

GRI INDEX

Gem Diamonds currently reports against the Global Reporting Initiative (GRI) G3.1 Sustainability Reporting Guidelines, supported by our internally developed policies and procedures. Our report conforms to the requirements for GRI application level B. We will begin reporting in terms of the G4 framework in our 2015 Sustainability Report.

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Strategy and analysis			
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4.17	Key topics and concerns that have been raised through stakeholder engagement and how the organisation has responded to those key topics and concerns, including through its reporting	—	

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Economic			
EC1	Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings and payments to capital providers and governments	Our financial capital Our social licence to operate	14, 36
EC2	Financial implications and other risks and opportunities for the organisation's activities due to climate change	Our environment	31
EC3	Coverage of the organisation's defined benefit plan obligations	Our employees Appendix C	27, 50
EC4	Significant financial assistance received from government	Not applicable	
EC5	Range of ratios of standard, entry-level wage by gender compared with local minimum wage at significant locations of operation	Our employees	27
EC6	Policy, practices and proportion of spending on locally based suppliers at significant locations of operation	Our financial capital Our employees	17, 25
EC7	Procedures for local hiring and proportion of senior management hired from the local community at locations of significant operation	Our employees	27
EC8	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind or pro bono engagement	Our social licence to operate	37 – 42
EC9	Understanding and describing significant indirect economic impacts, including the extent of impacts	Our financial capital Our social licence to operate	16, 17
Environment			
EN1	Materials used by weight or volume	Our environment	29, 35
EN2	Percentage of materials used that are recycled input materials	Our environment	31
EN3	Direct energy consumption by primary energy source	Our environment	30, 31
EN4	Indirect energy consumption by primary source	Our environment	30, 31
EN5	Energy saved due to conservation and efficiency improvements	Our environment	30
EN6	Initiatives to provide energy-efficient or renewable-energy-based products and services and reductions in energy requirements as a result of these initiatives	Our environment	30
EN7	Initiatives to reduce indirect energy consumption and reductions achieved	Our environment	30
EN8	Total water withdrawal by source	Our environment	31
EN9	Water sources significantly affected by withdrawal of water	Our environment	31
EN10	Percentage and total volume of water recycled and reused	Our environment	31
EN11	Location and size of land owned, leased, managed in, or adjacent to protected areas and areas of high biodiversity value outside protected areas	Our environment	33
EN12	Description of significant impacts of activities, products and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas	Our environment	33, 34
EN13	Habitats protected or restored	Our environment	33
EN14	Strategies, current actions and future plans for managing impacts on biodiversity	Our environment	33, 34
EN15	Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk	Not applicable	
EN16	Total direct and indirect greenhouse gas emissions by weight	Our environment	31
EN17	Other relevant indirect greenhouse gas emissions by weight	Our environment	31
EN18	Initiatives to reduce greenhouse gas emissions, and reductions achieved	Our environment	31

GRI reference	Description	Reference	Page
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EN19	Emissions of ozone-depleting substances by weight	Not applicable	
EN20	NO _x , SO _x and other significant air emissions by type and weight	—	
EN21	Total water discharge by quality and destination	Our environment	31
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EN23	Total number and volume of significant spills	Our environment	32
EN24	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention	Appendix A	49
EN25	Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the reporting organisation's discharges of water and runoff	Our environment	31 – 34
EN26	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation	Our environment	29 – 35
EN27	Percentage of products sold and their packaging materials that are reclaimed by category	Not applicable	
EN28	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	Our environment	29
EN29	Significant environmental impacts of transporting products and other goods and materials used for the organisation's operations and transporting members of the workforce	Our environment	31
EN30	Total environmental protection expenditures and investments by type	Our environment	35
Labour practices and decent work			
LA1	Total workforce by employment type, employment contract and region, broken down by gender	Our employees	26, 27
LA2	Total number and rate of new employee hires and employee turnover by age group, gender, and region	Our employees	25
LA3	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant locations of operation	Our employees Appendix C	27, 50
LA4	Return to work and retention rates after parental leave, by gender	Not applicable	
LA5	Percentage of employees covered by collective bargaining agreements	Our employees	27
LA6	Minimum notice period(s) regarding operational changes, including whether it is specified in collective agreements	Not applicable	
MM4	Number of strikes and lockouts exceeding one week's duration	Our employees	27
LA7	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programmes	Our employees	22
LA8	Rates of injury, occupational diseases, lost days and absenteeism, and number of work-related fatalities, by region and by gender	Our employees	20 – 25
LA9	Education, training, counselling, prevention, and risk-control programmes in place to assist workforce members, their families, or community members regarding serious diseases	Our employees	24
LA10	Health and safety topics covered in formal agreements with trade unions	Not applicable	
LA11	Average hours of training per year, per employee, by gender and by employee category	Our employees	26
LA12	Programmes for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings	Our employees	26

