices with no manufacturing on site. Tier 2 comprises mainly manufacturing facilities where jewelry is being produced.

When evaluating compliance with our Supplier Code of Conduct, we support Mutual Recognition, which means utilizing a combination of social compliance audit protocols. In addition to the RJC certification, this includes DTC Best Practice Principles (BPP) Assurance Program, Forevermark Management System Certification Assessment Report, Association of Professional Social Compliance Auditors (APSCA) Member Firms, Supplier Ethical Data Exchange (Sedex), and Sustainability Rated Diamonds (SCS-007).

As of the end of 2021, 92% of our Tier 1 natural diamond suppliers and 95% of our Tier 2 natural diamond manufacturers were audited to one or more of the above audit protocols. As of the end of 2021, 77% of our Tier 1 jewelry suppliers and 81% of our Tier 2 jewelry manufacturers were audited to one or more of the above audit protocols.

### ESG Goal

By 2025, communicate key metrics on factory audit findings, including risks identified and remediation efforts.





# Governance, Policies, and Guidelines

We hold ourselves and our suppliers,  
to high ethical standards.

## Doing Business with Ethics

Our Code of Business Conduct and Ethics—which applies to all of our directors, officers, and employees—sets high standards for how we conduct business.

We also maintain an Ethical Business Policy, which applies not just to employees, but also to our suppliers and any other third party with which we do business or that acts on our behalf anywhere in the world.

Together, these address ethical issues, legal and regulatory compliance, human rights and labor law, health, safety, and environmental issues, and diversity, equity and inclusion, and set the high standards we expect of ourselves and anyone we work or do business with.

## Anti-Money Laundering and Anti-Corruption Policies

We maintain a specific Anti-Money Laundering Policy that applies to all our officers, employees and agents worldwide. For employees who participate in activities that have the potential to implicate money laundering issues, in 2021, 100% of those employees completed a specific AML training.

We also maintain comprehensive systems to prevent bribery and corruption, including robust internal controls, trainings, know-your-customer due diligence, and systems for vetting suppliers. Our program undergoes annual independent testing and revision so that it is effective and up to date.

We also maintain an Insider Trading Compliance Policy to prohibit insider trading and compliance with securities laws, and we provide employees with a comprehensive Employee Handbook that outlines our ethical, legal, and other compliance policies and expectations.

## Whistle-Blower Hotline

We not only request, but require, that employees report any conduct that the employee believes is unethical, fraudulent, or illegal. To that end, we maintain a whistle-blower hotline that allows any person—whether an employee or a third party—to report concerns online or by telephone, and anonymously if they choose.

## Financial and Corporate Disclosures

We make comprehensive financial and governance disclosures on a quarterly and annual basis, and we file those reports publicly with the U.S. Securities and Exchange Commission. These reports detail the performance of our business and the Company's finances, as well as the risks that could impact our business. We provide information about our named executive officers and board of directors, including their compensation, and publish our corporate governance materials, including our Board of Directors Guidelines and Charters for the Board's Audit, Compensation, and Nominating & Corporate Governance Committees.

[See Code of Business Conduct and Ethics](#)

[See Ethical Business Policy](#)

# Third-Party Oversight and Engagement

We value and participate in certifications, verifications, and reporting frameworks that raise the standards in the jewelry industry.

## Responsible Jewellery Council

We are audited and certified under the Responsible Jewellery Council's Code of Practices 2013. The RJC's code provides a common standard for responsible practices from mining through to retail, including human rights, labor laws, health and safety, integrity, and other ethical standards. Our provenance claims for natural diamonds, recycled gold, and recycled diamonds are RJC verified.

 [See our Beyond Conflict Free™ provenance claim, verified by the Responsible Jewellery Council.](#)

## Sustainability Accounting Standards Board Framework

For our inaugural Sustainability Report, we are excited to align with the Sustainability Accounting Standards Board (SASB) framework. To capture our operations, we have reported to Consumer Goods for Apparel, Accessories and Footwear, Multiline and Specialty Retailers and Distributors, and E-commerce as well as Metals and Mining under the Extractives & Minerals Processing sector standards. Disclosure frameworks not only standardize data for cross company comparison, enabling integration of ESG considerations into investment and stewardship decisions, but also help companies using the framework, including us, better measure and drive continuous improvement.

## Jewelers Vigilance Committee

As members of the Jewelers Vigilance Committee, we strive to go beyond basic compliance with anti-money laundering and anti-corruption rules via continuous education, collaboration with business partners, responsible advertising, and sound customer relationship management. The JVC has tested and confirmed that our Anti-Money Laundering program is appropriate, most recently in 2021.





## Sustainable

# Reducing Our Environmental Impact

Since our founding, sustainability has been core to our Mission—from how we make our products, to our supply chain and internal practices, and to our giving back initiatives. Our products are designed to endure generations, and we seek to reduce our environmental footprint by keeping our jewelry circular, through customer programs and initiatives like carbon offsetting.

# Sourcing Responsible Materials

## Beyond Conflict Free™ Natural Diamonds

Our Beyond Conflict Free Diamonds™ go above and beyond current industry standards and have been selected for their ethical and environmentally responsible origins.

As part of our Beyond Conflict Free™ commitment, we evaluate specific mine operations in specific countries using the following criteria:

- Environmental and social risks at the mine, and domestic regulations and mining standards
- International certifications held by the mining companies such as the Responsible Jewellery Council’s Code of Practices
- In-country and supply chain risks

## Supplier Code of Conduct

Our global network of trusted suppliers and manufacturers are required to comply with relevant environmental and human rights regulations, and agree to our strict [Supplier Code of Conduct](#).

### TOPICS ADDRESSED IN OUR SUPPLIER CODE OF CONDUCT



#### Human Rights and Responsible Labor Practices

- OECD Due Diligence Guidance for Responsible Supply Chains of Minerals
- Child Labor
- Forced Labor
- Harassment and Abuse
- Support of Non-State Armed Groups
- Working Hours
- Fair Wages and Benefits
- Discrimination
- Health & Safety
- Security
- Freedom of Association and Collective Bargaining
- Grievance Mechanism
- Commitment to Respect Human Rights



#### Environmental Practices

- Assess and Mitigate Environmental Impacts
- Energy
- Water
- Waste
- Emissions



#### Community Development

- Rights of Indigenous Peoples
- Local Stakeholder Engagement
- Education
- Health Care
- Women’s Empowerment
- Economic Development
- Preserving Natural Resources



#### Business and Regulatory Requirements

- Bribery and Corruption
- Money Laundering and/or Financing of Terrorism
- Financial Accounting
- Transparency of Information
- Subcontracting



## Lab-Grown Diamonds

We were one of the first jewelers to offer lab-grown diamonds, and have been offering them since 2012. Lab-grown diamonds are created in highly controlled laboratory environments using advanced technology that replicate the conditions under which diamonds develop in nature. These diamonds have the same physical, chemical, and optical characteristics as natural diamonds, and exhibit the same fire, scintillation, and sparkle. Lab-grown diamonds provide a mining-free alternative to natural diamonds.

In 2021, we were one of the first authorized retailers to introduce the independently certified Sustainability Rated Diamond collection. Each diamond in this collection comes with a certificate to provide assurance of origin, responsible production practices, ethical stewardship, and climate neutrality. As of March 2022, we now offer more than 2,500 certified diamonds in this collection, and we continue to work closely with our partners to increase this offering.

### ESG Goals

By 2025, 50% of lab-grown diamonds will be certified to an environmental product standard.

## REQUIREMENTS FOR SUSTAINABILITY RATED LAB-GROWN DIAMONDS

### Verified Carbon Neutrality

Climate footprint from both present and past emissions have been offset and third-party verified as climate neutral.

### Sustainable Production Practices

Reducing or offsetting energy use during the laboratory production process and mitigating air and water pollution.

### Verified Origin Traceability

99.9% assurance through accredited origin testing laboratory, accredited diamond handlers and grading laboratories and surveillance auditing and sampling.

### Independently Verified

Certificate with each Sustainability Rated Lab Diamond.

### Ethical Stewardship

Meets the most stringent environmental, social and governance requirements to protect workers, communities and ecosystems according to 12 key principles of Ethical Stewardship.

### Sustainability Investments

Investments in significant long-term climate mitigation projects that reduce greenhouse gas emission, benefiting vulnerable surrounding communities, and improving air quality.



SOURCING RESPONSIBLE MATERIALS

## Recycled Diamonds

Post-consumer recycled diamonds are polished diamonds that were previously owned, and are either in original condition or were re-polished and re-graded. Recycled diamonds require no new mining, making them a responsible choice. Because diamonds are the hardest naturally occurring substance, they can be enjoyed for generations without showing signs of wear. Our post-consumer diamonds have been graded by an independent gemological lab and can be compared to newly mined diamonds for their quality characteristics.

### CIRCULARITY-MINDED CUSTOMER PROGRAMS

We offer customers the opportunity to upgrade certain natural diamonds through our Diamond Upgrade program, allowing us to repurpose the original diamond and making more post-consumer diamonds available to other customers. We also encourage customers to recycle their gold and platinum jewelry with us, and we provide credit toward a future purchase for them to do so.

