2024 Sustainability Report

Environmental Highlights

SWAROVSKI

2024 Environmental Sustainability Highlights

2050

We reviewed our greenhouse gas reduction progress and decided to commit to a science-based net-zero target until 2050.

-46%

We have reduced our total greenhouse gas emissions by 46% compared to our 2019 baseline, with reductions across Scopes 1, 2, and 3.

-5%

We have decreased our total greenhouse gas emissions by 5% compared to 2023, driven by decreases across all scopes.

30%

Over 30% of our products are now made according to our Sustainable Product Guiding Principles.

100%

Our Eternity and Galaxy collections featuring Swarovski Created Diamonds were produced using 100% renewable electricity as well as gold and sterling silver from recycled sources.

LEED

Our New York flagship store achieved the LEED Platinum certification, recognizing our commitment to more sustainable building practices.

100%

We sourced 100% of the brass, gold, palladium, and rhodium used in our own jewelry manufacturing sites from recycled sources, contributing to a total recycled base metal share of 97%.

34%

Renewable sources now account for 34% of our total energy mix, marking a 12% increase since our 2019 baseline.

50

We have expanded our Swarovski ReCreated™ crystals range with two additional colors, which are now featured in over 50 of our jewelry products.

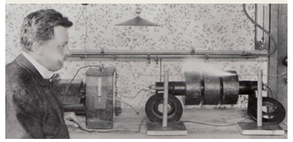
Our Longstanding Commitment to Sustainability

From our 1895 foundations to the modern savoir-faire of today's global operations, we have always remained true to a deep commitment to people and planet that we have realized through consistent innovation. For almost 130 years, we have sought to act sustainably, achieving many milestones along the way. Here is just a small selection of those achievements.

1895

Daniel's vision

Daniel Swarovski establishes a pioneering crystal-cutting factory in Tyrolean Wattens. Using hydropower for his patented grinding processes, Daniel's vision is to craft affordable crystals and provide "a diamond for everyone."



1907

Harnessing the power of water

Our business builds its first major hydropower plant, providing clean "Swarovski power" for cutting machines and light for local communities.

1948

The Swarovski spirit

A new company-owned welfare office begins offering support on social issues, establishes many employee social clubs, and donates grounds for a local school, reinforcing that employee health, safety, and wellbeing have always been paramount for us.

1970

Towards hybrid furnaces

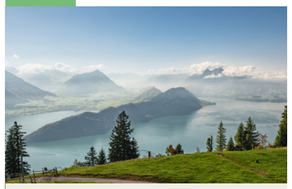
Our first combined gas and electric furnace is installed, reducing our reliance on fossil fuels for manufacturing.

1983

Collaboration in renewable energy[1]

We work alongside the Wattens paper factory to commission the Wattenbach hydropower plant, capable of producing c.55 GWh of energy each year.

1990



Less carbon dioxide

By replacing oil with natural gas for melting and heating, we cut our CO_2 emissions by 30%.[2]

2010

Setting standards

Swarovski publishes its first voluntary sustainability report, including transparent disclosures in line with GRI Standards beyond legal requirements. Swarovski also joins the UN Global Compact (UNGC), the world's largest corporate sustainability initiative.

2014

A more responsible supply chain

We launch the Responsible Sourcing Initiative, helping suppliers manage socio-environmental risks in their production plants.

2015

Leading on lead

After dramatically reducing the lead content of Swarovski crystals to just 0.009% in 2012, the quest for continuous improvement drives Swarovski to again reduce the lead content to no more than 0.004%.

2020

A strengthened sustainability strategy

The Swarovski Crystals Business agrees an increased ambition level for sustainability, and a strengthened strategy is created. Subsequently, the first set of bold 2030 targets are announced publicly.

2021

A more ambitious sustainability commitment

After strengthening our sustainability strategy, we sign up to the Science Based Targets initiative (SBTi) and announce ambitious 2030 targets, including the reduction of Scope 1 and 2 emissions by 47% and Scope 3 emissions by 28%.

2022

Sourcing more renewable energy

We achieve our biggest ever year-on-year reduction of Scope 1 and 2 greenhouse gas (GHG) emissions, aided by shifting all our Asian manufacturing sites to renewable electricity, including on-site solar power.

2023

Launching Swarovski Created Diamonds

We introduce our Galaxy collection made with Swarovski Created Diamonds and 100% recycled gold. The entire Galaxy collection is produced using 100% renewable electricity.

2024

Our most sustainable crystals

We integrate Swarovski ReCreated™ crystals – our most sustainable crystals to date – in many more consumer jewelry products and launch additional colors for our business customers.

1 Renewable energy: "energy from renewable sources" or "renewable energy" means energy from renewable non-fossil sources, namely wind, solar (solar thermal and solar photovoltaic) and geothermal energy, ambient energy, tide, wave and other ocean energy, hydropower, biomass, landfill gas, sewage treatment plant gas, and biogas (Source).

2 Natural gas has 30% lower emissions than heavy fuel oil. Based on standard factors for fuels from the national greenhouse gas inventory for use at level 2a in Austria (Source).

Environmental Sustainability at Swarovski

Our Environmental Sustainability Focus Areas

Since 2022, our business has been guided by the LUXignite strategy, designed to consolidate our position in the luxury segment and expand our presence in the fine jewelry market.

In 2024, we fully integrated sustainability into our LUXignite strategy by incorporating dedicated language that emphasizes its importance to the long-term success of our company. Additionally, we set out our actions in greater detail through our sustainability strategy.

As the most critical issues and drivers for change evolve over time, in 2024, we undertook a review of our strategy to ensure that our efforts remain targeted towards the most critical areas. As a starting point for our review, we conducted a new double materiality assessment, which identified the issues most material to Swarovski and shed more light on the areas where we need to focus our efforts. However, we also considered data from life-cycle analysis and further internal assessments, as well as additional strategic filters based on our capabilities or the relevance to our stakeholders.

On the environmental side, this resulted in the following two focus areas:

MITIGATE CLIMATE CHANGE

We mitigate climate change by focusing on increased energy efficiencies and a greater share of renewables in our own facilities (Scope 1 and Scope 2) and throughout the entire supply chain (Scope 3).

PRESERVE RESOURCES & MINIMIZE WASTE

We create future-fit materials through innovation without sacrificing quality or aesthetics and accelerate circularity to preserve resources and extend product life. We streamline operations by closing loops and minimizing waste.

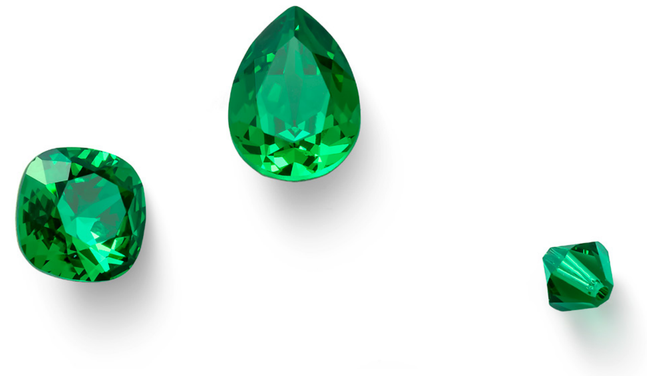
Mitigate Climate Change

We mitigate climate change by focusing on increased energy efficiencies and a greater share of renewables in our own facilities (Scope 1 and Scope 2) and throughout the entire supply chain (Scope 3).