GRI reference	Description	Reference	Page
Labour practices and decent work continued			
LA13	Percentage of employees receiving regular performance and career development reviews, by gender	Our employees	26
LA14	Ratio of basic salary and remuneration of women to men by employee category and significant location of operations	Our employees	26, 27
LA15	Return to work and retention rates after parental leave, by gender	Not applicable	
Human rights			
HR1	Percentage and total number of significant investment agreements and contracts that include clauses incorporating human rights concerns, or that have undergone human rights screening	—	
HR2	Percentage of significant suppliers, contractors and other business partners that have undergone human rights screening, and actions taken	—	
HR3	Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained	Our social licence to operate	38
HR4	Total number of incidents of discrimination, and corrective actions taken	Our employees	26
HR5	Operations and significant suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and actions taken to support these rights	Not applicable	
MM5	Total number of operations taking place in or adjacent to indigenous people's territories, and number and percentage of operations or sites where there are formal agreements with indigenous people's communities	Our social licence to operate	38
HR6	Operations and significant suppliers identified as having significant risk for incidents of child labour, and measures taken to contribute to the effective abolition of child labour	Our social licence to operate	38
HR7	Operations and significant suppliers identified as having significant risk for incidents of forced or compulsory labour, and measures taken to contribute to the elimination of all forms of forced or compulsory labour	Our social licence to operate	38
HR8	Percentage of security personnel trained in the organisation's policies or procedures concerning aspects of human rights that are relevant to operations	Not applicable	
HR9	Total number of incidents of violations involving rights of indigenous people, and actions taken	Our social licence to operate	39
HR10	Percentage and total number of operations that have been subject to human rights reviews and/or impact assessments	Our social licence to operate	39
HR11	Number of grievances related to human rights filed, addressed and resolved through formal grievance mechanisms	Not applicable	
Society			
SO1 (G3)	Nature, scope and effectiveness of any programmes and practices that assess and manage the impacts of operations on communities, including entering, operating and exiting	Our social licence to operate	38 – 42
SO1 (G3.1)	Percentage of operations with implemented local community engagement, impact assessments and development programmes	Our social licence to operate	38 – 42
MM6	Number and description of significant disputes relating to land use, customary rights of local communities and indigenous people	Our social licence to operate	39
MM7	The extent to which grievance mechanisms were used to resolve disputes relating to land use, customary rights of local communities and indigenous people, and the outcomes	Not applicable	
MM8	Number (and percentage) of Company operating sites where artisanal and small-scale mining takes place on, or adjacent to the site – the associated risks and the actions taken to manage and mitigate these risks	Our financial capital	17
MM9	Sites where resettlement took place, the number of households resettled in each, and how their livelihoods were affected in the process	Our social licence to operate	38

GRI reference	Description	Reference	Page
Society continued			
MM10	Number or percentage of operations with closure plans	Our environment	33
SO2	Percentage and total number of business units analysed for risks related to corruption	Our social licence to operate	42
SO3	Percentage of employees trained in organisation's anti-corruption policies and procedures	Annual report	57
SO4	Actions taken in response to incidents of corruption	Our social licence to operate	42
SO5	Public policy positions and participation in public policy development and lobbying	Not applicable	
SO6	Total value of financial and in-kind contributions to political parties, politicians and related institutions, by country	Our financial capital	17
SO7	Total number of legal actions for anti-competitive behaviour, anti-trust and monopoly practices, and their outcomes	Our social licence to operate	42
SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations	Our social licence to operate	42
MM11	Programmes and progress related to materials stewardship	Our environment	29 – 35
SO9	Operations with significant potential or actual negative impacts on local communities	Our social licence to operate	38
SO10	Prevention and mitigation measures implemented in operations with significant potential or negative impacts on local communities	Our social licence to operate	38
Product responsibility			
PR1	Lifecycle stages in which health and safety impacts of products and services are assessed for improvement and percentage of significant products and services categories subject to such procedures	Not applicable	
PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life cycle, by type of outcomes	Our social licence to operate	42
PR3	Type of product and service information required by procedures and percentage of significant products and services subject to such information requirements	Not applicable	
PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labelling, by type of outcomes	Our social licence to operate	42
PR5	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction	Our social licence to operate	42
PR6	Programmes for adherence to laws, standards and voluntary codes related to marketing communications, including advertising, promotion and sponsorship	Not applicable	
PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion and sponsorship, by type of outcomes	Not applicable	
PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data	Our social licence to operate	42
PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services	Our social licence to operate	42