## Recycled Precious Metals

We use responsible, recycled precious metals, reducing our footprint for newly-mined materials. We do not source so-called “dirty gold,” which has a history of environmental devastation, labor abuses, and civil war. Our recycled precious metals come from numerous sources, including post-consumer materials such as existing jewelry, electronics components, product manufacturing, and investment gold products like gold bars. Our objective is to diminish the negative impacts of dirty gold, reduce demand for newly mined metals, and contribute to programs dedicated to improving small-scale mining practices.

We require our jewelry suppliers to abide by our Recycled Precious Metals Policy, which dictates that gold and silver must be recycled and acquired from Brilliant Earth-approved refiners who are independently audited for recycled content.

We are working toward a long-term target of sourcing primarily recycled platinum for our products, and we continue to push the industry to increase the use of recycled platinum. We are also working toward expanding recycled metals to findings (including peg heads, posts, clasps, tennis bracelet mountings, and chains) in the future.

We evaluate compliance with our Recycled Precious Metals Policy by regularly reviewing that our suppliers are purchasing certified recycled metal from a short list of certified responsible refiners. We also use an independent



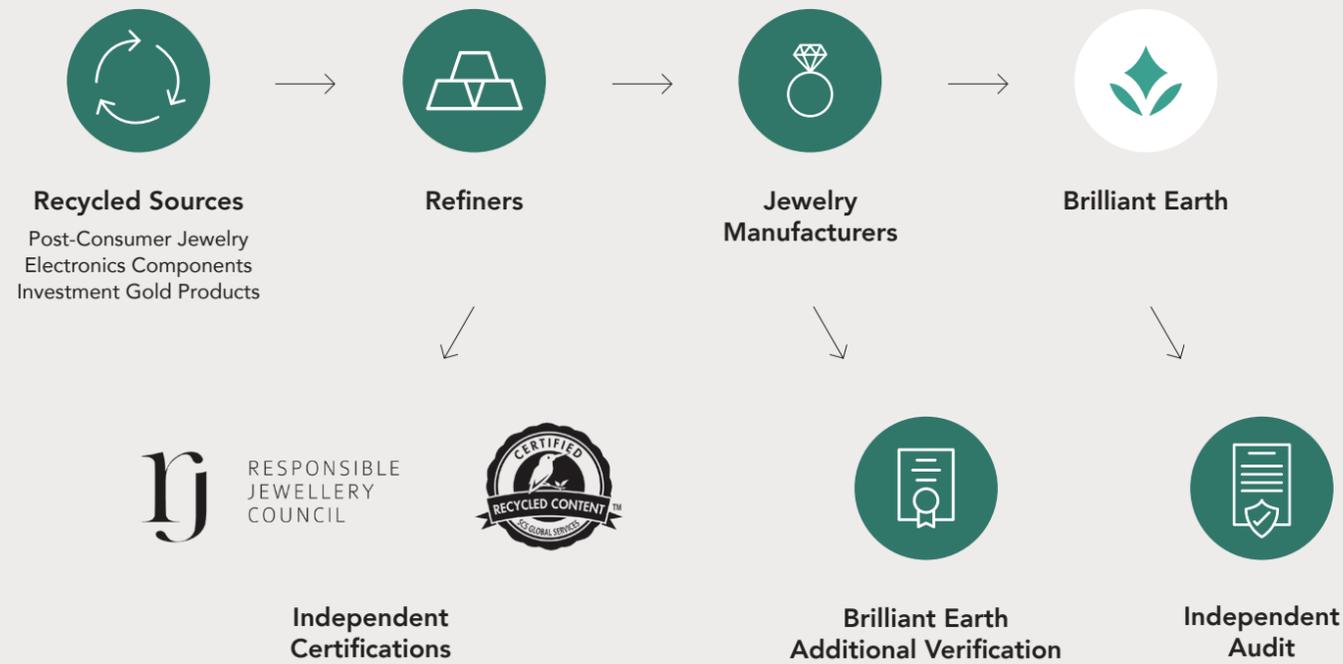
auditor to conduct a secondary review to calculate the final percentages of recycled content being used. This review process includes:

- Monitoring chain of custody invoices
- Purchases from a list of approved certified responsible refiners<sup>1</sup> offering certified recycled<sup>2</sup> precious metals
- Regular independent audits

<sup>1</sup> Responsible Refiner Certifications include Responsible Jewellery Council Code of Practices, London Bullion Market Association (LBMA) Good Delivery, and Responsible Minerals Assurance Process (RMAP).

<sup>2</sup> Recycled Precious Metal Certifications include Responsible Jewellery Council Chain of Custody and SCS Recycled Content.

## RECYCLED PRECIOUS METAL REVIEW PROCESS



### NO DIRTY GOLD

We pledged to pursue and encourage “cleaner” sourcing of gold and other metals, and have signed Earthworks’ No Dirty Gold commitment. As a Gold Star retailer, we support the Golden Rules to respect human rights and workers’ rights, and uphold labor standards, environmental protection, land restoration, and conflict-free metals.

“Dirty gold” comes from large and small scale mines that have a history of environmental devastation, labor abuses, and civil war.



## Fairmined Standard for Gold

We empower artisanal and small-scale miners and the families they support through the Fairmined Standard, a certification process that enables sustainable development. In 2021, we introduced a new Fairmined collection, after launching our first collection in 2015. Fairmined gold helps provide miners and their families the resources to build strong environmental, health, and safety standards, while prioritizing traceability and socio-economic development. In recognition of their



Photo credit: Alliance for Responsible Mining

commitment, Fairmined Standard miners are offered an economic incentive, the Fairmined Premium, for developing responsible practices. The Fairmined Standard also sets requirements for environmental protection across the following areas:

- Small-scale operations with low environmental impact
- Safe and reduced handling of chemicals or chemical-free extraction
- Protection of water supplies

### ESG Goals

By 2025, support new Fairmined certifications of ASM gold mines and increase purchase of Fairmined gold from these mines year over year.

## Reducing Packaging Waste

We design our packaging with resource conservation in mind. For our iconic wood boxes, we use Forest Stewardship Council (FSC) materials, an independent organization that verifies materials are from responsibly managed forests. Our fine jewelry box is designed to be reused, and is ideal for carrying jewelry pieces when traveling. Our paper-based shipping boxes were redesigned in 2021 and have been upgraded from FSC Mix with 70% recycled content to FSC Recycled and made from



## We estimate we saved 89.95 tons of CO<sub>2</sub>.

100% post-consumer or pre-consumer recycled content. By making this switch from 70% recycled content to 100% recycled content, we estimate that we conserved 89.95 tons of CO<sub>2</sub> in 2021. By sourcing FSC-certified wood and FSC Recycled paperboard, we aim to reduce pressure on forest ecosystems and avoid contributing to destructive forestry practices like illegal logging, conversion to other land uses, and genetic modification of forest species.

# Striving for Circularity

We encourage a circular economy model to keep resources in use and ensure recovery at the end of life.

A circular product incorporates responsible materials, quality craftsmanship, enduring style, and recovery of materials. At our San Francisco studio, our team designs every piece to delight our customers. No detail goes unnoticed. Raw materials are selected to reduce negative environmental impact. Our pieces use artfully tapered prongs, hidden accents under center gems and precisely curved band interiors for comfort. We obsess over wearability, quality, and durability to ensure the longevity of our products. This is backed by our free lifetime warranty. If and when it is time for a jewelry piece to take a second turn in the lifecycle, we offer customers opportunities to upgrade their natural diamonds, and allow them to receive credit on a future purchase by recycling previously used jewelry. The customer's original diamond may then be offered to new customers as a recycled diamond.

## ESG Goals

Promote circularity and longer use of jewelry through repair, refurbishment, diamond upgrade, recycle precious metal program, and recycled diamond offerings.

By 2030, neutralize Scope 2 and 3 emissions (purchased electricity, manufacturing, digital communications, B2B and B2C transportation, and employee travel) by engaging key business partners to implement renewable energy or investments in renewable energy projects.



## Taking Climate Action

We are committed to reducing greenhouse gas emissions generated by our business activities through our Carbonfree® Partnership. Since 2018, we have partnered with Carbonfund.org to offset emissions from our energy use, packaging, shipping, employee travel, and commuting. In that time, we have offset more than 4,000 metric tons of CO<sub>2</sub>e through two projects. The Envira Amazonia Project helps reduce carbon emissions, mitigate climate change, conserve habitats, improve local water quality, and control soil erosion. The Texas Capricorn Ridge Wind Project generates enough renewable energy to power 220,000 homes, reduce dependence on fossil fuels, develop local business and infrastructure, and foster community development.



We also offer our employees commuter benefits to encourage the use of traditional public transport, ride sharing, and bike share and e-scooter rentals. We've eliminated plastic bottles in all locations and are equipped with water filtration systems to encourage the use of reusable water bottles.

Our ESG Goals will continue to drive us to increase energy efficiency and reduce emissions across our business and invest in high quality renewable energy projects.