SDGs

PROGRESS: % OF TOTAL GHG EMISSIONS REDUCTION

VS 2023	VS 2019 BASELINE
-5%	-45%



2030 COMMITMENTS

1. The SBTi has approved Swarovski's near-term science-based emissions reduction target to reduce absolute Scope 1 and Scope 2 emissions by 47% and Scope 3 emissions by 28% by 2030 from a 2019 baseline. Additionally, Swarovski commits to setting long-term emissions reduction targets with the SBTi in line with reaching net zero by 2050. We are preparing to submit our targets to achieve this long-term aim for SBTi approval.

PROGRESS SUMMARY

- Reviewed our greenhouse gas reduction progress against the SBTi-approved targets we set in 2021 as we had already partly achieved our objective. As a result, we have committed to a new, science-based net-zero target.
- Achieved a reduction of our total greenhouse gas (GHG) emissions of 5% versus the previous year, with decreases across all three scopes. Against our SBTi baseline target, we have attained a decrease in Scope 1 and 2 emissions of 45% and further reduced our Scope 3 emissions by 46% versus our 2019 baseline. Several initiatives contributed to this decrease, including:
  - Increasing the overall proportion of renewable energy in our energy mix to 34% globally. One contributing factor was our facility in Wattens, where extensive repairs to our local hydropower facility enabled us to once again utilize the full potential of the local river.
  - Advancing electrification in Wattens further by, for example, building and equipping a new, 100% electric furnace at our crystals manufacturing site and by replacing old gas boilers with two electric boilers. The new boilers are expected to reduce CO_2 emissions by 2,400 tons, equivalent to 7% reduction in Scope 1 emissions in Wattens, once they are fully up and running[3].
  - Adding secure, sealed lids to hot baths used in part of the crystals production process. The baths reach temperatures of more than 550°C, and the new lids reduce energy usage at this stage by 50%. Additionally, retrofitting new pipework at our glass production site in Wattens consolidated two exhaust stacks into one. Overall, these and other measures at this site in 2024 have led to annual energy savings of more than 6,000 megawhatt hours (MWh).
  - Switching the fan blades of the cooling towers at our Swarovski Manufacturing Thailand facility from metal to reinforced fiberglass and fixed compressed air leakage. These changes will contribute to further reductions in our annual energy consumption.
  - Further increasing the share of recycled base metals in our jewelry manufacturing to 96%, helping to reduce our Scope 3 emissions.[4] We also continued to exclusively use 100% recycled gold for jewelry produced in our own factories.
  - Replacing all four diesel forklifts at our Wattens manufacturing site with electric versions, reducing the environmental footprint of our internal transport.
  - Reducing our use of air transport for freighting goods and materials by 8% versus 2021.
  - Achieving LEED (Leadership in Energy and Environmental Design) Platinum certification at our New York flagship store. LEED promotes sustainable building practices that reduce greenhouse gas emissions and energy consumption.

3 Calculation of reduction of CO_2 emissions confirmed by TÜV Süd.
4 According to internal Scope 3 calculations conducted by Swarovski's Sustainability team, based on assessed data accuracy and metrics used to track progress toward its reduction goal and in alignment with science-based targets.

Mitigate Climate Change

Our Science-Based Targets Roadmap

Achieving the global goals set out in the Paris climate agreement requires companies all over the world to play their part. We now believe we can make a bigger contribution than the one we set out in our 2021 sustainability strategy, so we have revisited the measures we need to take across our business and value chain.

While we continue our efforts to achieve the final reductions of our existing 2030 science-based emissions targets, Swarovski also commits to setting long-term emissions reduction targets with the SBTi in line with reaching net zero by 2050. Targets to achieve this long-term aim have already been submitted, and we are working with the SBTi through their approval process.

The graphic opposite shows the GHG reductions we have already attained. Since our 2019 baseline, we have decreased our total GHG emissions by 46%, including cutting Scope 1 by 30%, Scope 2 by 63% (Scope 1 and 2 combined by 45%), and Scope 3 by 46%.

It also shows our pathway to net zero, as well as some of the continued, concerted efforts that will see us cut our emissions by 90% by 2050 in our own operations and broader chain of activities. Any residual emissions after 2050 will be neutralized to achieve Net Zero.

SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

Actual data

Targeted reduction glidepath

Residual total emissions (<10%) to be neutralized with permanent carbon removal and storage

