

GEMFIELDS



Voluntary Principles on Security and Human Rights

CORPORATE PILLAR MEMBER ANNUAL REPORT 2024

INTRODUCTION

Gemfields is pleased to set out in this Annual Report its efforts to implement the Voluntary Principles on Security and Human Rights during 2024, thereby updating the Voluntary Principles Initiative and its Corporate Pillar Members of key events, initiatives and actions taken by Gemfields in this important area.

This is Gemfields' second report to the VPI since being admitted as a full member of the Corporate Pillar of the VPI in May 2023, and Gemfields is pleased to have joined this community of companies, civil society organisations and governments seeking to advance the Voluntary Principles on Security and Human Rights (“**VPSHR**”) in often challenging circumstances.

Gemfields' two key operations are its ruby mine in Montepuez, Mozambique (known as Montepuez Ruby Mining Limitada or “**MRM**”), and its emerald mine in the Zambian Copper Belt (known as Kagem Mining Limited, or “**Kagem**”). For a more in-depth look at Gemfields' corporate structure and other exploratory licences, please see Gemfields' VPI Engaged Company Report 2021.

COMMITMENT TO THE VOLUNTARY PRINCIPLES

Gemfields' statement of commitment

Senior management at Gemfields – comprising Sean Gilbertson (CEO), David Lovett (CFO), the Mozambique and Zambia Country Managing Directors, Toby Hewitt (Group Legal and Corporate Affairs Director, and Company Secretary), Edward Johnson (Corporate Responsibility Director), Magnus Van Der Merwe (Group Director, Protection Services), among many others – are both aware of and committed to the VPSHRs, their implementation and Gemfields' ongoing work with the VPI. There is a top-down approach in this regard, and we seek to have this commitment replicated throughout the operations.

We reiterate our core three principles in relation to the implementation of security and human rights:

1. To respect human rights by promoting compliance and transparency.
2. To take a human rights-focussed approach to risk at the operations and in the communities where Gemfields operates; and provide access to remedy where required.
3. To provide appropriate and proportional security at the operations without adversely impacting the human rights of our personnel or of the communities surrounding our operations.

Gemfields is committed to complying with the overarching principles of the Universal Declaration on Human Rights (“**UDHR**”), the VPSHR and United Nations Guiding Principles on Business and Human Rights (“**UNGPs**”). Gemfields's commitment extends to raising awareness of human rights, and to sharing its knowledge and experiences with interested parties and stakeholders, as well as disseminating this commitment throughout its operations.

In addition, membership of the VPI and promotion of the VPSHRs were incorporated as part of Gemfields' key performance indicators as part of its overall ESG strategy, reinforcing Gemfields' commitment continually to strive to ingrain the VPSHRs in its overall business journey. A public statement of this commitment, including with reference to the VPSHR, can be found on Gemfields' website at: <https://gemfields.com/sustainability/our-approach/>

Gemfields further communicates its commitment to the VPI and the VPSHRs in both its public communications in open forums such as workshops, as well as in private communications with various stakeholders. Stakeholder initiatives and industry standards which Gemfields participates in such as VPI are included in materials used when engaging with new and existing stakeholders. An example of external promotion of our commitment and work on the VPSHRs was the session in May 24 at the 2024 OECD Forum on Responsible Mineral Supply Chains in Paris, where Edward Johnson alongside VPI's Head of Secretariat Mora Johnson and other panellists spoke to managing local security issues in line with the VPSHRs.

Engagement in the VPI

Among others, Gemfields has participated in the following VPI events:

- Edward Johnson, Gemfields' Corporate Responsibility Director, and Ernesto Macamo, Country Aerial Surveillance Manager, attended the VPI Plenary in Washington from 14–17 May 2024. Ernesto Macamo joined a peer learning panel session on Innovative Practices and talked about MRM's use of drones.
- On 17 September 2024, Magnus Van Der Merwe, Group Director Protection Services, attended the 11th Mozambique VPSHR Workshop in Maputo, facilitated by DCAF and CDD, who act as secretariat for the National and Regional Workshops. At the Workshop the Mozambican Government's membership of the Voluntary Principles Initiative was discussed.
- On 7 October 2024, Gemfields virtually attended the UK Working Group meeting on the Voluntary Principles hosted by the Foreign, Commonwealth and Development Office (FCDO) in London. The event was a roundtable discussion hosted by Paul Smith (Head of Responsible Extractives, FCDO) and Joan Fontaine (Multilateral & Human Rights Directorate, FCDO).
- Between 8-10 October 2024, Magnus Van Der Merwe attended the 3rd African Business and Human Rights Forum in Nairobi, Kenya. Mr Van Der Merwe presented on the security and risk management measures implemented at MRM, including the use of body cameras and drones.