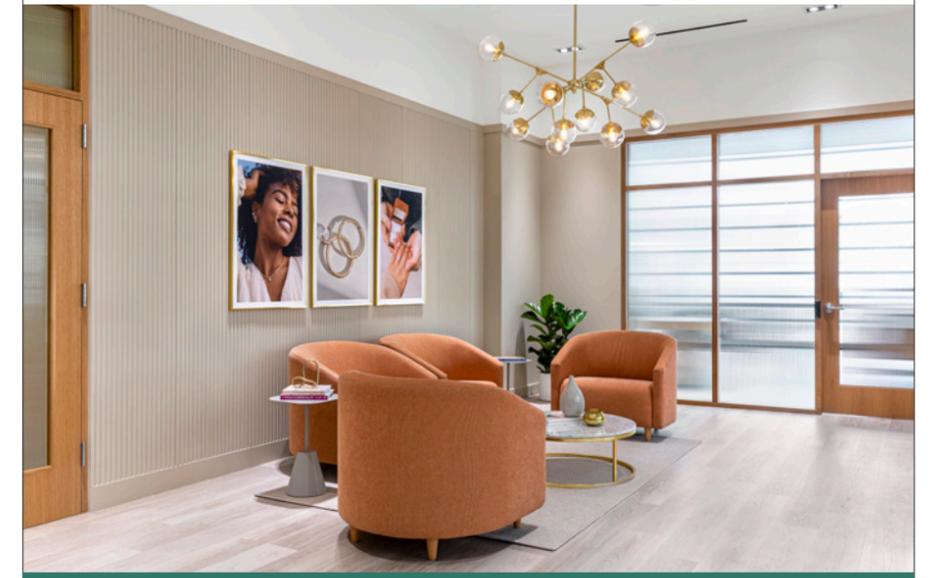
### ESG Goals

By the end of 2022, establish and implement guidelines for the energy, pollution, water, and waste impacts of all new construction, expansion, and renovation of office, retail, and distribution in line with green building standards.

By 2030, achieve zero waste in showrooms and corporate spaces.

### LEED SILVER EQUIVALENT SAN FRANCISCO HEADQUARTERS

We operate our San Francisco headquarters out of an innovative new building, completed in 2020, that is designed and rated for energy performance, water efficiency, innovative design, sustainable building materials and resources, indoor environmental quality, and access to public transportation. The building's innovations make it LEED Silver equivalent.





## Compassionate

# Making a Lasting Impact

We are committed to creating a more compassionate jewelry industry. For us, compassion means transparently discussing challenges and issues in the jewelry industry and driving change through our actions and by giving back. We aim to extend our positive impact not just to our supply chain and customer communities, but also in the greater communities where diamonds, gemstones, and precious metals are sourced. From our beginnings, compassion has been central to our Mission, and we continue to seek ways to create lasting impact on causes and initiatives that align with our values.

# Our Philosophy

To express our commitment to compassion, we focus on three critical areas—Responsible Sourcing, Social Impact, and Climate Action.

We deliver on this commitment through non-profit partnerships with organizations that advance the issues we care about, products that represent our values, and by engaging our employees in community development.

## Responsible Sourcing

This was a key reason for Brilliant Earth’s founding. Our efforts aim to address critical social and environmental issues in the communities where diamonds, gemstones, and precious metals are sourced. We support fair mining practices, community development, protecting human rights and preventing child labor, education and training, and environmental restoration such as rehabilitating land that has been destroyed by unregulated mining.



## Social Impact

We believe we can make an impact in our supply chain, as well as in our communities. Our Social Impact efforts are directed towards awareness, social justice, women’s empowerment, gender inclusivity, LGBTQIA+ equality, diversity, and local engagement.



## Climate Action

We are committed to approaching business sustainably and to achieving our business goals without compromising the ability of future generations to meet their needs. Through Climate Action, we seek to reduce our own carbon footprint, and leverage our platform to advocate for environmental protection.



# Giving Back Around the World Since 2005

Since our founding in 2005, our giving back initiatives have focused on Responsible Sourcing, Social Impact, and Climate Action.

## USA

Renewable energy, combating food insecurity, expanding democracy, and racial justice



## Sierra Leone

Environmental restoration and development in artisanal mining communities



## Democratic Republic of the Congo

Education in diamond mining communities



## Peru

Reforestation and mercury-free mining trainings



## Brazil

Tropical forest conservation



## Zimbabwe

Human rights monitoring



# Causes We Champion

We invest in non-profit partnerships to address key social and environmental issues.

## Pure Earth

Our partnership with Pure Earth, an environmental non-profit, helps empower miners, restore rainforests, and deploy mercury-free mining techniques in artisanal gold mining communities. Since 2017, we've participated in trainings for miners on mercury-free mining and rainforest restoration in Madre de Dios, Peru.

Mercury-free mining is important because the use of mercury in mining is one of the biggest contributors of mercury pollution, which degrades the environment and impacts the health of miners, their families, and children.

Restoring rainforests damaged by deforestation and mercury pollution is key to maintaining the global water cycle, carbon fixation, and oxygen production, all of which influence the earth's climate.

Our grants help Pure Earth work closely with local organizations like the Association of Artisan Miners Tauro Fátima (AMATAF) to reduce the use of mercury in mining and implement reforestation. As a result of mercury-free trainings with AMATAF, other mining concessions in the region are reaching out to be trained.

We are renewing our partnership with Pure Earth in 2022 through a new three-year, \$300,000 grant. This partnership will continue to focus on reforestation and mercury-free mining, and will add a new effort to certify mines to the Fairmined Ecological Gold standard, which requires miners to refine gold without toxic chemicals and commit to restore native rainforests.

### ESG Goals

In 2022 and moving forward, further commitments to restore habitats where mining and other extraction activities have occurred.

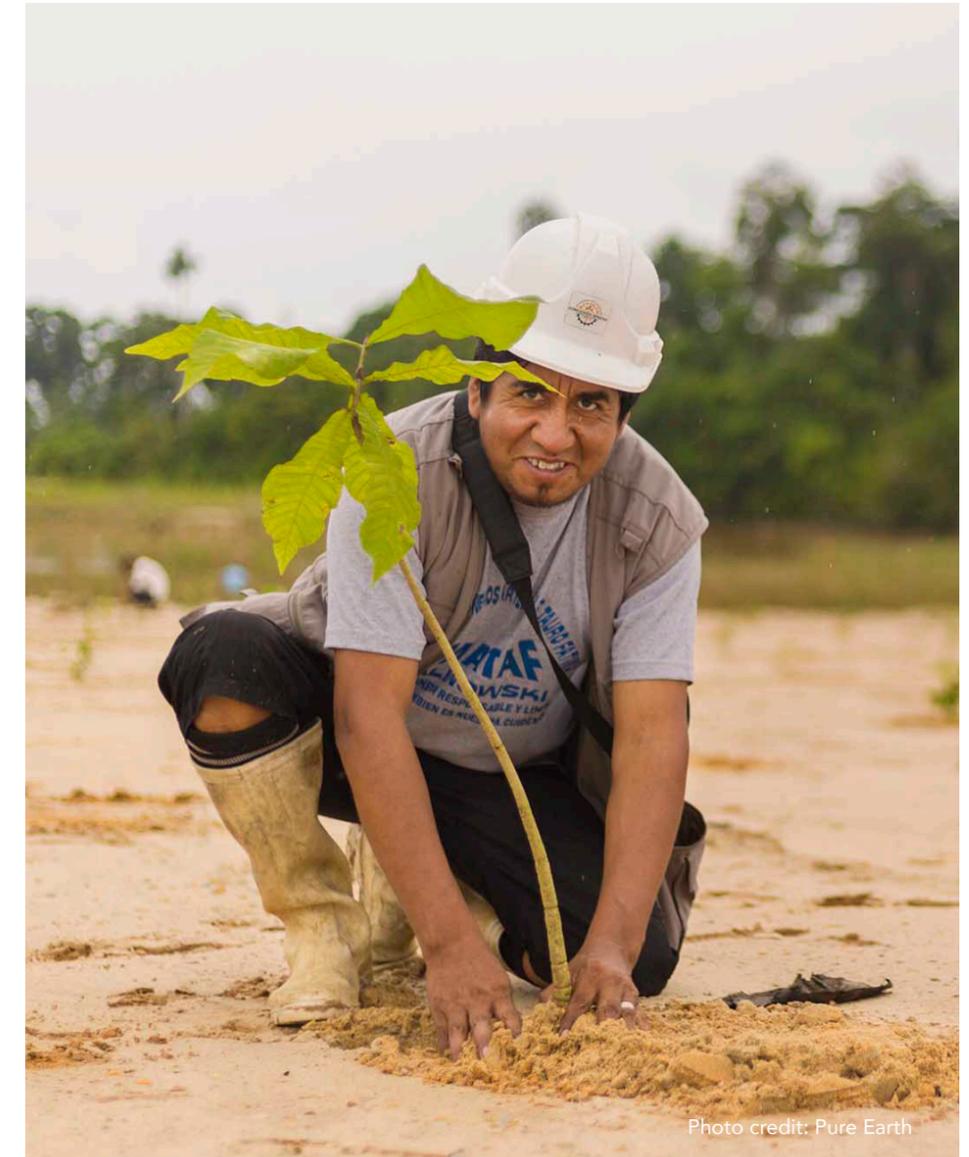


Photo credit: Pure Earth

We partner with Pure Earth to support **mercury-free mining.**

## Diamond Development Initiative

We have partnered with the Diamond Development Initiative (DDI), now part of Resolve, since 2008 on challenges in Artisanal and Small-scale Mining (ASM). Millions of ASM miners live in poverty around the world, often employing unsafe mining practices that damage the environment and negatively affect the health of the miners and their families. DDI-Resolve encourages land restoration, alternative livelihoods for miners, and responsible sourcing so artisanal diamond miners are compensated fairly for their work. DDI-Resolve also developed an Artisanal and Small-scale Mining standard to bring ASM diamonds to market in a socially and environmentally responsible way.