Appendix A: Waste generation and disposal method

Operation	Waste stream	Trans-boundary movement of waste	Disposal method	Comments
Letseng	Domestic and general waste (including inert industrial waste)	No	Wastes are separated into recyclable and non-recyclable waste. Non-recyclable wastes are incinerated using an on-site, EU emissions standards-compliant incinerator.	A detailed integrated waste management plan was completed in 2013 and was implemented in 2014.
	Hazardous waste	Yes	Waste oil generated on the site is collected and transported to South Africa under the provisions of the Basel Convention for recycling. Oily rags, and any additional used oil, are used as a fuel source for the on-site EU emissions standards-compliant incinerator. Incinerator ash is transported to South Africa under the provisions of the Basel Convention for landfilling.	
	Healthcare waste	No	Medical wastes are incinerated using an on-site, EU-compliant incinerator.	
	Sewage	No	Sewage is treated by means of an on-site sewage treatment plant and liquid effluent is discharged to the slimes dam.	
Ghaghoo	Domestic and general waste (including inert industrial waste)	No	Wastes are separated into recyclable and non-recyclable waste. Non-recyclable wastes are disposed of at a licensed landfill site in Lephephe.	Due to the fact that the Ghaghoo mine is located within the Central Kalahari Game Reserve, no waste may be disposed of on site.
	Hazardous waste	No	Used oils are collected and recycled by a licensed service provider. During 2013, all other hazardous wastes were stored in appropriately enclosed and contained facilities on site, until the trans-boundary movement of the waste to South Africa for disposal is approved.	The quantity of hazardous waste generated remained low in 2014, enabling on-site storage. Once full production commences and significant quantities of hazardous waste is produced, these wastes will be transported to a licensed facility in South Africa.
	Healthcare waste	No	Transported by medical service provider to a licensed facility in Gaborone for disposal.	All the necessary regulatory requirements are in place and continue to be met.
	Other: reverse osmosis brine	No	Reverse osmosis brine is disposed of onto a lined evaporation pond.	A contamination transport model was conducted and concluded that the disposal of the brine and/or treated sewage effluent would have no material impact on the receiving groundwater environment and/or other water users.
	Sewage	No	Sewage is treated by means of an on-site sewage treatment plant and treated liquid effluent is discharged onto a lined grey-water dam.	

Appendix B: Waste generated by year and category

Waste generated per category	Year	Industrial waste (kg)	Hazardous waste disposed (kg)	General/ domestic waste disposed (kg)	Total volume of waste incinerated (kg)	Total volume of waste recycled (kg)
Letšeng	2011	78 959	1 763	118 456	27 167	85 627
	2012	92 592	1 191	929	388	15
	2013	202	111	1 013	147	0
	2014	222	204	1 016	147	0
Ghaghoo	2011	500	0	74 917	0	0
	2012	116	1	480	0	0
	2013	28	8	378	0	0
	2014	16	25	94	0	0
Other operations	2011	72 495	28 000	139 794	0	68 803
	2012	74 750	117 239	189 421	0	110 468
	2013	0	0	474	0	0
	2014	0	0	428	0	0

Appendix C: Benefit descriptions at specific operations

Benefit description	UK	RSA	Belgium	Mauritius	Lesotho	Botswana
Life insurance	-	-	-	-	-	-
On-site healthcare (in excess of first-aid emergency assistance)	-	-	-	-	•	•
External healthcare/medical aid	-	-	-	-	-	-
Workman's compensation/similar	•	•	-	•	•	•
Disability/invalidity cover under workman's compensation/similar	•	•	-	•	•	•
Maternity/paternity leave	•	•	•	-	-	•
Retirement provision	-	-	-	-	•	•
Stock ownership/options	•	•	-	-	•	•
Social security	•	•	•	-	-	-

• Employees
- Not provided

Appendix D: Restatements

Restatements

Our reported 2013 employee benefits figure was restated to correctly reflect the Group's full year benefit expenditure.