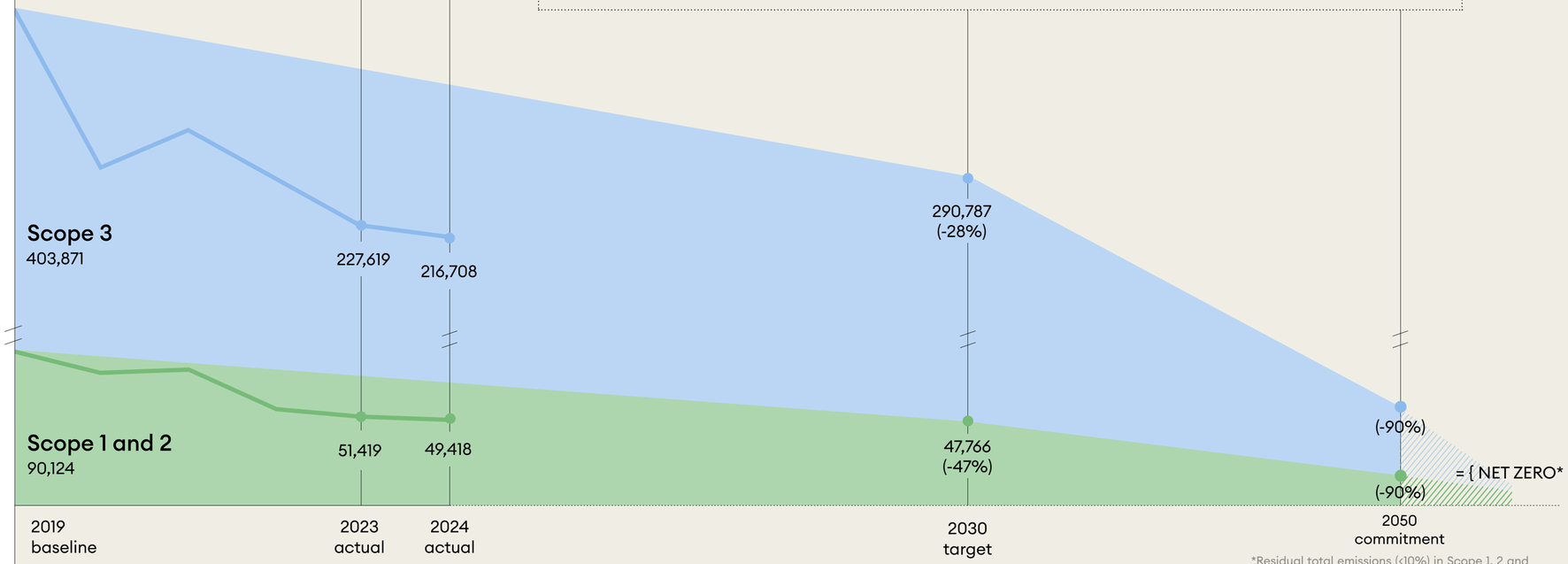
OUR PATH TOWARDS NET ZERO

Scope 1 and 2

- Switch production sites and stores to renewable electricity by purchasing Energy Attribute Certificates or switching to green tariffs.
- Actively seek manufacturing efficiencies.
- Invest in photovoltaics, electric boilers, heat pumps, energy storage and other energy infrastructure.
- Electrify production processes, such as glass melting.
- Explore sensible application of hydrogen.

Scope 3

- Work together with our suppliers to switch to renewable energy.
- Produce Swarovski Zirconia using hydropower for melting.
- Reduce reliance on airfreight.
- Produce Swarovski Created Diamonds using renewable electricity, including self-generated solar power.
- Switch to recycled metals internally and at our external manufacturers.
- Selectively move production in-house, utilizing renewable electricity.
- Switch to green data servers.
- Promote sustainable employee commuting and travel.



* Roadmap not to scale. All figures are in tCO_2e

*Residual total emissions (<10%) in Scope 1, 2 and Scope 3 will be neutralized with permanent carbon removal and storage to achieve Net Zero

Preserve Resources & Minimize Waste

We create future-fit materials through innovation without sacrificing quality or aesthetics and accelerate circularity to preserve resources and extend product life. We streamline operations by closing loops and minimizing waste.

SDGs

PROGRESS: % OF WASTE DIVERTED FROM LANDFILL

2019	2024
45%	57%

2030 COMMITMENTS

1. We will craft at least 50% of the products in our portfolio according to the materials threshold within our Sustainable Product Guiding Principles.
2. We plan to launch at least one collection per year that focuses specifically on its sustainability credentials.
3. We are working towards sourcing all our metals from responsibly managed and recycled sources by 2030.
4. We will transform our own operations to become 90% landfill-free, with at least 70% of our waste being recycled or repurposed, by 2030.
5. We will improve our customer-facing packaging by transitioning to entirely certified or recycled sources and making it completely recyclable or compostable by 2030.
6. Through our Infinity Accelerator program, we are partnering with external experts to investigate sustainability-focused innovation that allows us to make progress on critical environmental topics.

PROGRESS SUMMARY

- Kept 57% of waste out of landfill and completed a comprehensive mapping of waste streams across all our own manufacturing sites. This enabled us to identify key areas for further waste reduction and circularity initiatives in own operations.
- Partnered with experts, particularly through our Infinity Accelerator program, to create sustainable innovation for Swarovski across the value chain on topics that cannot be solved within ongoing business processes. Examples of areas investigated in 2024 include Circular Design with the Centre for Sustainable Fashion London or the collaboration with start-up company Up-Preneurs to research circularity of operational waste.
- Removed plastic wrapping used to package products transported from our manufacturing site in Vietnam. By collaborating with our supplier to improve inlays and employ elastic and pegs, we avoid an estimated 12,000m^2 of plastic annually and cut the lead time for the packaging process by approximately 20%.
- Continued using a lifecycle tool to assess the environmental impact of our packaging and guide our footprint reduction.
- Trialed programs to recover precious metals from items returned by customers that cannot be repaired. These trials have given us crucial knowledge about how to scale up this process across our markets. Already, 500g of gold and 300g of palladium have been recovered.
- Crafted over 30% of all product SKUs in our portfolio according to our Sustainable Product Guiding Principles. Our target is to ensure at least 50% adhere to the principles by 2030.
- Developed a Circular Design Playbook in collaboration with London's Centre for Sustainable Fashion to level up the circularity of our products and related services. The playbook will be published internally in 2025, and we have already begun training our Design and Product Marketing teams to help implement its framework.
- Expanded our Swarovski ReCreated™ crystals range – our most sustainable crystals to date. Business customers can now choose between additional Ice Blue and Dark Jonquil colors, while we have integrated the Swarovski ReCreated™ crystals into several consumer-facing jewelry product ranges, totaling more than 50 SKUs.
- Sourced 100% of the brass, gold, palladium, and rhodium used in jewelry production at our own manufacturing sites from recycled sources. This leads to a total recycled base metal share of 96%.
- Eliminated glue from and reduced the weight and handle size of our extra-small shopping bags, decreasing the per-bag CO_2e emissions by 42%. The new bags are also fully recyclable, and we plan to use these findings to adapt other bag sizes.[5]