### ESG Goal

In 2022 and moving forward, contribute to the development of local livelihoods for mining and farming communities that respect the balance of natural ecosystems.

Over our 14-year partnership with DDI-Resolve, we have funded a primary school in a rural diamond mining community in the Democratic Republic of Congo, traveled to diamond mines in Sierra Leone to learn about ASM challenges first-hand, and supported DDI-Resolve’s efforts to eliminate child labor from diamond mining, protect human rights, and create standards for ASM operations that ensure health and safety and environmental protection.

In 2021, we began a four-year, \$100,000 grant to the Peace Diamonds Restoration Initiative, which aimed to restore abandoned mining sites. At the end of 2021, DDI-Resolve reported 29 mining sites were rehabilitated in the Kono District of Sierra Leone. This allows crops to be cultivated on 15 hectares of rehabilitated lands, which can support the cultivation of 766 bushels of rice, plus an average of 22% surplus in crop yields, providing a meaningful additional income. Ten farmer-based organizations were formed to support women-led land stewardship, and these lands now serve more than 5,400 indirect beneficiaries.

## Rehabilitated 29 mining sites

which now serve more than

## 5,400 indirect beneficiaries.

## Alternative uses for rehabilitated abandoned mining sites

### Farming

Restoring mined lands for subsistence agriculture and healthier foods.

### Reforestation

Increasing ecosystem health and biodiversity.

### Small-scale Fisheries

Creating livelihoods for small and medium enterprises and greater economic opportunities.

### Public Health

Reducing health risks and hazards, and a safer post-mining environment for mining-affected communities.

### Collaboration

Building of stronger local NGOs and small and medium enterprises through restoration partnerships.



## Carbonfund.org

We are and have been committed to reducing our carbon footprint and greenhouse gas emissions. Through carbon offsetting, since 2018 we have contributed to the Envira Amazonia Project and the Texas Capricorn Ridge Wind Project, two projects aimed at combatting climate change.

### 2018–2019

#### Envira Amazonia Project

Reduces carbon emissions, mitigates climate change, conserves habitats, improves local water quality and controls soil erosion.



### 2020–2021

#### Texas Capricorn Ridge Wind Project

Generates enough renewable energy to power 220,000 homes, helps to reduce dependence on fossil fuels, develops local business and infrastructure, and fosters community development.



## Jewelry with Meaning

We thoughtfully design jewelry that expresses our commitments to environmental conservation, social justice, women’s empowerment, and LGBTQIA+ equality, and we develop products that have meaning for us and our communities.

In 2020 and 2021, we supported Feeding America’s COVID-19 Response Fund to help combat food insecurity. We’ve also collaborated with jewelry designer Simone I. Smith on a solidarity collection in support of social justice movements across the nation. By donating to the NAACP Legal Defense and Education Fund, we support efforts to expand democracy, eliminate disparities and achieve racial justice.

Our nature-inspired designs emphasize our commitment to environmental preservation. Our Mountain Rings showcase the beauty of the most recognizable mountain ranges in the U.S. and symbolize adventure and appreciation of nature. We donate to the National Parks Foundation, which strives to ensure all feel welcome to discover, explore and connect with our national parks. Our Mar Collection was inspired by the beauty of oceans and the importance of clean water. We donate to Ocean Conservancy, which protects the oceans and wildlife that depend on it by creating science-based solutions.

Our contributions to these initiatives reflect our commitment to compassion, and are among the ways that we support the social and environmental causes we care about.

# Organizations and Causes Supported by Our Jewelry that Gives Back



NAACP Legal  
Defense Fund



Preservation of  
America's national parks  
now and in the future



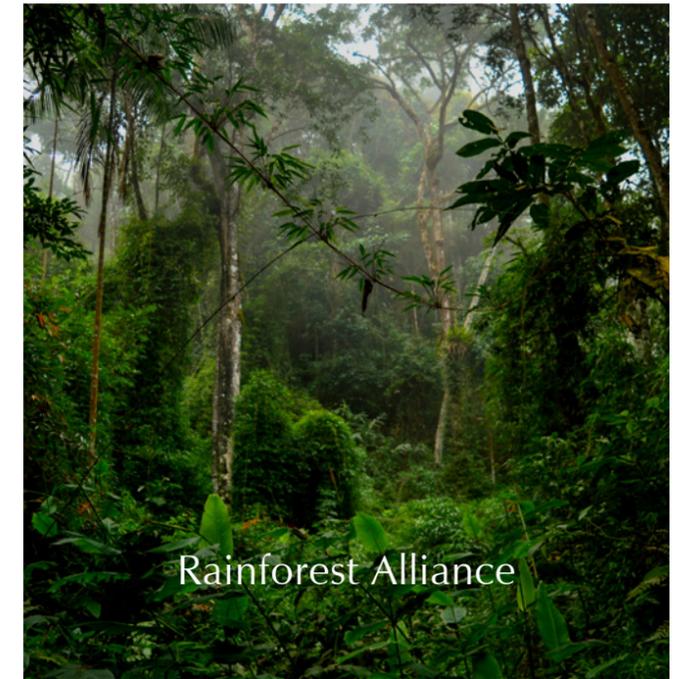
Equity in  
education for girls



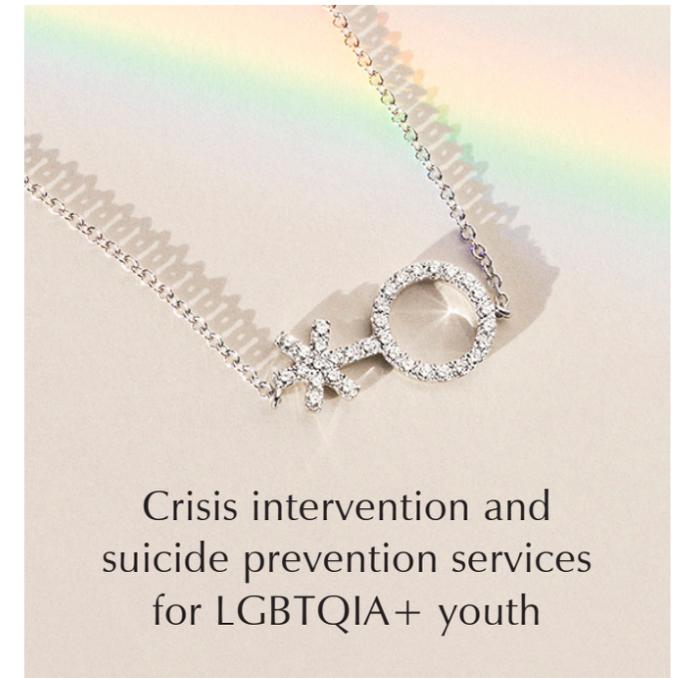
Feeding America



Science-based solutions  
for healthy ocean and  
wildlife communities



Rainforest Alliance



Crisis intervention and  
suicide prevention services  
for LGBTQIA+ youth

## Employee Engagement and Community Development

Compassion inspires our employees to be engaged in and to give back to our communities.

We attract employees with a mission mindset who are eager to be involved with issues they care about. Through volunteering, we contribute to the social and economic welfare of our communities. In 2021, Brilliant Earth employees more than tripled their volunteering efforts from 2020. We also started incorporating virtual volunteering initiatives.

In addition to volunteering, our team members are enthusiastic about raising money for the causes they care about, and we are proud to support and encourage those efforts with a company matching program. In 2021, when communities in India were experiencing a surge in a COVID-19 variant, we raised \$23,000 through employee donations and a company match for the Global Giving India COVID-19 Relief Fund, which helped deploy doctors to hard hit communities, source lifesaving medical supplies, and deliver essential items to families in need.

As a company, we also contribute to our communities directly. In 2021, we donated to local foodbanks, to give back to our local showroom communities. Foodbanks were selected by the employees from that location in recognition of food insecurities exacerbated by the COVID-19 pandemic.



### ESG Goal

By 2023, double employee volunteering hours.



In 2021, showroom openings were accompanied by a donation to a local foodbank.