- Gemfields is committed to working with other VPI members to share such information (where possible) to foster greater understanding and shared experience as it relates to the VPSHRs.

Promotion of the VPSHRs

Gemfields is keen to take the opportunity to promote the VPSHRs and raise awareness of the same both internally and externally. Gemfields works with various NGOs and civil society organisations to promote the VPSHRs, such as the CDD, which is an organisation headquartered in Maputo, Mozambique, working to promote human rights advocacy including defending justice, equality, and dignity for everyone.

Gemfields has attended a number of VPI meetings throughout 2024 in which Gemfields has expressed its support for Mozambique’s application to become a VPI Government member, so that the country can continue its ongoing VPSHR journey, noting the many complex issues currently facing the country and which impact upon the Mozambican mining sector.

POLICIES, PROCEDURES AND RELATED ACTIVITIES

Policies and procedures

At a corporate level, the VPSHRs are enshrined into the Gemfields Group Policy Manual and Standard Operating Procedures (the “**GPM**”), which is the Group-wide document setting out the policies and procedures applicable to the whole business. Within the GPM, the Gemfields Group Human Rights Policy sets out the key obligations in relation to respecting the UDHR and security being appropriate and proportionate to threat. Underscoring Gemfields’ commitment to promoting compliance with the VPSHR throughout the organisation, one of the primary policy obligations is to:

“Promote respect and understanding for human rights across the entire organisation by providing training to employees, trainees, interns and public security force personnel on human rights and the Voluntary Principles on Security and Human Rights (“VPSHR”).”

The GPM includes the Gemfields Group Human Rights Incident Reporting & Investigations Policy, which clearly sets out that all protection service officers and contractors are responsible for the mandatory reporting of allegations of human rights violations immediately through their chain of command, and that failure to report a violation or suspected violation will result in disciplinary action.

The policy sets out the reporting chain of command and timeline. Reports are to be made immediately from patrol or security personnel, and can be made verbally, or via Gemfields’ QUORI reporting system, SMS, mobile, or radio. The immediate report must be submitted as soon as it is safe to do so, or at the latest by the end of a patrol/shift. Within no more than 12 hours, the immediate report must be made into a formal initial written report (email or standard project incident report format) and sent to the Project Head Protection Services, who will submit an initial report on Gemfields’ internal “G-Trac” system. The Project Head Protection Services will request an investigation into any alleged incident involving, among other things, the use of

force, the discharge of a weapon, or any violations of human rights. An investigation then needs to be conducted in accordance with procedure.

Other key policies in the “*Security and Human Rights*” section include:

- Gemfields Group Artisanal Mining Policy
- Gemfields Group Protection Services Policy
- MRM Guard Posting Procedure
- Gemfields Group Patrols, Apprehension & Detention Policy
- Gemfields Group Use of Force Policy & Graduated Force Response
- Kagem Safe Handling and Storage of Company Firearms
- Kagem Use of Firearms and Live Ammunition Procedure
- Gemfields Group Use of Canines (K9) Policy
- Gemfields Group Body-Worn Security Recording Devices (Bodycams) Policy

Security structure

Gemfields operates the following levels of security as its main operations:

- Internal security, who are employed under a contract of employment (referred to as “*Protection Services*”). Internal security are not armed i.e. they do not carry firearms (or any type of arms).
- Private security contractors, who are contracted to assist Protection Services with security operations (currently GardaWorld).
- Public security forces, provided by the relevant Government to support the rule of law in Mozambique.

Police lead Protection Services and GardaWorld on joint patrols inside of the concessions. Police, being representatives of the state, act on the state’s behalf and do not take instructions from MRM, Kagem (or the relevant Group entity, as appropriate) or GardaWorld. The police are responsible for making any arrests.

Generally, at Gemfields’ exploration sites, limited numbers of private security contractors are used in a static guarding capacity only. Protection Services may provide ad-hoc additional support to exploration sites but, largely, exploration sites do not have dedicated contracted Protection Services personnel. Management oversight from the main operations is provided to exploration sites via private security contracting arrangements.