5 Calculation is based on an internal life-cycle assessment made using eQopack, an ISO-certified LCA tool by Quantis.

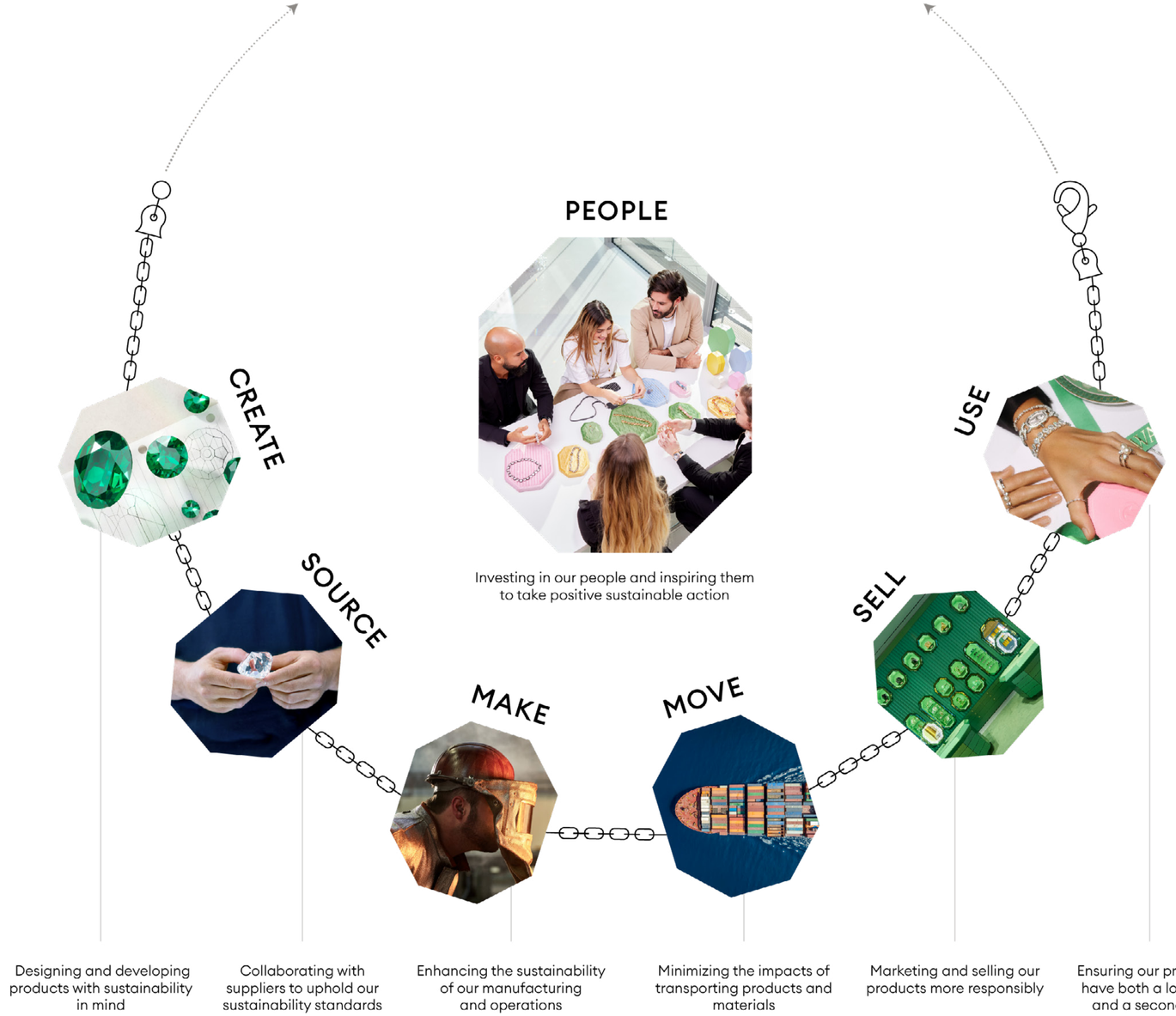
Case Studies from Our Products' Sustainability Journey

Introducing our Products' Sustainability Journey

Progress in sustainability is a journey that requires collective effort across our complete chain of activities. From within our own operations to the partnerships we build with suppliers and stakeholders, every step counts.

This section spotlights the remarkable achievements – both big and small – made by our colleagues across the business. From the earliest stages of ideation and design to production, sales and, ultimately, the way our customers use and interact with our products, every success contributes to a more sustainable future.

Together, these efforts showcase the power of our shared commitment to meaningful change and the incredible impact of teamwork in helping to shape a future that is environmentally sound and socially just.



Create

We believe that the businesses and consumers who buy our products should not have to choose between quality and conscience. The decisions we make when we conceive a product have an enormous impact on its future sustainability. That is why, from the very outset, our Product Creation teams consider how to make a product more sustainable through every stage of its life cycle.

While conscious that we need to do more, we are proud to report that over 30% of our products are now made according to our Sustainable Product Guiding Principles. On the following pages, read some of the interventions that have helped achieve this progress.

EXPANDING OUR SWAROVSKI RECREATED™ CRYSTALS OFFERING

In our last report, we detailed the launch of our breakthrough innovation, Swarovski ReCreated™ crystals. These crystals, which exhibit the same impeccable quality as the original product, are made with breakage from our crystals manufacturing process that is remelted, transforming waste materials into vibrant new colors. The innovative process uses at least 40% less natural resources than standard crystals, reducing the environmental footprint of Swarovski ReCreated™ crystals by a minimum of 34%.[6]

In 2024, we expanded the range of Swarovski ReCreated™ crystals we offer to both businesses and consumers. Two new colors, Ice Blue and an exquisite new yellow shade, Dark Jonquil, were launched to business customers in the fall, while consumers can now experience Swarovski ReCreated™ crystals across more than 50 SKUs integrated into our consumer-facing Matrix, Millenia, Sublima, Idylla, and Symbolica collections. As part of our Swarovski Creators Lab, we have also collaborated with American shoe designer Stuart Weitzman to create three elaborately embellished heels, one of which is adorned with Swarovski ReCreated™ Ice Blue crystals.

We have been masters of color for almost 130 years, and that is not about to change. We intend to launch new Swarovski ReCreated™ hues every year, integrating them into our consumer collections and demonstrating our commitment to sustainable production.

Our Swarovski Creators Lab collaboration with Stuart Weitzman

"Swarovski ReCreated™ Crystals demonstrate how we leverage our superlative creativity to pioneer circular innovation in crystals making, which represents a significant step on our sustainability journey. We want to improve the sustainability of products across our whole portfolio, so we are using ReCreated™ Crystals everywhere we can, including some of our most iconic jewelry collections."

Stefanie Cohen
Head of Sustainability, Swarovski

6 Calculation is based on an ISO 14040/44 compliant and reviewed life-cycle assessment. 'Natural resources' describes the impact category 'resource depletion, minerals, and metals'.

Create

CREATED DIAMONDS ARE FOR ETERNITY

The laboratory grown diamonds adorning Swarovski Created Diamonds jewelry are made using an innovative process that flawlessly replicates nature, resulting in a diamond that is indistinguishable from a mined diamond in all chemical, physical, and optical attributes.

In February 2024, we were thrilled to unveil our Swarovski Created Diamonds Eternity collection, a shining celebration of love featuring an unrivaled attention to detail and craft that achieves striking, yet classic, silhouettes.

The entire process of growing, cutting, and polishing the Swarovski Created Diamonds featured in the Eternity collection uses only 100% renewable energy[7], as does the manufacture of the jewelry pieces.

The collection also showcases 100% recycled gold and silver, further reducing the CO_2 footprint of our jewelry while repurposing precious resources.

7 Renewable energy from onsite photovoltaic installation and renewable energy tariff.

Create

CIRCULAR DESIGN PARTNERSHIP WITH CSF

We continued our fruitful partnership with the London-based Centre for Sustainable Fashion (CSF), seeking to jointly develop an approach for more sustainable and circularity-minded jewelry.

This year, we finalized our Circular Design Playbook, which will be published internally in 2025. The playbook will help us guide our Design and Creation teams to make more conscious choices as our jewelry is conceived. As part of our Infinity Accelerator program, this framework will become the evolution of our existing Sustainable Product Guiding Principles, but with a focus that goes beyond materials alone to encompass more holistic circularity criteria from cradle to grave, such as durability and disassembly.

During creation of the playbook, we led several training, engagement, and working sessions to explore opportunities and develop end-to-end processes and products that would become part of the eight circular design strategies the playbook contains. In addition, we kept the organization up to date through talks, articles and posts across our internal media platforms.