Oregon Food Bank  
Portland, Oregon

North Texas Food Bank  
Dallas, TX

Desert Mission  
Phoenix, AZ

Hope Food Pantry  
Austin, TX

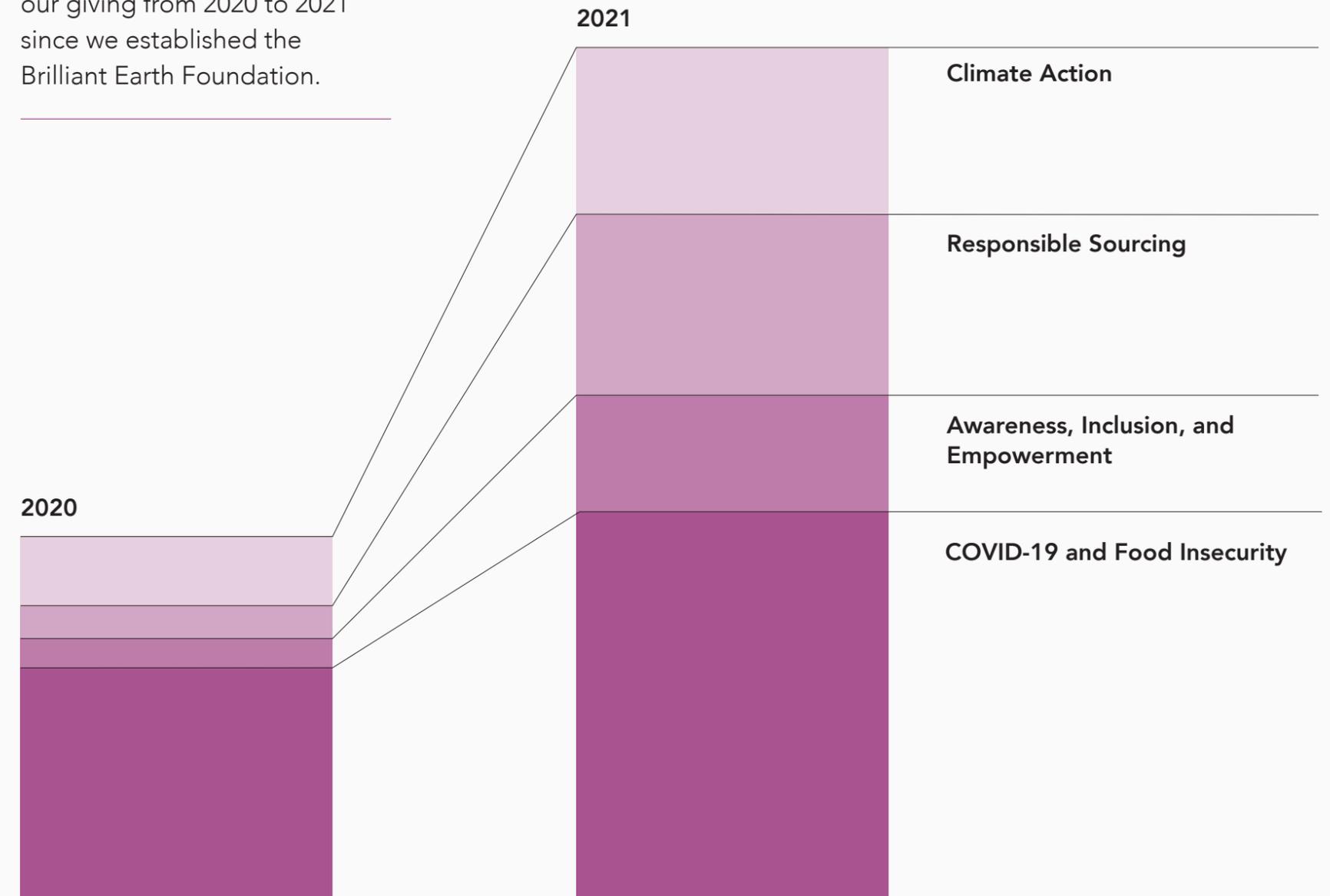
St. Mary's Food Bank  
Scottsdale, AZ

# Brilliant Earth Foundation

As our business has continued to grow, we've recognized an opportunity to accelerate our giving back efforts, and to invest in and develop long-term initiatives with our partners. In 2021, we established the Brilliant Earth Foundation, a donor-advised fund, and seeded it with an initial grant of \$1,000,000. The Foundation is built on our three commitments to compassion – Responsible Sourcing, Social Impact, and Climate Action. Through the Brilliant Earth Foundation, we are pleased to be able to increase our contributions and provide long-term commitments to organizations—like Pure Earth, DDI-Resolve, and Carbonfund.org—that are aligned with our Mission and advance causes that we champion.

## We've more than doubled

our giving from 2020 to 2021  
since we established the  
Brilliant Earth Foundation.





## Inclusive

# Our Holistic Approach to Diversity, Equity, and Inclusion

We are committed to creating a diverse, equitable, and inclusive environment in the Company and the jewelry industry. To our customer communities, we express our values through our inclusive product collections and customer experience. Within our employee community, we express our values through our Pillars of Culture, in our recruiting practices, and by investing in our employees.





# Fostering Diversity, Equity, and Inclusion

## Inclusive Products and Customer Experience

Our commitment to diversity, equity, and inclusion has led us to design product collections that celebrate these values. In 2020, we released one of the industry’s first gender-fluid collections, the Mx Collection. We also offer gender-neutral engagement rings and wedding bands, inclusive sizing, and a virtual try-on experience with technology that allows anyone to visualize jewelry on their unique skin tones.

### ESG Goals

Continue to broaden our product offerings to reflect our diverse customer base.

Identify new opportunities for inclusive designs and collections.

In 2022 and moving forward, continue to integrate and evaluate inclusive practices in marketing activities to reflect the diversity of our consumer base, by expanding and improving diverse representation.



## Inclusive Employee Environment

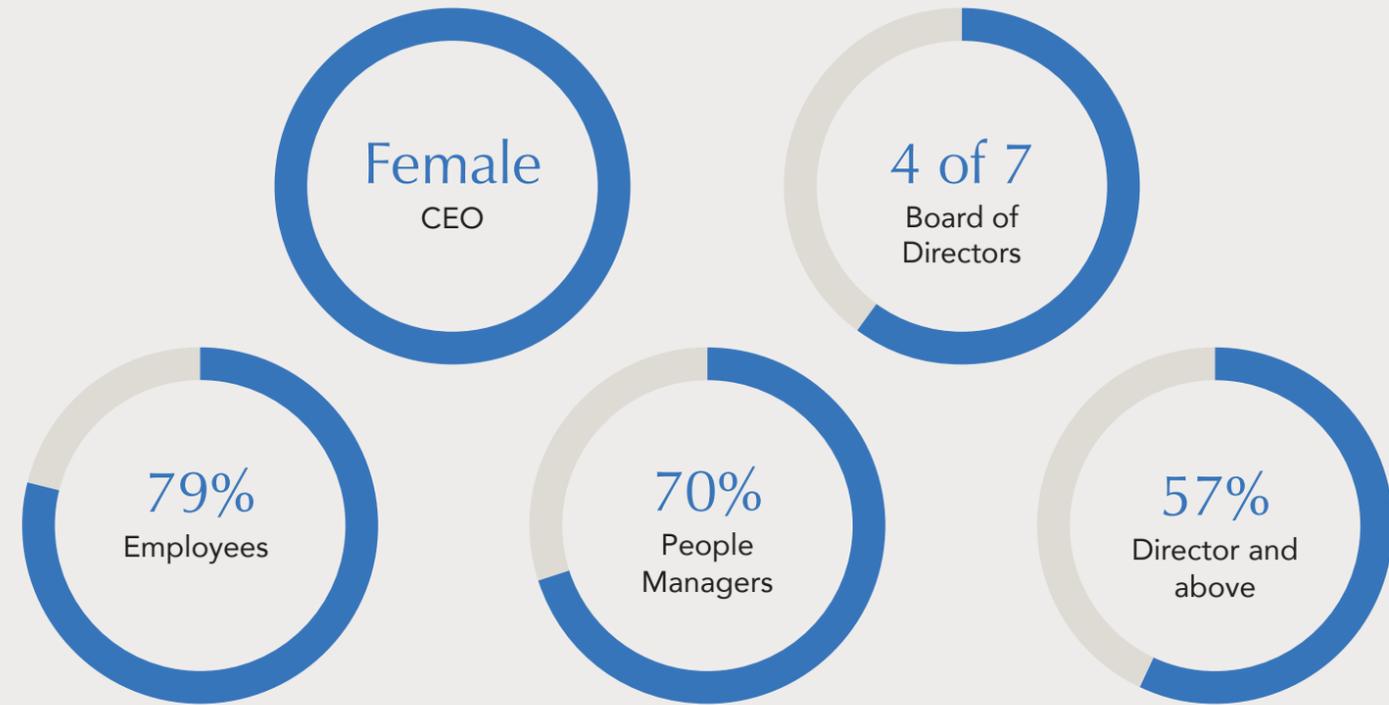
We celebrate the diversity within our Company, and know that we are a better business because of it. We are proud of our Black, Indigenous, People of Color (BIPOC) representation, and that women comprise the majority of our employees, people managers, directors and above, and board of directors. We also know that maintaining and expanding this diversity requires ongoing and continual efforts, and we are committed to these efforts and to fostering an inclusive workplace and more diverse jewelry industry.