Risk management and assessment

Gemfields continues to use the Gemfields Enterprise Risk Management System (“**GERMS**”), based on the ISO31000 international risk management standard, which is set out in more detail in Gemfields’ Engaged Company Implementation Plan Report. This involves the use of a register in which various risks are categorised and overseen by a specific individual, such as HOD Protection Services, Group Director Protection Services, Head of Risk and Assurance, and others. The GERMS is stored on Gemfields’ internal “G-Trac” system, and key risks are reported to the Gemfields Group Risk Council which monitors the Group’s overall risks. The Risk Council

reports into the Gemfields Group Audit Committee and thence to the full Gemfields Group Board.

Anuera, a third-party risk management organisation who provides training, investigatory and advisory services to the Group, assists Gemfields in its assessment of risks as part of Anuera's overall engagement with Gemfields' operations in Mozambique and Zambia. Anuera plays a key role in Gemfields' implementation of the VPSHRs, conducting, where required, independent investigations into sensitive VPSHR matters arising, engaging with Protection Services teams on security issues and advising both the operations and at the Group level as needed.

In recent months, Gemfields has been working on creating a Human Rights, Security & Conflict Management System. As part of this process, a refreshed risk assessment exercise, for Gemfields' operations in Mozambique was conducted, focusing on conflict and security. The risks and implementation of mitigations will be monitored on an ongoing basis through the GERMS.

The focus on human rights due diligence (“**HRDD**”) is part of a continual journey to ensure that Gemfields' processes and procedures are commensurate to the evolving risks it faces as a business and in light of evolving operational circumstances, the changing regulatory landscape and changing expectations in the sector. While HRDD has already been an expectation of the UNGPs and is an important part of implementing the VPSHRs, Gemfields is aware that in recent years, there has been a rise in legislation requiring HRDD, particularly in Europe, which adopt the approach to HRDD set out in the UNGPs. This includes the Corporate Sustainability Due Diligence Directive (“**CSDDD**”) which will apply to certain companies incorporated in or operating in the EU. Even if Gemfields is not caught directly within the scope of such legislation, many of Gemfields' downstream customers will be. Companies that fall within the scope of CSDDD will be required to identify actual and potential adverse human rights impacts not only in their own operations but also in upstream and downstream business partners.

Additionally, HRDD is a key part of MRM's efforts towards aligning with the responsible mining standard promoted by the Initiative for Responsible Mining Assurance (“**IRMA**”). The standard is divided in 24 thematic ‘chapters’, including a dedicated chapter for HRDD work, and intersecting HRDD related requirements across a host of parallel chapters – including security, conflict-affected and high-risk areas (“**CAHRA**”), grievance mechanisms, community engagement and beyond. At its core, across these criteria and chapters, IRMA seeks to support the establishment of a robust HRDD risk management system including, amongst others, proactive human rights risk assessments and annual risk-management plans. Gemfields and MRM are working towards starting an independent audit by IRMA-accredited auditors to enable verification against IRMA's Responsible Mining Standard within 2025.

Engagement with Security Forces

Reporting security incidents with human rights implications

Gemfields' clear and consistent policy, as set out in the GPM mentioned above, is that:

“all security personnel (in-house, private or public) are required to report human rights violations in accordance with the Group’s Grievance, Incident & Near Miss reporting Policy. This includes both human rights violations that have been witnessed first-hand, and credible and evidenced allegations of human rights violations.”

All “Grievances, Incidents, Near-Misses and Accidents” (“**GINAs**”) are uploaded to Gemfields’ internal system “G-Trac” to be reviewed and addressed by the relevant individual.

In terms of public security, in both Zambia and Mozambique, Gemfields has open lines of communication with the relevant commissioners, police forces, and military officials such that should any issues arise, reports can be made accordingly.

In Mozambique, these are highlighted to the Provincial Police Commander in Pemba. In Zambia, these are highlighted to the Kanfinsa Commander, or, if needed, the Police Commissioner in Ndola. Once referred, they will take the necessary disciplinary actions as Gemfields does not have jurisdiction over public security forces. As police forces and the respective Police Commanders are on site and open lines of communication are established in regular meetings where commanders are present, cases are discussed in person and followed up. For example, there is a daily morning meeting at both Kagem and MRM attended by internal security, the commanders of the public security forces and the managers of private security contractors, to discuss any incidents from the prior 24 hours and any possible or expected risks in the coming 24 hours, including specifically in relation to VPSHR risks.