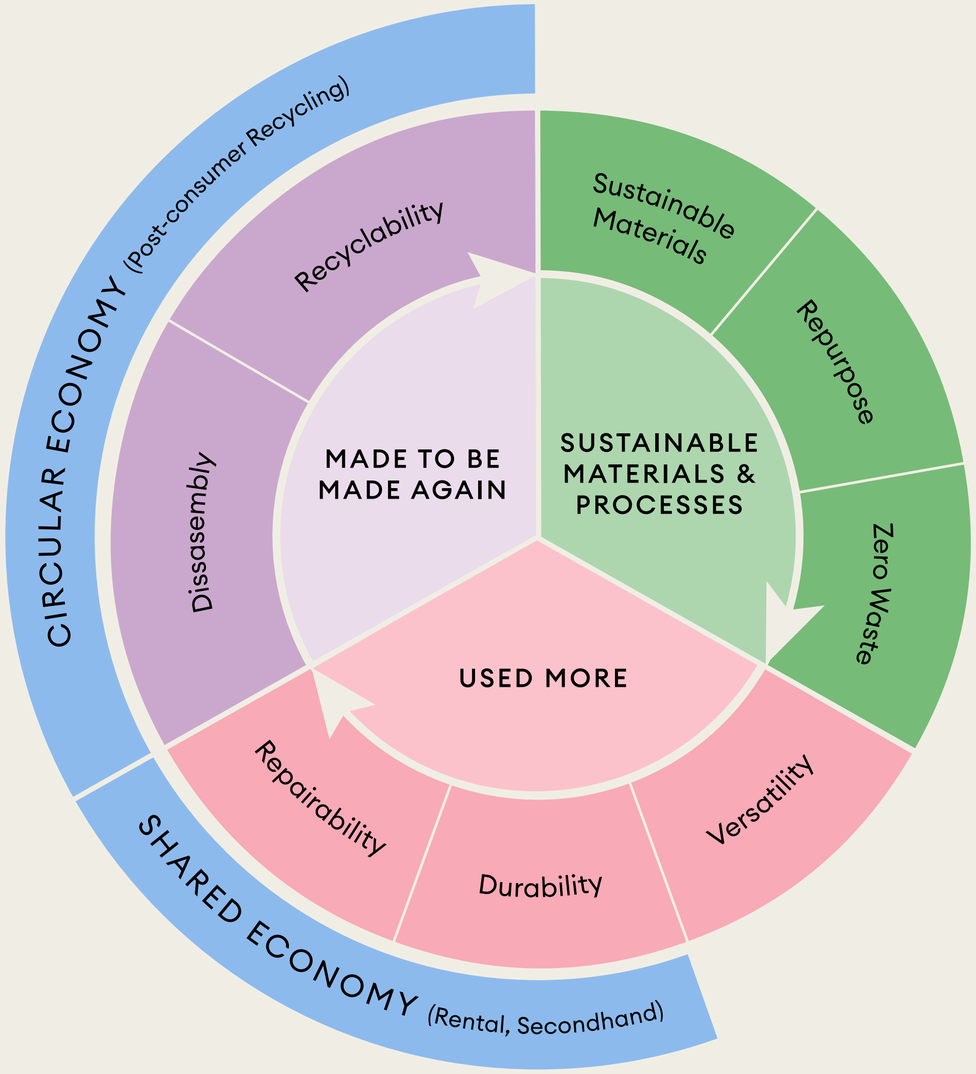
ual: centre for sustainable fashion

DESIGNING WITH RECYCLED METALS

Recycled metals have a lower CO_2 impact and minimize the extraction of raw materials[8], which is why our Design team prioritizes the use of these valuable recycled materials wherever possible. We have set a clear target to switch all our metals to recycled sources by 2030. As part of rising to that design challenge, 100% of the brass, gold, palladium, and rhodium used in jewelry production at our own manufacturing sites came from recycled sources in 2024. This leads to a total recycled base metal share of 96%.

One of our workshops with CSF

SWAROVSKI CIRCULAR DESIGN FRAMEWORK



8 According to ecoinvent 3.7.1 emission factors for virgin and recycled metals.

Source

Our business is determined to work together with our suppliers to ensure our timeless products are crafted with respect for human rights, ethical conduct, safe and equitable labor practices, and environmental responsibility at their heart. Because collaboration holds the key to securing a just and sustainable world.

SOURCING SUSTAINABLE MATERIALS AS A TEAM

Alongside our partners, we source materials that have both the highest quality and the lowest environmental footprint, especially since our raw materials account for a significant percentage of our Scope 3 emissions.[9] If we can reduce these emissions, it will make a big difference to achieving our science-based targets.

In 2024, we continued sourcing carbon-reduced Swarovski Zirconia that is created using renewable electricity for the most energy-intensive stage of processing. As a result, 77% of the electricity used for the production of our Swarovski Zirconia comes from renewable sources.[10] This requirement cuts cradle-to-gate carbon emissions by at least 55% compared to zirconia produced without renewable energy. The Swarovski Created Diamonds featured in our Eternity and Galaxy collections are also produced using renewable electricity,[11] as well as recycled gold and sterling silver. Find out more on page 25. In addition, we continue to source exclusively recycled brass, gold, palladium, and rhodium for our internal jewelry manufacturing. This leads to a total recycled metal share of 96%.

UPHOLDING SUPPLIER DUE DILIGENCE

We have a long history of upholding human rights and environmental standards across our full chain of activities. As part of our enhanced and unified supplier due diligence framework (find out more on page 8), we further strengthen our supplier due diligence efforts.

One example is the Supplier Code of Conduct (SCoC) that we reviewed, revised, and made a mandatory part of new supplier onboarding and contracting in 2024. The update extends the applicability of the Code to sub-suppliers and subcontractors, reinforces our zero-tolerance policy towards sourcing minerals and metals from conflict areas, and promotes our Speak Up grievance channel to suppliers. We actively communicate these changes to all suppliers and require their full commitment to and contractual agreement with the SCoC. The above, in combination with our comprehensive auditing activities, demonstrates our commitment to promote and protect ethical standards in our supply chain and to prepare for forthcoming SDD regulations, such as the EU's CSDDD.

"In 2024, we strengthened our Supplier Code of Conduct to uphold ethical standards, ensure accountability across our supply chain, and prepare for evolving regulatory demands. Together, we build integrity."

Dr Stephan Mechnig
Swarovski Chief Legal and Compliance Officer

OUR RESPONSIBLE SOURCING INITIATIVE

Since 2014, we have run our Responsible Sourcing Initiative to assess the workplace health and safety, working conditions, and labor practices of our suppliers. In 2021, we added a program to verify several aspects of environmental responsibility, including legal compliance, energy use, wastewater, solid waste management, air emission control, and environmental management systems. Through these risk-based programs, we verify compliance with our SCoC. Our social program carries out assessments based on several internationally recognized standards and initiatives, such as SMETA, SA8000, and the amfori BSCI, while we have created a bespoke Environmental Audit Protocol to appraise environmental criteria. The two programs concentrate on our most important direct material suppliers: those involved in the manufacture of Swarovski products or their packaging. That means we apply them to a minimum of 95% of our direct sourcing spend in high-risk countries, covering tier 1 and 2 suppliers, as well as some selected from tier 3, throughout all product categories.