### ESG Goal

Perform annual surveys to understand the intersectionality of the diversity of our employees. Support the continued growth and development of staff to support internal mobility and maintain diverse employee, leadership, and executive representation.

## FEMALE-LED, FEMALE MAJORITY\*



## PEOPLE IDENTIFYING AS BLACK, INDIGENOUS, PEOPLE OF COLOR (BIPOC)\*



\*as of the end of 2021



# Our Pillars of Culture

The Brilliant Earth culture is key to our success and helps us attract and retain team members. We evaluate, celebrate, and promote based on our Pillars of Culture.



## PILLARS OF CULTURE

### Commitment to the Customer

Providing an exceptional customer experience is always our top priority.

### Embrace Growth and Change

Be a champion of continuous improvement. Look for new opportunities to support business goals.

### Partnership and Positivity

Foster a community of collaboration, inclusivity, respect, and encouragement. Celebrate each other's differences and each other's victories, big and small.

### Mission Mindset

Be an educated, passionate advocate of our Mission in your role and beyond.

### Bias Towards Action

When you see a need, step up rather than standing by. Discuss, test efficiently, and take action.

### Ownership

Be accountable for your actions, take pride in your work and inspire others with your example.

# Building Our Employee Community

We are rapidly growing, and we engage, recognize, and emphasize wellness for our team members through awards, activities, events, and other benefits.

**Almost 500**  
full-time employees

**150+**  
new employees hired in  
2021

## Culture Budget

We nurture culture and team building activities with a dedicated quarterly culture budget.



## Time to Shine!

Our award program recognizes employees who demonstrate commitment to our Pillars of Culture.



## Connected Community

We've long championed collaborating across a dispersed workforce and we maintain a connected workforce through virtual meetings, events, and presentations.



Be Brilliant,  
Be Well



## Events

We host an annual Earth Day Challenge, environmentally focused panel discussions and screenings, virtual paint and movie nights, online yoga, and meditation.

## Brilliant Earth Wellness

We encourage work-life balance and focus wellness initiatives on body, mind, life and community.



# Investing in Our Team

Regular training, ongoing learning opportunities, workshops, and incentive award plans provide valuable opportunities to our team members.

**74%**  
of employees who  
been here 1+ years  
have been  
**promoted.**

## Recruiting

Building diverse candidate pools and an inclusive hiring process is an important consideration in our recruiting efforts. We provide trainings on unconscious bias, create structured and standardized interviews to mitigate bias in hiring, and evaluate job descriptions for inclusive language.

## A Brilliant Start

All employees, affectionately known as Brilliant Earthlings, participate in our Brilliant Start onboarding program to acquaint them with the people, places, and processes that will facilitate their success and keep them connected.

## Professional Development

We provide development opportunities for our team members and seek to promote from within.

## Learning Opportunities

We created an online library with a collection of over 200 training sessions, and encourage employees to record educational materials to share with colleagues.

## Continuing Education and Tuition Assistance

We support employees who want to continue their education and advance their professional growth, and offer a stipend to take classes at approved institutions.

## DEI Training

We offer specific diversity-related workshops to foster an inclusive environment and support self-assessments of our progress.

## Ongoing Training

Subject matter experts lead group discussions and forums about industry specific and topics related to our Mission.



# Improving Accountability

We know that creating lasting Diversity, Equity, and Inclusion requires ongoing focus, and we formed an employee-led Diversity, Inclusion and Belonging Council supported by an executive sponsor to engage and empower our employees and leadership, solicit employee feedback, and identify and support opportunities for us to improve. As part of our Diversity, Inclusion and Belonging Guiding Principles, Brilliant Earth leaders are empowered to progress our strategy and set their own individual goals.

## ESG Goals

Continue to train, educate and support all employees in creating and fostering diverse teams through a variety of DEI focused initiatives such as online trainings, guest speakers, ERGs, and other resources.

By 2023, identify a focused leader to spearhead and execute the Company's DEI program and initiatives.

“Brilliant Earth recognizes the value of diversity, inclusion and belonging on our team, as we work together to reinvent fine jewelry in a thoughtful and modern way. At Brilliant Earth, we celebrate each other – our successes, the lessons along the way, and the unique perspectives each individual brings to our team. We strive for all team members, customers, applicants, and partners – regardless of sex, race, religion, color, national origin, physical or mental disability, genetic information, marital status, age, sexual orientation, gender identity, military service, veteran status, or any other status – to know they are valued and welcomed at Brilliant Earth.”

**BRILLIANTEARTH  
EMPLOYEE HANDBOOK**

# Equitable and Inclusive Compensation Strategies

We understand that *all* our team members play a direct role in our success, and we are committed to compensation strategies that are equitable and inclusive. We offer competitive and comprehensive compensation packages, and we invest in our talent with Equity and Incentive Award Plans. Shortly after our September 2021 initial public offering, we made broad-based equity awards so that employees had opportunities to become shareholders in the Company. This reflects not only our appreciation for our team members' contributions to building the Company and the successful IPO, but also allows them to share in the Company's future successes.

## ESG Goal

Annually assess our compensation packages to continue to offer competitive and comprehensive packages that are also equitable and inclusive.

“Brilliant Earth is the company it is today because of our team. Their commitment and creativity inspire us every day.”

**BETH GERSTEIN, CEO**

# Employee Engagement

Our team members are the most important part of Brilliant Earth, and they drive our success. To help us build and maintain an exceptional experience for them, we conduct an annual, anonymous engagement survey so that they can provide direct and confidential feedback we can act on.

## Our Awards

In 2021 and 2022, we were recognized as one of the “Best Places to Work in Colorado” and “Best Midsize Places to Work in Colorado” based on our compensation, benefits, culture programs, and employee testimonials.





## Reporting Framework

# SASB Disclosure

We have aligned our disclosure with SASB’s Consumer Goods (CG) and Extractives & Minerals (EM) Processing sector standards. As a non-traditional business disrupting the jewelry industry, our disclosure does not fall squarely under a single SASB sector and industry. This SASB Disclosure includes many details of our operations, from our corporate footprint to our supply chain and manufacturing suppliers, and covers calendar years 2020 and 2021, except otherwise noted. Figures are rounded to the nearest whole number.

### CONSUMER GOODS SECTOR

Apparel, Accessories & Footwear	CG-AA
Multiline And Specialty Retailers & Distributors	CG-MR
E-Commerce	CG-EC

### EXTRACTIVES & MINERALS PROCESSING SECTOR

Metals & Mining	EM-MM
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# Our Corporate Operations

SASB CODE AND ACCOUNTING METRIC

BRILLIANT EARTH TRANSPARENCY DISCLOSURE

## Business Ethics & Transparency

### EM-MM-510a.1

Description of the management system for prevention of corruption and bribery throughout the value chain

### Policies

We maintain robust policies designed to prevent corruption, bribery, and other ethical and legal issues. Together, these policies address ethical issues, legal and regulatory compliance, human rights and labor law, health, safety, and environmental issues, and diversity, equity and inclusion, and set the high standards we expect of ourselves and anyone we work or do business with. These policies include:

#### **A Comprehensive Employee Handbook**

We provide employees with a comprehensive Employee Handbook that outlines our ethical, legal, and other compliance policies and expectations.

#### **Code of Business Conduct and Ethics**

Our [Code of Business Conduct and Ethics](#) – which applies to all of our directors, officers, and employees – sets high standards for how we conduct business.

#### **Ethical Business Policy**

We also maintain an [Ethical Business Policy](#), which applies not just to employees, but also to our vendors, suppliers, and any other third party with which we do business or that acts on our behalf anywhere in the world.

#### **Supplier Code of Conduct (CoC)**

We require our suppliers to agree to our [Supplier Code of Conduct](#). These standards are discussed at length in the [Supply Chain](#) section of this document.

#### **Anti-Money Laundering Policy**

We maintain an Anti-Money Laundering (AML) Policy that applies to all our officers, employees, and agents worldwide. For employees whose work could implicate money laundering issues, 100% of those employees completed specific AML training in 2021.



**EM-MM-510a.1**

**Insider Trading Compliance Policy**

We maintain an [Insider Trading Compliance Policy](#) to require compliance with securities laws and prohibit insider trading.

**Systems & Processes**

We also maintain comprehensive systems to prevent bribery and corruption, including internal controls, trainings, know-your-customer due diligence, and systems for vetting suppliers and vendors. Our program undergoes annual independent testing and revision so that it is effective and up to date.

**Whistle-Blower Hotline**

We maintain a whistle-blower hotline that allows any person – whether an employee or a third party – to report concerns online or by telephone, and anonymously if they choose. We not only request, but require, that employees report any conduct that the employee believes is unethical, fraudulent, or illegal.