Additionally, when MRM requested military assistance and resource from the FADM in Mozambique to assist in protecting against the insurgency, MRM provided VPSHR training to FADM personnel immediately upon their arrival on site. Similarly, when special police operations are required at MRM, additional VPSHR training is then provided to the police forces prior to the operation. Kagem has not yet had instances where this has been necessary, but would follow the same protocol should that arise.

Procedure for incorporating VPSHRs into relationship with security providers

GardaWorld have been providing private security services to MRM since 2020 and Kagem since 2022 (as well as other Gemfields Group concession areas), and there have been no material changes to the procedure for engaging private security services during that time. Gemfields requires GardaWorld’s compliance with, amongst many others, the VPSHRs, the UDHR, and the Rules for the Use of Force, and to provide regular training to its personnel on the same. GardaWorld is a member of the VPI.

Gemfields also seeks to take appropriate steps in its relationship with private security providers in response to the evolving threats and risks it faces. For example, as a result of the worrying escalation of the insurgency throughout 2024, MRM needed to request that GardaWorld station an additional twelve armed guards on site. The guards were specifically selected and, in addition to the usual criminal background checks, were subjected to polygraph examinations where the focus of questioning was on the involvement in human right abuses.

However, issues in relation to the conduct of private security contractor officers must be reported to the contractor for appropriate disciplinary action, as was the case in certain instances in 2024 resulting in illegal miner injury at MRM. MRM emphasised to the contractor the importance of their VPSHR obligations, requesting confirmation that the relevant officers were removed from

MRM's concession, and that disciplinary action was taken, along with requesting further training and enhanced record-keeping and reporting procedures.

The Memoranda of Understanding between MRM and the Mozambican Police (although the latest renewal has not been signed by the Mozambican Police), and Kagem and the Zambian Police, respectively, contain clauses requiring VPSHR compliance.

Routine training on VPSHR, the UNGPs and anti-sexual and gender-based violence (“**SGBV**”) and human rights more generally is provided to employees at our operations, as well as to public security forces. During the last quarter of 2024, enhanced VPSHR training was provided to internal security and public security forces. The main focus of the training was managing and resolving conflict in interactions with illegal miners and reinforcing the principles on the use of force. Gemfields does not train GardaWorld employees, but requires GardaWorld to provide us with proof of training.

The below tables outline our training statistics at MRM and Kagem:

Montepuez Ruby Mining

HR/VPSHR	MRM												
	2024												
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
General staff	30	21	53	26	29	43	38	105	68	96	73	11	593
Protection Services	0	0	4	0	16	5	1	14	196	0	2	1	239
Public security	61	0	76	0	0	70	0	0	0	43	0	47	297
Total training contact points	91	21	133	26	45	118	39	119	264	139	75	59	1129

SGBV	MRM												
	2024												
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
General staff	9	56	0	0	0	0	0	0	48	96	73	11	293
Protection Services	6	2	0	0	15	0	0	0	1	0	2	1	27
Public security	0	0	0	0	70	0	0	0	0	43	0	0	113
Total training contact points	15	58	0	0	15	70	0	0	49	139	75	12	433

Kagem Mining Limited

HR/VPSHR	Zambia												
	2024												
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
General staff	0	0	4	3	0	79	89	16	1	0	0	2	194
Protection Services	19	10	158	13	0	0	91	24	7	0	78	38	438
Public security	0	0	0	11	0	9	0	9	18	0	54	0	101
Total training contact points	19	10	162	27	0	88	180	49	26	0	132	40	733

To give some context to the wider intervals between VPSHR training provided to public security forces at Kagem as compared with MRM, public security force engagements were more frequent at MRM than at Kagem and so training levels provided followed accordingly.

Training includes clear messaging on the VPSHRs and the UNGPs. Additionally, employees and others working at the operations are also aware of the purpose of the OGMs, namely to provide remedy to communities for any negative human rights impacts caused by Gemfields' operations. One of the perhaps unintended consequences of Gemfields' strong messaging on this is that security forces have in some instances reported that they are hesitant to use force in response to often very significant violence shown to them by, for example, illegal miners. This is because of the extensive training on the need to respect the human rights of the illegal miners and for fear of being found to be in breach of human rights policies. Gemfields has provided training on the appropriate use of force, per the Gemfields Group Use of Force & Graduated Force Response Policy, but additional training was provided by Human Level in 2023 (the human rights consultancy, led by the pre-eminent Anna Triponel) in light of this concern.

