MODERN SLAVERY STATEMENT

Gem Diamonds is a leading global producer of high-value diamonds, listed on the London Stock Exchange. We own open-pit and underground operations in Lesotho and Botswana and analyse and market our diamonds through our Sales and Marketing division in Antwerp. Throughout the Group we have 377 employees and 1,466 contractor employees worldwide with offices in London, South Africa, Belgium, Lesotho and Botswana. The Group’s annual turnover is greater than £36m. Further information on our business and employees can be found at https://www.gemdiamonds.com/
Our Commitment
Gem Diamonds is committed to conducting its business in a responsible and ethical manner and in compliance with all relevant laws and regulations. This commitment forms the foundation of the Group’s culture.

Our Commitment to acting ethically and with integrity in all our business relationships is supported by effective systems and controls that have been implemented to identify and mitigate risks relating to modern slavery and human trafficking in our business and supply chains.

Human Rights and Responsible Business
Gem Diamonds has zero tolerance for slavery and human trafficking. We encourage all stakeholders to raise any ethical or legal concerns, including any concerns relating to human rights issues, through our whistleblowing policy. Our whistleblowing policy allows for anonymous reporting of any unethical behaviour or activity taking place in the workplace.

We understand that the risks of human rights violations, modern slavery and human trafficking are more pronounced in places where:

- Workers have less protection in respect of basic rights.
- There are high levels of poverty.
- There is widespread use of migrant workers.
- Certain high-risk industries operate.
- The supply chains are labour intensive.

Gem Diamonds has zero tolerance for retaliation against anyone who raises, in good faith, concerns relating to unethical behaviour in the workplace and all potential human rights breaches are investigated. To date, we have not received any complaints or reports of modern slavery, human trafficking or child labour through our anonymous reporting platform.

We engage regularly with local communities on these matters in both formal and informal settings and this interaction provides a direct avenue for feedback and reports of any alleged slavery or human trafficking in the areas of our operations. A community grievance mechanism has been implemented that allows community stakeholders to report any grievances directly to our operation. Local communities are also represented on the Corporate Social Responsibility (CSR) committees that have been established at each of our operations.
Our Supply Chains

Gem Diamonds has a multi-million pound procurement footprint and our business processes are supported by our supply chains which contain a wide range of suppliers of goods and services.

Goods are procured in the form of raw, direct and indirect materials whilst the services used range from technical, legal, administrative and professional support to skilled labour services to assist routine operational activities.

To ensure all those in our supply chain support our commitment to the abolishment of slavery or human trafficking we have established a comprehensive set of procurement policies that contain rigorous vetting processes. Potential risk areas are scrutinised, and goods and services are only procured from reputable companies.

Our Employees

Our Code of Ethics applies to all our employees and provides the foundation for how we operate and engage with each other and all other stakeholders.

As part of our wider risk management process, we review and assess our employment practices annually. Stringent recruitment policies are in place and proof of identity is used to bolster screening processes. Recruitment is localised as far as possible and expatriate positions are reserved for specific skills that cannot be sourced in country.

We conduct an annual review of employee retention rates and employee salaries are benchmarked against industry standards. We remunerate all employees in line with market-related rates and employees in the same occupational grade are rewarded at the same level, regardless of gender.

We ensure that our lowest-graded employees are remunerated above the minimum wage of the host country.

The Group has implemented an anonymous survey-based mechanism to continually assess the health of the organisation’s culture. This survey contains a section where employees can raise any concerns anonymously. No issues related to modern slavery or human rights have been raised since the inception of the survey.

Similar processes were run in previous years and the Group remains committed to taking appropriate actions where concerns are identified.
Our Training
Employees receive regular training and communication updates through which they are made aware of the content of various policies which underpin our ethics and values. Human rights training is included in our general operational safety inductions.

Whistleblowing training is also conducted for all employees and a hotline is available to allow anyone with concerns to anonymously report any unethical behaviour or activity taking place in the workplace.

COVID-19
Gem Diamonds recognises that the COVID-19 pandemic has increased the risk of modern slavery and human trafficking.

To mitigate as much as possible any risk to the health and welfare of employees and members of surrounding communities we implemented a strict set of protocols and prevention measures to control social interaction. These included the compulsory wearing of face masks, social distancing, hand sanitising and restrictions on gatherings. Employees were provided with Personal Protective Equipment (PPE) and we implemented active COVID-19 testing at our mining operations to screen and monitor all individuals who came onto site.

Enhanced physical and mental health programmes were implemented to support and assist our workforce in coping with the added pressure of disruptions to normal work cycles arising from COVID control measures.

Our commitment to Zero Harm demonstrates a culture of care and collaboration which is further entrenched through regular training and consultation sessions with employees and leadership.

We recognise the critical importance of also protecting the communities that surround our operations. Many of our employees and their families reside in these communities and in partnership with the Government of Lesotho we ensured maximum social benefit by contributing to national priorities and efforts to combat COVID-19. We did this by supplying PPE, hand sanitisers, and food and seed parcels into rural locations and by establishing a community testing station which was donated to the government to support its wider national effort to control this health emergency.
Measuring our effectiveness in combating Modern Slavery and Human Trafficking

We are taking the following actions to measure the effectiveness of our efforts in combating modern slavery and human trafficking:

- Performing internal audits on organisational compliance with group policies, such as procurement.
- Implementing labour monitoring processes and payroll systems.
- Connecting with the next link in the supply chain to assess their understanding of, and compliance with, our policies aimed at combatting modern slavery and human trafficking.

Following the publication of our first Modern Slavery Statement in 2017, we have stepped up our efforts to eradicate the potential for modern slavery activities within our supply chain and procurement processes and we intend to take the following further actions:

- Launch awareness campaigns to alert our own and contractor employees to the risk of these practices
- Incorporate the eradication of modern slavery into the Group’s Sustainability Framework.
- Conduct a gap analysis regarding employment and procurement policies and processes to identify opportunities to combat modern slavery and human trafficking.

This statement was approved by the Board of Gem Diamonds Limited and constitutes the Group’s Modern Slavery and Human Trafficking statement for the financial year ending 31 December 2020.

Signed by:
H Kenyon-Slaney
Chairman
30 June 2021