Additionally, we partner with LRQA to commission due diligence evaluations on the social performance of selected suppliers. These incremental checks enable us to encourage greater supply chain transparency and more accurately verify our responsible sourcing audits.

In 2024, we completed 96 social audits, finding, on average, four non-conformances per audit. We also conducted 24 environmental audits, averaging 10 non-conformances per audit.

For all the non-conformances identified, we worked with suppliers to address and resolve the issues. In a few key cases, we placed a special emphasis on remediation. Through dedicated meetings with suppliers, we discussed and implemented the necessary corrective and preventive actions to ensure compliance and foster continuous improvement. Subsequently, all significant issues were fully resolved.

	Social	Environmental
Total audits carried out	96	24
Manufacturer (factory)	87	24
Number of audits split by country	China: 73 Thailand: 8 India: 8 Vietnam: 4 Turkey: 2 Indonesia: 1	China: 16 India: 5 Thailand: 3
Key issues	Health & Safety Working Hours Wages & Benefits	Chemical Management Energy Use Wastewater

9 According to internal Scope 3 calculations conducted by Swarovski's Sustainability team, based on assessed data accuracy and metrics used to track progress toward its reduction goal and in alignment with science-based targets.
10 The carbon footprint reduction calculation of Swarovski Zirconia is based on an internal life-cycle assessment that follows the structure of ISO 14040/44. Type of renewable electricity: hydropower.
11 Renewable energy from onsite photovoltaic installation and renewable energy tariff.

Make

Manufacturing is critical to our sustainability progress, both socially and environmentally. As a manufacturer of crystals, as well as finished products, the high degree of vertical integration in our business makes us unique. We operate six sites around the world that carry out this production, giving us a significant opportunity to improve working conditions, advance circularity, and cut waste and emissions throughout the entire manufacturing process.

REDUCING GREENHOUSE GAS EMISSIONS IN MANUFACTURING

Five out of our six manufacturing locations operate using only renewable electricity.[12] Our site in Wattens, Austria, is currently working to close the remaining gap. We have implemented several measures featuring electrification or reduced energy demand that have contributed to a decrease in our emissions in 2024.

For example, this year, we took some significant steps to help us accelerate the decarbonization of the crystals production process. Driven by collaboration between our technology & innovation and crystals production teams, we delivered a new furnace that runs on 100% electricity. Installed in the fall, the furnace will reduce CO_2 emissions by 160 tons per year. In addition, two electric boilers have replaced the existing gas boilers, leading to a reduction in emissions of around 2,600 tons of CO_2e, once they are fully utilized[12].

We have also added secure lids to the baths used in part of the glass production process. For gold-annealing colors, preforms of crystals must be reheated – this is how they attain their spectacular color. The preforms are bathed in salt at more than 500°C and, for operational reasons, the baths previously had no covers. But the new lids overcome these issues, being heavy, yet easy to take on and off without hindering other equipment. By sealing under extreme temperatures, the lids reduce energy usage at this stage of the process by 50%.[13]

Our glass production process is making further energy savings thanks to new pipework that has been retrofitted, consolidating two exhaust stacks into one. The stacks, which enable oil mist to be filtered and extracted, have been combined into a single system using the new pipework. This means we can switch off one stack, making the process more efficient and reducing energy consumption by 65MWh.[14]

While these are impactful achievements, they are not the end of our work to reduce emissions in Wattens. For example, we expect to install heat pumps at our manufacturing facility in 2025. Elsewhere, at Swarovski Manufacturing Thailand, we have replaced aluminum alloy fan blades with reinforced fiberglass alternatives. Coupled with fixing compressed air leakage, this has the potential to reduce energy consumption by 230MWh per annum. Over the next year, we intend to add additional solar panels to produce more electricity for the site.

REFORESTATION PROJECT IN THAILAND

As well as implementing its own energy efficiency measures, Swarovski Manufacturing Thailand started planting 120,000 trees at a degraded forest area in Phitsanulok to help mitigate climate change. The site's employees, including the leadership team, have joined forces with the Royal Forest Department of Thailand as volunteers, working together to home the trees. The planting will result in 960,000m² of wasteland and deserted areas being reforested by 2030 and will remove 1,200 tons of CO_2 from the air annually.[15]

Our Thailand employees join forces for a greener future

"The project forms part of Swarovski Manufacturing Thailand's sustainability program "Go Green", which also includes the transition to renewable electricity via onsite photovoltaic installations as well as the purchase of renewable energy. It pays into our global sustainability strategy focusing on three priorities: mitigating climate change; preserving resources and minimizing waste; and promoting fairness and celebrating individuality."

Ivanka Janssen
Chief Supply Chain Officer, Swarovski

12 Renewable electricity by onsite photovoltaic installations, green tariffs and/or the purchase of Energy Attribute Certificates.
13 Calculation of reduction of CO_2 emissions confirmed by TÜV Süd.
14 According to internal calculations conducted by Swarovski's Sustainability team, based on assessed data accuracy and metrics used to track progress toward its reduction goal and in alignment with science-based targets.
15 Inaugural 'Swarovski Manufacturing Thailand Go Green' reforestation project was registered with the Thailand Greenhouse Gas Management Organization, a regulatory body under the supervision of the Minister of Natural Resources and Environment, overseeing GHG initiatives in Thailand, for certification. GHG calculations are aligned with the guidelines available from the Thai Royal Forest.