Investigation and remediation of security / human rights incidents by public and private security

The above notwithstanding, there have also regrettably been incidents where the conduct of security personnel has on occasion fallen short of that expected of them under their human rights obligations (including under the VPSHRs), in response to the alarming increase in violent and large-scale illegal miner intrusions on to the MRM concession. Typically, in response to such an incident, Gemfields would instruct Anuera to conduct an independent investigation into any alleged misconduct, require the immediate removal of any offending personnel, and formally reiterate our standards and zero-tolerance approach whilst reviewing contractual arrangements. Gemfields would follow up on any lessons learned and implement any necessary enhanced training to prevent such incidents occurring again.

Operational Grievance Mechanisms

Both MRM and Kagem operate Operational Grievance Mechanisms (“**OGM**”) in order to investigate and remedy any alleged negative human rights impacts on local communities caused by the operations’ activities.

MRM OGM

As outlined in previous reports, the MRM OGM (OGM 1.0) launched on the 4 February 2021 following a public awareness campaign and the completion of a pilot phase. The OGM had an initial mandate of two years. This timeframe was built in to provide an opportunity for reflection on the effectiveness of the system. In February 2023, the OGM reached this two-year milestone and MRM accordingly conducted a review of the functioning of the OGM in conjunction with external human rights expert advisory firm, Human Level. This resulted in the creation of a new re-modelled OGM (“**OGM 2.0**”) accepting grievances where the alleged harm occurred on or after 1 January 2019. An amendment was subsequently made to the OGM protocol such that grievances must be brought within a certain limitation period, to help encourage timely reporting and investigation. There are extensions available for certain types of complaint or categories of grievances. More information on the development of OGM 2.0 and the transition from OGM 1.0 to OGM 2.0 can be found in Gemfields VPI Annual Report 2023.

From the launch of OGM 2.0 to the end of 2024, 2736 grievances were received, of which 904 were in scope and proceeded to investigation. Where following investigation the alleged incident and negative human rights impact(s) are likely to have happened the case is referred to mediation with the intention of exploring options of remedy. 126 cases have been mediated, in which 77 have been awarded remedy. Non-financial compensation is prioritised through the provision of remedies in kind.

Kagem OGM

The Kagem OGM was set up in November 2022 and formally launched in March 2023 with a public awareness campaign, for communities nearby the Kagem Emerald Mine, intending to be run in accordance with the UNGPs. Its structure results from significant stakeholder engagement, including with local community members, learnings from other OGMs and input from human rights experts, in particular Human Level.

The Kagem OGM takes a mediation-based approach with all claims sought to be resolved through dialogue and mediation. This differs from the MRM OGM 1.0, which was an adjudication-based process, and is similar to what has been implemented in MRM OGM 2.0

As at the end of 2024, the OGM had received 1,062 “contacts” via its various access points, being the toll-free line, grievances boxes and walk-ins (with the toll-free line also being used for the administration of an unrelated community travel fund which, for completeness, also received around 1,000 contacts to make use of the fund). The majority of these OGM contacts related to requests for employment, community support, financial and personal support, updates on current projects or non-OGM topics, and therefore did not proceed to investigation/mediation as they

were not with the scope of the OGM. The OGM received 149 grievances – that is, claims that relate to alleged negative human rights impacts connected to Gemfields and its operations. Of these, 144 had been closed with remedy being awarded in 1 case. The remaining 5 open cases were still proceeding through the OGM process, including by some referrals to the OGM’s Independent Ombudsboddy for further investigation and mediation.

The OGM’s Independent Monitor, Jonathan Drimmer, completed his first independent monitoring visit to Kagem in June 2024, and his public report on the OGM’s progress is available on Gemfields’ website: (<https://www.gemfieldsgroup.com/assets/kagem-mining-limited-emerald-mines/>)

COUNTRY IMPLEMENTATION – MOZAMBIQUE AND ZAMBIA

Many of the topics covered in the Country Implementation section of the Reporting Guidelines have already been covered above where appropriate, but Gemfields wanted to take this opportunity to outline some of the country-specific challenges it has faced in Mozambique in particular. Such issues as outlined below have led to the formation of a Working Group comprising Gemfields and MRM representatives and representatives from the Mozambican Government.