**Independent Certifications**

**Jewelers Vigilance Committee (JVC)**

As members of the Jewelers Vigilance Committee, we strive to go beyond basic compliance with anti-money laundering and anti-corruption rules via continuous education, collaboration with business partners, responsible advertising, and sound customer relationship management. The JVC has tested and confirmed three times that our Anti-Money Laundering (AML) program is appropriate, most recently in 2021.

**Responsible Jewellery Council Code of Practice (RJC COP)**

We are a certified member of the [Responsible Jewellery Council \(RJC\)](#), and under the COP 2013 Standards were audited for our policies and procedures to prevent Bribery and Facilitation of Payments and Money Laundering and Finance of Terrorism under Know Your Counterparty.

## Attraction and Retention of Employees

**CG-EC-330a.1**

Employee engagement as a percentage

We have a highly engaged workforce. Our November 2021 survey of our employees showed:

- 88% say they are proud to work at Brilliant Earth
- 96% say they understand how their work contributes to company goals
- 90% feel part of a team
- 95% share the values of the Pillars of Culture

**CG-MR-310a.1**

(1) Average hourly wage and  
(2) Percentage of in-store employees earning minimum wage, by region

All employees earn well above the minimum wage in the regions in which they work across the country. Our lowest paid hourly wage in the United States in 2020 and 2021 was \$16.00 per hour (compared to that location’s minimum wage of \$7.25).

**CG-MR-310a.3**

Total amount of monetary losses as a result of legal proceedings associated with labor law violations

None (\$0) in 2020 and 2021.

**CG-EC-330a.4**

Percentage of technical employees who are H1B visa holders

None (0%) in 2020 and 2021.



## Workforce Diversity & Inclusion

### CG-MR-330a.1

### CG-EC-330a.3

Percentage of gender and racial/  
ethnic group representation for:

- (1) Management and
- (2) All other employees

We are proud of our Black, Indigenous, and People of Color (BIPOC) representation and that women comprise the majority of our employees, people managers, directors and above, and members of our board of directors.

As of the end of 2021:

- 79% of our employees are female
- 70% of people managers are female
- 57% of directors and above are female
- 41% of employees identify as BIPOC
- 29% of people managers identify as BIPOC
- 36% of directors and above identify as BIPOC

### CG-MR-330a.2

Total amount of monetary losses as a  
result of legal proceedings associated  
with employment discrimination

None (\$0) in 2020 and 2021.

## Workforce Health & Safety

### EM-MM-320a.1

- (1) MSHA all-incidence rate
- (2) Fatality rate
- (3) Near miss frequency rate (NMFR) and
- (4) Average hours of health, safety, and emergency response training for
  - (a) full-time employees and
  - (b) contract employees

We are committed to the safety of our workforce and to complying with health and safety laws and regulations.

- (1) Our all-incidence rate was zero (0) for 2020 and two for 2021.
- (2) Our fatality rate was zero (0) for 2020 and zero (0) for 2021.
- (3) Near miss frequency rate: This indicator is specific to the Extractives & Minerals Processing Sector. Given the nature of our operations, which include showrooms, offices, and a distribution center and do not utilize heavy machinery, we do not track a near miss frequency rate.
- (4) A full-time employee spends on average three hours on health, safety, and emergency response training (depending on whether they are expected to take lead in these situations or not).

We provide the following guidelines and trainings to ensure the health and safety of our employees: Emergency Preparedness Manual, Safety Officer Training, emergency response planning protocols, regular drills for emergencies, COVID-19 procedures for Customer Experience Teams, and Category 4–Global Pandemics practices.

## Product Sourcing, Packaging, Distribution & Marketing

### CG-EC-410a.1

Total greenhouse gas (GHG) footprint of product shipments

ITEM	2021	2020	UNIT
Customer Packaging	183	315	Tons of CO <sub>2</sub> e
Shipping (air and land)	329	311	Tons of CO <sub>2</sub> e

We are a Carbonfree® Partner and, since 2018, we have partnered with [Carbonfund.org](https://www.carbonfund.org) to offset our GHG emissions from our energy use, packaging, shipping, employee travel, and commuting. Carbon emissions data for customer packaging are estimates calculated using an independent emissions calculator. Data for shipping is provided by our shipping partners.

SASB CODE AND ACCOUNTING METRIC

BRILLIANT EARTH TRANSPARENCY DISCLOSURE

**CG-EC-410a.2**  
**CG-MR-410a.3**

Discussion of strategies to reduce the environmental impact of product delivery

We are committed to reducing environmental impact, from raw material selection, packaging design, product delivery, through to reducing greenhouse gas emissions generated by our business activities through our Carbonfree® Partnership.

**Raw Material Selection:** We selectively source our raw materials to reduce the environmental impacts associated with mining and extraction. Our Beyond Conflict Free Diamonds™ have been selected for their ethical and environmentally responsible origins, and we use recycled precious metals to reduce our footprint for newly-mined materials. See SASB criteria [CG-AA-440a.1](#) for more information about natural diamonds and recycled precious metals.

**Jewelry Boxes and Packaging:** Our iconic wood boxes are made from wood certified by the Forest Stewardship Council (FSC), an independent organization that verifies materials originate from responsibly managed forests or recycled sources. Our fine jewelry box is designed to be reused, and is ideal for carrying jewelry pieces when traveling.

Our paper-based shipping boxes were redesigned in 2021, and are made from FSC Recycled which is 100% post-consumer or pre-consumer recycled content. By switching from FSC Mix with 70% recycled content to FSC Recycled with 100% recycled content, we estimate that we conserved 89 tons of CO<sub>2</sub> in 2021.

**Shipping:** Since 2018, we have partnered with Carbonfund.org to offset our carbon emissions from our energy use, packaging, shipping, employee travel, and commuting. We try to consolidate shipments, including encouraging pickup in showrooms, and minimizing the number of shipments that are necessary per order. See SASB criteria [CG-EC-410a.1](#) for data specific to product shipments.

Energy Management in Retail & Distribution

**CG-MR-130a.1**

- (1) Total energy consumed
- (2) Percentage grid electricity
- (3) Percentage renewable

Total electricity consumed by our corporate offices and retail stores:<sup>1</sup>

- 2020 – 138,710 kWh
- 2021 – 290,010 kWh

We are making progress in using renewable energy sources and decreasing our reliance on the grid, and plan to quantify this in the future.



## Data Security and Data Privacy & Advertising Standards

### CG-EC-220a.2

Description of policies and practices relating to behavioral advertising and user privacy

Our [Privacy Policy](#) explains the type of information we collect, the rationale for doing so, and one’s rights and choices about that information. Depending on the nature of one’s exchange with us, this may include the online submission of data such as contact, demographic, payment, profile, employment, government identification, service use, device connectivity and configuration, IP address and device identifiers, location, or other content. We do so through the use of cookies, web logs, web beacons and other tracking technologies—some of which are operated by third parties. We may also seek out information from other providers and share ours with them. Users may be able to opt out or disable some automated tracking or interactive functions. We use our best efforts to comply with all applicable laws related to data privacy and security.

### CG-EC-230a.1

### CG-MR-230a.1

Description of approach to identifying and addressing data security risks

We have a structured process to identify and address all information security (IS) incidents we believe could impact our IT systems, networks, or information and data held by Brilliant Earth. We aim to identify, prioritize, escalate, and define the risk severity of incidents as they arise. Upon determination of a high priority or severity of incident, our Response Team notifies, as appropriate, our privacy counsel, executive management, the board of directors, as well as our cyber insurance carrier, to determine next steps based on documented procedures.

All employees are encouraged to help identify incidents, respond with appropriate action, and participate in trainings and continuous efforts to improve data security.

## Activity Metrics

### CG-MR-000.A

Number of:  
(1) Retail locations and  
(2) Distribution centers

At the end of 2021, we had 15 retail showrooms in the United States and one distribution center in New Jersey.

### CG-MR-000.B

Total area of:  
(1) Retail space and  
(2) Distribution centers

At the end of 2021:  
**Retail:** 53,089 Square feet  
**Distribution centers:** 23,817 Square feet



# Our Supply Chain

## Manufacturing

The table below reflects the SASB topics relevant to Brilliant Earth’s supply chain manufacturers.

### SASB CODE AND ACCOUNTING METRIC

### BRILLIANT EARTH TRANSPARENCY DISCLOSURE

## Raw Materials Sourcing

### CG-AA-440a.1

Description of environmental and social risks associated with sourcing priority raw materials

Sourcing diamonds, metals, and gemstones carries social and environmental risks that we strive to mitigate via the tools and practices we employ.