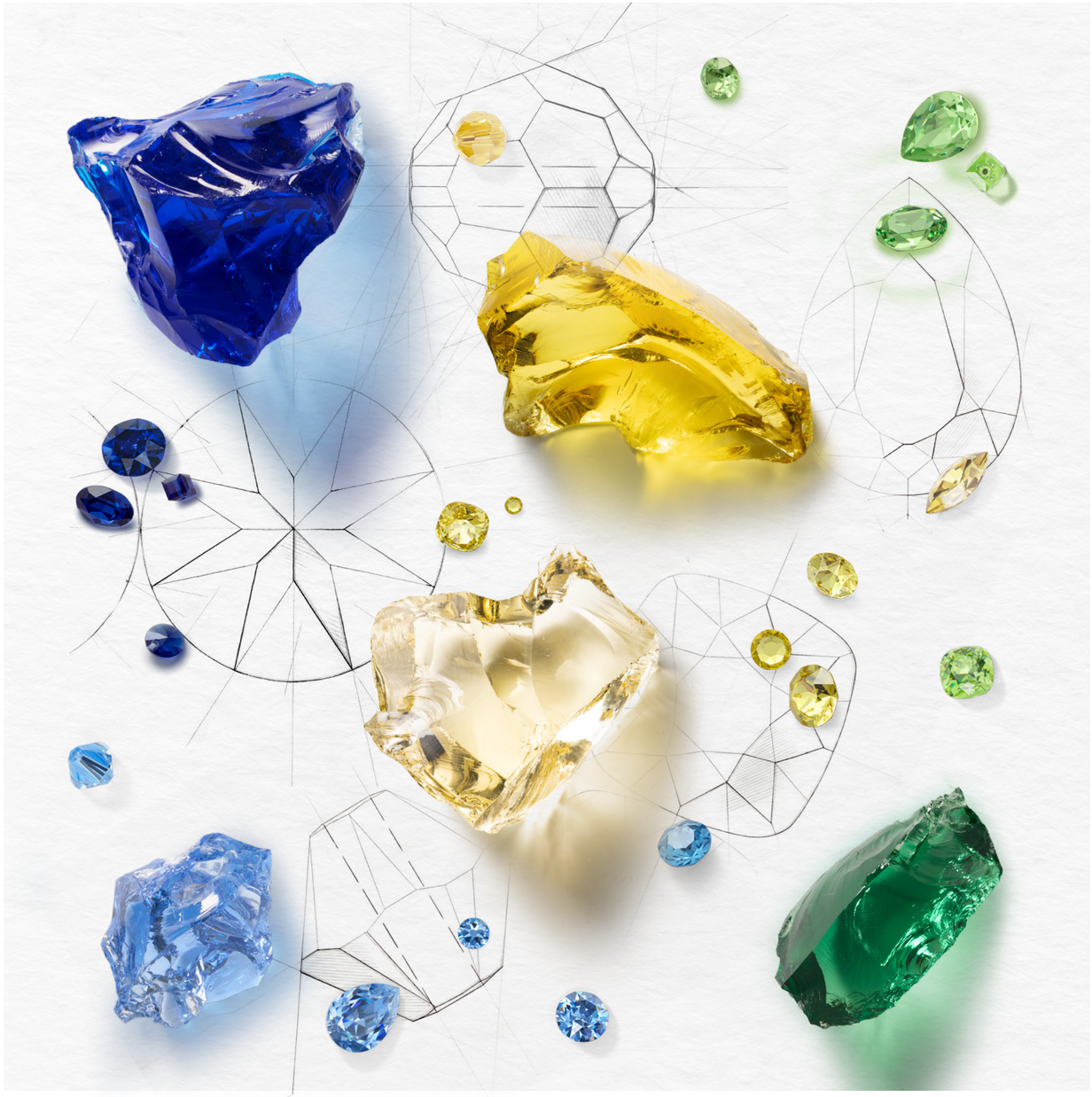
Make

CUTTING WASTE & FOSTERING CIRCULARITY AT OUR OWN MANUFACTURING SITES

Reducing our operational waste is one of our biggest sustainability priorities, and we have committed to becoming 90% landfill-free, with at least 70% of our waste being recycled or repurposed, by 2030. In 2024, to help guide our actions, we completed an extensive process of mapping our waste streams at all our manufacturing sites. This work means we can confidently prioritize detailed local projects to drive reductions.

We are already making progress in keeping our waste from our own global manufacturing operations out of landfill. In 2024, we kept the momentum of 57% achieved in 2023 through several waste-reduction initiatives:

- **Improved product packaging**
  As part of Swarovski Manufacturing Vietnam's efforts to reduce plastic use to zero, plastic wrapping has been removed from product packaging, replaced by improved inlays and the use of elastic and pegs. This solution, achieved in collaboration with our supplier, will avoid the use of around 12,000m² of plastic annually – the equivalent of 71% of the site's plastic packaging consumption. In addition, inbound plastic packaging at this facility has been eliminated, preventing 250,000m² plastic waste from transport packaging in the second half of 2024 alone.
- **Water treatment upgrades**
  A series of physical, chemical, and biological processes have been utilized to remove water pollutants at our production facility in Pune, India. These upgrades will protect ecosystems by preventing pollutants from entering waterways and groundwater.
- **Production waste repurposed**
  We are transforming crystals scraps from our crystals manufacturing process in Austria into dazzling Swarovski ReCreated™ crystals. In 2024, we expanded the colors and usage of these crystals, saving 75.3 tons of waste. Swarovski ReCreated™ crystals also use 40% less natural resources than standard crystals. Find out more on page 11.



Move

Transporting goods essential to our business requires us to balance many important considerations, including cost, availability, and care for the planet. We keep track of our transport emissions and remain committed to overland or sea routes in preference to air freight.

MOVING GOODS WITH THE PLANET IN MIND

Transporting goods by air is not only costly (up to 66% more), it also emits up to 99% more CO_2 than by sea. This is why it remains our goal to continuously reduce these emissions in line with our SBTi target by switching ever more journeys from air to road and sea freight. As such, we are formulating a plan to reduce our transport emissions by 50% by 2030, compared to 2021 – an average CO_2e reduction of approximately 5% per year from 2024. As part of that ambition, we will decrease the share of air freight by 5% per year and increase the share of other, lower-carbon transportation methods by the same amount.

We are continually improving the sustainability of our logistics to help us achieve these aims, including establishing a multifunctional sustainable transport initiative and, in 2024, working on an enhanced transport policy supported by data software and global logistics teams. Once complete, the updated policy's objective will be to reduce transport-related greenhouse gas emissions, focusing on finished goods, components, and communication materials.

This work is now starting to make a difference. In 2024, we further decreased the share of air transport by 2% vs. 2023 and 8% vs. our baseline year 2021.[16] However, we know we still need to do more to reduce one of our major sources of Scope 3 greenhouse gas emissions.

Our first rail shipment from Asia to Europe
Thanks to cross-functional efforts, we were able to pilot rail freight this year. In September, our first delivery arrived in Europe by train from Asia, with the journey taking just 30 days, which is faster than the 45 days average by sea freight.

As well as costing less than air freight, train transportation is estimated to produce just 5% of the per-kilometer CO_2 emissions compared to air.[17] We already have further trials underway as we explore opportunities to move goods to Europe from our manufacturing facilities in Thailand and Vietnam.

16 According to internal Scope 3 calculations conducted by Swarovski's Sustainability team, based on assessed data accuracy and metrics used to track progress toward its reduction goal and in alignment with science-based targets.
17 Massachusetts Institute of Technology, 2010 Statement on lower emissions of train freight is based on the MIT News Offices (2010) (Source)

Sell

The way a business markets and sells its products speaks volumes about its respect for people and the planet. We believe as fully in transparency and inclusivity in our communications as we do in decreasing the environmental footprint of our packaging and work hard to make our e-commerce platforms and retail spaces accessible, sustainable, and energy-efficient.

SHRINKING OUR PACKAGING FOOTPRINT

We are committed to decreasing the environmental impact of our packaging, but we recognize that the many variables make identifying the 'right' choices a complex matter. That is why, throughout 2024, we continued to leverage our life-cycle assessment tool, eQopack, designed by leading environmental consultancy Quantis, to help us make more sustainable choices. Our packaging team also works towards simplifying our packaging portfolio by significantly reducing the variety of inlays, helping us to achieve greater material efficiency in future.

Redesign 1: octagonal rigid boxes

In 2024, we simplified our packaging portfolio, reducing the number and variety of inlays from 175 to 65, optimizing the efficiency of our material use. More specifically, we used a packaging assessment tool to improve the sustainability of our octagonal rigid boxes. These boxes have gone through several iterations:

- Version 2.0 (2022) used a silky inlay and paper insert.
- Version 3.0 (2023) replaced the silky inlay with paper but maintained the size.
- Further efforts to simplify our octagon boxes are ongoing. Building on the outcomes of the LCA tool, we take into consideration such factors as the impact on manufacturing, transportation, and operations across our value chain.