First, the insurgency in Cabo Delgado has proved extremely challenging and a source of significant concern for all those at MRM, and Gemfields more widely, as the protection and safety of personnel and assets are paramount. MRM deeply appreciates the presence of the Mozambican military (FADM) at MRM to assist in protecting against the risk posed by the insurgency, and is keen to ensure that protection is at all times sufficient. Gemfields notes that there is currently no MoU in place with FADM. Gemfields and MRM are actively engaging the Ministry of Defence to conclude an MoU. The purpose being to provide vital reassurance as to the Government’s commitment to the security of Gemfields’ people and assets in Mozambique whilst also recognising the necessity of respect for human rights via the application of the VPSHR.

Early on the morning of 2 February 2024, a suspected scout for the insurgents was apprehended by the FADM whilst trying to climb the hill where the FADM contingent was deployed.

In relation to the insurgency, there is also significant concern that insurgents have and will seek to infiltrate the districts where we operate by posing as illegal miners or participating in illegal mining to finance the insurgency.

Illegal miners and trespassers present a serious concern at the Mozambican operations. For context, between 800 and 1,200 illegal miners/trespassers are currently recorded at the Mozambican operations on a daily basis. At MRM over the course of 2024, there has been a significant increase in organised, large-scale groups of illegal miners intruding onto MRM’s license areas, with some entering active mining pits climbing on machinery and threatening MRM operational personnel. This situation poses significant risks to Company assets, employees, contractors, community members, and the illegal miners themselves. Illegal mining is extremely dangerous due to the unconsolidated gravel nature of the deposits in Mozambique. For example, in 2024, there were four illegal miner deaths due to illegal miner pit collapses. MRM continues to address this issue through ongoing education and communication with local communities about the dangers of illegal mining, collaboration with authorities, and the implementation of enhanced

security measures to reduce the presence of illegal miners and trespassers. It is clear, though, that more needs to be done. Efforts are ongoing to engage with the newly appointed Minister of Mineral Resources and Energy, Estevão Pale, and others in Government, to address the issue of illegal mining and the illegal syndicates who support it.

The political turmoil, resulting from the disputed Presidential Election in Mozambique, also proved challenging, particularly during December 2024 when, in the areas surrounding MRM, groups associated with the illegal mining and trading of rubies took advantage of the political unrest. This included a large protest, where more than 200 persons staged an attempt to invade the MRM Village forcing an evacuation from the MRM Village. Tragically, two individuals staging the attempt on the MRM Village were shot, subsequently taken to the Montepuez district hospital and declared dead. During the protest, there was significant damage and looting caused by the protestors to a number of community facilities established by MRM including the MRM OGM office, the MRM community centre; and the community radio centre built by MRM. Further information can be found on the Gemfields Group website.

As part of Gemfields' ongoing commitment to transparency in relation to major incidents, MRM sent media advisories to local media and Mozambican dignitaries to inform them of incidents occurring on the concession. In 2024, this included, in relation to illegal miners, one death by drowning, and three deaths by gunshot.

In relation to the risks posed by illegal miner and trespasser presence, efforts are ongoing to engage the authorities both at provincial and federal levels with the request that action be taken against those who are financing, facilitating and encouraging the illegal trade in Mozambican rubies. MRM has been pushing for urgent and effective measures to be taken to improve the civilian law enforcement apparatus in the area and have made a number of representations to the Government concerning our suggestion to reduce illegal mining and trading by amending the mining law to close the current loopholes which are being exploited by the often-foreign ruby smuggling syndicates and which currently make it lawful to export stolen and illegally mined rubies. MRM would like to see it be made illegal for any party to export a rough, uncut, ruby unless that party is the holder of a valid ruby mining concession under the terms of the Mining Law, promulgating clear advantages to the people of Mozambique of such a change of law.

Gemfields is conscious that much of this VPI Annual Report cover matters in Mozambique, with a lesser focus on operations in Zambia. The situation in Mozambique remains much more complex and challenging for Gemfields than that in Zambia, particularly as it relates to VPSHR issues given the twin threats in Mozambique of the insurgency and increased illegal mining. However, Kagem is not without its challenges in respect of illegal mining and Kagem's efforts in implementing the VPSHR in Zambia are set out above. Kagem is pursuing a number of projects in the local communities aimed at addressing some of the underlying issues associated with illegal mining, with a view to improving the lives of the communities and Kagem's community relations.