**Natural Diamonds:** The industry standard for diamond sourcing is the Kimberley Process, which narrowly defines conflict diamonds as those used to finance wars against governments. The Kimberley Process standard tolerates issues we seek to avoid, such as violence, human rights abuses, poverty, environmental degradation, forced labor, child labor, worker exploitation, and unsafe working conditions. Unlike the Kimberley Process’ definition of “conflict free,” Brilliant Earth goes above and beyond current industry standards to offer Beyond Conflict Free Diamonds™ that have been selected for their ethical and environmentally responsible origins. Our select group of natural diamond suppliers demonstrate their adherence to our robust Chain of Custody Protocol, which requires suppliers to source diamonds from specific mine operations in specific countries that have demonstrated their commitment to adhere to internationally recognized labor, trade, and environmental standards, to track and segregate diamonds by origin for Brilliant Earth-eligible inventory, and to maintain systems and records that support their compliance. Our provenance claims for natural diamonds are RJC-verified. Suppliers must also agree to our strict Supplier Code of Conduct, which addresses social and environmental responsibility, industry-recognized third-party audits such as RJC certification, traceability systems, supply chain integrity, and adherence to our business and regulatory standards. See SASB criteria [CG-AA-430b.3](#) for more details on the Supplier Code of Conduct.



OUR SUPPLY CHAIN

SASB CODE AND ACCOUNTING METRIC

**CG-AA-440a.1**

Description of environmental and social risks associated with sourcing priority raw materials

**CG-AA-440a.2**

Percentage of raw materials third-party certified to an environmental and/or social sustainability standard, by standard

BRILLIANT EARTH TRANSPARENCY DISCLOSURE

Our natural diamonds are sourced from approved mines in countries ranked according to risk based on the Gemstones and Jewellery Community Platform Index for Conflict-Affected and High Risk Areas.<sup>1</sup> The labor, trade, and environmental standards of the natural diamond mining companies we source from have been reviewed through information such as Responsible Jewellery Council certifications, the world's leading standard setting organization for the jewelry industry, publicly available internal mining practices such as the DTC Best Practice Principles, and Global Reporting Initiative, an internationally recognized ESG disclosure framework. We perform ongoing evaluations of our suppliers to verify they can meet and maintain our standards.

**Precious Metals:** We do not source so called “dirty gold,” which has a history of environmental devastation, labor abuses, violence and other human rights abuses. We use responsible, recycled precious metals, reducing our footprint for newly-mined materials.

Our recycled precious metals come from numerous sources, including post-consumer materials such as existing jewelry, electronics components, product manufacturing, and investment gold products like gold bars. Our objective is to diminish the negative impacts of dirty gold, reduce our environmental footprint, and contribute to programs dedicated to improving small-scale mining practices.

We require our jewelry suppliers to abide by our Recycled Precious Metals Policy, which dictates that gold and silver must be recycled and acquired from Brilliant Earth-approved refiners who are independently audited for recycled content. See SASB criteria [CG-AA-440a.2](#) for recycled metal percentages.

**Gemstones:** Many obstacles still exist in obtaining information about gemstone mining conditions around the world, which makes it challenging to trace some gemstone origins and track the conditions under which they were mined. By partnering with our colored gemstone suppliers to improve standards and traceability, we aim to promote higher standards for gemstone sourcing to improve dangerous mining conditions and encourage responsible practices. We continuously evaluate our colored gemstone sources to gain as much visibility as possible into the supply chain, and we require our suppliers to provide documentation to demonstrate origin.

**Recycled Precious Metals**

METAL	3RD PARTY CERTIFIED RECYCLED PERCENTAGE IN 2021
Gold	93.0%
Silver	99.8%

## Labor Conditions in the Supply Chain

### CG-AA-430b.1

Percentage of:

- (1) Tier 1 supplier facilities and
- (2) Supplier facilities beyond Tier 1 that have been audited to a labor code of conduct,
- (3) Percentage of total audits conducted by a third-party auditor

We require our suppliers to agree to and comply with our Supplier Code of Conduct, which requires social and environmental responsibility. When evaluating compliance with our Supplier Code of Conduct, we support Mutual Recognition, which means utilizing a combination of labor audit protocols conducted by third-party auditors.

**Natural diamond suppliers and manufacturers:** At the end of 2021, these were the percentages of natural diamond suppliers that completed a social compliance audit to one or more of the below third-party audit protocols:

- 92% of our Tier 1 natural diamond suppliers
- 95% of our Tier 2 natural diamond manufacturers

**Jewelry suppliers and manufacturers:** At the end of 2021, these were the percentages of jewelry suppliers that completed a social compliance audit to one or more of the below third-party audit protocols:

- 77% of our Tier 1 jewelry suppliers
- 81% of our Tier 2 jewelry manufacturers

We accept the following third-party audit protocols:

- Responsible Jewellery Council (RJC) certification
- DTC Best Practice Principles (BPP) Assurance Program
- Forevermark Management System Certification Assessment Report
- Audits conducted by the Association of Professional Social Compliance Auditors (APSCA) Member Firms

### CG-AA-430b.2

Priority non-conformance rate and associated corrective action rate for suppliers' labor code of conduct audits

Our natural diamond suppliers must complete a BPP, RJC or Forevermark audit. These audit protocols identify labor non-conformances, monitor corrective actions plans, and close non-conformances according to their audit protocol standards.



OUR SUPPLY CHAIN

SASB CODE AND ACCOUNTING METRIC

**CG-AA-430b.3**

Description of the greatest:

- (1) Labor and
- (2) Environmental, health, and safety risks in the supply chain

BRILLIANT EARTH TRANSPARENCY DISCLOSURE

Our supply chain includes risks associated with our raw materials, which are described in SASB criteria [CG-AA-440a.1](#). Further into our manufacturing supply chain, there exist health and safety risks to labor in Tier 2 cutting and polishing manufacturers. To provide for safe working conditions at the facilities where our products are being manufactured, Brilliant Earth requires suppliers to comply with our [Supplier Code of Conduct](#) which states suppliers:

- Must use fair and responsible labor practices
- Must treat employees with full respect and dignity
- Are prohibited from subjecting workers to discrimination, harassment, or abuse
- Are prohibited from using child or forced labor
- Must provide employees with fair wages and benefits
- Must provide a healthy and safe working environment
- Are not permitted to use excessive overtime
- Must commit to not supporting non-state armed groups when purchasing raw materials
- Are evaluated for their investments in community development and environmental protection in their surrounding area

When evaluating compliance with our Supplier Code of Conduct, we support Mutual Recognition and accept the following third-party audit protocols:

- Responsible Jewellery Council (RJC) certification
- DTC Best Practice Principles (BPP) Assurance Program
- Forevermark Management System Certification Assessment Report
- Audits conducted by the Association of Professional Social Compliance Auditors (APSCA) Member Firms
- Sustainability Rated Diamonds (SCS-007)



## Environmental Impacts in the Supply Chain

### CG-AA-430a.1

Percentage of:

- (1) Tier 1 supplier facilities and
- (2) Supplier facilities beyond Tier 1 in compliance with wastewater discharge permits and/or contractual agreement

Our Supplier Code of Conduct requires that manufacturers are in compliance with all relevant environmental regulations and efficiently consume resources such as water and energy and abide by proper disposal of waste. We expect that suppliers assess and mitigate environmental impacts, and implement an environmental management system, when appropriate.

Results of an audit are confirmation that suppliers are in compliance or that they will come into compliance with our Supplier Code of Conduct through corrective action plans.

**Natural diamond suppliers and manufacturers:** At the end of 2021, these were the percentages of natural diamond suppliers that completed a social compliance audit to one or more of the below third-party audit protocols:

- 92% of our Tier 1 natural diamond suppliers
- 95% of our Tier 2 natural diamond manufacturers

**Jewelry suppliers and manufacturers:** At the end of 2021, these were the percentages of jewelry suppliers that completed a social compliance audit to one or more of the below third-party audit protocols:

- 77% of our Tier 1 jewelry suppliers
- 81% of our Tier 2 jewelry manufacturers

We accept the following third-party audit protocols:

- Responsible Jewellery Council (RJC) certification
- DTC Best Practice Principles (BPP) Assurance Program
- Forevermark Management System Certification Assessment Report
- Audits conducted by the Association of Professional Social Compliance Auditors (APSCA) Member Firms



OUR SUPPLY CHAIN

SASB CODE AND ACCOUNTING METRIC

BRILLIANT EARTH TRANSPARENCY DISCLOSURE

**CG-AA-430a.2**

Percentage of:

- (1) Tier 1 supplier facilities and
- (2) Supplier facilities beyond Tier 1 that have completed the Sustainable Apparel Coalition’s Higg Facility Environmental Module (Higg FEM) assessment or an equivalent environmental data assessment

The Higg FEM assessment is not an applicable standard to the jewelry industry. As an alternative to Higg for assessing environmental impact, we use RJC certification, DTC Best Practice Principles (BPP) Assurance Program, Forevermark Management System Certification Assessment Report, audits conducted by the Association of Professional Social Compliance Auditors (APSCA) Member Firms for natural diamonds and jewelry suppliers. See SASB criteria [CG-AA-430b.1](#) and [CG-AA-430a.1](#).

**CG-AA-000.A**

Number of:

- (1) Tier 1 suppliers and
- (2) Suppliers beyond Tier 1

Natural Diamond and Jewelry Suppliers and Manufacturers as of the end of 2021:

- Tier 1: 79
- Tier 2: 102

# BRILLIANT EARTH

