

Q AND A WITH OUR CHAIRPERSON OF THE BOARD



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Harry Kenyon-Slaney

PLEASE REFLECT ON GEM DIAMONDS' SUSTAINABILITY PERFORMANCE IN 2023

Once again, our safety performance is to be commended, and we have shown material progress in several environmental stewardship projects. This is especially pleasing, considering the backdrop of heightened expectations in this area from stakeholders, communities and broader society. While the Board is satisfied with the Group's sustainability performance over the past year, we remain alert and vigilant to any new risk or challenge in this area.

Our three central sustainability objectives are to strive to continually improve the efficiency with which we use energy, to make progress on decarbonising our operations and to pursue every opportunity to transition wherever possible from using fossil fuels to generating and using renewable energy. Achieving these three objectives is not without challenge in the remote and high altitude environment of the Maluti mountains in Lesotho.

While the diamond market remains challenging, our goal is to minimise the business' environmental footprint through targeted actions and strong and clear governance of our sustainability agenda.

Despite our small size we maintain a strong system of operating processes and controls that are routinely reviewed and tested for improvement.

HOW DOES THE BOARD WORK WITH MANAGEMENT TO ADVANCE THE GROUP'S SUSTAINABILITY PERFORMANCE?

The Board works closely with management to keep our people safe, to protect the physical environment in and around our operations, to ensure the alignment of our objectives with those of the communities that surround us and to lower energy usage and costs, thereby reducing our carbon footprint. Committee structures review and challenge management on sustainability matters, and routinely test how the business is performing against its objectives. A culture of continuous improvement is expected.

We conduct annual Board evaluation surveys and integrate feedback from directors into the management and structure of Board processes, ensuring that they are appropriate for the size and scale of our business, while still allowing for penetrating and constructive discussion on the risks and opportunities that arise. Discussions in Committees relating to safety, environmental governance, community and sustainability issues are detailed and are based on sound information received from management.

We have a comprehensive and effective set of policies to manage issues such as human trafficking, modern day slavery, child labour, bribery, corruption and fraud. The Board and Executive Management set the tone from the top – compliance with our policies is non-negotiable and is monitored through our internal audit processes.

We continue to ensure transparent governance and remuneration processes, and we use incentives to attract and align management experience and expertise with our sustainability and operational performance.

We strongly believe that operating ethically and sustainably is the right thing to do. It leads to better business, better relationships, better understanding from government partners, and is what employees and the public rightly expect.