We used eQopack to assess the environmental impact of each version, analyzing factors including GHG emissions produced, plastic used, and recyclability to provide recommendations. The results showed that we are making excellent progress towards ensuring all aspects of these boxes are fully recyclable.

Redesign 2: shopping bags

As part of our efforts to reduce our impact on resource use, deforestation, waste, and GHG emissions, we began a pilot project in December 2023 to redesign our shopping bags of different sizes. Aided by eQopack, we removed all glue, reduced the thickness of the polycotton handle size, and utilized lighter-weight paper, resulting in 43% reduction in per-bag CO_2 emissions.[18] As part of this pilot, we have successfully used eQopack to assess savings across all bag sizes in our range.

18 Calculation is based on an internal life-cycle assessment made using eQopack, an ISO-certified LCA tool by Quantis

Sell

ENHANCING THE SUSTAINABILITY OF OUR RETAIL OPERATIONS

While we are proud of the way that our stores give life to the captivating design and impeccable craftsmanship of the Swarovski brand, we recognize that all physical spaces have some effect on the environment, and we are determined to minimize this impact. In 2024, Swarovski retail stores produced 29% of our Scope 1 and 2 GHG emissions.

We use two frameworks to help us lessen the environmental and social impacts of our stores: LEED (Leadership in Energy and Environmental Design) – the most widely used green building rating system in the world – and GLEAM (Guidelines for Engineering Architecture and Management), our bespoke buildings assessment which is developed on the basis of LEED's rigorous standards but includes Swarovski-specific criteria.

Five of our stores have now been awarded a renowned LEED certification and, this year, our Milan and Seoul stores became the 1st and 2nd to become GLEAM certified. We are particularly delighted that our New York flagship store attained the highest-possible LEED Platinum certification in 2024.

In addition to focusing on emissions reductions, we also operate an ongoing program of refurbishments, relocations, and closures that has the potential to create substantial volumes of construction waste. In our EMEA region, our initiative to minimize this saw us recycle 83 tons of construction waste in 2024.

NYC FLAGSHIP SECURES LEED PLATINUM

Located on 5th Avenue and just a stone's throw from Central Park, the new, ultra-chic, candy-colored Swarovski flagship store is perfectly at home on one of the world's most iconic shopping streets. While the store's exterior is designed to blend in with the city's vibrant landscape, there's at least one major way in which it stands out from the crowd: this year, our New York store achieved the premier green-building accolade as it was granted LEED Platinum certification.

To attain Platinum, buildings must receive high scores across all six LEED categories: sustainable site, water efficiency, energy and atmosphere, materials and resources, indoor environmental quality, and innovation in design. Located in an urban neighborhood that encourages environmentally friendly travel, our NYC store has been finished using low-emissivity paints, adhesives, and flooring. It also features fixtures and faucets that reduce water use by up to 45%, smart energy metering that has improved energy performance by 16%[19], and many fittings that are constructed from verified recycled or sustainably sourced materials.*

This is our first LEED Platinum store in the USA, and these changes demonstrate how we are rethinking retail with respect for our customers and the planet alike. We are deeply grateful for the hard work of all our teams and partners for their efforts in making this possible.

*LEED ID+C Retail has the following credit categories: location and transportation, water efficiency, energy and atmosphere, materials and resources, indoor environment, innovation and regional priority. The total points awarded by USGBC across all credit categories determines final certification level (certified, silver, gold or platinum).

19 The savings percentages quoted are percentages above the building code requirements.

Use

We want our products to make a visual impact, not an environmental one. That is why we do not compromise on quality and use our unique savoir-faire to craft boldly chic crystals-based products that have both a long life and a second life. Whether we are producing for businesses or consumers, we believe in driving circularity, repairability, reuse, and recyclability that helps us close the loop on the life cycle of our products.

EVOLVING OUR JEWELRY RENTAL PILOT

In our 2023 report, we featured a new jewelry rental project in the UAE. Play Up the Light is designed to promote circularity and sustainability by increasing repeat usage of our products and making higher price-point pieces more widely available. Through a microsite operated in collaboration with our partner, Chalhoub, we offer aspirational necklaces and bracelets from luxury collections available to rent.

This year, we have further developed and adjusted the proposition based on our initial findings, including extending awareness raising through increased communication, offering initial discounts, decreasing rental lead time and minimum rental periods, providing faster delivery, and changing our pricing structure.

We will keep using our learnings to review and refine the trial and evaluate its suitability for expansion. We remain committed to a long-term investment in circularity and re-use while recognizing rental requires a different approach compared to our traditional business model.

EVEN BETTER QUALITY, EVEN LONGER LIFE

As Masters of Light for almost 130 years, we steadfastly refuse to compromise on quality. Through this essential principle, we know that by always focusing on ways to improve quality still further, we are also working to enhance the longevity of our products – and more durable products help us drive down our environmental impact.

One way in which we do this is by analyzing return rates, spotlighting areas where we can reduce the emissions and waste caused by the returns process. For example, as rings experience high stress during their use phase, we continue to switch to a more robust base metal. This change has led to improved quality and durability, evidenced by a substantial reduction in the return rate from 15% to 0.3%.

More on projects related to product returns can be found in the progress summary for preserving resources and minimizing waste on page 8.

Use

Reigniting Surplus Crystals

As well as crafting timeless products for consumers, Swarovski also manufactures exquisite crystals components for business customers. But, sometimes, a proportion of these crystals go unused.

We recognize that these crystals remain both beautiful and valuable, so in an effort to avoid waste and promote awareness of sustainable design, we continue to operate our long-running reignited crystals program for educational institutions.

Since 2016, we have been donating unused crystals from our business-to-business operations to leading design schools around the world, helping to inspire responsibility among the next generation of design talent. This year, we expanded the number of schools to which we provide reignited crystals to 10, adding Istituto Marangoni London and Saudi Fashion Council to our list of recipients.

At the Istituto Marangoni London, students from the MA course in Jewellery Design were among those who participated in a collaborative project with us, learning to combine conscious design and creativity. They produced a carefully considered yet commercially viable jewelry collection called Auphic that demonstrates the potential of reignited crystals to make the exquisite fashion design of the future more sustainable.

Istituto Marangoni London, MA Jewellery Design students collaborated with us to create 'Auphic'

"This collaborative industry project allowed our students to use their design skills to address the issue of waste in fashion. We combined reignited crystals with upcycling processes, leading to innovative and creative garments and accessories. The fashion industry must tackle its waste problem, and it is essential to train the next generation of designers to work on these urgent issues."

Noorin Khamisani
Program Leader, Postgraduate Fashion, Istituto Marangoni London

Silpakorn University

Istituto Marangoni Dubai

GET IN TOUCH

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